

In the Field



EASTERN REGION

FALL 2017

Keeping Business Relational

As an agent for ProAg®, your Account Representative (AR) is your main point of contact. Adding support to our ARs, by strengthening ties with existing agents and building new relationships, are your local ProAg business development managers (BDM). Many of you have also met and interacted with your regional BDM. At the very least, you know their voice and face. Here, we'd like to provide you with a few more details you may not have uncovered in your conversations. We'll start with our own Eastern Region.

Julie Forrest

Design drafts person, pharmacy tech, medical transcriptionist and registered nurse. Julie was all of them before she joined the crop insurance industry in 2000 following the birth of her fourth child. It makes me tired just writing about it, but Julie clearly has nearly boundless energy.



"I was on maternity leave, and was asked by a friend who owned a crop insurance agency to assist with clerical duties during a renewal crunch," she elaborates. "He convinced me to retire from nursing and become a full-time agency employee. I progressed through the ranks from receptionist, to customer service representative/processor to administrative assistant and, finally, became an agent in 2004. I was there until I joined ProAg this January."

The BDM position is a perfect fit for Julie, who operates with a customer-first mentality. "The values I have that enable me to do my job well are compassion for others, attention to detail and adherence to the Golden rule," she says. "I love meeting new people, developing incredible relationships and seeing some of the most beautiful parts of this country."

A story from Julie's agent days serves as a perfect illustration. "The hurricane years of 2004 and 2005 in Florida were trying for everyone," she recalls. "I knew one of my customers was in a very difficult situation due to the remote location of their farm. I gathered a list of badly needed supplies and delivered them to the farm after a very interesting drive thru miles of flooded roads, displaced wildlife, and downed trees and power lines. They have become lifelong friends."

Though she's committed to her agents, Julie doesn't work all the time. She and Glenn, her husband of 40 years, have four sons including one high school senior. As Floridians, they enjoy boating, fishing and scuba diving, along with home improvement projects. Julie was also named the Volunteer of the Year for the Florida Nursery Growers and Landscapers Association last year.

Her career path is just one of the interesting facets of Julie's life. "A couple of things most folks might not know is the fact that my father was a minister," she says. "And I once landed at Heathrow Airport in London seated in the cockpit of a 747 jumbo jet!" When you talk to her, be sure to ask her about her nickname Hooty.

How does her new work home measure up? Very well, according to Julie. "The atmosphere feels more family than corporate-oriented," she states. "I feel incredibly valued and appreciated, while being challenged and mentored by amazing leaders. Working for ProAg has never felt like work, but instead is like going on an incredible road trip with great friends and family!"

The national scene

Steve Eaton and Rob Boysen are national BDMs for ProAg. After attending the University of Minnesota as an ag business major, Steve wrote his first crop hail policy in 1970.

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EMPLOYEE SPOTLIGHT



ProAg is an equal opportunity provider. A member of the Tokio Marine HCC group of companies.

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“Crop Insurance” Doesn’t Tell the Whole Story

Certainly, insuring a wide range of crops is a big part of what we do at ProAg. But we are also a leader in providing a growing selection of risk management products to producers involved in all aspects of animal agriculture.

As the leading writer of Pasture, Rangeland, Forage (PRF) insurance in the country, ProAg helps farmers and ranchers protect their operations from the risks of forage or hay losses that impact their feed costs. We understand this product extremely well, and process applications and claims very efficiently.

While PRF helps protect livestock producers from lack of feed, two other products directly protect livestock-derived revenue. Livestock Risk Protection (LRP) and Livestock Gross Margin (LGM) offer very different benefits to cattle, swine, sheep and dairy producers.

“LRP insurance allows a livestock producer to insure against declining market prices,” says Jacqueline Da Rocha, ProAg’s Western Region field representative. “In effect, they can put a floor under the price they will receive for their cattle, pigs or sheep.” This coverage is not available in every state, and coverage availability also varies by livestock type.

Jacqueline notes that while LRP is well suited to beef, swine and sheep producers, LGM is designed for the cattle, swine and dairy farmer. LGM-Dairy provides protection against the loss of gross margin (market value of milk minus feed costs) on milk production. LGM uses the CME futures prices for corn, soybean meal and class III milk to determine the expected gross margin and the actual gross margin sold. The indemnity at the end of the insurance period is the difference, if positive, between the gross margin guarantee and the actual gross margin sold.

“One of the advantages of LGM-Dairy over the MPP-Dairy (Margin Protection Program for Dairy Producers) has been the fact that producers have to commit to MPP-Dairy for three years,” Jacqueline says. “The time commitment for LGM-Dairy is just the 11-month insurance period.” She adds that LGM Dairy and Swine is available to producers in the 48 contiguous states while beef producers need to check availability per state.

Much smaller livestock

The RMA Apiculture Pilot Insurance (API) program was expanded in July, adding 19 states, and now provides coverage to beekeepers in the 48 contiguous states. Coverage levels between 70 and 90 percent may be selected. Then, by selecting a productivity factor, the insured can establish a value between 60 and 150 percent of the county honey production base value. This insurance coverage is for a single peril—lack of precipitation.

“At ProAg, we continue to focus on products that will add to an agent’s risk management portfolio,” states Missy Waters, ProAg’s senior vice president of marketing and service. “Our team has worked hard to inform agents of the advantages of adding Livestock and PRF to their current business plan. These products allow agents to provide their growers with insurance solutions to help protect their complex farming and ranching operations.”

Detailed information on these programs is available on our website, ProAg.com. 🐾



TRITICALE COVERAGE ADDED FOR 2018

For RY 2018, triticale coverage will be available in select counties and states. The crop is insurable under the APH plan of insurance, and only triticale grown for grain is insurable.

