

April 2018

Its mid-April and parts of Minnesota just received two feet of snow. Safe to say it will not be an early spring. Looks like we have a chance to do a little more ice fishing before we hit the field. With the later than normal spring we start getting more questions about prevent plant and what your per acre guarantees are. We've included a little more in-depth info on PP in this newsletter. Please don't hesitate to call with specific questions for your farm, we would be happy to visit with you. If you're a corn grower you might want to check out the article on the Syngenta Lawsuit. Looks like it is moving along with payouts starting next spring. There will be a way to join the class action suit if you are not already signed up with a law firm.

This later spring may have some of you questioning your plans to plant more wheat in 2018. Jochum Wiersma has provided an article on the yield effects of planting later than normal.

Please don't hesitate to give Dan, Mike, Jody, Aaron, Pam or Dave a call if you have any questions at all. We appreciate your business and trust in us.



Wheat...When is late too late? By Jochum Wiersma

It doesn't look like anyone will be doing any fieldwork in Minnesota anytime soon. The question when it will be too late to seed small grains, therefore, is becoming a bit more urgent. Wheat, barley, and oats are cool-season annuals and are most productive when they grow and develop during cool weather. The yield potential of these cereals is largely determined by the 6 leaf stage. Cool temperatures during this period are particularly important for the development of a high yield potential. For example, the number of tillers that ultimately produce grain at harvest declines as planting is delayed (Figure 1). The number of spikelets per spike is determined during the 4 to 5.5 leaf stage (Figure 2). Spikelet numbers are negatively correlated with temperature; spikelet numbers are greater when temperatures during the 4-5.5 leaf stages are cool.

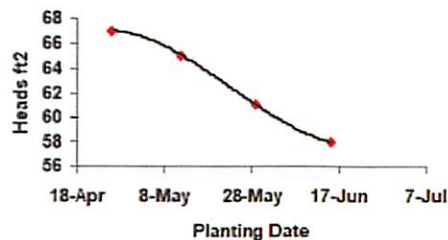


Figure 1

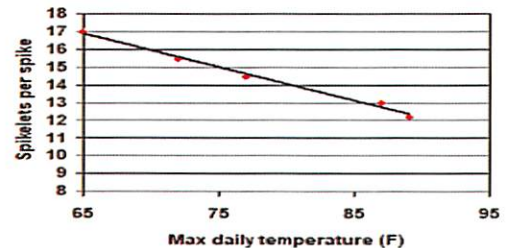


Figure 2

Because of the expectation that average temperatures will be higher as we plant later, development of the crop will speed up too. The number of heat units required for a plant to move to the next phase of development will accumulate faster. This forces development along faster and causes the plant to have less time to grow. Plants end up with fewer tillers, smaller heads, and fewer and smaller kernels per head, cutting into our yields. To improve the odds of high grain yields is to ensure that the tillering and head initiation phases occur during relatively cool temperatures is by planting early. Early planting is key to raise wheat, barley, and oats in Minnesota successfully (see the table below)

The optimum and last recommended seeding dates for small grains in Minnesota.

Minnesota	Optimum	Last Planting Date:
South of US Hwy 12	1 st week of April	1 st week of May
South of MN Hwy. 210	2 nd week of April	2 nd week of May
South of US Hwy. 10	3 rd week of April	3 rd week of May
South of US Hwy. 2	4 th week of April	4 th week of May
South of Canadian Border	1 st week of May	1 st week of June

Research has shown that, on average, yields decreased 1% per day when planting is delayed past the optimum planting date. Planting after the last possible date is not recommended because of the odds that grain yield and quality (test weight) will be dramatically reduced due to heat stress. You can partially offset this yield loss by increasing the seeding rate and ensuring that you have more main stems per unit area. The recommendation is to increase the seeding rate by 1 percent for every day after the optimum planting window. The last possible date for planting is not chiseled in stone. The odds of a higher grain yield with excellent test weight are less in our favor with every day seeding is delayed past our optimum planting windows simply because of the expected temperatures later in the growing season.

Prevent Plant

Prevent Planting is the failure to plant the insured crop acreage due to an insured cause of loss by the final planting date or by the end of the late planting period (25 days after the final plant date for most crops). Prevent Plant must be due to an insured cause of loss and general to the area. **If you have prevent plant (PP), you must notify the insurance provider within 72 hours after the final planting date or during the late planting period when you determine that you will not be planting the crop.** You must also notify FSA of any PP acres within 15 days after the final planting date. See the **tables below for final planting dates** by county and please give us a call if you have any prevent plant questions.

