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## **New York Auto Insurance Company Profits – Enough Is Enough**

New York auto policyholders are covered by some of the largest insurance companies in the world. Today, the profits of these companies have ballooned to unprecedented levels due to two things: massive investment income and underwriting profits caused by the unrestrained price-gouging of policyholders. As this fact sheet makes clear, these companies place enormous importance on their ability to tout both developments to their shareholders and/or financial analysts. It is fantasy to expect that “tort reform” will stop this. History clearly shows that it won’t.<sup>1</sup>

Below we examine recent profit figures of 10 companies that consistently appear among the largest and most popular auto insurance companies in New York State: GEICO (owned by Berkshire Hathaway), Allstate, State Farm, Progressive, Liberty Mutual, Travelers, USAA, NYCM, Farmers and Nationwide.<sup>2</sup>

It should first be noted that when looking at the property/casualty insurance industry as a whole, of which auto insurance is a huge part, industry profits are extraordinary. (Private passenger auto insurance represents about 35% of all property/casualty premiums. Commercial auto is another 6% or so.) S&P Market Intelligence reported in November 2025 that “the U.S. property/casualty insurance industry had its best quarter in at least a quarter of a century—and maybe longer.” And “strong results” in auto insurance are, in part, responsible for this.<sup>3</sup>

In August 2025, an S&P Global Market Intelligence analysis of the U.S. found,

The Progressive Corp., Berkshire Hathaway Inc. and Liberty Mutual Holding Co. Inc. [were] each producing underwriting profits in excess of \$1 billion. The underwriting results for Progressive, Liberty Mutual, The Travelers Cos. Inc., The Allstate Corp. and the group led by State Farm Mutual Automobile Insurance Co. improved by more than \$1 billion on a year-over-year basis, with State Farm’s profit of \$387.0 million representing an improvement of \$4.74 billion.<sup>4</sup>

While public reporting is not available for all 10 companies or consistently reported over the last two years, one thing is clear: Profits are at ridiculous levels and company execs couldn’t be happier.

## **GEICO (Berkshire Hathaway)**

In February 2025, Warren E. Buffett, Chairman & CEO of Berkshire Hathaway, reported that the company's "operating profit set a record in the fourth quarter and for the third straight calendar year, bolstered by improved underwriting and higher investment income in its insurance businesses. Much of that income came from Berkshire's enormous cash stake, which ended 2024 at a record \$334.2 billion, twice as much as a year earlier."<sup>5</sup>

In its 2024 report to shareholders, released in February 2025, the company reported that the underwriting profit for GEICO alone totaled "\$7.8 billion, more than double the \$3.6 billion posted in 2023." Add to this "another \$5 billion boost in investment income across all of Berkshire's insurance operations compared to 2023" and it's clear this company's auto insurance profits are extraordinary.<sup>6</sup>

In fact, Buffett explicitly touted GEICO's performance stating, "Our insurance business also delivered a major increase in earnings, led by the performance of GEICO." He called GEICO's performance "spectacular."<sup>7</sup>

## **Allstate**

Throughout 2025, Allstate has been reporting significant profits. In July 2025, *Reuters* wrote, "Allstate reported a jump in second-quarter profit on Wednesday, driven by strong underwriting performance and increased investment returns."<sup>8</sup> Its third quarter was just as good, as CEO Tom Wilson noted: "Allstate delivered excellent operating results in the third quarter," with net income totaling \$3.7 billion compared to \$1.2 billion in the prior year quarter."<sup>9</sup>

Equally "excellent," it seems, was Wilson's compensation package. He was rewarded with more than \$26 million, the highest for any auto insurance executive examined in a recent Consumer Federation of America report.<sup>10</sup>

## **State Farm**

In announcing State Farm's 2024 financial results, the company stressed the "financial strength of State Farm Mutual Automobile Insurance Company," noting that the net worth for its auto insurance business ended the year at \$145.2 billion compared to \$134.8 billion at year-end 2023." According to State Farm, this represented "a significant improvement in auto lines underwriting results."<sup>11</sup> State Farm's net income totaled \$5.3 billion in 2024.<sup>12</sup>

## **Progressive**

In the company's first quarter 2025 earnings call, Tricia Griffith, President & CEO, could not be more excited about company profits. Reporting a net income of approximately \$8.5 billion for full-year 2024 and positive net income and premium,<sup>13</sup> she said, "Following a fantastic 2024, we just delivered one of our best quarters ever with near-record margins coupled with record growth."<sup>14</sup> She touted both "strong underwriting profitability" as well as "investment income that

was 32% greater than the first quarter last year and averaged over \$270 million a month year-to-date.”<sup>15</sup>

