



# STABILITY, TRUST & INNOVATION

PROUDLY SERVING CANADIANS FOR 175 YEARS





# TABLE OF CONTENTS

<b>2</b>	<b>Introduction</b>   The Gore Mutual Leadership Team
<b>4</b>	<b>Historical Infographic</b>
<b>6</b>	<b>Chapter 1</b>   Foundations
<b>10</b>	<b>Chapter 2</b>   Building a Company
<b>16</b>	<b>Chapter 3</b>   The “Second Founding”
<b>20</b>	<b>Chapter 4</b>   Ensuring Sustainable Growth
<b>24</b>	<b>Chapter 5</b>   “Golden Decades”
<b>28</b>	<b>Chapter 6</b>   Dawn of a New Century
<b>32</b>	<b>Chapter 7</b>   Setting the Standard
<b>34</b>	<b>Chapter 8</b>   Going West
<b>38</b>	<b>Chapter 9</b>   Heeding the Call
<b>42</b>	<b>Chapter 10</b>   On the Roads of Ontario
<b>44</b>	<b>Chapter 11</b>   A Safety and Community Partner
<b>46</b>	<b>Chapter 12</b>   Coming of Age
<b>50</b>	<b>Chapter 13</b>   “Winning the Paper War”
<b>52</b>	<b>Chapter 14</b>   Staying True to the Roots
<b>54</b>	<b>Chapter 15</b>   Industry Leadership
<b>56</b>	<b>Chapter 16</b>   The Legacy of Gore Mutual

**“ GENUINE  
PERSONAL SERVICE  
IS AT THE HEART OF  
EVERYTHING  
WE DO. ”**



Gore Mutual is excited to be celebrating its 175th anniversary. Since 1839, we have witnessed many milestones, as you will see in the following pages. We have deep pride in our heritage and we are pleased to share our story of “stability, trust and innovation” with you.

While the company has seen many changes since 1839, one thing that hasn’t changed is how we feel about the people with whom we work. On behalf of our staff, we would like to take this opportunity to thank our brokers, clients, and business partners for helping us become the company that we are. It is our privilege to serve you.

We also take this opportunity to thank Kevin McNeil, President and CEO, for his significant contribution to Gore Mutual. Kevin will be retiring in June 2014 and will be succeeded by Heidi Sevcik. Heidi has worked for Gore Mutual since 1994 and is a strong leader who will guide our organization into the future. We are pleased that this transition coincides with the momentous occasion of our 175th anniversary!

We are very proud of the great culture we have at Gore Mutual. “Genuine personal service” is at the heart of everything we do. We like to say that the only thing old-fashioned about us is our values. As a company founded in 1839, we take pride in the values established by our founders, but we are also progressive in our commitment to be an innovative leader. Gore Mutual will continue to work hard to earn your business and your loyalty.

We hope that you enjoy our story.

**~The Gore Mutual Leadership Team**

*Top: Andy Taylor, Sean Christie, Heidi Sevcik, Kevin McNeil. Middle: Neil Weir, Ross MacMarter. Bottom: Anna McCrindell, Paul Jackson, Sara McLennan, Jamie McDougall. Absent: Lorne Motton, Barry Kennedy.*

1839

The first meeting and founding of the Gore Mutual Fire Insurance Company at a Brantford, Ontario schoolhouse.

## THE GORE JOURNEY BEGINS

Established 28 years prior to the founding of modern Canada.



## 1846 GROWING A NETWORK

Mr. Thomas Rich hired as travelling agent at a salary of £200 per year. He has to cover all expenses himself including his own horse.



## 1852 ON THE RIGHT TRACK

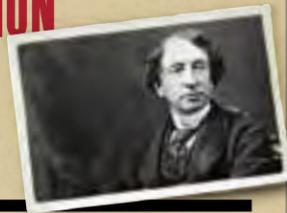
The Grand Trunk Railway receives its charter. Gore Mutual welcomes the opportunity to use the railway to grow its network, expanding across Ontario.

## 1854 INNOVATION

Gore Mutual introduces detailed risk assessment catalogue.

## 1867 CANADIAN CONFEDERATION

Sir John A. Macdonald is chosen as Canada's first Prime Minister, 28 years after the founding of Gore Mutual.



## 1873 COMMUNITY SAFETY PARTNER

Gore Mutual contributes towards the purchasing of a steam fire engine for the local fire brigade.



## 1896 GEORGE FOOTE FOSS BUILDS FIRST SUCCESSFUL GASOLINE POWERED AUTOMOBILE IN CANADA



Foss first sees automobiles on a trip to Boston where he rents an electrically-driven carriage for \$4.00/hour.

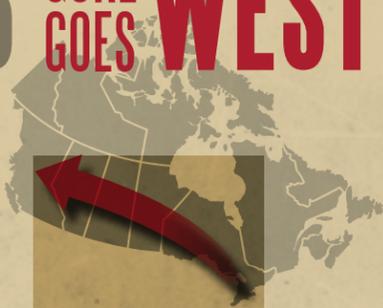
## 1916 & 1941 GORE PLEDGES SUPPORT

Gore Mutual pledges \$50,000 and \$100,000 to support the Canadian War Efforts in WWI and WWII respectively.



## 1935 GORE GOES WEST

The company is first licensed in B.C. in July of 1935.



## GORE TAKES TO THE ROAD 1939



In its Centennial year Gore Mutual offers automobile insurance for the first time.

## GORE LENDS A HELPING HAND 1952



The Gore pledges \$75,000 towards the new building of the South Waterloo Memorial Hospital (now Cambridge Memorial Hospital) – the single largest donation made to help the city provide new modern hospital facilities to local residents.



## CANADIAN CENTENNIAL 1967

To mark Canada's Centennial, Gore Mutual donates a fountain in the shape of the centennial maple leaf to the City of Galt (now Cambridge).



## A PARTNER TO BE COUNTED ON 1974



Gore Mutual helps the victims of the Grand River flood where the water reached a depth of 6 feet in the downtown commercial area.

## CANADIANS PROTECTING CANADIANS | GORE MUTUAL PAYS OUT OVER

# \$3 MILLION

Gore Mutual steps up to help flood victims in Slave Lake, Alberta.

## "MAKING BUSINESS EASY" 1990

This was the official theme of Gore Mutual in the 1990s when they launched such service enhancements including 24 Hour Emergency Claims Service and the ability to report claims on-line.

24/7 EMERGENCY SERVICE

## PASSION FOR COMMUNITY 1998

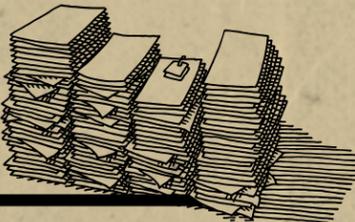
The Gore Mutual Foundation is established and it supports over 100 charities across Canada annually.



GORE MUTUAL INSURANCE COMPANY FOUNDATION

## GOING PAPERLESS 2000s

Gore Mutual, a leader in innovation, goes paperless in the processing of policies.



## INDUSTRY LEADERSHIP 2006 TO PRESENT



In 2006 and 2008, Gore Mutual is named # 1 insurance company by the Insurance Brokers Association of Ontario. In 2010 and 2012, the company is ranked above average in every single performance category.

# FOUNDATIONS



## FOUNDING OF THE **GORE** **DISTRICT MUTUAL** **FIRE INSURANCE COMPANY**

Gore Mutual is one of the few companies operating in Canada today that predates the founding of the country in 1867. On June 18th, 1839, *The Gore District Mutual Fire Insurance Company* was established in Brantford, Ontario. None of the men who gathered at the local schoolhouse on that day could have imagined that 175 years later, their company – now called *Gore Mutual Insurance Company* – would continue to provide insurance to Canadians as the country's longest-operating mutual insurance company.

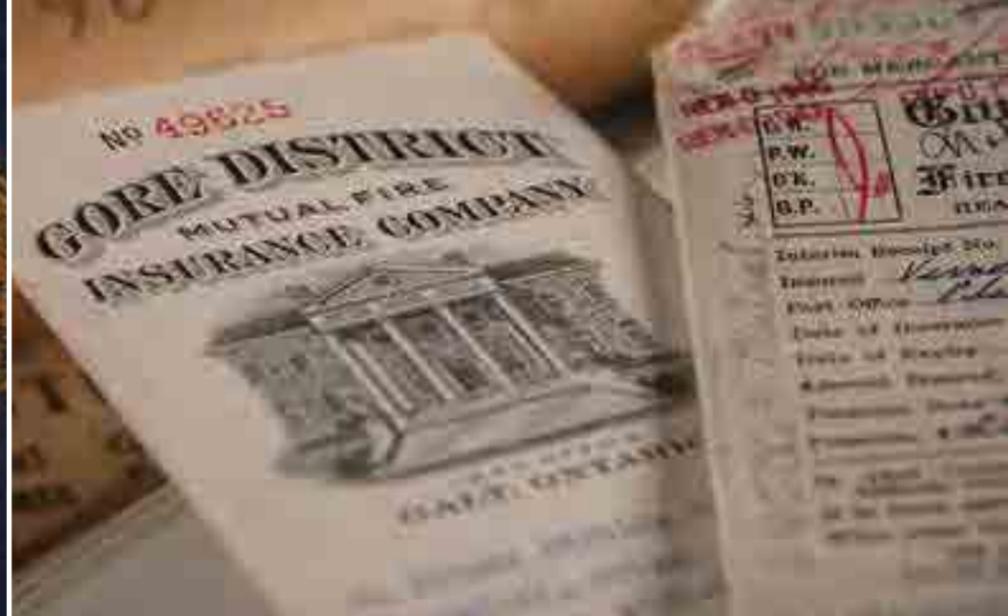
In 1791, British Canada was divided into Upper Canada (today's Ontario) and Lower Canada (today's Quebec). On April 20, 1836, the Legislative Assembly of Upper Canada passed *An Act to authorize the establishment of Mutual Insurance Companies in the several Districts of this Province (Mutual Insurance Act)*. Its purpose was to enable the growing number of residents in the colony's scattered pioneer settlements to protect themselves from the devastating effects of fire. It was a forward-looking move, as the number and size of communities was about to grow significantly, mainly as a result of immigration from Europe.



At the time of The Gore's formation, Upper Canada was divided into 20 districts, one of which was the Gore District. Named after Governor Francis Gore, the Gore District encompassed a vast territory that included today's cities of Hamilton, Brantford and Galt (Cambridge).

An unsuccessful attempt at founding a Mutual Fire Insurance Company in the Gore District was made on April 13, 1837. Following public notice, 32 freeholders (a legal status defined by ownership of land and residency) met in Hamilton and voted "that it is expedient to establish in this District a Mutual Fire Insurance Company". To formally bring the new company into existence, the law required that a minimum of 40 freeholders take out insurance worth at least £10,000. Within a week, 12 subscriptions were recorded.

Following the April 1837 meeting, no further efforts were made for two full years to obtain the 28 additional subscriptions necessary to complete the founding of the company. Then, in the summer of 1837, one of the most famous episodes in Canadian history began – the Mackenzie Rebellion,



1800s Board minute book from the Gore Mutual Archives.

Late 19th century Gore Mutual insurance policies.

stalling the founding process of The Gore even further. Mackenzie’s call to arms for the establishment of a Republic caused great excitement among Canadians. A militia company from the Gore District was dispatched to engage the rebels. The political turmoil of the day demonstrated to Upper Canada’s business and community leaders that this was not the right time to start a new enterprise.

