

Farm Credit Services of America (FCSAmerica) is hosting five GrowingOn meetings in Nebraska in December. The purpose is to share information and insights to help producers make better business decisions in 2012.

The program will be presented by Steven Johnson, farm management specialist with Iowa State University Extension and Outreach. He will share 2012 price and expense outlooks, which, more than ever, will be influenced by more than supply and demand fundamentals.

“We’ve experienced the best of times in row crop farming,” said Johnson. “But with high crop prices comes risks and volatility. In 2012, prices will be greatly influenced by outside markets. Struggling economies in the U.S., Europe and Japan and the value of crude oil and the dollar will vastly affect the commodity market.

“Commodity fund investors who will try and protect their profits by placing sell orders will have an effect, too, causing futures prices to drop. Farmers need to look at implementing a number of strategies to manage crop risks and expenses and protect profit.”

Johnson added, “It’s likely we’ll see an end to direct payments as we transition from the 2008 to the 2012 Farm Program. This means crop insurance will be a producer’s primary safety net when making decisions in 2012. The decision isn’t whether to purchase or not to purchase crop insurance next year. Rather, decisions will center around endorsements—the new Trend-Adjusted APH Yield Endorsement and common endorsements, hail, wind and green snap.”

“The new crop insurance option, the Trend-Adjusted Yield Option, gives eligible corn and soybean growers the option to adjust their APH yield based on their county’s historical yield trend,” said Doug Burns, vice president-insurance for Farm Credit Services of America.

“This allows indemnity payments to be calculated based on what trend yield would have been not where they’ve been. Agricultural producers should speak to a knowledgeable insurance agent or specialist who understands the new endorsement and how electing it affects coverage and premium,” he said.

“Overall, variable crop production costs are expected to be up 10 percent or more in 2012,” stated Burns. “This means producers will want to carefully consider their product selection and coverage levels. Traditional agencies have an incentive to sell the most coverage.

“As a financial institution that offers crop insurance, Farm Credit Services of America has an incentive to sell the right crop insurance coverage. To help customers determine the most cost-effective way to protect their revenue, options that are based on what’s right for them and no one else, are presented. In an economic environment with a lot of uncertainties, it’s smart for growers to think of what-if scenarios and determine how their operation would hold up in each situation.

“Our crop insurance specialists have the technology to show producers the effects of changing yields and price,” said Burns. “In 2012, we’ll also be launching new technology that will assist our customers in managing profit by allowing them to create an annual marketing plan, manage cash, futures and options transactions and track grain inventories, average price and percentage sold.”

FCSAmerica crop insurance specialists will share information about this tool and 2012 insurance changes at the GrowingOn meetings.

This two and one-half hour program will be held Monday, Dec. 12 in Lincoln; Tuesday, Dec. 13 in Norfolk and Columbus; Wednesday, Dec. 14 in Grand Island; and Thursday, Dec. 15 in North

Platte.

Pre-registration is required. Specific times, locations and registration details can be found at www.cropinsurancespecialists.com, by calling the local FCSAmerica office or by calling 1-800-884-FARM.

Farm Credit Services of America is proud to finance the growth of rural America, including the special needs of young and beginning producers.

With more than \$16 billion in assets, FCSAmerica is one of the region's leading providers of credit and insurance services to farmers, ranchers, agribusiness and rural residents in Iowa, Nebraska, South Dakota and Wyoming.