

In the Field



NORTHERN REGION

SPRING 2017

Crop Hail Team Ready for Action

As spring rapidly approaches, thoughts naturally begin to turn to another crop production season. That serves as a reminder that it's never too early to talk about crop hail and named peril products for the coming year. One group at ProAg spends most of every year thinking about these topics—the crop hail team. As their time to shine draws near, we would like to give you a chance to get to know them a little better.

Barry Cermak

As a native of Highmore, South Dakota, Barry's roots lie in farm country. Barry owned a service station in his hometown before getting his start in crop insurance in 1992 as a crop hail adjuster.



Barry joined the ProAg team in 2006 as a regional manager. In 2011, he became ProAg's product development manager, a position he's found to be both challenging and enjoyable.

"I enjoy this area because we're working with private products that we developed to meet both our company's standards and the needs of our agents and insureds," Barry says. "The challenge is to develop good, marketable named peril products that can help the producer manage risk."

What Barry appreciates most about ProAg is the willingness to explore new paths. "This is a fast-paced company that is growing," he says. "We can adapt to the marketplace rather quickly, and we are always looking at new opportunities."

Mary Holle

Having spent a third of her 30-year crop insurance career with ProAg, Mary just celebrated her 10-year anniversary Feb. 1. She's beginning her fourth year as the crop hail underwriting supervisor.



Mary notes that her job is never boring, with so many private products now available. She and her team of three other underwriters handle both the underwriting and claims side of private products. "It gets hectic at times," Mary says. "It's challenging, but also very rewarding when you look back at what you've accomplished at the end of the season. A key focus is customer service, so we are constantly looking for efficiencies within our ProAgWorks policy processing system to be as user-friendly as possible."

Ongoing enhancements to the ProAgWorks® policy processing system make it easier for agents to write their own crop hail and named peril policies, Mary says. "A lot of the agents want that

responsibility and the efficiencies in the system allow them to set the policies up, print the provisions and hand them to the farmer."

Mary and her husband, Ryan, live in Manhattan, Kansas. They have two adult children, Jake and Jordyn, and she enjoys spending time with her family boating in the summer. "Of course, we also take in as many K-State football and basketball games as possible," Mary adds.

Cathy Pennaz

As is the case for many ProAg employees, crop insurance wasn't Cathy's first career target. "I went to school for fashion merchandising, but ended up working as a florist for 10 years on and off while raising my boys," she explains. "I was working at Wells Fargo in 2011 when I decided to apply for a job at RCIS, and thus began my adventure in crop insurance."



Cathy joined ProAg in 2015 as the Northern Region crop hail underwriter, and says the move has been a good one for her. "I love my co-workers. They're always there with a kind word and a smile. What I most enjoy about my job is the variety of people I get to interact

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EMPLOYEE SPOTLIGHT



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Authorized Signature

What Is a Signature?

With the massive March 15 processing date fresh in our minds, it's a good time to revisit a topic that always seems to surface at sales closing date, production reporting date and acreage reporting date—signatures.

From Webster's Dictionary: A signature is defined as, "A person's name, or a mark representing it, as signed personally or by deputy, as in subscribing a letter or other document."

That's a nice dictionary definition. But what constitutes a signature in the crop insurance world?

Some folks might wonder, "What does it matter who signs that document, as long as they work on the farm?" Over the last several years, the RMA and ProAg have placed a strong emphasis on obtaining the proper signatures according to all the policy guidelines established.

