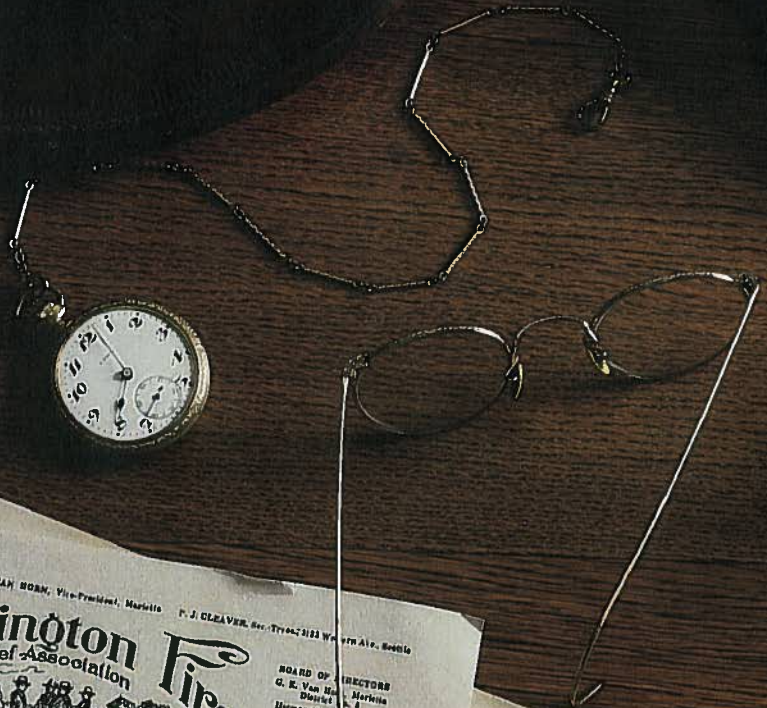


CELEBRATING ONE HUNDRED YEARS OF SERVICE

INSURED



**Washington Fire Relief Association**

G. E. VAN NOAN, Vice-President, Marietta F. J. CLEAVER, Sec. - Treas. 2122 Western Ave., Seattle

**BOARD OF DIRECTORS**

G. E. Van Noan, District No. 1	Marlette
Thomas Steele, District No. 2	Monroe
Geo. Tridwell, District No. 3	Monroe
L. B. Stevenson, District No. 4	Monroe
Charles Reed, District No. 5	Monroe
C. A. Swisher, District No. 6	Monroe
Chas. Condit, District No. 7	Monroe
Chas. Reed, District No. 8	Monroe
Chas. Reed, District No. 9	Monroe
Chas. Reed, District No. 10	Monroe

COOPERATION FOR PROTECTION

DIRECTOR'S OFFICE

In the matter of the matter of Cal. outside of Cal. moved by Rev. members who adjoining Cal. of Pettit, sec. that the matter in action - during the matter

Argument Hotel S. F.

At a meeting of the **WASHINGTON FIRE RELIEF ASSOCIATION** 1924.

present: J. L. Pettit, Sec. after the and fully compared the members books and then to agree

**1894 ★ 100 YEARS OF SERVICE ★ 1994**

JOURNAL OF PROCEEDINGS  
SIXTH ANNUAL SESSION  
-OF THE-  
on State Grange,  
-OF THE-  
Wash.

Patrons of Husbandry.  
-HELD AT-  
NORTH PLAIN, WASH.,

50

Stewart Ag... 8 0  
of loyal... the  
very radical  
member to...  
the Assoc...  
a... of gro...  
info... the so...  
0... is in...  
it... very...  
more... bus...  
who... Grang...  
Grang...  
custo...  
0...  
a plan...  
propo...  
custo...  
100...  
by Va...





