

COMMERCE GROUP INC /MA
Form 8-K
December 27, 2006

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report

(Date of earliest event reported)

December 22, 2006

THE COMMERCE GROUP, INC.

(Exact name of registrant as specified in its charter)

Massachusetts

(State or other
jurisdiction
of incorporation)

001-13672

(Commission File
Number)

04-2599931

(IRS Employer
Identification
No.)

211 Main Street, Webster, Massachusetts 01570

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(508) 943-9000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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Section 8. Other Events

Item 8.01 Other Events

On December 22, 2006, The Commerce Group, Inc. (the "Company") entered into an agreement to acquire SWICO Enterprises, Ltd., the holding company for Hempstead, New York-based property and casualty insurer State-Wide Insurance Company, in a transaction valued at \$52 million. Through this agreement, the Company expects to enter the New York personal lines insurance market in 2007.

A press release announcing the agreement is attached as Exhibit 99.1 to this Form 8-K.

Section 9. Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit 99.1 Press Release dated December 26, 2006

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE COMMERCE GROUP, INC.
December 27, 2006

/s/ John M. Meciak

John M. Meciak
Assistant Treasurer and Controller