As reported by *Reuters*, Progressive had a “10% jump in first-quarter profit,” at least partly on the backs of policyholders as “net premiums written jumped 17% to \$22.21 billion in the quarter.”<sup>16</sup> And towards the end 2025, profits were still surging, with October’s net income at \$846 million, more than double the year before.”<sup>17</sup>

## **Liberty Mutual**

In the first half of 2025, Liberty Mutual’s net income was \$2.9 billion, an increase from \$2.6 billion for the same period in 2024. Boasted Tim Sweeney, company Chairman & CEO, “We delivered strong second quarter results” both due to underwriting and “excellent investment performance.”<sup>18</sup>

The good news continued for Liberty Mutual. In November 2025, the company reported even higher net income for the year’s first three quarters, totaling \$5.1 billion (versus \$3.1 billion for the same periods in 2024). Said Sweeney, “We delivered exceptional third quarter results,” again “reflecting strong underwriting and investment performance.”<sup>19</sup>

## **Travelers**

Travelers, which routinely reports on its strong profits, has already had its first earnings call for 2026. Its net income jumped to \$6.3 billion, up 26% from 2024.<sup>20</sup> As reported by *Reuters*, the company “trounced Wall Street estimates for fourth-quarter profit... propelled by stronger underwriting performance and higher investment returns.”<sup>21</sup> Reporting on 2025 results, Alan Schnitzer, Chairman & CEO, explained, “We are pleased to report excellent fourth-quarter and full-year results driven by strong performance across both underwriting and investments.”<sup>22</sup> For this, he was compensated \$23 million.<sup>23</sup>

## **USAA**

In 2024, USAA reported “record financial results,” with net profit of \$3.9 billion, more than triple its 2023 result.<sup>24</sup>

## **New York Central Mutual Insurance Company (NYCM) Regional Carrier**

There was no financial information easily accessible for this carrier, and there were no prominent public CEO statements in the past year.

## **Farmers**

Farmers Group is a subsidiary of Zurich Insurance Group. There are also reciprocal exchanges known as Farmers Exchanges that are not owned by Zurich. So while financial information is not as straightforward as for other companies, some points are worth mentioning. In 2024, Farmers

Insurance Exchanges reported underwriting gains of \$1.7 billion and “net investment income of \$913.7 million.”<sup>25</sup>

In addition, Zurich highlighted strong Farmers-related performance in its own corporate updates.<sup>26</sup>

## Nationwide

In April 2025, the company boasted of “\$3.2 billion in net operating income in 2024, a 295% increase since 2020.”<sup>27</sup> Nationwide also reported net investment income of about \$6.5 billion in 2024, up from \$5.7 billion as a result of business growth.<sup>28</sup>

## Notes

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<sup>1</sup> See, e.g., Center for Justice & Democracy, “Limiting Lawsuits Will Not Lower Insurance Premiums (2024 Update),” January 5, 2024, <https://centerjd.org/content/limiting-lawsuits-will-not-lower-insurance-premiums-2024-update>

<sup>2</sup> See, e.g., WalletHub, “What are the largest car insurance companies in New York?” August 28, 2024, <https://wallethub.com/answers/ci/top-10-car-insurance-companies-in-new-york-1000349-2140801207>

<sup>3</sup> “Best Quarter in a Quarter Century: S&P GMI U.S. P/C Q3 Analysis,” *Carrier Management*, November 25, 2025, <https://www.carriermanagement.com/news/2025/11/25/281805.htm>

<sup>4</sup> S&P Global Market Intelligence, “2025 U.S. P&C Insurance Market Report: Stability Amid Volatility,” August 22, 2025, <https://www.spglobal.com/market-intelligence/en/news-insights/research/2025-us-p-and-c-insurance-market-report-projects-stability-amid-broader-volatility>

<sup>5</sup> “Berkshire posts record profit, expects \$1.3 billion California wildfire hit,” *Reuters*, February 24, 2025, <https://www.businessinsurance.com/berkshire-posts-record-profit-expects-1-3-billion-california-wildfire-hit>

<sup>6</sup> “Polished Gem GEICO Fuels Berkshire Hathaway Operating Gains,” *Carrier Management*, February 24, 2025, <https://www.carriermanagement.com/news/2025/02/24/272124.htm>

<sup>7</sup> Berkshire Hathaway, 2024 Shareholder Letter, February 22, 2025, <https://www.berkshirehathaway.com/letters/2024ltr.pdf>

<sup>8</sup> “Allstate quarterly profit jumps on underwriting strength,” *Reuters*, July 30, 2025, <https://www.reuters.com/legal/litigation/allstate-quarterly-profit-jumps-underwriting-strength-2025-07-30>

<sup>9</sup> “Allstate Reports Third Quarter 2025 Results,” *Business Wire*, November 5, 2025, <https://www.businesswire.com/news/home/20251105652237/en/Allstate-Reports-Third-Quarter-2025-Results>