*In April, 1994, the Grange Insurance Association celebrates its centennial year. Throughout the past one hundred years, the Association has held fast to its commitment to meeting the special needs of families in "Main Street" towns and farm communities across its service area. It's this understanding and appreciation of rural America that has always been the heart and soul of the Grange Insurance Association. This book is dedicated to all the special people, past and present, whose cumulative efforts have fueled the growth and development of this truly unique organization.*



## A HISTORY - THE EARLY YEARS



Summer was breaking through in the little town of White Salmon, Washington. It

was June of 1893, and the first Master of the Washington State Grange, D. L. Russell, called for the formation of a fire insurance company to serve the needs of Washington Grange members. A committee met the following month in the new Jewett barn in White Salmon to draft a constitution and by-laws, agreeing that the company should be known as the Washington Fire Relief Association. When applications for \$100,000 in face amount insurance had been received, the committee would elect a Board of Directors and issue the policies.

The first Board meeting was held in April, 1894, and the Association was organized as a loss assessment company. Other than a small policy issuance fee, member policyholders were assessed only to pay losses as they occurred. By the time of this first meeting the Association had recorded

receipts of \$184.29 and expenditures of \$118.15. Since things were clearly on a positive trend, the Board felt it appropriate to allow itself a per diem of \$2.00 a day while attending meetings, plus travel expenses of about \$3.00.

During the next Board meeting, in December of 1894, it was noted that 146 insurance policies were now in force, insuring property valued at \$120,300. The first losses had also been recorded. Albert Cavitt of Fern Prairie had lost his barn and its contents during the month of June, and the same fate befell J. R. Warner of

White Salmon in July.

The Association successfully completed its first year of operations with money in the bank: \$65.62 to be precise. The Board's final act at the meeting was to allow the Secretary \$50.00 for his services during the year. By 1903 the assets of the Association had so improved (to \$1220.09) that the Secretary's compensation was increased to \$100.00 per year. The President's annual compensation remained at \$25.00.

*In this hall, the architectural gem of LaCamas in its day, the Washington State Grange was born on September 10, 1889. The building, built in 1885, was by far the finest building in town.*



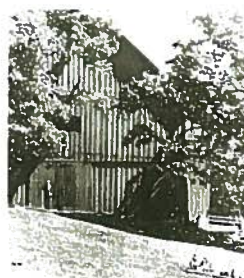
*The original journal of the proceedings of the fifth annual session of the Washington State Grange. This journal contains the original motion calling for the formation of a fire insurance company.*

*The first committee meeting was held in the Jewett barn, in White Salmon on July 6, 1893. Here the constitution and by-laws were drafted and the Washington Fire Relief Association was born.*

*At the first Board meeting on April 19, 1894, D. L. Russell, Master of the Washington State Grange, was elected President of the Fire Relief Association. Russell held this position until 1907.*

*August High was elected to the position of Secretary at the first Board meeting in 1894. High, who became the second Master of the Washington State Grange, was Secretary until 1907.*

1893



1894



# WWI & THE ROARING TWENTIES



The Association prospered during the years prior to World War I. By 1912, with almost \$4,000,000 of insurance in force, President

H. W. Eldred of Ellensburg enthusiastically came forth with the following report:

*"To the Great Architect of the Universe are due our thanks for a degree of prosperity crowning our beloved institution in this state such as it had not known for many years. From every corner of the state came reports of a marked and healthy increase in numbers, of brotherly love, relief and truth more manifest in good works and kindly words and acts, and to crown all, hope walks by our side and all things indicate that these months are but the dawn of a bright day that lies before."*

Under Eldred's dedicated leadership the Association was achieving significant momentum. Agents were recognized in 1913: they were allowed a fee of 5% for collecting and forwarding

assessments.

For reasons unknown, the minutes of the meetings were replaced by brief notes between 1917 and 1919, and WWI's impact on the Association went unrecorded.

During the meeting of 1921 the Association faced the realities of the roaring twenties for the first time, unanimously deciding that "no insurance be carried, hereafter, on halls which are used primarily for dancing purposes." One member from Olympia had over-insured his house and was subsequently convicted of bootlegging; his insurance was cancelled.