It turns out there's quite a bit to know about proper signatures when it comes to crop insurance. To get all the details on this important topic, visit our ProAgPortal for the February Operations Newsletter at bit.ly/2m2FFNd. 🍀

The Latest From Project Phoenix

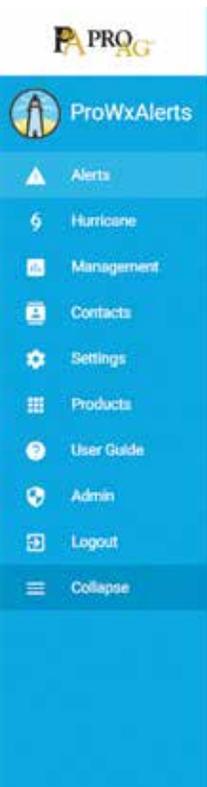
You may have noticed that ProAgWorks® has a different look. In January we implemented a theming update that changed the system's appearance. This update gives the system a more modern look and feel, and also provides an accent highlight when you hover over certain areas of the system.

We have a video available titled

"ProAgWorks Phoenix Theming Update" that provides a quick overview of this update. It is located on our ProAgPortal intranet, portal.proag.com, under Quick Links/Video Recordings/Other. Next up for Project Phoenix is an updated Fast Edit Acreage Report. More information and an instructional video detailing the Fast Edit Acreage Report

changes will be available on ProAgPortal as we get closer to this release.

Please contact your account representative or underwriter in the regional office if you have specific questions regarding Project Phoenix. We'd love to hear your feedback on what you're seeing and experiencing so far. 🍀



Keep Your Insureds Weather Aware

A new platform from ProAg, ProWxAlerts, was created to help you keep your insureds informed about potentially threatening weather conditions.

A rule-based forecast notification system enables you to communicate specific weather conditions and risks up to seven days in advance with your insureds. With hourly forecasts available for the entire United States, users can pinpoint specific weather events and thresholds, and alert stakeholders automatically about threats to their farming or ranching operation.

Automate your forecast

ProWxAlerts can create weather alerts for a few target locations or an entire book of business, by address, longitude-latitude or Public Land Survey System (PLSS). Our platform automates the communication process and sends the forecast directly to your insureds.

Unique to these alerts is the ability to target multiple

locations across the country and select the severity level of the weather that will trigger an alert. Forecast alerts are available for cold, heat, wind, rain and snow in addition to our proprietary hail and frost forecasts.

With the ability to customize messages, you can provide your customers with calls to action. For example, alerting policyholders to a likely hailstorm, or warning orchard or farm managers about the potential for a damaging, killing frost.

New features for the 2017 season include customized email alerts, alert management and hurricane forecasting and tracking. We will begin beta testing hail/tornado tracking tools with agents in the summer of 2017.

ProWxAlerts is another value-added service you can offer to your insureds. For a demonstration or to sign up for ProWxAlerts, please contact your ProAg Account Representative. 🍀

It's Crop Hail Season

Unseasonably warm February weather for much of the country's midsection had a lot of farmers thinking spring. With a new production season come some age-old threats, and hail leads the pack.

"We're pushing states to production in the ProAgWorks® processing system, and their rates and rules manuals have been posted to ProAgPortal," says Mary Holle, ProAg crop hail underwriting supervisor. "As is the case every year, we've made changes to

ProAgWorks to make it easier for the agent to process crop hail and named peril business."

The Companion Hail Production Plan (CHPP) continues to be popular in the Midwest, notes Barry Cermak, ProAg product development manager. While annual renewal of the CHPP policy has been the standard, Barry points out that the option to make it a continuous policy was introduced last year.

"With lower commodity prices, this

might also be a good year for insureds to consider the Higher Input Protection (HIP) policy," Barry adds. "It protects against a loss of net income resulting from higher expenses occurring in a year when county gross revenue exceeds expectations. This particular policy has an April 15 closing date."

Questions about crop hail or named peril products? Talk to your ProAg account representative or visit our website, proag.com. 🌾



Industry Enjoys an Exceptional Year



By Kendall Jones, Chief Operating Officer

As I consider 2016 as a whole, I would have to say that it was a very good underwriting year for the crop insurance industry. With two notable exceptions—excessive early season moisture in Arkansas and the impact of Hurricane Matthew—the entire country saw almost perfect weather through the growing season. Commodity prices certainly weren't where we wanted to see them, but didn't dip low enough to cause a revenue loss for most producers. It was the best year since the new SRA.