Consequently, it was not until the spring of 1839, after the rebellion had ended, that the subscription book was reopened, this time in Brantford. An unnamed Brantford businessman took the initiative, obtained the original subscription book and successfully promoted the fire insurance in his hometown. In a flurry of hectic activity, 41 properties were added to the subscription list between March 28 and April 13, all of which but two were located in Brantford. Assets to be insured included a “Grist Mill and 2 Houses”, “House and Furniture”, “Dwelling Houses and Store”, “Bake House and Barn”, “House and Tavern”, “House and Books”, “Taverns and Outbuildings”; plus several barns.

With a total of 43 subscriptions, the June 18th, 1839 meeting at the Brantford schoolhouse marked the formal establishment of The Gore. Founding President John A. Wilkes expressed his confidence “that the inhabitants of the Gore district will show to the Province that in no other district is the principle of saving money better understood than in this” and closed the meeting with the appeal, “Let our motto be: ‘Men of Gore! Be united, keep your money at home and help one another!’”

### MUTUALITY PRINCIPLE

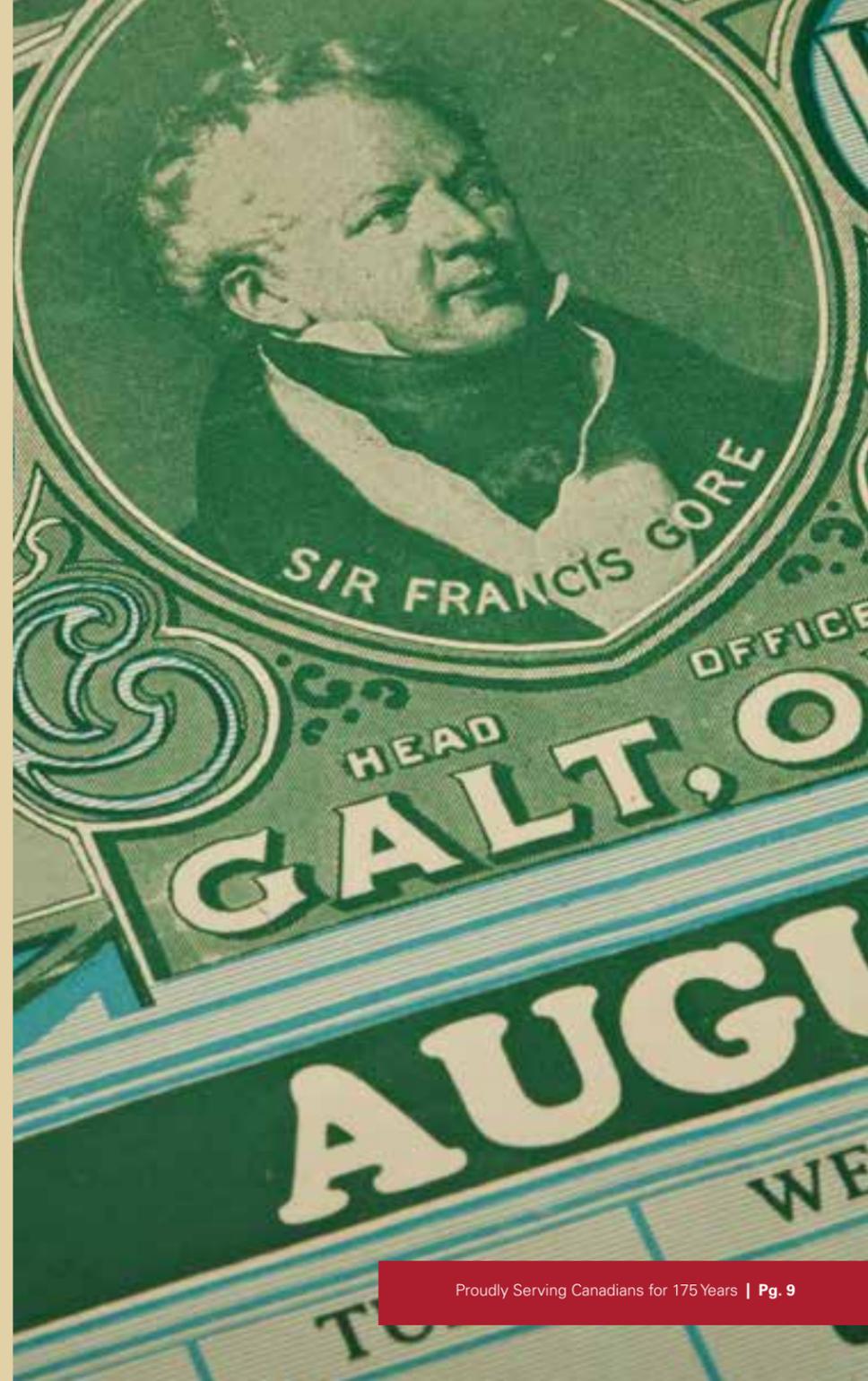
The key defining feature of the new enterprise was that it was built on the principle of mutuality. Developed in Great Britain over 200 years earlier as a means of insuring ships and cargo, the concept was first brought into North America in the 1700s and gained popularity following the founding of the first mutual insurance company in the United States by Benjamin Franklin in 1752. The foundational principle of mutual insurance is that of cooperation, mutual assistance and self-help: policyholders become members of the company, share the risk and contribute to claims and

## THE FOUNDATIONAL PRINCIPLE OF MUTUAL INSURANCE IS THAT OF COOPERATION, MUTUAL ASSISTANCE AND SELF-HELP.

expenses in proportion to the value they have insured. What made the mutual principle so well suited was that it allowed the members of Upper Canada’s pioneer society to insure their most valuable assets without requiring a large amount of start-up capital. As the population would continue to grow, so would the company’s ability to insure further assets.

Access to mutual fire insurance turned out to be a great catalyst in the economic development of Upper Canada. By limiting risk it helped create a more favourable business environment. Equally important, the presence of a mutual company and its concern with fire prevention encouraged community leaders to set up local fire departments and provide access to adequate water supplies for fighting fires. With its roots dating back to the 1830s, The Gore was about to become an integral part of community development and of the social and economic fabric of Canada.

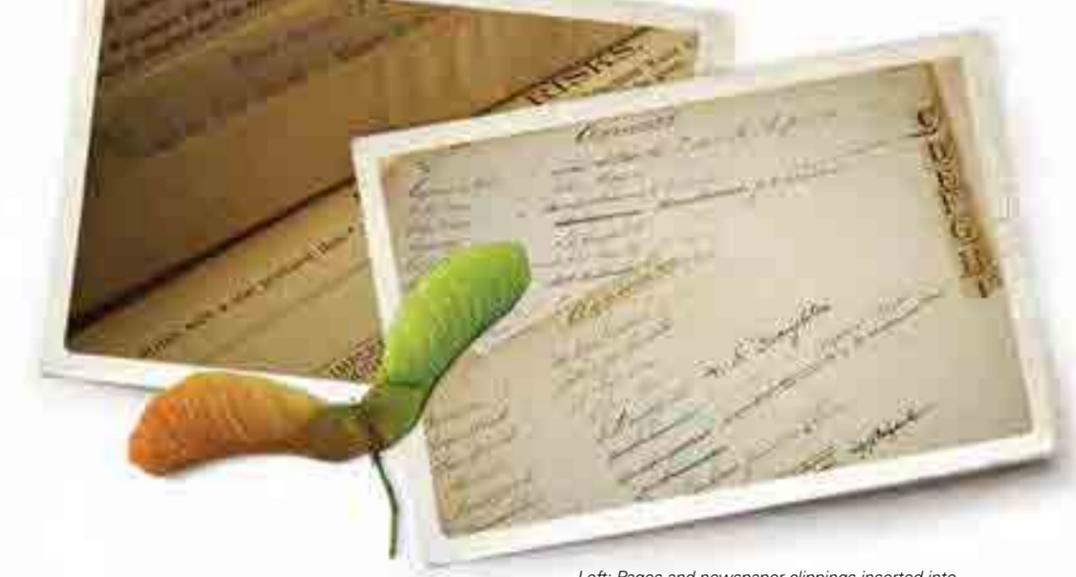
Portrait of Governor General Sir Francis Gore, as used on the 1933 Gore Mutual calendar.



# BUILDING A COMPANY

2

## SETTING THE COURSE



Left: Pages and newspaper clippings inserted into handbooks carried by Gore agents. Right: The Gore's central agency register (late 1800s and early 1900s).

### BUILDING A CLIENT PORTFOLIO

The Gore was run by the directors on a part-time basis. With no office staff and the secretary-treasurer being the only paid officer, the directors managed all affairs of the company. The secretary-treasurer periodically set up office in a hotel or inn in localities where policyholders lived to collect the annual assessment.

As the only fire insurance company in the district, The Gore's mandate was regional, yet, prior to the 1850s, business was conducted from Brantford and Hamilton only. To reach out more systematically, in November 1839, the role of secretary-treasurer, William A. Walker was extended to the position of traveling agent. The Board pointed out that "it is understood that the Policy and Survey Fees be considered as his remuneration for his trouble." In his new role, William Walker was instrumental in growing the business from the back of his horse.

The Gore's first annual report, published on May 28, 1840, stated proudly that the position of the company was "truly gratifying". At the same time,

Throughout the summer of 1839, the secretary-treasurer and the directors of The Gore worked fervently on putting all necessary structures in place. A standard application form and policy contract were drafted and a company seal purchased. Posters were displayed to inform the public that The Gore's office in W. Wilkes' brick building in Brantford was open for business. Annual meetings were set for the first Monday in June for the Board to report to members and issue the yearly assessment.

Exclusions listed in the terms of insurance are indicative of the *Zeitgeist* in early 19th century Upper Canada. In view of the Mackenzie Rebellion it made sense that "No claim will be allowed for loss or damage by fire occasioned by the invasion of a Foreign enemy, insurrection or civil commotion...". The pioneer character of Upper Canada was reflected in the further exclusion of "damage done ... by clearing of lands in the country...". Merchants had to be extra careful not to void their coverage when storing and selling gun powder: "No greater quantity of gun powder to be allowed in any house or building ... than 25 lbs in tin canisters and to be retailed only by daylight...".



Sign mounted on properties insured by Gore Mutual offering a reward to help prevent arson attempts.

however, it critically noted that “the agricultural classes in the district do not seem sufficiently alive to their own interests as to insurance.” The Gore was a company run by townfolk to provide services to other townfolk. Although it insured farms as well, the primary focus was on meeting the insurance needs of residents and business owners living and working in villages, towns and cities.

### GROWING BEYOND THE GORE DISTRICT

The benefits of mutual fire insurance prompted the Legislature, in 1842, to authorize mutuals to expand their business into districts where no mutual fire insurance provider existed. The Gore took immediate advantage of this opportunity. The geographical scope of The Gore quickly broadened to include properties in Toronto (1841), Simcoe and Oakville (1842), Port Dover (1843), as well as Colbourne, Yarmouth and London (1844). Eventually, in 1859, mutual companies were granted permission to insure property lying within any part of Upper and Lower Canada.

In June of 1846, The Gore hired Thomas Rich of Galt as traveling agent. He was expected to work full-time, to “visit all parts of this and adjoining districts”; to keep a diary of all travels and report directly to the secretary. He was paid £200 per year and had to cover all his expenses himself, including “his own horse.” The traveling agent was authorized to sign individual risks of up to £2,000 and quickly became the public face of the company. His instructions included the provision that in the case of neglect of his duties “you must expect the action of the Board speedily to follow such neglect.”

### PLANNING FOR THE FUTURE

The greatest challenge for mutual companies was that they were cash-poor. Prior to 1868, when the *Mutual Insurance Act* was changed to allow mutuals to charge cash premiums at the time a new policy came into effect, upfront cash payments remained restricted to five percent. Outside of that, mutuals only collected payments from members in the form of retroactive annual assessments, which made it impossible to build up reserve funds for the eventuality of larger losses.