1923 saw hard times on the farm, and Secretary E. T. Huntting of Silver Creek reported that "Considering the condition of farmers as a whole, we are in far better condition than for several years past. As you know, many are leaving farms, and scarcely a week passes that I do not get one or more moved away, left no address, or sold out, so we have many of these to cancel. I think that fully 15% of our policies have a mortgage clause in favor of the Federal Land Bank attached, besides many other mortgages to other parties."

Heavy fire losses were encoun-

tered in late 1928. On one occasion, when the Fire Department of Silver Lake Road went into action and successfully prevented one particularly large loss, the Association sent them a somewhat special award: a check for \$25 and a box of cigars. The Board also authorized, for the first time, the employment of an inspector (total cost not to exceed \$3000 per year including travel) to visit and examine doubtful risks to determine their insurability.

*The Washington State Grange headquarters were located in this building, on Weller Street, in the early 1930s State Master Goss and the Grange Cooperative Wholesale also had offices here. The location is now in the middle of Interstate 5.*



*C. E. Flint, State Grange Overseer from 1915-1916, was elected to the position of Secretary in 1917. Flint, from the Haynie Grange in Whatcom County, only kept brief notes during WWI, leaving much of the war's impact on the Association unknown.*

*In September, 1921, at a special Board meeting, F. A. Hodges of Pullman was elected President. Hodges held the position until 1929, when he was replaced by Charles F. Keiser.*

*E. T. Huntting, of Silver Creek, was elected Secretary in June of 1922. In 1924 the offices of the Secretary and the Treasurer were consolidated, and the salary set at \$1800 per year.*

*A special assessment form from the office of Secretary C. E. Flint. Flint's office was located in Blaine, Washington.*

1917



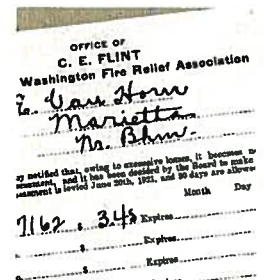
1921



1922



1928





# THE DEPRESSION YEARS

Shortly before the great depression, in June, 1929, Charles F. Keiser was elected President, a post he was to hold until June, 1954. The first permanent office space was secured at 527 Kulien Building, Seattle, and in 1931 the first full time employee of the Association, Helen Cronhagen, was hired. She retired in 1977, after a long and distinguished career.

Because of heavy losses and difficulty in collecting assessments during the depression, the Association faced a financial crisis in 1931: The Federal Land Bank demanded \$8000 to settle losses on properties they had mortgaged. Fortunately a Chehalis bank came to the rescue with an \$8000 loan, but each director and his wife was required to co-sign, pledging their personal assets as added security. With the help of a special policy assessment, the loan was eventually repaid. As the great depression wore on, the Board found it necessary to increase assessments and reduce salaries, and directors' fees were cut to \$3.50 per day.

By 1933, agents were being compensated \$2.00 for each policy written. The Association authorized the writing of fire insurance on grain

before and after harvesting, and the Association and the Washington State Grange agreed to participate in building a headquarters at 3104 Western Avenue, Seattle. Dedicated in 1935, it served as State Grange headquarters until the early '90s.

As the depression abated, the Association once again prospered, with premiums doubling between 1932 and 1935. The employee group had grown as well, with a furniture inventory totaling \$1201: 6 desks, 6 typewriters, 1 adding machine, 1 check writer, 1 coat rack, and 3 venetian blinds. The Association was now called the Grange Fire Insurance Association.

The 1930s drew to a close with \$25,000,000 of insurance in force, and the Association, as it always had, made appropriate adjustments to items that are now reminiscent of its agrarian

past. A rate for farm blacksmith shops was added (50¢ per \$100 of insurance, provided there was a properly fitted hood over the forge). The special rate class for player pianos was eliminated, but the rate book continued to carry the rule that use of a steam thresher wouldn't invalidate insurance on adjacent buildings "if a least 5 pails of water are kept at hand and ladders for use in case of fire."

