WeatherBill offers growers profit protection against weather

Last year a company called WeatherBill offered Total Weather Insurance which represents a new, technology-enhanced approach to insurance that protects farmers against weather-related crop loss, providing them with unprecedented profit protection.

The company announced that coverage for winter wheat is available for the 2012 crop year; coverage for corn and soybeans was available for 2011.

"The increased frequency of extreme weather events coupled with dramatically increased input costs exposes U.S. wheat growers to greater financial risk than ever before," said David Friedberg, chief executive officer of WeatherBill. "Now, for the first time, growers can protect their profits from weather-related losses not covered by federal crop insurance."

Created with insight from agronomists and growers nationwide, Total Weather Insurance addresses growers' exposure to financial loss even when they fully utilize federal crop insurance programs. Total Weather Insurance provides growers with the ability to lock in profits by covering against weather events that cause production shortfalls, before government coverage kicks in. This enables farmers to finally manage the perennial challenge of poor weather which, according to the U.S. Department of Agriculture (USDA), causes 90 percent of crop losses.

Unlike traditional crop insurance, which requires verification of crop yield, planting volume and inspections prior to payment for damages, WeatherBill automatically sends payment when the weather conditions the grower specifies occur, as measured by independent sources such as the National Weather Service. In addition, WeatherBill helps growers' cash flow by not requiring TWI premium payments until after harvest.

Bob Linneman with Commodity Services, Inc. in Watertown, S.D., is an agent who handles WeatherBill insurance. "There are a lot of people interested in what the product had to offer last fall for corn and soybeans," he said. "With the weather we've just gone through, many are checking it out to protect against the extremes."

He said that producers decide what time periods they want covered, such as starting the first of April and then going to mid-October to handle the various range of threats through the summer.

"When looking at the protection, everything can be customized, and we can change to parameters to fit the needs on the farm. If producers have low-lying ground that does well in dry year, the policy would be written differently than if it were sandy ground," Linneman explained.

As winter wheat producers start looking at next year's crop, there will lots of activity as farmers consider coverage. As lots of combines are rolling out west, when they get a lull, they'll have a chance to look at the parameters. Linneman estimated that once he has a chance to show farmers how it will work in their operations, 60 to 70 percent of the time, producers will try the coverage. Linneman works with producers along the eastern part of the state, from the North Dakota border to the Nebraska border and out to Miller. There were three other agencies handling the product in the state last year.

Those who plant corn and soybeans will be considering the insurance at the end of December. That can be a fairly busy time.

Key weather perils covered by TWI Winter Wheat 2012 include:

- Early Stage Drought that can limit germination and fall tillering
- Planting Rain that can delay planting and limit fall tillering
- Freeze Damage that occurs after the first warm spell of the spring
- Spring Drought from post-dormancy through grain fill
- Heat Stress from flowering through grain fill
- Spring/Harvest Rain that can lead to disease problems or delay harvest

"Even with the best farm management practices, the weather is what really makes or breaks winter wheat yields," said Mark Hodges, Executive Director of Plains Grains, Inc. "Coming off a year when we have seen drought and heat decimate the crop in Oklahoma, Texas and parts of Kansas, growers may want to take a close look at solutions that reduce their exposure to financial losses caused by poor weather conditions."

WeatherBill enables growers to see how TWI would have protected them in past years based on an analysis of historical USDA crop production and weather data for their location.

TWI Winter Wheat 2012 brings the benefits to wheat growers that WeatherBill brought to corn and soybean growers in 2011. Policyholders in more than 50% of counties where TWI corn and soybean policies were purchased have already received payment this season due to excessive early season rain.

"The weather is something that's just not controllable, and it can throw any plan awry," said David Myerholtz, an Ohio farmer who grows 1,800 acres of wheat, corn and soybeans. "That's why what WeatherBill offers is so important. It gives me something I can't get with any other kind of insurance—protection against the adverse weather conditions I can't control. With the ever-present fear that the weather will reduce my crop yield and profits, WeatherBill puts my mind at ease."

To get a free customized Weather Risk Report, growers can visit www.weatherbill.com.

TWI Winter Wheat 2012 is available in Nebraska, North Dakota, South Dakota and Wyoming pluse other states for the 2012 crop season. To find an authorized WeatherBill agent, go to www.weatherbill.com. Full season weather coverage of the 2012 winter wheat crop is available to growers who sign up by Sept. 30, 2011.

(Continued from Previous Page)

may not be increased.

- Do not change the direction of the water's flow.

While that is the basic premise of the drainage law, the law is much more complex and has a lot of gray areas, Dorsett said.

"A permit from the county is just one step in a multi-step process," Dorsett said.

A county ordinance will allow a landowner the chance to get a permit for a subsurface drainage project, but the landowner is still legally responsible if the project does damage to others, Dorsett said. After landowners have a subsurface drainage permit, they should get an engineering expert to check the site to see how it will impact others, she said.

The landowner should also get an expert to check the site and how the drainage will work, as well as checking with state and federal officials on the water being drained, she said. Dorsett also recommends visiting with neighbors and coming up with a joint plan that will benefit both landowners.

There are drainage water management practices that can reduce the nitrate load on tile-drained soils, according to Indiana's Purdue Extension. An example of this would be a drainage device incorporated into a subsurface drainage system that would control the amount of water being released and when it's released.

Controlled drainage devices got their start in North Carolina and are an emerging practice, Hay said. Agri Drain Corp. of Adair, Iowa, has donated a scale model of a controlled drainage device to Brown County Extension for future demonstrations, Dodds said.