It's safe to say that the odds of another year like 2016 occurring in the near future are slim to none. But following as it did on the heels of 2012-14, with 2012 being a loss year and 2013 and 2014 both nominal at best, this was a definite ray of sunshine for the industry.

Looking ahead, commodity price volatility is relatively low. With soybean prices well above \$10 and corn still hovering below \$4, I would expect to see some acres move to soybeans. Cotton prices have risen a bit, so we may see more acres there as well. Wheat acres have dropped to the lowest level in more than 100 years and prices remained depressed.

As is often the case with our industry, drought has turned to flood in California. That's how averages are made, unfortunately.

Government uncertainties

Farm bill meetings have begun, and while most are saying that the process will be less complicated this time around, experience tells us that may not be the case. The fact that farm incomes are near where they were a decade ago will put pressure on farm bill negotiations and, hopefully, focus attention on the importance of the farm safety net.

We're also in a period of uncertainty and potentially rapid change in the areas of regulation and trade. Without a secretary of agriculture, no undersecretaries can be hired, so the RMA is on hold. Where all of this ultimately lands will certainly impact agriculture in 2017.

The bottom line: Technology and innovation will continue to reshape both agriculture and crop insurance. Anyone longing for the good old days should probably give up and head for the beach. Those with a willingness to embrace change and implement technology in the pursuit of increased efficiency will survive and prosper.

I'll close with a quote: *"In times of change the future belongs to the learner while the learned (those who think they already know everything) will find beautiful ways to cope with a world that no longer exists."* Erick Hoffer, *The True Believer* 🌾

POWERFUL PRICE-FLEX SALES TOOLS

Don't overlook our Price-Flex RPGs—the Revenue Power Guides. The guides are a collection of powerful tools to help you sell a great product. For example, helpful sales tips, the latest news about Price Flex, presentations to insureds and more. You can find our Price-Flex RPGs on ProAgPortal, portal.proag.com.



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Listening Is a Pathway to Growth



By Diane Stinson, Regional Vice President – Northern Region

As I discussed in the September 2016 issue of our newsletter, the ProAg senior management team has been focused on identifying and communicating the core values that guide our company. Living those values every day plays a major role in ensuring we are the Approved Insurance Provider (AIP) of choice in the crop insurance industry.

We have long recognized that our people, and the level of service they provide, set ProAg apart in the industry. That's the reason we surveyed all of our ProAg employees to validate our core values and confirm these values would help encourage growth—both as a company and as individuals. We were extremely pleased with the level of participation, roughly 95% of our team took the survey.

One of the areas of focus revealed by the survey was the ongoing need for effective communication. In response, we've published the first issue of our quarterly Effective Communication newsletter to our employees, in which we discussed the survey results.

We are always trying to evolve, be better and smarter, and work more efficiently at ProAg. As we advance, we're able to improve how we serve our agents and customers. To that end, the senior management team meets face-to-face twice a year, and via conference calls in between those meetings to continually update our strategic plans. Our goal is to ensure our company consistently provides a culture that people want to work in. That is good for our employees and, ultimately, good for you, our agents and customers. 🌿



Crop Hail Team Ready for Action

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with every day. I love when I can take care of something for an agent and they send me an email with, 'Thank you. That was fast!' or 'You're the best!' It makes my day. Your work here doesn't go unappreciated."

An appreciation for farmers and the work they do also increases Cathy's job satisfaction. "I grew up spending my summers on my older

cousins' farms, so I know the hard work and sacrifice that goes into that lifestyle," she says. "I enjoy knowing that I am helping those producers."

Away from work, road trips are a favorite pursuit for Cathy and her husband, Bob. You might also want to ask Cathy about the days when she used to host karaoke for a living. 🌿