



In the Field

No Off Season

By DAVID BOUSSELOT, REGIONAL CLAIMS MANAGER

When it comes to preparing for the claims season, there really is no down time. In fact, as the current season comes to a close, we're already doing our analysis and thinking about the next. We begin planning in earnest six to seven months before the season begins.

Our first step is to make sure we have enough adjusters in the right places to handle the business. Once we've done that, we begin working to line up a workable training schedule for each area within our region.

As we put our training material together for the training season, we focus first on any key written material and procedural changes that have been made since the previous training sessions. These we cover in the general sessions. Our breakout sessions are where we work to provide the best individualized training we can to each adjuster.

We try to make the breakouts interesting and practical. We often break into small groups for computer training. This year, we also went in the opposite direction, heading back to the basics and having everyone do a claim by hand, without their technology, to make sure they could still do it if the situation arose. We received feedback from several of the participants that the exercise was useful in that it helped them to think through the process with their head instead of simply hitting keys on the keyboard.

We also make certain everyone has the tools they need to do the job, providing them with up-to-date handbooks and other new materials.

Our spring training is completed. As has been the case in the past, our fall training will zero in on issues specific to each location. We break up into much smaller groups for those and focus on the problems they may face for production losses this fall and winter.

What to expect in 2013

Training dates and locations are set for the coming year, with the exception of last-minute adjustments. One change for the next round of training will be group size. Because of the introduction of the new ProAgWorks™ system, we want to work with smaller groups than usual. I would anticipate that roughly 2/3 of our time together will be spent training on the new system.

We'll receive our training on ProAgWorks later this summer, and then expand outward from there. What I've seen of the system to this point looks really good. It should be a great tool for our employees and agents, and we're excited to incorporate it into our training for 2013. 🌱



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SEASONS

BY MIKE CONNEALY, PRESIDENT & CEO

The recent arrival of my first grandchild was certainly a reason for celebration. All the joys of a child with minimal responsibility. The event did come with some other baggage, however, as she marks the passage from one unofficial season of life to another. Which season, we won't say.

All of that led me to think about our business and consider what season the crop insurance industry finds itself. It seems to me that we have certainly moved from spring to summer in the eyes of America's farmers and ranchers, as crop insurance has come to be seen as an indispensable part of their annual planning process.

From our perspective at ProAg®, the picture is less clear. This

is a critical season of change for our industry and our company. Just as spring holds so much promise, there is at the same time the understanding that harvest is a long way off. There is great opportunity, and there is considerable risk. Like farmers and ranchers, we manage the variables that we can and do our very best to account for those things that we cannot totally control.

Seasons wait for no one

What that means is that we stay on top of developments in our industry. We do all we can to influence positive change that will benefit our agents and policyholders. And we continue to function as an innovative organization, despite the current legislative uncertainty.

Ultimately, we must keep moving forward. We will continue to invest in the very best people we can find. We will implement our new ProAgWorks™ policy processing system that will improve our process, reduce frustration, and help this company and our agents add business—and service that business with even greater efficiency.

While we're still a long way from putting anything in the combine, we have every reason to be optimistic. We can't come to a stop to wait and see how things in Washington will turn out. In the end, something will be done for farmers whether it comes at the expense of the crop insurance industry or not. Our plan is to trust in our people, stick to our plan, and be prepared for any outcome.

The seasons stop for no one. Neither do we. 🌾



Four generations celebrated Father's Day 2012. Proud Mike Connealy holds new granddaughter Hayley. Seated with him are his daughter Mandy Ewig and mother Joan Connealy.

ACTION ON ARBITRATION IS A GOOD MOVE

BY GRANT ADAMS, PROAG® GENERAL COUNSEL

Recently, the RMA clarified its position on arbitration requirements, and I believe their decision is good news for agents, policyholders, and ProAg alike.

For some time, the terms of crop insurance policies have required policyholders to take most disputes with a crop insurance carrier to arbitration. Not only have they had to go to arbitration, but for the past few years, they have had to file the dispute with the American Arbitration Association (AAA).

That can be an expensive proposition for both the policyholder and the crop insurance carrier. The expense has often discouraged policyholders from pursuing some of the smaller

disputes. This spring, RMA issued Manager's Bulletin 12-003, which allows the policyholder to initiate arbitration without using the AAA as the administrative services.