*A meeting of the Executive Directors of the Fire Insurance Association at the new Washington State Grange headquarters on Western Avenue. (From the left: G. E. Van Horn, Vice President; C. F. Keiser, President; Fred Hodges; P. J. Cleaver, Secretary.)*



*G. E. Van Horn, pictured here in the late 1930's, served as Vice president throughout the 1930's until he was succeeded on the Board by his son, William J. Van Horn in 1946.*



*Charles F. Keiser was elected President in June, 1929, just prior to the Depression. He held the post until he was replaced by Burton L. Barnard in 1954. Keiser who had sat on the Board since 1919, was elected to Vice President upon his replacement by Barnard.*

*Keiser, shortly after being elected President, worked with State Master Goss to secure an office for the State Grange and the Association. Space was chosen at the Kulien Building in Seattle. (Shown here are Bernice M. Dibble, the first secretary hired and P. J. Cleaver.)*

*Helen Cronhagen, the Association's first full time employee, was hired in 1931. Miss Cronhagen, later to become Helen Farrell, ended her long distinguished career in 1977, after 46 years of dedicated service to the Association.*

*In 1933 the Association entered into an agreement with the Washington State Grange to build a joint headquarters in Seattle, at 3104 Western Avenue. The new headquarters, dedicated in 1935, served as State Grange headquarters until its move to Olympia in the early '90s.*

1929



1930



1931



1933



# WORLD WAR II & THE FORTIES



An Executive Committee meeting was held in January, 1942, to plan for contingencies during the war. The Committee placed several

ads in the Grange News to warn policy holders about the possibility of domestic sabotage, and also decided that if Frank McCartney, the sole male employee of draft age, were called to service, they would rearrange office responsibilities, "as it would be impossible to educate a man to take Frank's place during his absence."

During a meeting in 1943, the Committee apparently had a lively discussion about women agents. One director reported that they have worked out fairly satisfactorily," but another disagreed. All of the members found that the movement of people to industrial centers was affecting Grange membership in rural areas.

1944 was the Association's 50th anniversary, and with the introduction of crop hail insurance and auto insurance, the organization was now known as the Grange Insurance

Association. The first full coverage auto policy was taken by Wallace Birchill of Govan to cover his 1938 DeSoto. He paid \$12 annually for basic liability coverage, but for drivers in or near a city the rate jumped to \$17. Collision (with a \$25 deductible) was \$16 annually for a car less than 2 years old, and agents were somewhat handsomely rewarded at the rate of \$3.50 per policy.

By 1947 the lines of insurance were further expanded to include farm liability, and it was agreed that both radio-phonographs and sewing

machines could be insured up to \$100. Later that year the Articles of Incorporation were amended to include all lines of insurance except life and title, and these, with minor exceptions, are the lines offered today.

By 1948 it became apparent that office automation was the wave of the future, so Secretary McCartney was authorized to look into Remington calculating machines. McCartney, however decided against Remington, and instead recommended IBM equipment. The Board approved the purchase 1 numeric punch, 1 card sorter, and 1 accounting machine. The total rent was \$68 per month, and IBM promised delivery within 14 months.

The year was concluded by a visit from National Grange Master Goss, who recommended the formation of a Nationwide Grange insurance company. The Board agreed, and planning began.



The IBM room in 1949. Pictured here are a numeric punch and card sorter.

*Advertisement announcing to policy holders that they would be covered by losses from sabotage. However, the "war clause" absolved the company from paying losses caused by direct acts of war by military forces. (From the Grange News, April 4, 1942.)*

*Frank McCartney, Assistant Secretary, was the only male employee of draft age during WWII. McCartney, who would later serve as Secretary of the Washington State Grange from 1972 to 1987, committed decades of service to the Association.*

*This is the first application for auto insurance submitted by Wallace Burchill to cover his 1938 DeSoto. The Board at its June meeting had authorized the writing of auto insurance by a vote of 10 to 2.*

*1948 concluded by a visit by National Grange Master Goss, who recommended the formation of a Nationwide Grange Insurance Company, financed by all the regional companies. The Board agreed and began to draw up a plan.*

1942

## Sabotage

will not affect the coverage afforded by your Grange Fire Insurance policy. The "war clause" does not apply where fires are set in secret by enemy agents, and therefore you can recover losses due to this cause unless a direct act of sabotage by an enemy agent is proved.