Pages and newspaper clippings inserted into handbooks carried by Gore agents.

As claims became more frequent, the growing gap between the amount of risk insured and money on hand to pay for fire losses became a continuous challenge. This was particularly the case in years like 1845, when an unusually hot and dry spring and the “Great Fire in London” (Ontario) contributed to losses of £5,000 and more.

To access funds in between annual assessments, management established the practice of borrowing money from the *Gore Bank*, the company’s bank of choice since the latter’s founding in 1840. At each annual meeting, members were reminded that losses were unavoidable due to the nature of the business, the geographical scope of The Gore’s activities, and the growing amount of property insured.

### EVOLUTION OF THE GORE AGENCY NETWORK

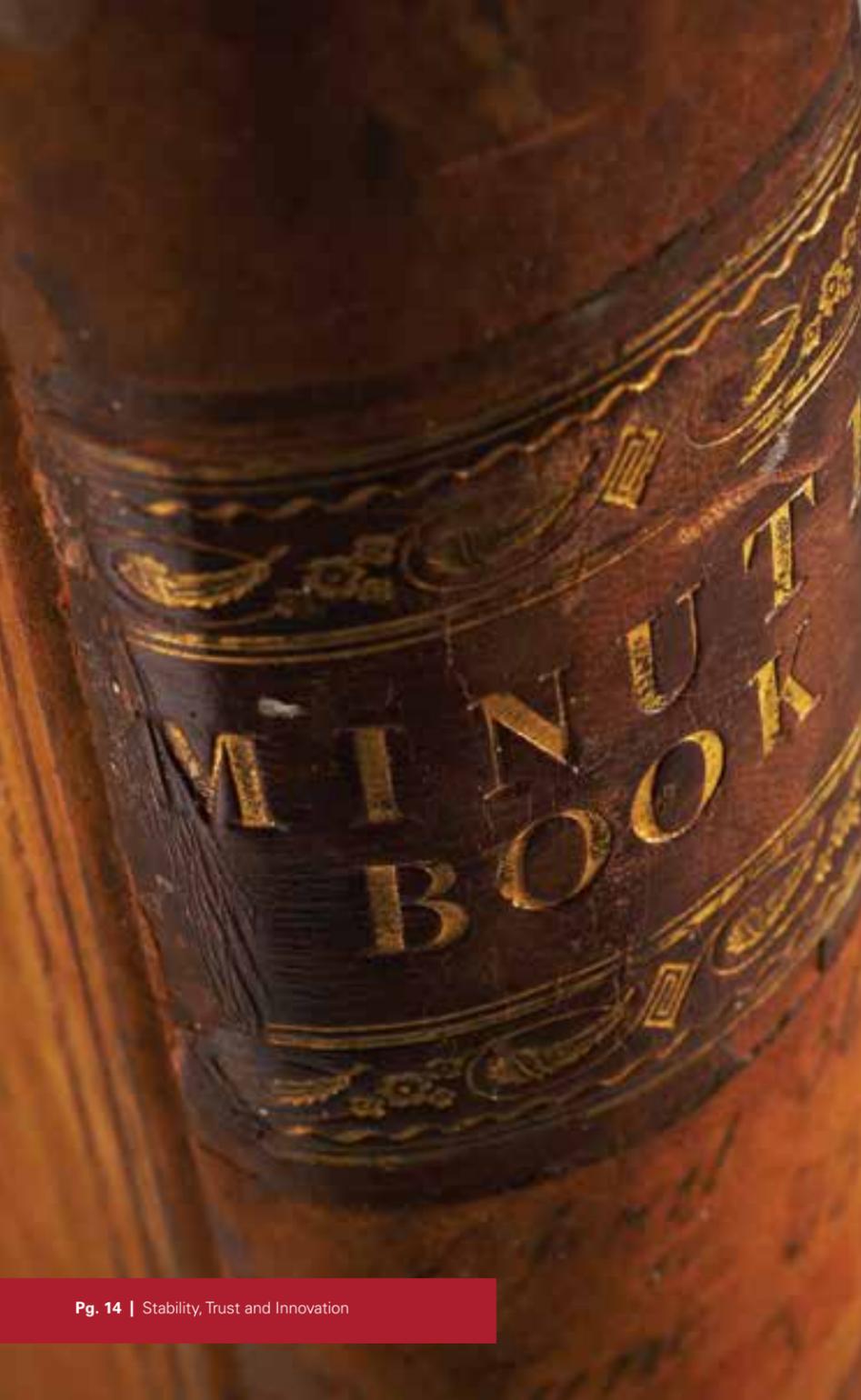
The appointment of agents for Hamilton, Dundas, Paris and Simcoe in January of 1849, marked the first step in the gradual transitioning of The Gore to its long-standing, success-proven model of reaching out to



The original Gore Mutual Board minute book lists the properties insured at the time of the company’s 10th anniversary year 1849.

Canadians through agents and brokers. Without knowing it at the time, the Board had devised and implemented a model that continues to be a key contributor to Gore Mutual’s ongoing success. The existence of agencies led to a significant reorganization of the way business was conducted. By turning agents into partners with real decision-making powers, the Board was able to concentrate on higher risks, controversial claims, and on matters affecting the company at large.

As new agents were added, it became imperative that risk was assessed on common standards. Consequently, in January of 1854, The Gore issued a detailed catalogue for risk assessment. Properties were placed into 22 risk categories that carried different percentage charges. Brick and stone buildings “covered with tin, iron, slates or gravel” were considered the safest, while buildings “covered with wood” carried an extra two percent charge. A rate of eight percent was applied to “stone taverns in towns occupied by respectable Landlords ... where no riotous or drunken parties are allowed to congregate or assemble at late hours.” Foundries



**THE GORE'S FIRST ANNUAL REPORT,  
PUBLISHED MAY 28, 1840, STATED PROUDLY  
THAT THE POSITION OF THE COMPANY WAS  
"TRULY GRATIFYING".**

and machine shops were deemed the highest insurable commercial risk at rates of 18 to 24 percent. Agents were further instructed: "All framed Houses heated by hot air you will in every case reject – experience has proved that great danger arises from such a mode of heating a building."

**STEAM-ENGINE TECHNOLOGY PUTS THE GORE TO THE TEST**

Throughout the first half of the 19th century, many of Upper Canada's pioneer industrial establishments were converted to steam power. Cautious of maintaining the right balance between the clients' needs for insurance and the necessity to limit exposure to high risks so as not to endanger the long-term sustainability of the company, the leaders of The Gore struggled with finding a consistent approach to the increasingly popular technology. Responses ranged from providing coverage under certain conditions and at a high-risk premium to advising agents not to insure steam-powered facilities at all.

*An early Board minute book from the Gore Mutual Archives.*

**THE GORE HELPS IMPROVE FIRE SERVICES**

Fire insurance in the 1800s was a risky business, considering houses were overwhelmingly constructed of wood. As open fires, stoves, candles and kerosene lamps were used for heating, cooking and lighting, the risk of fire was ever-present. Downtown cores consisted of blocks of buildings of mixed commercial and residential use and a single spark could cause a fire to spread across an entire community. Inadequate water supplies and firefighting services further increased the threat of spreading fires. A high level of arson that was reflective of the rather transient nature of Upper Canada's pioneer society, made the risk for insurers even less calculable.

Naturally, the state of fire protection was a matter of concern for The Gore. At the 1858 annual meeting, members authorized the Board to use its discretion "in rewarding any fire companies who may be called upon to assist at fires, and by whose exertions property may be saved, and thereby the company be relieved from loss". The new policy made The Gore an important catalyst in the evolution of more efficient firefighting capabilities. In January 1859, following a hotel fire, The Gore paid the Brantford Fire Company \$20 "for their exertions on that occasion". The Gore's growing standing as a community safety partner is further visible in the 1873 subscription of \$500 towards the purchase of a steam fire engine for the Galt fire brigade and the 1875 donation of \$100 "towards the purchase of the appliances necessary" for the formation of "The Protection Company of Galt".

**THE GORE GROWS STRATEGICALLY**

In spite of the great benefits the mutual fire insurance system provided for a growing immigrant society, it posed inherent challenges for companies offering fire insurance. The legal limitation of one company per district ensured somewhat automatic growth, yet, at the same time, increased the danger of mutuals overexposing themselves to too many risks. Proper risk management and ensuring growth at a pace that was

sustainable in the long term was crucially important. Companies that failed to pay attention to the need to adopt a strategic approach to growth did not survive for long.

From the earliest days, Gore leaders struck a delicate balance between the universal values on which the company was founded and the need to maintain a strong balance sheet. Being naturally conservative, they deemed the company's long-term stability more important than maximizing short-term gains by taking on an ever-increasing number of risks or expanding into new communities and risk categories.

Strategic considerations played a role in The Gore's approach to providing insurance for multiple buildings in the same block or neighbourhood. The 1854 instructions to agents established the imperative "to leave a space between the risks as a prevention of losing too much if a fire should break out in the block" when insuring multiple brick buildings. In cases where a block of houses consisted of wooden structures, no more than a maximum of three out of seven buildings were to be insured. Under any circumstances, "A whole block of any materials it be would be imprudent to cover".



# THE “SECOND FOUNDING”

3

## THE GORE DURING THE 1860s



In the 1860s, The Gore became a modern company. Under new leadership, so many changes and improvements were made that it seems apt to speak of the “second founding” of the company. The key theme in the transitioning process was the professionalization of The Gore. In 1868, The Gore’s sustained public advocacy resulted in the most fundamental change in the regulatory framework governing mutual insurance companies since the inception of The Mutual Fire Insurance Act. By authorizing insurance providers to become cash mutuals, the Provincial Legislature ended the systemic shortage of cash that had contributed so much to the industry’s earlier problems.

### THE GORE ESTABLISHES MODERN STRUCTURES AND BEST PRACTICES

At the June 1, 1863 meeting, members elected a new slate of directors. Controlled by Galt businessmen, the new Board immediately moved the company to Galt. Without missing a beat, The Gore’s new office on the second floor of the Commercial Building, a stone structure at the

Southwest corner of Main and Water Streets (that remains part of the Galt streetscape to this day) opened for business on July 1, 1863.

Throughout the second half of the 1860s, The Gore’s agency network grew rapidly. In 1866, new agencies were established in Preston, St. Mary’s, Wroxeter, Lucknow, Princeton, Plattsville, the County of Wentworth and Halton, Embro, West Zorra, Woodstock, Brantford and the County of Brant, Tilsonburg, Teviotdale and Port Burwell. New agencies approved in 1867 included Ingersoll, the County of Oxford, Branchton and South Dumfries, the Counties of Wentworth, Lincoln and Haldimand, Toronto, the County of Northumberland, Peterborough, Cobourg, the townships of Euphemia, Dawn, Tone and Camden, Bowmanville and Oshawa as well as Huron and Bruce Counties. Agencies established in 1868 included the town of Port Hope and the County of Victoria. To help agents increase their business, each agent was allowed up to \$10 per year to advertise in the local newspaper. During regular visits the inspector of agencies provided guidance and ensured consistency across the growing network.



### THE GORE LEADS THE INDUSTRY THROUGH PUBLIC ADVOCACY

In 1867, The Gore led the charge for a fundamental reform of the *Mutual Insurance Act*. A specially-appointed committee drafted an amendment to convert the system to “a system of cash payments, instead of premium notes” and, following approval by the Board, submitted it to Parliament. In adopting The Gore’s proposal, the Legislature authorized mutual insurance companies to give new policyholders a choice between cash and mutual plans. Under the cash model, premiums were paid upon the policy taking effect, immediately resulting in a significant increase in the amount of cash on hand. The Legislature further followed The Gore’s recommendation to allow mutuals to establish a reserve fund of up to half of the profits realized. Under the leadership of The Gore, the industry had upheld its foundational values while adapting to the modern age. With a view to the future, the reserve fund would become one of the most important instruments for sustained growth and stability.