This bulletin allows policyholders to break what can appear to them to be a logjam. And for agents—who are not allowed to be involved in most aspects of loss adjustment—the bulletin gives them a course of action that they can suggest without apology when one of their customers calls with a problem and asks, "What do I do?" We believe this is one of those decisions where everyone wins. 🌾

ON THE CREST OF THE WAVE

By DENNIS DAGGETT, SENIOR VICE PRESIDENT

I am fortunate to work for a company that recognizes the value of staff involvement in activities which have a tremendous impact on the future of production agriculture, but lie a bit outside of our official job description. My current work in the area of data standards is a perfect example. I'm somewhat the point of the spear for the glossary project, an effort to standardize the terms used in production agriculture. ProAg® has been a leader in this area, and success here will be a great help to software writers.

This is a very exciting and, I believe, pivotal time in the relatively short history of precision agriculture. Three things are happening now that will significantly affect agriculture and the crop insurance industry—all connected to data.

Common digital language

The first, which is the push to standardize all aspects of agricultural data, I have already mentioned. The glossary project is just one part of this effort. Machines equipped with precision equipment will generate roughly 85 different data elements every second. Multiply that by all the planters, combines, and applicators in the field and you have a tremendous amount of data. To this point, there has been little standardization in terms of equipment connectivity and data formats in the precision ag industry. This movement looks to change that, and that is going to rapidly transform the playing field.

A second key development is the push for the USDA to release their Common Land Unit (CLU) identifiers. These CLUs are permanent, third-party field identifiers—they are attached to the land, not to a landowner. Up to this point, they have been classified as personal information and have not been available to the public sector.

The release of these CLUs would change how manufacturers

design their equipment. With permanent field identifiers, a machine could, in theory, identify the field it was entering so the farmer wouldn't have to. From our perspective, it would also change how field data is collected and reported.

The final changes are taking place in the area of telematics, or the transfer of data. When you standardize the data format, you also allow the transfer process to be standardized. So, for instance, if a co-op has an application template they want producers to use for a certain crop, they can send that template to a machine on the fly.

Making the turn

If you picture the history of ag data management as a hockey stick, we're right at the point where the stick makes that sharp turn up. Some of the greatest challenges that this sea change in data management will bring to us involve building in producer safeguards on the front end of the process. I'm firmly in the camp that says the data generated on the land belongs to the farmer, but that is the subject of considerable debate.

This data revolution presents us with a tremendous opportunity. With data services, I believe the first one in wins. Once you pick a tax advisor, for example, you rarely switch. That's why I believe that educating our ProAg employees and agents on how to serve as trusted advisors when handling farmer data will be extremely important.

Historically, ProAg has been very good at anticipating where the industry is headed and positioning themselves accordingly. I believe that the coming data revolution will offer tremendous benefits to the farmer, and ProAg will be ready to play a key role in the process. 🌾



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LAYING A FOUNDATION FOR GROWTH

By MISSY WATERS, REGIONAL VICE PRESIDENT

It has been said that change is often perceived as loss. That may well be true. The fact is that change is always challenging, even when it is overwhelmingly positive. We've been through a lot of it at ProAg® the past few years, and the introduction of the ProAgWorks™ policy processing system will come with its own unique challenges.

The simple fact is that change is inevitable. The way our world of crop insurance looks today is not the way it will look in the future. We strongly believe that ProAgWorks is a key resource in helping us capitalize on the opportunities those future changes will bring our way. The system will enhance the ease of doing business for both employees and agents. It will also benefit both by providing a scalable platform for future top-line premium growth.

These are two outstanding steps forward. But they will only occur if the system is fully utilized. That is why we believe that anticipating, and preparing for, the change process is just as important as introducing the change itself. Our ultimate goal is to provide enough information, do sufficiently thorough training, and answer questions until every member of our team is onboard with ProAgWorks.

I have no doubt that we have the people we need to do great things. Now I believe we will have a policy processing system in place that will allow those people to fully utilize their talents. ProAgWorks isn't a goal. It's a tool to be used to achieve tangible, concrete business results—and one we are excited to put in your hands.

Though we're early in the transition process, we're already seeing a growing excitement about ProAgWorks. Those who are familiar with it are very positive. More of you will have the opportunity to learn more about the system as we begin working with our agents in July. As David explains in his article on the front page, ProAgWorks will be a major focus of our upcoming training schedule.

This is a time of great change in crop insurance, but also a time of significant opportunity. We believe we have the pieces in place to take advantage of those opportunities. Let's keep the lines of communication open as we work through this transition together. 🌱