- ◆ PP must be common to the area. Failure to plant when other producers in the area are planting could result in the denial of the PP claim.
- ◆ PP acres must exceed 20 acres or 20% of the crop in that unit to qualify. If you have Enterprise Unit selected for a crop, it would be a total of 20 acres for the crop in the county.
- ◆ PP acres must be insurable and physically available for planting. Land that has not been planted, harvested and insured in at least 1 of the 4 most recent crop years is considered not available to plant and is not eligible for PP. Once the land becomes ineligible for PP, it must be planted in 2 consecutive years to regain PP eligibility.
- ◆ Land emerging from CRP or New Breakage is not eligible for PP the first year.
- ◆ Any PP acreage within a field that contains planted acreage will be considered the same crop that is planted, unless a two crop history requirement is met or rotational requirements are not met.
- ◆ Maximum eligible PP acreage by crop/type/variety is the highest number of certified acres seeded and/or prevented planting in the last four years. Eligible acres will be increased proportionately to any added/new insurable cropland acreage.
- ◆ Maximum eligible acres of a contracted crop are the minimum number of acres specified in the processor's contract.
- ◆ If all eligible acres of a crop have been used, remaining PP will roll to the crop with the next most similar PP payment, however, the payment will be capped so it will not exceed the payment of the original PP crop.
- ◆ PP is based on the Projected Price and is not recalculated with the Harvest Price.
- ◆ If you have added land in a **new county** after March 15, an intended acreage agreement can be submitted within 10 days of obtaining the new acreage to establish eligibility. A cause of loss cannot be present when adding acreage in the new county. For Added Land, an insured may need to provide previous FSA and insurance records to prove insurability of the acreage.
- ◆ 2017-2018 PP Changes: Corn and Canola prevent plant was reduced from 60% to 55%; The Prevent Plant buyup was capped at 5%

PP Payment Example: Soybean APH = 40 bus; Coverage Level= 75%; MPC Spring \$ = \$10.16

Prevent Plant Payment = 40 bu. X 75% coverage level x 60% PP factor x \$10.16 = \$182.88/Acre

Final Plant Dates

Corn

State	Final Plant Date	Counties
MN	May 25	Kittson, Roseau, LOW, Beltrami, Koochiching, Marshall, Itasca, St. Louis, Carlton, Polk, Pennington, Red Lake, Norman, Mahnomen, Clearwater, Hubbard, Cass, Aitkin
MN	May 31	All other MN counties
ND	May 25	All ND counties except those listed below
ND	May 31	Cass, Ransom, Richland, Sargent

Soybeans

State	Final Plant Date	Counties
MN	June 10	All insurable counties
ND	June 10	All insurable counties

Wheat/ Barley

State	Final Plant Date	Counties
MN	June 5	Polk, Red Lake, Marshall, Pennington, Clearwater, Beltrami
MN	May 31	Mahnomen, Norman, Becker, Clay, Wilkin, Otter Tail, Todd, Wadena
MN	May 15	All Counties South
ND	June 5	Grand Forks, Nelson, Walsh
ND	May 31	Traill, Cass, Richland, Barnes, Stutsman, La Moure, Dickey

Drybeans

State	Final Plant Date	Counties
MN	June 10	All Insurable counties
ND	June 10	All Insurable counties

Late Planting

The late planting period begins the day after the final planting date of a crop and ends 25 days after the final planting date for most crops unless otherwise specified in the Crop Provisions.

- ◆ There is coverage during the late planting period if planting was late due to an insured cause of loss that is general to the surrounding area and occurred within the insurance period for prevent plant.
- ◆ Late planting guarantees are reduced by 1% for each day after the final planting date for most crops.
- ◆ The premium for any late planted acres remains the same as timely planted acres

The final plant dates vary by county (as shown on page 2). If you are interested in the final planting dates for crops not listed in these tables, please contact our office.



Forage Seeding

Coverage for your 2017 Forage Seeding policy ends May 21, 2018. With the cold temperatures we experienced last winter, there could be damage in these fields. Please inspect any new seeding alfalfa and contact us as soon as possible if you feel any of those acres may be in a loss situation.