1944

Written by \_\_\_\_\_

**GRANGE INSURANCE ASSOCIATION**

3184 Western Avenue Seattle 1, Washington

Applicant \_\_\_\_\_

Address \_\_\_\_\_ Rt. No. \_\_\_\_\_

Grange \_\_\_\_\_ No. \_\_\_\_\_

County in which car is usually located \_\_\_\_\_

Make A ☐ or B ☒

Age \_\_\_\_\_

Price of Insurance \_\_\_\_\_

President \_\_\_\_\_

1948





## THE 1950'S: A DECADE OF EXPANSION

The year 1950 saw the introduction of a curious little electric novelty called the television, which, it was decided, would be insured at 2/3rds cash value. The by-laws were revised so that insurance could be written in other states, and the directors agreed to devote 2% of net earnings to the Grange Youth Camp.

The 1950s were very significant years for the association. From a single-state company in 1949, it grew in the 1950s to a multi-line, multi-state, and multi-company organization doing business in Washington, Oregon, Minnesota, Wyoming, Montana, Idaho and Colorado.

1951 saw the Association's first investments in Farmers Home Administration loans, and in 1952 the Board anticipated environmental pollution problems by twenty years, deciding not to offer insurance on commercial fruit tree sprayers.

The Board also addressed the sensitive matter of an insured driver's age by agreeing, by a margin of one vote, that no new policies be accepted in which the driver was over 65. The hardy mountain folk of Wyoming and Montana, however would be acceptable up to age 75.

In June, 1954, B. L. Barnard of

Reardan, who had been a director since 1936, was elected President, with C. F. Keiser, who had been President since 1929 and a director since 1919, being elected Vice President. Keiser served as a director for 40 years, still an Association record.

Recognizing that marriage is a sobering affair, the Board in 1955 removed the youthful driver surcharge for married men under 23, and they also agreed not to offer commercial liability insurance, a decision that proved insightful in view of other insurers' subsequent product liability, environmental pollution, and asbestos-related losses. The Association did, however, reject an opportunity to buy 40 acres of vacant land in Bellevue for a new office site. The \$20,000 price seemed a bit too high.

Between 1956 and 1958 the Association acquired both the Mayflower Insurance Exchange and the Rocky Mountain Insurance Company of Great Falls, Montana. The two were merged into the Rocky Mountain Fire & Casualty Company, which by 1959 was writing \$2,500,000 in premiums. GIA's premium volume for the same year was just short of \$5,000,000. Just 10 years earlier, in 1949, it had totalled \$871,140.



(Top) Ground breaking for the Third Avenue addition, 1958.



(Bottom) Frank McCartney and an IBM sales representative examining a new model electronic calculator, mid-1950s.

*The third floor addition as photographed in 1950. The addition was financed with Association funds and was completed and occupied by late 1949.*

*In 1954, Burton L. Barnard was elected president. Barnard of Reardan, Washington had been a director since 1936 and held the Presidency until his untimely death in 1964.*

*In 1956, the Association acquired the Mayflower Insurance Exchange. The Exchange, formed in 1946, now to be known as the Mayflower Corporation was relocated to Third Avenue. In 1958, after lengthy discussion, the acquisition of the Rocky Mountain Fire & Casualty Co. was approved.*

*By 1958 both the Association and the Mayflower Corporation had been relocated to the Third Avenue offices. Proven inadequate by increasing business, plans were drawn up for a second and partial third floor addition to the existing one-story structure.*

1950



1954



1958





# THE SOARING SIXTIES



Extensive revisions of the By-laws were implemented by the Board in early 1960: regular Board meetings were increased to 4

per year; new officers were added and existing officer's duties were revised; and the Association's loss assessment feature was henceforward discontinued.

