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OMB APPROVAL  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

SCHEDULE 13G  
(RULE 13d-102)

INFORMATION STATEMENT PURSUANT TO RULES 13d-1 AND 13d-2  
UNDER THE SECURITIES EXCHANGE ACT OF 1934  
(AMENDMENT NO. 2 )\*

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CLEVELAND CLIFFS INC.  
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(Name of Issuer)

Common Stock, par value \$1.00 per share  
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(Title of Class of Securities)

185896107  
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(CUSIP Number)

Check the following box if a fee is being paid with this statement [ ] . (A fee is not required only if the filing person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class.) (See Rule 13d-7).

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

4 CITIZENSHIP OR PLACE OF ORGANIZATION

England

5 SOLE VOTING POWER

-0-

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
REPORTING  
PERSON  
WITH

6 SHARED VOTING POWER PERSON

37,400

7 SOLE DISPOSITIVE POWER

-0-

8 SHARED DISPOSITIVE POWER

37,400

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

37,400

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

[ ]

N.A.

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

0.33%

12 TYPE OF REPORTING PERSON\*

HC

</TABLE>

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 185896107 Page 2 of 6 pages  
13G Page 3 of 6 Pages

<TABLE>

<S>

<C>

1 NAME OF REPORTING PERSON  
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Farmers Group, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a) [ ]

(b) [ ]

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Nevada

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-----  
5 SOLE VOTING POWER

-0-

-----  
-----  
6 SHARED VOTING POWER

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NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
RE@-----

37,400