For the 2018 crop year, the program will be available in select counties of California, Idaho, Kansas, Oklahoma, Oregon, Texas and Washington.

Visit the ProAgPortal® intranet for more information on triticale. 🐾

Keeping Business Relational

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Since then he’s worked as an agent and at the AIP level. “The many relationships I’ve been privileged to develop over the years are what I value most,” Steve notes. “Having the opportunity to work in agriculture is also a real plus.”

Steve and his wife, JoAnn, just celebrated their 50th wedding anniversary. “We’ve been blessed with three children and five grandchildren,” he says. “We like to travel, particularly one-on-one camping trips with the grandkids. My parents, who are in their 90s, are also active, and I appreciate time spent with them.”

Rob was working at Farm Credit Bank of Omaha when he made the connection with crop insurance. “The crop insurance group reported through me at the bank,” he recalls. “Through the years, I’ve worked in various aspects of the business, including helping a couple of now-successful agencies get into the crop insurance business.”

A graduate of Iowa State University, Rob has enjoyed working with agents and farmers throughout his career. When he’s not in the office, he likes to ski and spend time with his wife of 40 years, Jacquie, their three children and two grandchildren. 🐾



Underwriting Corner: *Margin Protection Deserves a Second Look*

With a Sept. 30 sales closing date, this is a good time to look at the benefits of a Margin Protection policy. Margin Protection provides coverage against an unexpected decrease in operating margin (revenue minus input costs). This product is area-based, using county-level estimates of average revenue and input costs to establish the amount of coverage and indemnity payments.

Margin Protection takes into considerations changes in crop prices, reductions in yields and changes in the prices of inputs used to grow the crop. It can be purchased by itself, or in conjunction with a Yield Protection or Revenue Protection policy purchased from the same AIP that issued the Margin Protection policy.

Margin Protection is available in select counties for corn, rice, soybeans and wheat in the states below:

- **Rice** – Arkansas, California, Louisiana, Mississippi, Missouri and Texas
- **Corn and soybeans** – Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin
- **Wheat** – Minnesota, Montana, North Dakota and South Dakota

Questions about Margin Protection? Talk to your ProAg account representative. 📞

Changes Made to the Margin Protection Plan for 2018

- Coverage levels expanded to 70%-95%.
- Protection factors are now offered from 0.80 to 1.20.
- Harvest Price Option is now available.
- The calculation of deductibles and trigger margins have been revised for easier use.
- There has been a major pilot area expansion for corn and soybeans.

myProAg™ Is Coming

By Jamie Hageman



Online bill payment is just one advantage your insureds will enjoy with the new myProAg portal. They can utilize direct account withdrawal for multi-peril or crop hail payments. Credit card payment is also an option for crop hail. The payment process is simple and familiar to anyone who has utilized online bill pay for utility or other bills.

myProAg also provides easy access to their schedule of insurance, coverage summaries and more.

Agents will also benefit from myProAg. They'll be able to access the same information as their insureds, as well as view and submit claims via a direct link to the ProAgWorks® processing system.

Registration is simple. You can register and set up your secure login to myProAg through the link on our website, *ProAg.com*. Information on how to register and access myProAg will also be included in our October billing statements.

Watch for more information on myProAg on our website and social media. 📱

Training Webinar Schedule



Crop Insurance 201
10 a.m. CDT



WFRP Intermediate
10 a.m. CDT



PRF/Apiculture
10 a.m. CDT



PRF/Apiculture
1 p.m. CDT



WFRP Livestock
10 a.m. CDT

Agents can sign up through the link on the ProAgPortal calendar or by contacting their account representative. 📞

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A Sweet Opportunity for Business Growth in 2018

By Jeffrey Vanlandingham, Regional Vice President – Eastern Region



Considering the expansion of the apiculture policy to a 48-contiguous-state area for the 2018 reinsurance year, I felt compelled to share some interesting data regarding the top producing states for this golden and valued product.

The top 10 states jockey for position each year, but only the bottom one or two change. That did happen this year, with New York dropping out of the 10th position and Georgia regaining its spot on the list. Combined, these ten states command 70 percent of all the colonies counted in the United States and fully 7 percent of the honey produced. No matter the states involved, those percentages are almost identical every year. The top ten states for honey production are: (1) North Dakota, (2) South Dakota, (3) Montana, (4) California, (5) Florida, (6) Texas, (7) Minnesota, (8) Michigan, (9) Louisiana and (10) Georgia.

The top 10 have gained a net 69,000 colonies since last year, with California adding 35,000 and Georgia gaining 27,000. Other states that bear mentioning: Idaho +8,000, Washington +11,000, Montana +13,000, New York +6,000 and Texas +7,000. Meanwhile, the states that lost colonies were Florida -5,000, North Dakota -5,000, South Dakota -10,000 and Nebraska -9,000. Nationwide, there were 2,775,000 colonies total this year.

More than production

To be completely transparent, the apiculture policy focuses not only on bees producing honey but also on bees used for breeding purposes, wax production and the critical pollination of numerous crops. While the policy specifically covers only

the peril of “lack of rainfall or precipitation” based upon the grid’s rainfall interval performance with NOAA, this coverage has provided much-needed relief to the grower regarding the expenses related to moving bees during less than favorable rainfall conditions that may affect the overall health of the colony.

This was our first year working directly with this program, and we are committed to delivering educational support and training so that you can provide the necessary details to growers regarding the value of this attractive, federally subsidized product. We welcome an opportunity to partner with you to strengthen your crop insurance portfolio with this risk management tool. We appreciate and value your continued partnership.

Want to learn more? ProAg will offer Apiculture Training as a webinar training on Sept. 27 and 28. Please contact your account representative for details and the participation link. 🐝