Maybe it was the changing times, but in any event it was noted during the 1960s that the incidence of fires in Grange Halls rented for public meetings fell markedly when the halls were used less often for public dances on Saturday night. Perhaps this bit of information was still fresh in their minds when the directors reconfirmed the long-standing policy that they would not insure any premises where intoxicating beverages were sold and consumed.

In October of 1962 Typhoon Freida struck the northwest, and \$700,000 in losses were incurred by Grange and Rocky Mountain. Although \$400,000 of their losses were covered by reinsurance, the Grange Mutual Insurance Company of Oregon, which had

also suffered heavily, was less fortunate. Having no reinsurance available, the Oregon company was left with a negative net worth. GIA was able to come to the rescue, purchasing their entire unearned premium reserve, and giving them enough funds to continue operations.

In 1964, the Board received authorization to do business in California, and by 1966, the Grange Insurance Association had 599 agents, 167 of which also represented Rocky Mountain.

Reflecting the attitudes of a less litigious time, the Board in September, 1967 considered and rejected an offer to buy directors and officers liability insurance. By 1969, the increasingly urban nature of GIA's business was recognized when special higher rates were established for cars driven more than 5 miles one-way to work or regularly used in business. The year was concluded by the directors agreeing to purchase the District Managers' contracts in most areas of Washington, substituting salaried personnel for the fee managers, and bringing to an end the system of agency management which had existed since 1894.

The decade came to a close with net premiums exceeding \$15,000,000, assets totaling just under \$17,000,000,

and a net worth of almost \$5,000,000.

*Sales Department meeting, 1962. (From left) Russ Lukens, Ken Kessler, B. L. Barnard, Karl Jaech, Del Chafe and Ralph Owen.*



*The Grange Insurance Association and the Rocky Mountain Fire & Casualty Company offices on Third Avenue several years after the second and third story addition. (Photo taken mid-1960s.)*

*Claims Department meeting, 1960. Seated from left to right, J.E. McElhaney and B. L. Barnard.*



*Association President, B. L. Barnard and Washington State Grange Master A. Lars Nelson examine a Grange Insurance homeowners policy.*



*B.L. Barnard, Association President, shows State Master A. Lars Nelson the first of the 250 signs made available for Washington Grange Insurance agents by the National Federation of Grange Insurance Companies.*



*The Board, upon the death of B.L. Barnard in October, 1964, elected William J. Van Horn of Marrietta to be President. Van Horn had succeeded his father on the Board in 1946.*



1960

1962

1963

1964



## THE SEVENTIES & EIGHTIES

Compared to the explosive growth and developmental peaks of previous years, the 1970s and 1980s might appear to have been rather stable, "business as usual" years, though the Association still experienced considerable gains in business.

President William J. Van Horn retired in 1970, and during the six years of his presidency the business of the Association had more than doubled. Premium discounts for compact cars were eliminated the same year, because experience had proven the cars to be more damageable in collisions and capable of producing more occupant injury. The Board also reviewed the rates for cubed hay, a new process, and concluded that the same fire insurance rates be applied as for baled or stacked hay.

Though in 1973 the headlines were dominated by the energy crisis, it was a good year on the farm, and grain insurance was increased to \$300 maximum per acre. It was additionally noted that GIA was now the ninth largest insurer of 1000 Washington state property/casualty companies and number one in crop insurance.

By 1976 the Board had agreed to do business in Nebraska, and GIA's total

premiums were approaching \$40,000,000. A severe windstorm in 1979 resulted in \$375,000 in property losses, and the Hood Canal Floating Bridge sank in the channel it traversed. It had not, fortunately, been insured by the Grange.

The impact of the eruption of Mount St. Helens in 1980 was pronounced and immediate, and GIA/RM ultimately paid over 386 claims, 2 of which were mountain cabins that had simply disappeared. In Western Washington an electric fence motor failed due to ash ingestion, causing a wandering milk cow to fall into a swimming pool, lacerating the cover. The damage was a covered peril, and happily the cow survived the ordeal.