### THE GORE ADOPTS A NEW TARIFF STRUCTURE

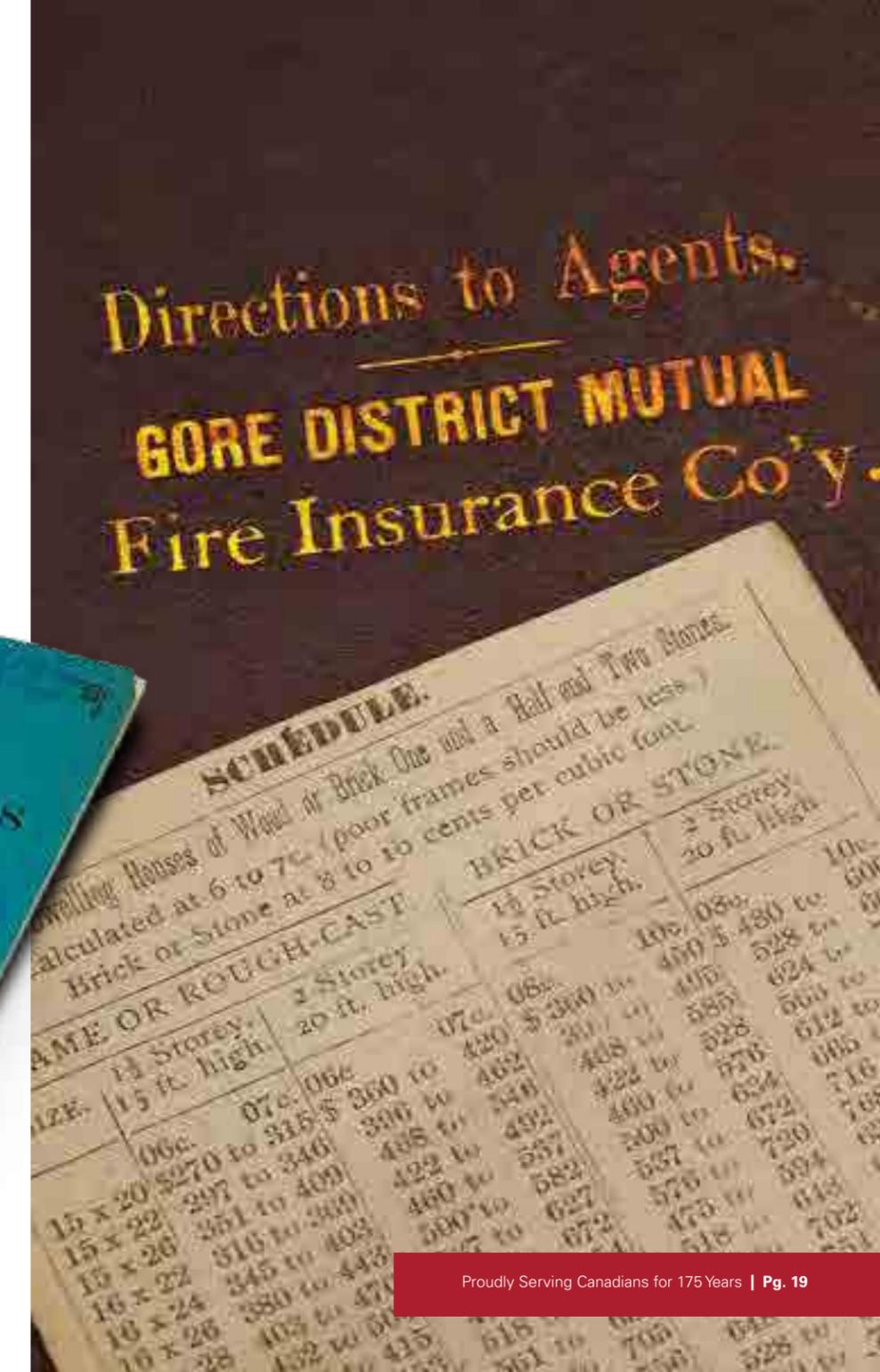
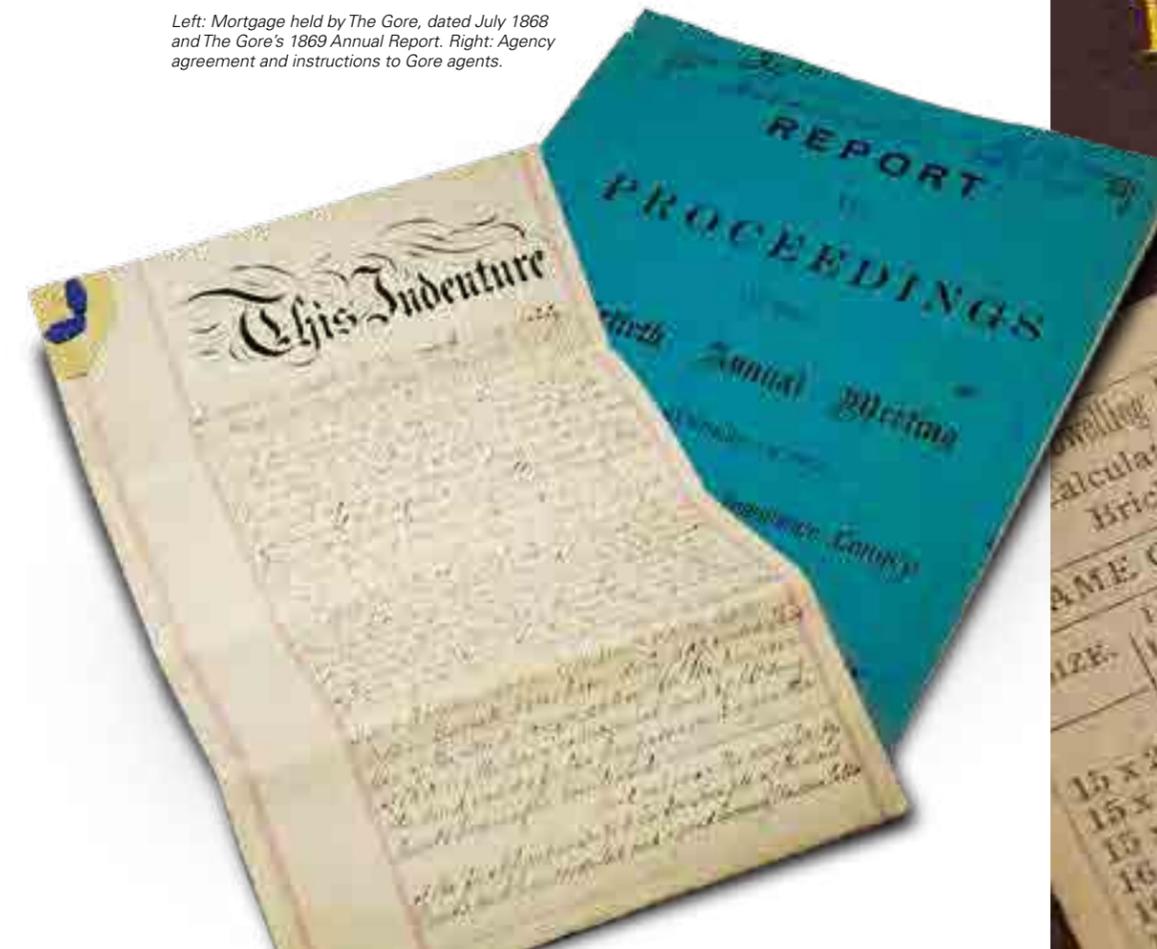
In 1865, The Gore adopted a new Tariff of Rates that tied its rate structure to the Tariff of Rates recently adopted by the proprietary insurance companies doing business in Ontario. “Workers of Wood of every description” were considered a high risk and, as such, were charged an additional \$9 for every \$100 of value insured. Steam-powered industries, while generally covered, were deemed such high risk that a third-class steam-powered paper mill carried almost double the charge of its first-class water-powered counterpart. Taverns, “Court houses, jails, and similar institutions” were considered “Special Risks”, and carried an extra charge of \$1.50 per \$100 of insured value.

*One of many insurance-related books preserved in the Gore Mutual Archives.*

### THE FOUNDING OF MODERN CANADA

Canadians marked July 1, 1867 – the official inauguration of Canada as a modern nation with great fanfare. It was a time to reflect upon the past, appreciate how far Canada had come and to look confidently to the future. At The Gore, a new seal was purchased because the words on the old one had been worn out. It was a symbolic move by a company that had come of age as Canada entered its infancy as a nation. The annual report for the fiscal year ending May 31, 1867, showed a company in excellent shape: 1,076 new policies had been issued throughout the year, insuring \$998,144. The total number of insurance policies in force was 2,018, insuring assets worth \$1.8 million.

*Left: Mortgage held by The Gore, dated July 1868 and The Gore’s 1869 Annual Report. Right: Agency agreement and instructions to Gore agents.*



# ENSURING SUSTAINABLE GROWTH

4

## REPOSITIONING OF THE **GORE**

By the mid-1870s, the number of active policies had grown to over 6,000 and The Gore had expanded its reach into Central and Eastern Ontario. Run by a small workforce, and operating in a growing province with incomplete infrastructure, the company had attained its point of maximum geographical reach for the time being. Local agents had started selling insurance in less accessible areas and proper risk assessment in places of notable distance from Galt had become a practical challenge. Through no fault of its own, The Gore was caught in the growing pains of a province that had grown from a population of 952,000 in 1851 to over 1.6 million only 20 years later.

Pointing to many newly-insured properties “from the Ottawa to the St. Clair”; the inspector, in his November 1874 report, emphasized the necessity “for an immediate inspection of the Company risks, having more [e]special reference to possible overcrowding in towns and villages, and to hazardous and extra hazardous risks.” When the inspector presented his report in December 1875, he had visited and examined risks in “four cities, thirty towns and one hundred and fifty four villages



36th Annual Report  
presented at the January 29, 1875 Annual Meeting.

besides special and other risks in outlying places.” Over the course of his survey, he had cancelled 102 risks and “temporarily cancelled others until certain objectionable features of them had been removed.”

Part of the challenge faced by The Gore was that the company had expanded its geographical scope in the wake of Ontario’s growing railway network, and the Grand Trunk Railway in particular. The Gore’s sudden ability to reach communities like Belleville and Kingston had opened up a previously untapped market. At the same time, however, access to the often underserved rural areas surrounding these centres remained limited from Galt. By the summer of 1875, it had become clear that the company had pushed too far into Central and Eastern Ontario.

