

MERCURY GENERAL CORP  
Form 8-K  
March 10, 2009

**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): March 9, 2009

**MERCURY GENERAL CORPORATION**

(Exact Name of Registrant as Specified in Charter)

**California**  
(State or Other Jurisdiction of  
Incorporation)

**001-12257**  
(Commission  
File Number)  
**4484 Wilshire Boulevard**

**95-221-1612**  
(I.R.S. Employer  
Identification No.)

**Los Angeles, California 90010**

(Address of Principal Executive Offices)

**(323) 937-1060**

(Registrant's telephone number, including area code)

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**Not applicable**

**(Former name or former address, if changed since last report)**

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:

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  
- .. Soliciting material pursuant to Rule 425 under the Exchange Act (17 CFR 240.14.a-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))

**Item 2.05. Costs Associated with Exit or Disposal Activities**

On March 9, 2009, the Company took action to eliminate approximately 360 employee positions or 7% of the Company's workforce in an ongoing effort to improve its cost structure. The Company expects to record a charge, in the first quarter of 2009, of approximately \$8 million for severance and other employee termination costs in connection with the reduction in workforce, all of which will result in future cash expenditures. The total annualized pre-tax cost savings that are expected to result from the employee reductions is estimated to be approximately \$22 million.

**SIGNATURES**

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.

Date: March 10, 2009

**MERCURY GENERAL CORPORATION**

By: /s/ THEODORE STALICK  
Name: Theodore Stalick  
Its: Chief Financial Officer

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