<sup>10</sup> Consumer Federation of America, “Insurance CEOs Get 27% Salary and Bonus Bump While Consumers See Premium Hikes and Non-Renewals; Top 10 Insurance Executives Net Over \$134 Million in 2024 in Total Compensation,” October 22, 2025, [https://consumerfed.org/press\\_release/insurance-ceos-get-27-salary-and-bonus-bump-while-consumers-see-premium-hikes-and-non-renewals](https://consumerfed.org/press_release/insurance-ceos-get-27-salary-and-bonus-bump-while-consumers-see-premium-hikes-and-non-renewals)

<sup>11</sup> Susanne Sclafane, “State Farm Stronger as Underwriting Losses Shrink—But Not in California,” *Carrier Management*, March 2, 2025, <https://www.carriermanagement.com/news/2025/03/02/272410.htm>

<sup>12</sup> State Farm, “State Farm Announces 2024 Financial Results,” February 28, 2025, <https://newsroom.statefarm.com/2024-state-farm-financial-results>

<sup>13</sup> Progressive, *The Progressive Corporation 2024 Annual Report* (March 2025), [https://s202.q4cdn.com/605347829/files/doc\\_financials/2024/q4/interactive/pdfs/Progressive-2024-AR.pdf](https://s202.q4cdn.com/605347829/files/doc_financials/2024/q4/interactive/pdfs/Progressive-2024-AR.pdf)

<sup>14</sup> Tricia Griffith, remarks in “The Progressive (PGR) Q1 2025 Earnings Call Transcript,” May 6, 2025, <https://mlq.ai/stocks/PGR/earnings-call-transcript/Q1-2025>

<sup>15</sup> *Ibid.*

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- <sup>16</sup> “Progressives quarterly profit jumps on robust auto insurance demand,” *Reuters*, April 16, 2025, <https://www.reuters.com/business/finance/progressives-quarterly-profit-jumps-robust-auto-insurance-demand-2025-04-16>
- <sup>17</sup> “Progressive’s October profits surge as premiums and policies rise; Net income more than doubles year over year, fueled by gains in both personal and commercial lines,” *Insurance Business*, November 19, 2025, <https://www.insurancebusinessmag.com/us/news/breaking-news/progressives-october-profits-surge-as-premiums-and-policies-rise-557145.aspx>
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- <sup>19</sup> Ibid.
- <sup>20</sup> Jonalyn Cueto, “Travelers Q4 profits jump 23%,” *Insurance Business*, January 22, 2026, <https://www.insurancebusinessmag.com/us/news/breaking-news/travelers-q4-profits-jump-23-562735.aspx>
- <sup>21</sup> Manya Saini, “Insurance bellwether Travelers beats profit estimates on stronger underwriting,” *Reuters*, January 21, 2026, <https://www.reuters.com/business/insurance-bellwether-travelers-beats-profit-estimates-stronger-underwriting-2026-01-21>
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- <sup>23</sup> Consumer Federation of America, “Insurance CEOs Get 27% Salary and Bonus Bump While Consumers See Premium Hikes and Non-Renewals; Top 10 Insurance Executives Net Over \$134 Million in 2024 in Total Compensation,” October 22, 2025, [https://consumerfed.org/press\\_release/insurance-ceos-get-27-salary-and-bonus-bump-while-consumers-see-premium-hikes-and-non-renewals](https://consumerfed.org/press_release/insurance-ceos-get-27-salary-and-bonus-bump-while-consumers-see-premium-hikes-and-non-renewals)
- <sup>24</sup> Madison Iszler “USAA reports blockbuster 2024, adds members, posts near-record profit,” *San Antonio Express News*, April 22, 2025, <https://www.expressnews.com/business/article/usaa-annual-report-revenue-san-antonio-20287263.php>; USAA, *USAA Annual Report to Members 2024* (April 2025), <https://static.usaa.com/content/dam/digital/documents/pdf/brand/mkt-annual-report-to-members-2024.pdf>
- <sup>25</sup> Farmers Insurance, *Management’s Discussion and Analysis – 2024* (2025), [https://filecache.investorroom.com/mr5ir\\_farmers/321/2024%20MDA%20-%20FIE.PDF](https://filecache.investorroom.com/mr5ir_farmers/321/2024%20MDA%20-%20FIE.PDF)
- <sup>26</sup> Zurich, “Zurich continues strong execution with positive top line momentum and excellent profitability,” November 6, 2025, <https://www.zurich.com/media/news-releases/2025/2025-1106-01>
- <sup>27</sup> Nationwide, “Nationwide 2024 Operating Results,” April 3, 2025, <https://news.nationwide.com/nationwide-2024-operating-results>
- <sup>28</sup> Nationwide, “Nationwide By the Numbers, 2024 Annual Report,” <https://www.nationwide.com/cps/annual-report/strength-and-stability.html> (viewed January 23, 2026).