In a deliberate attempt to reposition the company, management decided in July 1875 that “the insurance territory of this Company be thoroughly supervised and with this view business at out-of-the-way points which cannot be conveniently reached by railway be given up as far as practicable.” To avoid accessibility problems and to ensure proper risk



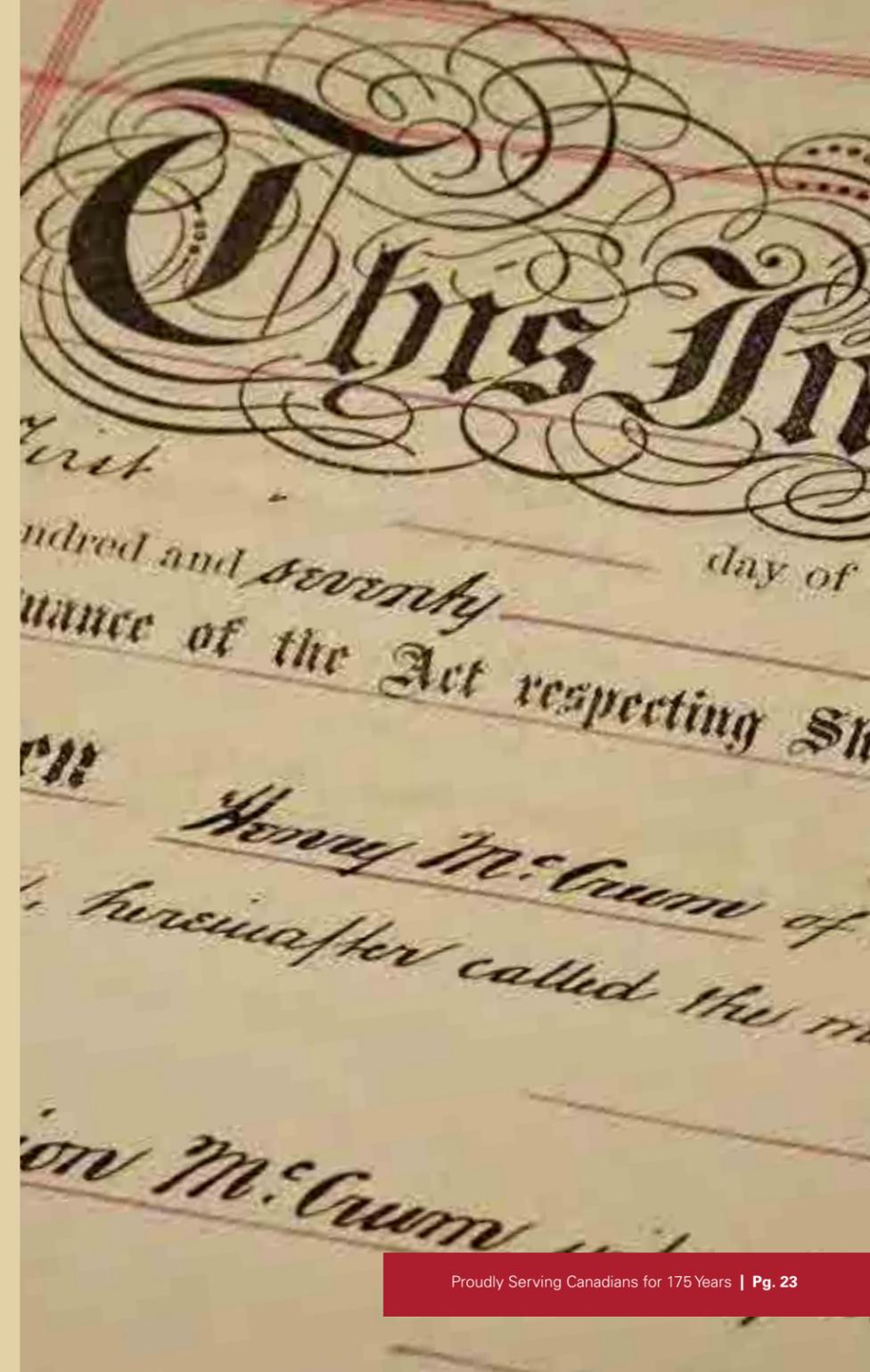
*Vintage postcard of the Grand Trunk Railway Bridge at Hespeler (now Cambridge), circa 1900 (Courtesy of Cambridge City Archives).*

**THE GORE'S SUDDEN ABILITY TO REACH  
COMMUNITIES LIKE BELLEVILLE OR  
KINGSTON HAD OPENED UP A PREVIOUSLY  
UNTAPPED MARKET.**

inspection in the future, agents in less accessible areas were ordered not to insure any new risks "except adjacent to the line of the Grand Trunk Railway" and boundaries of new agencies became defined by their distance to the main railway line.

The decision to pull back from areas deemed too risky was implemented with great determination. In 1877, The Gore declined more applications for being too high a risk than ever before. At the same time, The Gore withdrew from agencies "at a considerable distance from the Head Office" and the inspector continued to cancel policies for properties that were "imperfectly cared for" or "not desirable risks for the company to carry". Within a few short years, at a time of general contraction in the insurance industry caused by "Depression, harvest failure and excessive competition," The Gore had successfully eliminated unprofitable business, reinforced the principles of proper risk assessment and ensured slower-paced, yet sustainable long-term growth.

*Legal document of Gore Mutual, dated October 1, 1870.*



# “GOLDEN DECADES”

5

## THE GORE IN THE **1880s** & **1890s**

As the economy recovered, The Gore underwent two “golden decades”. Skilled, continuous and stable leadership allowed the company to keep focussing on expanding the reserve fund and other long-term perspectives. Major milestones, such as the reserve fund exceeding \$100,000 for the first time and the first dividend payout in 1891, created a sense of pride in these achievements and in the realization that the company had become a significant player in the Canadian insurance industry.

Between 1880 and 1900, the total number of insurance policies in force grew from 4,589 in January 1880, to 7,112 in 1889 and 13,170 in 1899. Over 500 new policies were added on average per year by The Gore’s agency network, which had grown to over 120 agents by the mid-1890s. The amount of property insured increased by several hundreds of thousands of dollars annually, from over \$4 million in 1880 to \$7.9 million in 1889, eventually reaching \$15.67 million in 1899. The Gore’s performance during this period was even more remarkable in light of the fact that the presence of British and United States fire and casualty insurance companies in the Canadian market gradually eroded the

*1895 artist rendering of typical street scene in front of the new Gore building.*

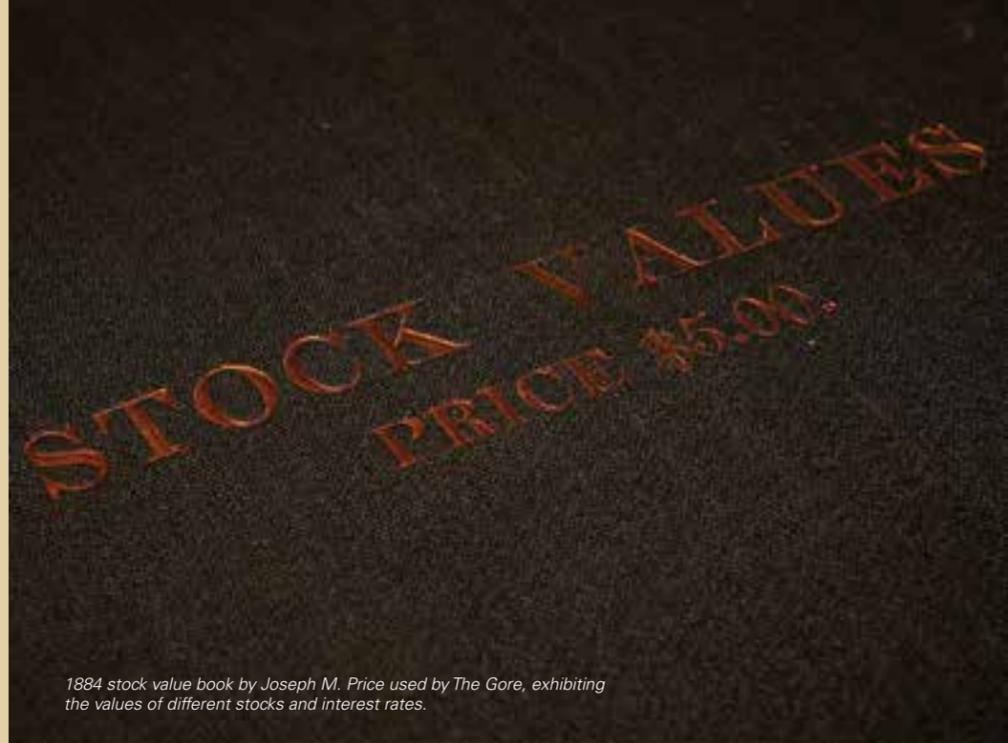


**SKILLED, CONTINUOUS AND STABLE LEADERSHIP ALLOWED THE COMPANY TO KEEP FOCUSING ON EXPANDING THE RESERVE FUND AND ON OTHER LONG-TERM PERSPECTIVES.**

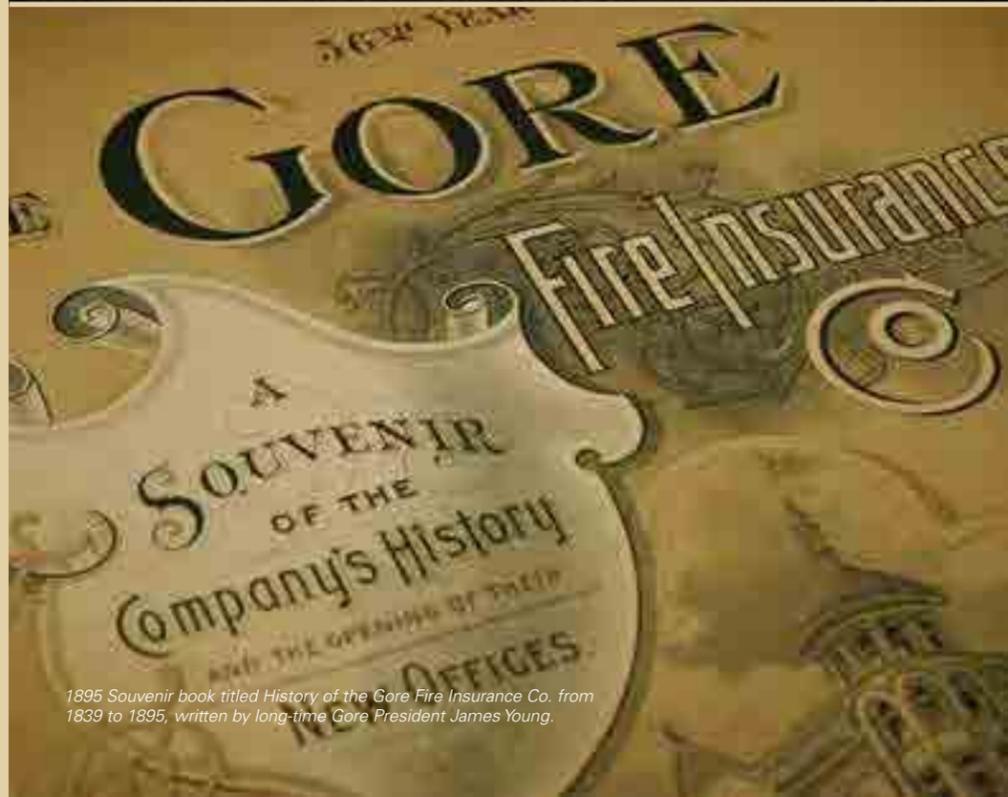
proportion of insurance underwritten by Canadian companies. While The Gore underwent two “golden decades”, many well-known companies in the Canadian insurance industry folded, including the *National*, the *Sovereign* and the *Canada Fire and Marine Insurance*.

### THE NEW GORE BUILDING

By the mid-1890s, the company’s rented quarters, which had served for over 30 years, had become too small. The time had come for The Gore to build its first building in the Galt downtown core. The new head office on the corner of Main and Ainslie Streets was opened with a festive ceremony in 1895. Built with dark red bricks with sandstone trim, the building’s impressive three-story structure with a cupola flanked by towers was a clear statement by a company that had come of age. At a total height of over 80 feet and with its round tower with flagstaff on top, it was a truly impressive structure. On the inside, hot water heating, as well as gas and electric light reminded directors, staff and visitors alike that a new age was dawning. With its splendid architecture, the Gore building quickly became a local landmark.



