

[Back](#)

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Life insurance companies to merge Columbian Mutual-Farmers and Traders deal may be completed by mid-year

By [Jeff Platsky](#)
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VESTAL -- Columbian Mutual Life Insurance Co. of Vestal and Farmers and Traders Life Insurance Co. of Syracuse announced a merger agreement on Monday in a move that executives say will marry two complementary companies.

Both companies will maintain a presence in their respective communities. Columbian employs about 215 people in Vestal. Farmers and Traders employs about 85 people in Syracuse.

Thomas E. Rattmann, Columbian chief executive, said the merged company will benefit from consolidating the information systems at the two. The move will also allow each to expand their products and the distribution of those life insurance products through an expanded sales force.

The new combined organization, executives said, will be almost double the size of the individual predecessor companies. Assets for the merged entity will exceed \$1 billion and the surplus will be approximately \$70 million.

Completion of the merger is expected in mid-2007, pending the exchange of information between the two companies, final approval from the two boards of directors and the nod from the New York State Insurance Department.

Current Farmers and Traders Chief Executive William R. Hess will join the board of directors of the newly merged company. Rattmann will become the chief executive of the new company. Both companies will continue to operate under their respective pre-merger names, Rattmann said.

The 125-year-old Columbian Mutual is licensed in all 50 states. The 95-year-old Farmers and Traders is licensed in 31 states. Both companies have an A-, "excellent" rating from A.M. Best, an independent rating agency.

Terms of the deal were not disclosed.