Managing Soybean IDC

Iron Deficiency Chlorosis in soybeans or IDC was a problem in many areas last year. Here are some strategies from AgVise and the University of MN Extension for better control for 2018:



1. IDC tolerant varieties: Choosing an IDC tolerant variety is the most practical method to reduce IDC on high risk soils (those with carbonates and salinity.) Choose varieties that have been rated in respected IDC-rating trials, such as the NDSU variety trials. (see link below)
2. Wider row spacing: Soybeans seeded in wider rows that place soybeans closer together reduce IDC risk. Narrow row soybeans (solid-seeded) are more likely to get IDC.
3. Reduce herbicide injury and stress. Post-emergent herbicide stress is now a factor as glyphosate is no longer a standalone herbicide. Choose products and application timings to reduce additional stress on soybeans during the first and second trifoliolate growth states.
4. In furrow, chelated iron fertilizer: High-quality Chelated iron fertilizer (ie ortho-ortho EDDHA) applied in-furrow at planting has been shown in university research to reduce IDC when used with other good management decisions.
5. The use of a companion crop such as oats seeded at a 1.5 bushel per acre rate at or before soybean planting has shown to increase soybean grain yield in IDC affected areas of the field. This practice does require extra management as the oats must be killed off by the time they are 10 to 12 inches in height otherwise yield loss may occur.

Below are the links for the complete articles and IDC information including NDSU variety trails:

<https://www.agvise.com/wp-content/uploads/2017/07/AGVISE-Fall-Newsletter-2017.pdf>

<https://www.extension.umn.edu/agriculture/nutrient-management/micronutrients/managing-iron-deficiency-chlorosis-in-soybean/>

<https://www.ag.ndsu.edu/crops/soybean>

Syngenta Corn Lawsuit



New information has recently been released on the Syngenta Corn Lawsuit. Farmers who grew corn from 2013 to 2017 are eligible to be part of the \$1.51 billion dollar settlement. The \$1.51 billion dollars will be divided between four different groups. The first group consists of all corn growers who did not grow the Viptera or Duracade varieties and will receive approximately \$1.438 billion or 86% of the settlement. The other groups consist of grain handlers/elevators (\$29.9 million), ethanol plants (\$19.5 million) and corn growers who did grow the Viptera/Duracade varieties (\$22.6 million). Legal teams are expected to receive about 1/3 of the total settlement.

Farmers will be paid a weighted percentage of the bushels they produced in a given year as follows: 2013 (26%), 2014 (33%), 2015 (20%), 2016 (11%), and 2017 (10%). Producers will be paid out per bushel, based on **county average yields – not on your actual individual proven yield.** Per bushel payments are not known at this time until the amount of claims and bushels are finalized.

Farmers who grew corn from 2013 to 2017 are likely to start receiving notices on May 11th via mail. Producers can register and participate even if they have not signed up through an attorney previously by going to www.CornSeedSettlement.com and registering your claim as well as filling out a questionnaire (This can also be done by mail as well). Farmers will have until October 12th, 2018 to file their claim. If the judge approves the current deal this November, payments would likely start after April 1, 2019. For more information:

<http://www.agweek.com/business/agriculture/4431495-did-you-grow-corn-2013-17-watch-your-mail-syngenta-suit-info> or <https://www.cornseedsettlement.com/>

Farm Bill Update

Early drafts of the next farm bill have come out recently and we have highlighted a few of the important **proposed** changes below.

ARC/PLC: The ARC/PLC program would largely function as it has with the last farm bill and producers can choose whether to switch to ARC or PLC. For ARC payments the Risk Management Agency's (RMA) yield data from federal crop insurance would be used instead of the current yields determined by NASS surveys and FSA. ARC payments would be based on the county the land is physically located in.

CRP: Proposed changes for CRP include expanding the acreage cap from 24 million acres to 29 million acres. The increase in acreage would be paid for by capping the payment rate at 80% of the county rental rates as well as reducing some assistance to contract holders such as seeding cost share. USDA's National Agricultural Statistics Service would be required to update county rental rates more often to ensure more accurate data is used for contracts.

CSP: CSP would be eliminated/combined with the EQUIP program. Existing CSP contracts would be allowed to continue until expiration.

When the 2018 Farm Bill is finalized, we will again work with our insureds to review their current farm program selections to see what changes they may want to make for the new Farm Program.



ENTERPRISE UNIT REMINDER

TO QUALIFY FOR EU, YOU WILL NEED:

- ◆ Planted acreage of the crop in at least 2 sections in the county.
- ◆ Acreage of the crop planted in each section must constitute 20 acres or 20% of the insured crop in the Enterprise. (You can aggregate planted crop acreage from 2 or more sections.)
- ◆ Prevent Plant acreage of a crop is NOT used to determine eligibility.

If you have questions about meeting the EU planting requirements, please give our office a call 218.935.2700 or toll free 866.935.2700.