1884 stock value book by Joseph M. Price used by The Gore, exhibiting the values of different stocks and interest rates.



1895 Souvenir book titled History of the Gore Fire Insurance Co. from 1839 to 1895, written by long-time Gore President James Young.



Various artefacts and records from the Gore Mutual archives dating back to the early 1800s.

# DAWN OF A NEW CENTURY

6

## THE GORE IN THE EARLY 20<sup>TH</sup> CENTURY 1900–1914

The Gore entered the 20th century stronger and more self-confident than ever. In their optimism, management and members shared the prevalent *Zeitgeist*, which was built on great excitement about the many new commodities that were becoming widely accessible at the time. Inexpensive electricity, streetlights, streetcars, cars, modern hospitals, clean water, public sewage disposal and other municipal services were experienced as manifestations of an age of progress that seemed to know no bounds. There was a well-founded expectation that The Gore as a market leader in the Ontario mutual insurance industry would indeed have a splendid future.

### CAUSES OF FIRE

The inspector's reports of losses for the years 1899 to 1907 provide great insight into the causes of fires around the turn of the century. Fallen or exploded coal oil lamps and overheated or exploded stoves were at the root of many residential fires. Negligence was often at the core of preventable losses, as in cases of "boys playing with fire"; "placing



1911 Gore calendar.

clothing too near the stove" or the "spontaneous combustion in oily rags used for polishing the floor". Many residential fires were the result of sparks caused by the common practice of "neighbours burning rubbish".

Electricity posed great dangers to businesses: "an excess of electricity" with "the wires having become crossed outside the building" was the cause of a fire in an office building in Brantford in January 1900. Wood or coal-fired engines were particularly prone to igniting buildings. Damage to a company in Seaforth in 1901 was caused by "sparks from a passing traction engine"; a fire on a farm property in October 1901 was started by sparks from a threshing machine; and a fire that led to the destruction of an insured hay shed at the Cattle Market in Toronto in June 1902 was believed to have been caused "by sparks from a passing locomotive".

Many commercial fires, such as the loss of a soda water factory in Hamilton in 1902, were explained by the inspector under reference to "the natural hazard" of a certain industry. Although arson continued

Inspector's Report No 118  
 Sept 8<sup>th</sup> 1902  
 and Director of the Fire District  
 Mutual Fire Insurance Co  
 the last meeting of the Board  
 held the following names  
 Wm. T. Young, Frank J. Smith  
 and Brautpan

61st ANNUAL MEETING  
 OF THE  
**Gore District Mutual Fire Ins. Co'y**  
 Held at Galt on the 22nd of January, 1900.  
 Directors' Report



to be a challenge and several of the fires listed by the inspector were "believed to have been of incendiary origin"; the frequency of arson had clearly declined.

Rather unusual causes of fire included the destruction of a storage building in Harriston in 1901 believed to "have been started by thieves who broke into the building". A fire that destroyed insured vehicles in a frame livery stable in Windsor in April 1900 was "said to have originated from ashes thrown against the building by employees of the Post Office". Finally, a fire in a store in Dunnville in June 1902 was linked to the end of the Boer War, having been caused by "sparks from fireworks used in celebrating the return of peace in South Africa".

The **Gore District**  
**Mutual Fire**  
**Insurance**

27. **The Following Risks are Prohibited:**  
 Glue Factories.  
 Grease Rendering Establishments;  
 Slaughter Houses near private dwellings.  
 Fertilizer Works.  
 Mills.  
 and contents therein.  
 and Junk Stores.  
 Land Stores.  
 Glass Works.

*Do not put up any more...*



**THE 1904 TORONTO CONFLAGRATION**

Large city fires were the nightmare of insurance companies and residents alike. On April 19th, 1904, a massive fire in downtown Toronto, aptly described as the "The Toronto Conflagration," destroyed 98 buildings overnight. The fire caused \$12 million in damage, an incredible amount of devastation that would translate into over \$315 million in today's value. At an overall insurance loss of \$8,375,000, this was the largest conflagration in the history of Canada. For many buildings, no more than the façade was left standing. With a significant part of Toronto's downtown business core turned into rubble, 5,000 people were put out of work. Losses of commercial properties (buildings, stock, machinery, shop fixtures) insured by The Gore on Wellington, South, and Bay Streets amounted to \$55,991.

*Upper left: The causes of fires covered by The Gore are listed in this 1902 Inspector's Report. Center: Directors Report presented at The Gore's 61st Annual Meeting, January 22, 1900. Right: View of Bay Street north of Wellington, looking south after the 1904 Toronto Conflagration. Pictures taken by W. J. Whittingham on April 20, 1904 (Courtesy City of Toronto Archives). Bottom Left: Instructions for proper risk assessment carried by Gore agents.*

# SETTING THE STANDARD

7

## THE GORE DURING THE **FIRST** WORLD WAR

The August 4, 1914 British declaration of war on Germany marked the official beginning of World War I which affected Canadians on every level. Gore was home to the 111th Battalion, bringing the war into the midst of the local community. For The Gore this was a time to apply its governing principle of sharing risks and burdens as expressed in the very concept of mutuality to the Canadian war effort.

An initial donation to the Canadian Patriotic Fund was made in October 1914, right after the outbreak of hostilities. At the annual meeting held on January 7, 1916, members unanimously committed \$50,000 – which was The Gore's profits for 1915 – to the Galt Branch of the *War Effort Patriotic Fund*. The donation, which was made in addition to company subscriptions to the *Victory Loans Program*, was greeted by Honorary Secretary Herbert B. Ames on behalf of the Patriotic Fund as “a stimulation to others and a magnificent example which all Canadians may well emulate”. Other contributions benefited the *Sailors Relief Fund*, the *Halifax Relief Fund* for the victims of the December 6, 1917 Halifax harbour explosion, the *Red Cross*, the *YMCA* and the *Navy League*.

*The Gore's contribution to the war effort is noted in the industry.*



# GOING WEST



## THE GORE IN THE "ROARING TWENTIES" & DURING THE "GREAT DEPRESSION" 1919-1939

The "Roaring Twenties" with their optimistic outlook and cultural focus on movies, jazz and the arts provided a welcome distraction from the horrors experienced during WWI. To everyone's shock, this short period of economic prosperity, cultural edge and modernity was not to last, and was soon replaced by another time of great deprivation, marked by the "Great Depression".

In spite of the "Great Depression", The Gore continued to grow throughout the period. At The Gore, the second half of the 1930s in particular was marked by unprecedented growth spurred by the company's expansion into British Columbia, Manitoba, Saskatchewan and Alberta. Following The Gore's incorporation as a national company in 1937, the interwar period was further marked by great product diversification and the branching out into the growing automobile insurance market. Both the opening of a new head office in Galt in 1936 and the company's Centennial Anniversary in 1939 marked significant milestones during a period otherwise remembered as a short-lived interim between the two most devastating wars in human history.



Cheque and envelope used by The Gore in the 1920s, and sign exhibiting their changed character as a fire, automobile and casualty insurance provider.

### GROWTH AND EXPANSION

On May 31, 1937, The Gore became a federally-incorporated company. Its changed legal status allowed The Gore to underwrite many new classes of insurance, including automobile, accident, aviation, bond, burglary, credit, earthquake, explosion, falling aircraft, guarantee, hail, inland transportation, personal property, plate glass, sickness, sprinkler leakage, steam boiler, tornado and weather insurance.

In pursuit of the goal to establish a presence in Western Canada, The Gore was first licensed in British Columbia in July of 1935 and *Rorison McBeath Insurance Ltd.* of Vancouver was appointed General Agent. Shortly after, James J. Allen was appointed special representative with the mandate to start The Gore's business in the Prairies, and in 1936 an office was established in Winnipeg to serve Manitoba and Saskatchewan. The opening of yet another Gore office in Edmonton in 1938 to serve the Alberta market completed The Gore's expansion into Western Canada.

The Gore building on the corner of Main and Ainslie Streets in downtown Galt served The Gore as head office until 1936.



### THE NEW GORE BUILDING

A new head office on a property overlooking Soper Park and Mill Creek on Dundas Street in Galt was built in 1935/6 and was officially opened on May 19, 1936 by Lieutenant-Governor Herbert A. Bruce. Located on a hilltop and surrounded by elegant gardens, the highly visible neo-Georgian structure instantly became a local landmark. Designed by *Marani, Lawson and Morris Architects*, it was built by Scottish stone masons using local, hand-picked field stone provided by the City of Galt. With its impressive stairways and floors made of Italian travertine and marble, The Gore's new head office was a proud expression of the sophistication of a company that had grown to 1,700 members and 300 agents.

### THE GORE TURNS 100 AND BECOMES AN AUTOMOBILE INSURER

1939 – The Gore's Centennial — was a milestone year. At 100 years old, the company was in excellent shape. Business transacted during 1938 was greater than in any preceding year and the audited statement showed assets of over \$2.6 million. It was a time to look back with pride, but even

more significantly, to keep moving forward. It is more than just symbolic that in its Centennial year, The Gore opened a new chapter by offering automobile insurance for the first time. Instead of resting on their laurels, Gore leaders made a forward-looking move that fully catapulted The Gore into the modern consumer age and ensured its continuing relevance for Canadians long-term.



Upper left: The new Gore building under construction.  
Upper right: View of the new Gore building on Dundas Street North.

what is a  
VICTORY  
BOND

# HEEDING THE CALL

9

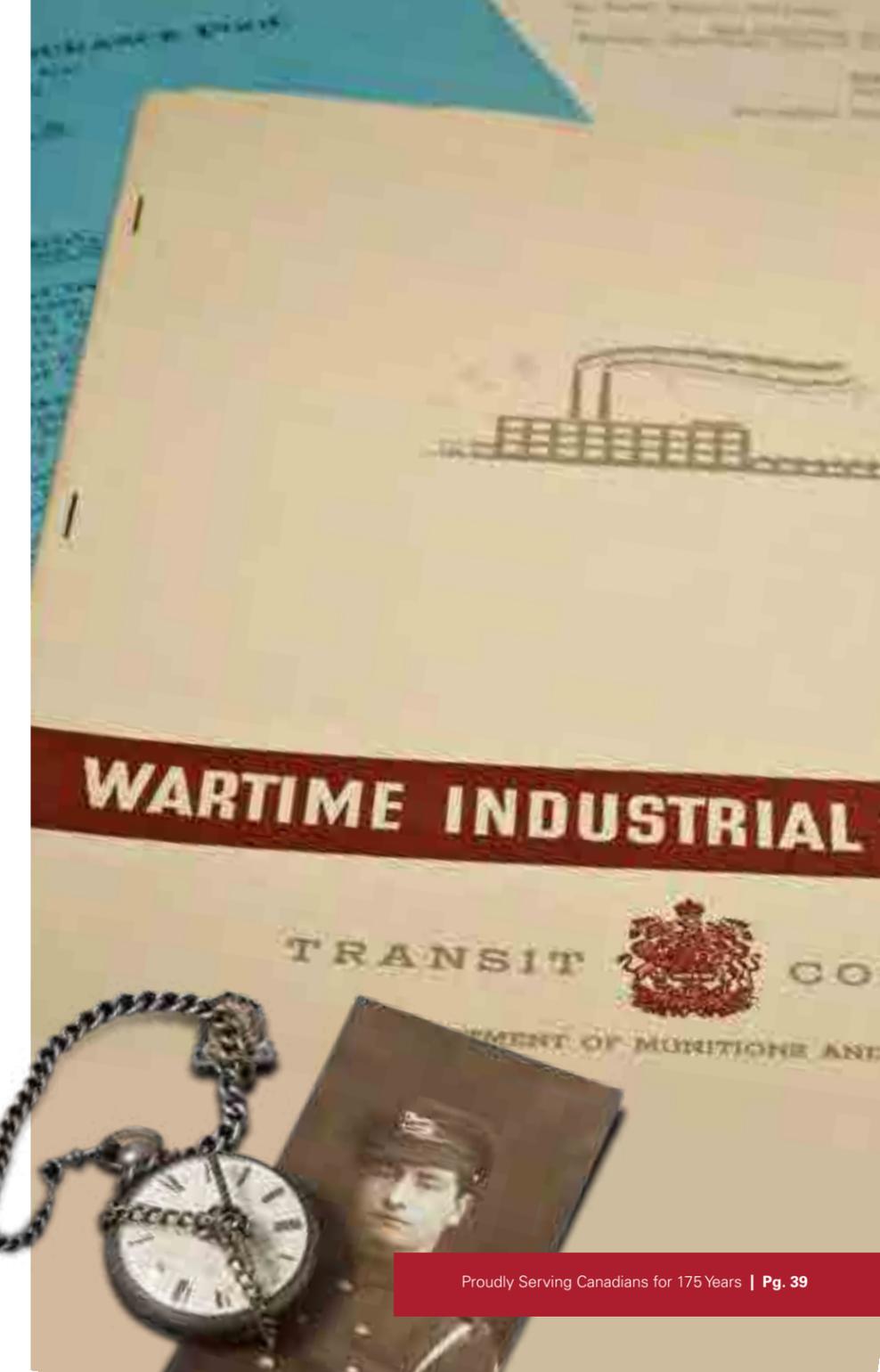
VICTORY BOND is the promise of the Dominion of Canada to repay the full face value of the Bond at the stipulated, with half-yearly interest rate of 3% per annum until maturity. A Victory Bond is the safest investment in Canada. The entire responsibility is behind it.

