



Risk management for 2013 and beyond Consider insurance to manage risk

By James Sedman and
John Hewlett

With most of the U.S. still experiencing exceptional drought conditions, including some form of insurance in their risk management planning for 2013 is more important than ever for producers.

Crop producers can choose between Yield Protection (YP), Revenue Protection (RP, with or without harvest price exclusion), AGR-Lite (whole farm revenue insurance), or specific group risk and multi-peril policies.

Livestock producers can utilize Vegetative Index for pasture, range and forage (VI-PRF), Livestock Risk Protection (LRP), Livestock Gross Margin (LGM) insurance or Non-insured Crop Disaster Assistance Program (NAP) coverage. Utilizing these programs also provides eligibility for certain federal disaster aid programs.

Livestock Programs

LRP and LGM provide protection against changes in livestock prices; LGM provides additional protection against increases in the price of feed. Producers can sign-up for LRP at any point in a given month and for LGM on the last business Friday of a month. Because of the ongoing drought, the Risk Management Agency (RMA) has waived the 30-day ownership requirement for livestock insurance programs to better assist producers coping with the dry conditions.

Practices and Reminders

Many crop insurance policies in Wyoming (excluding group policies) have prevented planting provisions: stipulations covering cases where an insured cause of loss (such as drought) prevents planting an insured crop. While prevented planting is determined on a case-by-case basis, there are some basic guidelines. Drought is an accepted

cause of prevented planting in both irrigated and non-irrigated crops.

For instance, in dryland situations, the lack of sufficient soil moisture to germinate crops would be an acceptable cause of prevented planting. In irrigated situations, drought causing a failure of adequate water supply also qualifies as a prevented planting situation.

Operators should review the prevented planting provisions on a crop-by-crop basis with an insurance agent to learn about the level of protection available.

Producers should keep good records to document any losses. Operators should notify their insurance agent of any loss that occurs within 72 hours. In addition, the insurance agent should be notified in advance of any change in cropping plans over the growing season, such as chopping corn for silage intended for harvest as grain.

Important Dates to Remember

Insurance agents can provide enrollment planting deadlines for individual crops in a particular area. Other dates important for enrolling crops or livestock for insurance purposes may be found at the RMA website. See <http://www.rma.usda.gov> and click the Information Browser link in the left sidebar, then select Dates Inquiry System to view information by state, county, and/or crop. Select the County Crop Programs link to



learn what insurance programs are available in your area.

Risk Management Profiles

A recently completed set of Risk Management Profiles from the RightRisk team may help evaluate alternative risk management strategies. A series of profiles of Wyoming case operations is available at RightRisk.org by selecting Resources, then by choosing Risk Mgt Profiles.

Each profile outlines a risk situation faced by operators of a farm or ranch. Alternative risk controls are evaluated and a selection made. An assessment of the strategy selected is presented, detailing how the operation might do if the negative events took place.

In all, seven profiles are presented for Wyoming. Five cover al-

ternative crop scenarios while three cover typical livestock operations. These profiles are not intended to provide a recipe for success. Instead, it is hoped that reading through the process operators went through to select strategies might help formulate a course of action for other Wyoming farm and ranch operators.

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For more information

A sound risk management plan can mean the difference between profitability and catastrophic loss in years of extreme weather.

For more information on how crop insurance can work as a part of your operation's risk management plan, and important sign-up dates and frequently asked questions, contact a local crop insurance agent or visit the Risk Management Agency's website at www.rma.usda.gov.

For more information on risk management strategies, how to evaluate alternatives, insurance products, and other risk management topics for Wyoming, visit *Insuring Success for Western Agriculture* online at InsuringSuccess.org.

Select small grains could provide forage, grain combo in Wyoming

By Anowar Islam

Cereals, particularly wheat, are predominantly grown as a grain crop in the Central High Plains (CHP).

The semiarid climate of Wyoming makes an ideal environment for seed production due to reduced plant diseases and pest pressures. Hence, Wyoming farmers could manage cereal grains for both forage and seed production.

In 2012, there were approximately 41.5 million acres of winter wheat planted nationwide; 8.2 million acres of which was planted in Colorado, Montana, Nebraska, North Dakota, South Dakota, and Wyoming.

Winter wheat is an important crop in Wyoming with 158,000 acres planted during the 2011-12 growing season. With vast acreages of cereal crop production in the CHP region, the potential exists for dual-purpose (grown for forage and grain) usage of winter cereals to provide winter forage for livestock.

Cereal Crop Pasture

Cereal crop pasture can provide a valuable source of forage rich in protein, energy, minerals, and high digestibility in late fall, winter, and early spring when other forage sources are low in quantity and quality. Stocker cattle grazing winter wheat pasture during peak forage production in the spring can gain in excess of 2.2 pounds per day.

Seeding date, frequency, and the growth stage of forage harvest, subsequent moisture after forage harvesting, and crop cultivar influence the success of dual-purpose use of cereal crops.

A few studies have evaluated the potential of using cereals as forage and grain in the CHP region.

Fall forage removal had little effect on wheat grain yield, but forage harvesting at joint stage caused 25-percent grain yield losses, and harvesting at boot stage produced no grain yield. The highly variable climatic patterns in the CHP deserve special consideration for



Harvesting small grains forage using a plot harvester.

the success of dual-purpose small grains in the region. Nonetheless, fall and spring forage growth from cereal grains can provide a good source of high-quality forage for recently weaned, spring-born calves and may limit the need for supplemental hay during winter and early spring in the CHP.

A three-year study evaluated the grain yield, forage yield, and nutritive value of several lines/cultivars of rye, triticale, and wheat at the University of Wyoming's James C. Hageman Sustainable Agriculture Research and Extension Center near Lingle in a replicated trial during 2008 to 2011 under irrigation.

Grain Yields Differ

The study showed that forage dry matter (DM) and grain yields were significantly different among cereal grain lines/cultivars. Average forage yields of rye and triticale lines/cultivars were consistently greater than wheat. Forage DM yields of rye and triticale experimental lines were greater than the standard check cultivars.

The standard wheat cultivar 'Jagalene', however, produced more forage than wheat experimental lines. Wheat forage nutritive value (crude protein, digestibility, and fiber contents) was greater than triticale and rye. Unlike forage DM yields, grain yields of wheat



Small grains harvesting using a combine.

were greater than triticale and rye. Jagalene consistently produced the highest grain yield.

Cultivar, Management Practices Important

Notwithstanding forage removal, grain yields were similar or sometimes greater than those reported for dryland winter wheat in Wyoming and surrounding areas. Based on the results of the study, it is realized that small grain cereal crops could be managed for both forage and grain production in the CHP region. However, selecting the appropriate cultivar and management practices are important to provide good-quality forage for livestock during fall and early spring and harvest appreciable quantity of grains during summer.

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