2018 MPCl Prices

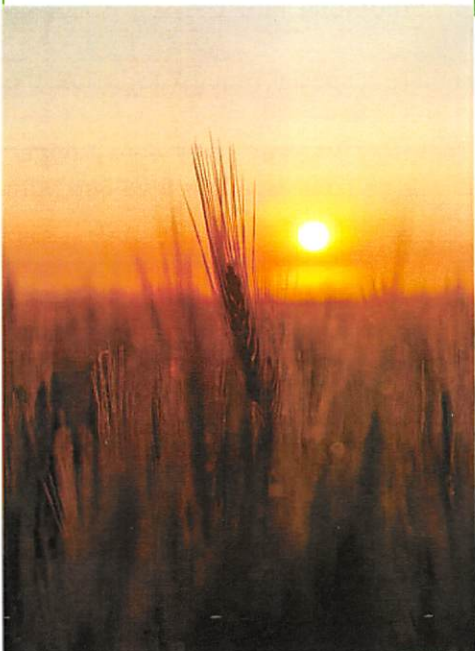
Below are the projected/base prices used to calculate the minimum guarantee for crops you have insured with Revenue Protection Coverage. Harvest prices will be calculated in August for wheat and barley, October for corn, soybeans and sunflowers, and from the 2nd Tues in Sept to the 3rd Tues in December for drybeans.

- ◆ Barley \$3.28
- ◆ Corn \$3.96
- ◆ Soybeans \$10.16
- ◆ Wheat \$6.31
- ◆ Sflwr (oil) \$0.175
- ◆ Sflwr (conf) \$0.237
- ◆ Drybeans (\$/lb)
 - DRK \$0.37
 - BLK \$0.25
 - Navy \$0.27
 - Pinto \$0.23

APH Prices

Established APH Prices for crops that do not have Revenue Protection available:

- ◆ Sugarbeets \$48.25
- ◆ Potatoes \$8.70
- ◆ Drybeans (\$/lb)
 - LRK \$0.35
 - Pink \$0.26



Replant Coverage

If you're faced with having to replant a field or part of a field, here are some things to keep in mind:

- ◆ **CALL BEFORE YOU REPLANT** All replanting must be reported and approved by your insurance company prior to starting, regardless of field size. Failure to do so will result in denial of the claim and could potentially affect your crop insurance coverage.
- ◆ You may have a replant claim if at least 20 acres or 20% of the unit is damaged to the extent that replanting is required. Remember, if you've selected EU, the 20 acres minimum is a combination of replanted acres between all sections in the county for the crop.
- ◆ Insured's are required to replant up to the final plant date if the remaining stand will not produce 90% of the crop's guarantee.
- ◆ If any acreage is planted before the earliest planting date, that acreage is ineligible for a replant payment.
- ◆ CAT policies have no replant provisions.
- ◆ Each person sharing in the crop must cover their percent share of the replant.
- ◆ **2018 Change:** You will be required to replant up to **10 days after the final plant date**, unless it is physically not possible to replant. After 10 days after the final plant date, the insurance company will determine if it is feasible to replant or if the crop can be destroyed and planted to a 2nd crop.

GIVE US A CALL BEFORE YOU REPLANT!

2018 REPLANT PAYMENTS

Replant Payments are the lesser of the bushel per acre x the MPCl price or % of the guarantee of the unit as listed below.

Crop	Replant Limit (lesser of)	Max 2018 Replant Payment
Barley	5 bus or 20% of guarantee	\$16.40
Corn Grain	8 bus or 20% of guarantee	\$31.68
Dry Beans	120 lbs or 10% of guarantee	Depending on type of drybean
Oats	5 bus or 20% of guarantee	\$11.75
Soybeans	3 bus or 20% of guarantee	\$30.48
Sugarbeets	\$110 or 10% of guarantee	\$110.00
Sunflowers	175 lbs or 20% of guarantee	\$30.63 Oils \$41.47 Conf.
Wheat	4 bus or 20% of guarantee	\$25.24



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Crop Hail Coverage

Don't wait until you see the storm clouds coming

One hailstorm can completely destroy your entire crop for the season. Do you have the protection in place to cover your risk and investment for the year? ProAg can help you find the coverage that meets the needs of your operation. From basic coverage to Production Plans, we have many options available to customize your hail protection. If you're interested in a crop hail policy, please give us a call and we'll help develop a plan to meet your coverage needs with the best rates available.

**VISIT OUR WEB SITE @
www.proagservice.com**

Did you Know...

- Your crop hail policy also covers perils such as fire and lightning, transit coverage, fire department service charges, and vandalism .
- Broadcasting soybeans and incorporating into the soil is not an insurable practice
- New Breaking acreage may require a special request to insure the first year it is planted.
- Insureds may need to prove that New Breaking acres were cropped prior to 2/7/14 otherwise it will be considered Native Sod with APH limits and decreased premium subsidies.

AGENTS & STAFF TO SERVE YOU

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