## THE GORE DURING THE **SECOND** **WORLD WAR**

The Second World War brought with it significant changes for operations at The Gore. As a provider of automobile insurance, The Gore came under the *Wartime Industrial Transit Plan*, administered by the Department of Munitions and Supply. From a risk management perspective, Gore President Alex R. Goldie noted in 1941 that “the war has resulted in more people working under considerable strain and nervous tension. They do not appear to be able to give the same consideration to safety and fire protection as they normally do.”

Eight Gore staff members served on active duty overseas. They all survived the war but two were severely wounded. Gore employees, in addition to paying the mandatory Defence Tax on their salaries, donated an additional portion of their income to the Government’s War Savings Committee. At a corporate level, The Gore subscribed to victory bonds through the Canadian War Loan program and supported capital campaigns and other war-related activities by local organizations. The recruitment drive of the *Galt Highland Light Infantry of Canada*

*During World War II, The Gore falls under special wartime legislation.*





was facilitated by The Gore. The company insured the cars used in the recruiting canvas, stored the regimental silver in The Gore's vault and provided insurance for the contents of the men's mess free of charge. By war's end, total company subscriptions to the Dominion of Canada victory bonds amounted to \$525,000.

### THE GORE DONATES \$100,000 TO THE WAR EFFORT

By early 1941, Hitler's armies had overrun and occupied almost all of Western Europe. With Great Britain having become the last major bulwark in Western Europe against German aggression, support of the Allied war effort had become more urgent than ever. To help at this decisive stage Gore members, at the February 10, 1941 annual meeting, pledged \$100,000 out of the company's surplus "as a free gift to be used to prosecute the war in whatever manner the Government shall deem most effective." The motion was carried unanimously by the members "by standing vote with applause". In his reply, Prime Minister William Lyon Mackenzie King characterized The Gore's gift as a "matter of profound encouragement" and an "inspiring example of freely giving" that was received "in a spirit of sincere gratitude."

### DIVERSIFICATION AND GROWTH

From an operations perspective, the war years were characterized by significant product diversification. During 1941, The Gore wrote insurance for fire, automobile, plate glass, personal property floaters and windstorm. That same year, management applied for authority to write insurance for inland transportation, public liability, surety bonds and burglary as well. In 1943, existing licenses were extended to allow The Gore to underwrite accident and sickness insurance. The Gore's new product lines were instantly successful.

Original cheque of \$100,000 to the Canadian war effort and "thank you" letter by Prime Minister William Lyon Mackenzie King (1941).

## PRIME MINISTER WILLIAM LYON MACKENZIE KING CHARACTERIZED THE GORE'S GIFT AS A "MATTER OF PROFOUND ENCOURAGEMENT"

Building onto The Gore's exceptionally strong performance in the 1930s, the early to mid-1940s were another period of immense growth. In 1944, The Gore's premium income exceeded \$1 million for the first time. That same year, the company made its first serious foray into the international market by entering into a reinsurance treaty with the *Commercial Insurance Company of Mexico City*. By February 1945, The Gore had reinsurance treaties with 23 companies and, according to the president, carried "a larger amount of Canadian re-insurance than any other company in Canada." With a total reserve of \$576,164, double the amount in 1937, the company was in a great position to face the post-war period.

The Gore's progress is covered in this 1942 special newspaper feature.



# ON THE ROADS OF ONTARIO

10

## THE GORE DURING THE IMMEDIATE POST-WAR PERIOD **1945-1950**

Post-war Canada provided a different playing field for insurance companies as the industry continued to change at rapid speed. Record profits throughout the 1930s had prompted many new players to enter the Canadian market. By 1947, 360 Canadian, US and British insurers were offering their services to Canadians. As a more diversified company, The Gore was writing all lines of insurance except for life and sickness, exposing the company to new risks in different areas.

Once wartime restrictions on gasoline were lifted, an ever-growing number of Canadians took to the roads and, lacking experience, became involved in traffic accidents. Conveying the message of safety to Canadians became an important imperative of The Gore. Automobile insurance added a highly dynamic and unstable, yet somewhat cyclical element to The Gore's operations. As the number of claims related to car accidents rose sharply, underwriting losses became a new reality for Canadian insurance providers. On a structural level, growing in the automobile market resulted in a significant increase in the number of agents representing The Gore and helping Canadians with their insurance needs.

*1940s Annual Report and insurance policy.*

56079 30550  
1/7658/72448  
CLASS.....  
FOR MERCANTILE RISKS ONLY  
REN-D 1945  
REN-D 1947  
L.R.  
P.W.  
G.K.  
G.P.  
EXP'D. DEC 1948  
Gore Distri  
Mutual  
Fire Insurance Co  
HEAD OFFICE: GALT, ONT.  
Interim Receipt No. ....  
Insured ... *Vernon J. Kaufman* ...  
Post Office ... *Plattsburgh, Ont.* ...  
Date of Insurance ... *Dec 8<sup>th</sup>* 19...  
Date of Expiry ... *Dec 8<sup>th</sup>* 19...  
Amount Insured, \$... *6,500.00* ...  
Premium Note *440.00* 9100  
Premium, \$... *182.00* ...  
In what Company ...  
hitherto been ...  
If in Gore, quote Policy No. *43788* ...  
What other Insurance ...



# A SAFETY AND COMMUNITY PARTNER



11

## THE GORE IN THE 1950s

Year after year, it was announced that The Gore had completed another record year in its history. In 1951, premiums from automobile insurance passed \$1 million for the first time. At an industry level, the presence of The Gore and other Canadian-controlled companies in the automobile insurance business had reversed the industry-wide trend of Canadian-owned insurance providers losing market share to their non-Canadian competitors. In 1953, a branch office was opened on Yonge Street in Toronto, the company's sixth office after Galt, Winnipeg, Saskatoon, Edmonton and Vancouver. Three years later, a new wing was added to the head office in Galt. In 1959, the company name was changed to Gore Mutual Insurance Company to reflect the fact that the District of Gore no longer existed and the company was now underwriting many classes of insurance besides fire insurance.

### GORE MUTUAL SHARES WITH THE COMMUNITY

On February 4, 1951, the *Galt Evening Reporter*, under the headline of "The Gore is a City Asset," reported how Gore Mutual had contributed to the progress of the community over the years. Citing low-interest loans



and mortgages granted to local organizations as one of the many ways Gore Mutual had supported community projects, the article concluded: "All in all this company has meant much to Galt and it is safe to say there is much appreciation of the attitude it has taken and continues to take toward community projects of various kinds."

Only one year later, in 1952, Gore Mutual pledged \$75,000 towards the new building of the *South Waterloo Memorial Hospital* (now *Cambridge Memorial Hospital*) – the single largest donation made to help the city provide modern hospital facilities to local residents. It was not a coincidence, but an expression of heartfelt commitment to community causes that Gore President Goldie was also President of the Galt Hospital Trust and Gore Managing Director MacKendrick was Vice-President of the Board of Directors of the Galt Hospital.

### GORE MUTUAL HELPS THE VICTIMS OF CATASTROPHES ACROSS CANADA

An exceptionally large number of fires across Canada in 1950 resulted in industry-wide losses of over \$80 million. The Quebec communities of Rimouski and Cabana were devastated by fire; so was Riley, Alberta, where a significant section of the town was wiped out. A natural gas explosion in Leduc, Alberta prompted the explosion of a hotel, resulting in the tragic death of 16 people. Together, these tragedies served as reminders that in spite of significantly improved disaster prevention standards, the risk of Canadians becoming victims of natural disasters still existed. Gore Mutual contributed to the losses in Quebec through reinsurance and, overall, paid out over \$1 million to help the victims of the aforementioned disasters.

# COMING OF AGE

12

## CANADA'S CENTENNIAL 1967



Colour postcard photo of the Gore centennial fountain, Queen's Square Galt c.1967. Courtesy of the Cambridge Archives.

1967 marked the Centennial of Canada as a nation. To express both the company's deep roots as a Canadian enterprise and its role as a partner in the community, Gore Mutual donated a fountain to the City of Galt. Designed in the shape of the centennial leaf, the fountain was built in Queen's Square where it remains a centre piece to this day. In his speech on behalf of the city, Mayor Robert Kerr characterized the gift as "one more tangible gesture by an institution closely entwined with the history of this community for over 100 years of continuing civic responsibility."

### THE NEW GORE MUTUAL BUILDING

In the early 1970s, Brantford architects *Mark, Musselman, McIntyre & Combe* were commissioned to design a new building to be attached to the 1937 Gore head office. Constructed of steel, granite and mirror glass, the new building, which was opened in 1974, is connected to the original building through a sixty foot glass passageway. Rather than echoing the design of the neo-Georgian style of the old building, the architects devised a concept that uses straight lines, large granite panels and glass

to create a structure that blends in both with the old building and the complex's natural surroundings. Tall mirror-glass panels were placed in a way so that from certain angles they reflect the old building, creating a visual synthesis between old and new.

### GORE MUTUAL HELPS THE VICTIMS OF THE 1974 GRAND RIVER FLOODING

On May 17th, 1974, the Grand River overflowed its banks affecting communities along the river and causing millions of dollars in damages. In Galt, water continued to flood the city until it had reached a depth of up to six feet in the downtown's commercial area. This was the most severe Grand River flood in recorded history and the damages resulted in the single-largest general liability loss in the long history of Gore Mutual.