In 1982 the Association moved to a new home office facility, but 1984

proved to be a difficult year, due to windstorm, freezing, and hail losses.

At the annual member's meeting of 1988, the President reported that A.M. Best had given the Association an A-(excellent) rating for the year, and the final years of the 1980s saw a windshatter endorsement for apples, multiple fires in drought ridden Shasta County, California, and the retirement of Dee McKern after 60 years of service with the company.

*The completed new home office facility below, as viewed looking north from Cedar Street. The facility, built by Peter Kiewit & Sons, Inc., was completed and occupied in January, 1982, after one year of construction.*



*Donald L. Wade of Naches, Washington, was elected President in 1984. He succeeded Earl Williams, who had been elected for a two year term following President McKern's retirement in 1982.*



*In June, 1970, President Van Horn retired after 6 years of dedicated service. Donald E. Morton of Lamont, Washington, who had been a director since 1960, was elected President. The eight years of his presidency would see assets and net worth more than triple.*

*Watching the operations of an IBM printer are Duane Shipman, comptroller; Ralph Owen, Executive Vice President; Ron Fulton, data processing manager; Donald Morton, President Grange Insurance Association.*

*Dee L. McKern was elected President in June, 1978. McKern of Rice, Washington, had originally been hired as an agent in 1931. In subsequent years he served as a crop adjuster and safety engineer. He was elected to the Board after his retirement in 1971.*

*Pictured below is Claude Riddle, Vice President, breaking ground for the new home office facility. The new facility, in planning stages since 1978, would include a four story structure adjoining Second and Third Avenue properties.*

1970



1978



1981





## THE '90S - A BRIGHT FUTURE

GIA entered the '90s with a continuing focus on its agricultural roots: In Washington state, for example, the company is still the leading writer of farmowners insurance, with 8,780 policies in force. But projections indicate that there will be 6% fewer farms by the year 2000, with only 2% of the U.S. population engaged in farming. To ensure growth, the company is currently exploring additional strategic directions that will supplement our core business in rural America.

We've already implemented a number of positive changes. We're now called the Grange Insurance Group, and we've commissioned a new corporate identity program designed to portray a new company image, one that more clearly conveys our focus on meeting the needs of both current and potential clientele. We've also put into place a number of operational changes that will streamline processes and procedures, and we're using technology to help improve our efficiency.

Some things, however, will never change. The Grange Insurance Group will always recognize that our core clients are special people with special needs, and our driving forces will continue to be competitive pricing, quality products, services that truly add value, and above all, integrity.



GRANGE INSURANCE ASSOCIATION



ROCKY MOUNTAIN FIRE & CASUALTY CO.



THE MAYFLOWER CORPORATION

Main floor lobby displays new corporate logo series, September, 1993. (Below, bottom left). Also displayed is the anniversary emblem specifically commissioned for the 1994 Centennial celebration. (Bottom, front cover).

New signage for home office facility, September, 1993. Viewed looking north from Cedar Street. (Below, bottom right).

The 1993 Board of Directors (below, top right), left to right, back: Donald Auvil, Randall Lewis, Russell Anderson, Marvin DeGraaff, Arthur Peterson, Donald Steffen. Center: M. Elwyn Kiplinger, Mabel Regan, Josephine (Jo) Reed. Front: Frederick Church, Claude Cambell, Donald Wade, Eunice Smith, A. Glen Earl.





*Special thanks is given to Duane H. Shipman for the long hours spent researching, compiling and writing the company history. Mr. Shipman began this project in 1984, in the last months before his retirement in January, 1985. In February, 1993, President Don Wade asked if he could return to bring the history up to date for the Centennial in April, 1994. The previous pages are an abridged version of Mr. Shipman's original manuscript.*

Duane H. Shipman, a member of the North Side Grange, Seattle, had served the Grange Insurance Association since the acquisition of the Mayflower Insurance Exchange in 1956, where he was comptroller. He was appointed to serve as Executive Vice President in 1972, a position held until his retirement in January, 1985.









200 Cedar Street, Seattle, WA 98121