### GORE MUTUAL SUPPORTS THE COMMUNITY

After years of supporting community initiatives on an ad-hoc basis, Gore Mutual adopted a more strategic budget approach to corporate giving in

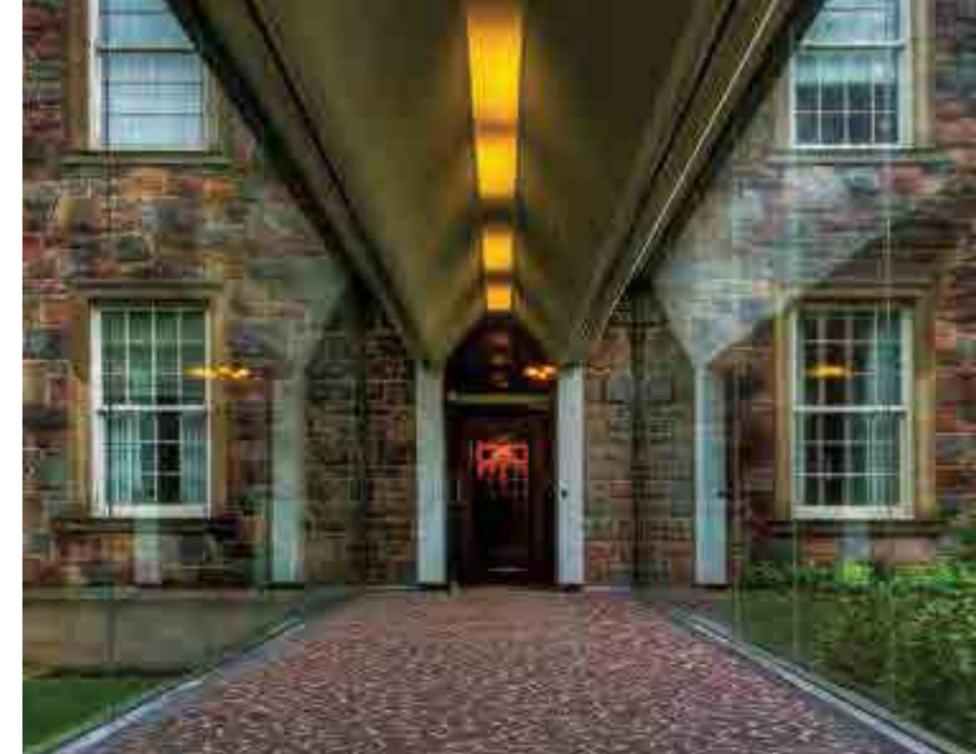


1978. The company's new policy was built around an annual donation based on a percentage of the gross written premiums of the previous year. In 1979, Gore Mutual provided funding for *Federated Drives/United Appeals* in Cambridge, Ottawa, Toronto, London, Vancouver and Edmonton, and for many national, provincial and local health agencies including the *Huntington Society of Canada*, the *Ontario Heart Foundation*, and the Cambridge *Big Brothers Association*. Local civic causes supported included the *Junior Achievement of Cambridge*, the *Can-Amara Games* and *Heritage Cambridge*.

### REORGANIZING GORE MUTUAL

Prompted by the diversification of services, the advent of computers and growth of Gore Mutual's workforce to over 300 employees, company leadership identified staff training initiatives, the creation of new departments and incorporation of new technology as key focus areas throughout the 1970s and 1980s. A technical service department was established and operations were reorganized into personal and commercial sections. Following the purchasing of the first Honeywell computer in 1968, Gore Mutual had become one of the first companies in Canada to introduce computerized policy handling for automobile insurance. By the fall of 1979, multiple Cathode Ray Tube (CRT) screens were used in claims processing and in personal and commercial lines across the Gore Mutual network. The computer age had arrived at Gore Mutual.

Left: The old and the new Gore Mutual buildings. Top right: Glass-enclosed walkway joining the new and old Gore Mutual buildings. Bottom right: Workstations and early data recording equipment used at the Gore Mutual head office (circa mid-1960s).





# “WINNING THE PAPER WAR”



13

## COMPUTER AGE AT GORE MUTUAL THE 1980s

“Winning the paper war” was the motto for Gore Mutual’s gradual conversion to digital processing. In January 1982, the new \$1.2 million Honeywell DPS8 computer arrived at the head office. It was so big that it had to be lifted to a second-storey window by crane. Named *GOLD (Gore on-Line Data)*, the new data processing systems revolutionized operations by allowing Gore Mutual staff to update files on-line.

The fundamental reorganization of the company that had begun in the late 1970s continued. A Cambridge branch was separated from the head office in 1980, resulting in increased efficiencies. New departments included a Corporate Communications Department (1980), a separate Human Resources Department (1981) and a Methods and Procedures Department (1982). In keeping with the company’s history of expansion, *Gore Générale*, a wholly-owned subsidiary based in Montreal, was incorporated in 1987 to serve the needs of Canadians in Quebec. Gore Mutual’s 150th anniversary in 1989 was celebrated with great pride in past achievements and excitement about the future of the company.



### GORE MUTUAL HELPS THE VICTIMS OF THE 1988 SLAVE LAKE, ALBERTA FLOODING

On July 6, 1988 the Sawridge Creek overflowed, causing severe flooding in the town of Slave Lake, Alberta. Gore Mutual’s disaster response team was on site within 36 hours and within a week \$1 million was paid out to policyholders who had suffered losses. Overall, there were 200 claims and losses of \$3.4 million for the company, making the Slave Lake natural disaster one of the largest insurance events in the history of Gore Mutual.



# STAYING TRUE TO THE ROOTS

14

Photo credit: John Turvey

## MAKING BUSINESS EASY

"Making Business Easy" became an official Gore Mutual theme in the 1990s. To make dealing with Gore Mutual the best possible experience, a 24-hour emergency claims service was initiated, new estimating software introduced to allow adjusters to prepare estimates with greater speed and accuracy, and an electronic data interface project was started to equip brokers with upload and download capabilities. Other innovations included the ability of policyholders and brokers to report claims electronically through the Gore Mutual website or by email.

Segmentation through innovative insurance solutions custom-designed for specific businesses, industries and consumer needs resulted in the launch of many new insurance packages. By 1998, the program business had grown so rapidly that a separate Programs and Specialty Lines Department was created.

### **GORE MUTUAL HELPS THE VICTIMS OF THE 1998 ICE STORM**

Between January 4 and 10, 1998, a massive ice storm swept through Eastern Canada, freezing everything that stood in its way and causing



*Cheque presentations to Gore Mutual Foundation recipients.*

trees and power lines to collapse by the tens of thousands. Canadian insurers were presented with approximately 700,000 claims worth \$1.4 billion, making the storm the single-most expensive insurance event in Canadian history. Gore Mutual received 1,506 claims and paid out over \$2 million for storm-related losses that year. In addition, Gore Mutual donated \$5,000 to the Red Cross Society Ice Storm '98 fund to help with immediate relief efforts.

### **GORE MUTUAL INSURANCE COMPANY FOUNDATION**

In 1998, Gore Mutual established the *Gore Mutual Insurance Company Foundation*. Since then, the endowment has grown and allowed the Foundation to support hundreds of health, welfare, education, cultural, environmental and charitable activities in many communities. Each year, partner brokers from across Canada nominate registered charities to receive funding and registered charities are invited to request donations directly from the Foundation as well.



# INDUSTRY LEADERSHIP



15

Photo credit: John Turvey

## GORE MUTUAL SINCE 2000

Following the appointment of Kevin McNeil as CEO and President in May 1999, a strategic plan for the new millennium was adopted and implemented. It included establishing a dual region structure (Ontario and British Columbia) with offices in Cambridge and Vancouver, paying closer attention to serving the needs of brokers, closing remaining gaps in the product lineup, claiming a position of technology leadership, and creating an even more customer- and service-focused culture. Completing a process started in the early 1980s, Gore Mutual made a commitment to be entirely paperless in the processing of policies.

### **GORE MUTUAL RECEIVES RECOGNITION AS AN INDUSTRY LEADER**

State-of-the-art communications, a superior service culture, comprehensive insurance solutions and technology leadership continued to impact the way Gore Mutual was perceived by brokers and policy holders. In 2001, Gore Mutual was ranked 6th in the *Insurance Brokers Association of Ontario (IBAO) Rate Your Company Survey* that is conducted every second year. In 2005, Gore Mutual became the top ranked insurance company



WATERLOO AREA'S  
TOP EMPLOYERS  
2014

in British Columbia in the parallel survey taken by the *Insurance Brokers Association of British Columbia* in 2006 and 2008, Gore Mutual was named #1 Insurance Company in Ontario by the Insurance Brokers Association of Ontario. In the 2010 and 2012 surveys, Gore Mutual was the only company to rank 'above average' in every single performance category.

### **GORE MUTUAL CONTINUES TO INVEST IN ITS PEOPLE**

A new Head Office Training Centre was launched on June 21, 2000. The new facility is used for in-house training purposes and is also available for use by the community. In recognition of the company's commitment to continuously invest into its people, Gore Mutual was first named one of *Waterloo Area's Top Employers* by the (editors of *Canada's Top 100 Employers* in 2008. Since then, the company has received the award for five consecutive years. Within this competition, employers are evaluated in eight areas: physical workplace, work atmosphere, health, financial and family benefits, vacation and time off, employee communications, performance management, training and skills development, and community involvement.



# THE LEGACY OF GORE MUTUAL



16

Photo credit: John Turvey

## A ROADMAP FOR THE FUTURE

175 years after the Brantford schoolhouse meeting that marked the founding of Gore Mutual, the company's legacy is one of genuine personal service, of commitment to protecting Canadians from potentially devastating risks, of sharing and giving back to the community and valued long-term partnerships with brokers and communities.

Although its founding principle was tested at various times, Gore Mutual has remained true to the ideals of its founding fathers. As the company continues to evolve, its dual regional structure enables Gore Mutual to serve Canadians in both Ontario and Western Canada. The expertise of the British Columbia office puts Gore Mutual in a great position to lead the charge in the focused expansion of business in the Western provinces while the Ontario regional office in Cambridge continues to grow in the company's core areas of business. The contributions of Gore Mutual representatives to industry organizations, such as the Insurance Institute, the Insurance Bureau of Canada and the Broker Associations ensure ongoing involvement in industry issues.



Gore Mutual participates in United Way event.

Whether it is through the work of the Gore Mutual Insurance Company Foundation, by employees organizing and contributing to many fundraising campaigns, or through company executives serving as Campaign Chairs for the United Way, people at Gore Mutual are committed to working towards improving services in the community. At present, the Foundation supports over 100 charitable organizations and community initiatives every year.

At 175 years old, Gore Mutual is looking to the future as one of the top Property and Casualty insurers in Canada. Management and employees have accepted their legacy as a road map for the company's future. "We are carrying on with the legacy of our founders," says President McNeil. "We manage the business conservatively, which allows us to have the room to constantly search for ways to innovate." The knowledge that the company has been there with Canadians through thick and thin since Ontario's early pioneer age puts every decision into long-term perspective and ensures best practices with focus on long-term impact.



**THE CORE STRENGTH OF OUR ORGANIZATION IS THE PEOPLE, BOTH INTERNALLY AND EXTERNALLY.**

The message from the company's history is that an insurance provider can transcend that role and develop an institution with meaningful roots in the community. Chief Operating Officer Heidi Sevcik, who will become President and Chief Executive Officer on July 1, 2014, concurs. "By design, we have been able to maintain our unique 'old fashioned' culture and merge it with innovative approaches to providing insurance solutions that matter to Canadians. The core strength of our organization is the people, both internally and externally. Since 1839, people at Gore Mutual have contributed to the success of this great company and we continue to build on this legacy of excellence today. With its unconditional commitment to genuine personal service, the legacy of the past will be the foundation for our future."

*Left: Gore Mutual team at the Head office in Cambridge in 2011. Right: In June 2014, Heidi Sevcik will succeed Kevin McNeil as President and CEO of Gore Mutual.*



Photo credit: John Turvey

