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Masser wants to see more potatoes grown in Pennsylvania. “We are within three hours of 30 percent of the U.S. potato consumption. Pennsylvania grows the same high nutritional value potatoes as they do anywhere else in the country, with a lot less freight to our customers.”

Risk Management

“Of course we purchase crop insurance to mitigate the risks associated with the extreme environmental conditions,” said Masser adding, “We have on-farm storage for our grain crops and forward price some of that.”

Masser says he forward prices a larger percentage of his expected soybean and corn crop because of the crop insurance protection.

In the potato business, Masser procures and sells mostly on the open market. He markets grocery chains, and with large grocery chains, and maintains relationships with other growers to assure the supply end.

Masser was also the first potato packing shed in the U.S. to be certified by the Global Food Safety Initiative (GSI) Program. “Taking food safety seriously is a form of risk management. It provides a greater comfort level to our customers and to their customers.”



The first potato packing shed to be certified by the Global Food Safety Initiative Program.

Corporate Responsibility

“We have a corporate responsibility initiative, which includes a solar field where we generate 40 percent of the power used in this facility. We use steam that is generated from an 800 horsepower boiler that is fueled by landfill gas.”

Masser also uses mine pool water... water that is in abandoned mine workings underneath their site that is filled with heavy metals and sulfur. Those metals and the sulfur are precipitated

out. After the water is used to process potatoes, the starch from the potatoes is removed and clean water is discharged into the Susquehanna River Basin.

“We have got to feed 40 percent more people in the next twenty years. We feel there is a huge opportunity in agriculture and our family is committed to be a part of that. That is what gets us up in the morning.” ▲

Photo by Edain Remberg



Summer 2013

CROP INSURANCE IN PENNSYLVANIA



Made possible in partnership with the USDA Risk Management Agency. This institution is an equal opportunity provider.

Potatoes Are a Family Obsession

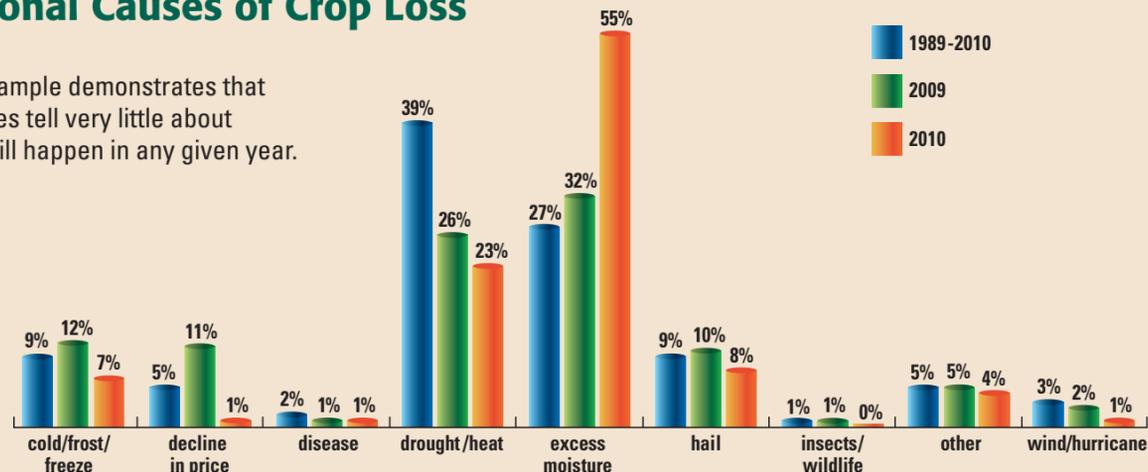


Photo by Edain Remberg

Keith Masser

National Causes of Crop Loss

This example demonstrates that averages tell very little about what will happen in any given year.



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Acres Reporting Filing a Claim

To put Keith Masser’s potato operation into perspective you have to understand that every year he ships enough potatoes to supply two servings of potatoes to every man, woman, and child in the United States. That’s a lot of potatoes.

Masser, CEO of Sterman Masser Inc., farms 4,500 acres of crops in Schuylkill and Dauphin counties.

About 500 acres are in potatoes on a four-year rotation. This means that for three years, or on 4,000 acres, Masser is growing hay, wheat, corn, and soybeans.

“We market roughly 7,000 tractor trailer loads of potatoes yearly. We grow about six percent of that ourselves and then we have other growers across the country growing for us,” said Masser as he described the scale of the packing shed and the fleet of tractor trailer trucks.

Even though it is a large operation, it is still a family company. “I’m the third generation of potato farmers. Our son, David, is currently the president. Our daughter, Julie, is the Chief Administrative Officer and my wife, Helen, is the Vice Chairman of our board.”

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A Few Questions for Planning Farm Succession

Some family conversations are too important to put off

- 1. Is your will up to date?
- 2. Do you have a living will?
- 3. Do you have a farm transfer plan or exit strategy that has been reviewed within the past 3 years?
- 4. Have you recently evaluated all the different business entity options for your operation?
- 5. Do you have a working relationship with your attorney and accountant and have you reviewed your goals and objectives with each?
- 6. Is your personal insurance coverage current:
 - a) Do you have adequate medical and disability insurance?
 - b) Do you have adequate life insurance to cover your wishes and farm transfer at current values?
- 7. Are your goals Specific, Measurable, Attainable, Reasonable, and Timed (SMART)?
- 8. Have you conveyed the goals and objectives of the business to all family members, business team, and employees?
- 9. Do you have a confident relationship with your risk management advisors?
- 10. Are you planning for your children's educational needs and are these savings protected?
- 11. Are your savings for retirement on course with your plans?
- 12. Do family members know the location of all important documents?
- 13. Do you have the knowledge and skills to assess all areas and levels of risk?
- 14. Are you constantly looking for ways to increase your profitability?



Photo by Eduin Remberg

Get Acreage Reporting Right. It Saves You Money.

You have a lot at stake in making sure your crop insurance acreage reporting is accurate and on time. For corn and soybeans July 15th is the acreage reporting deadline.

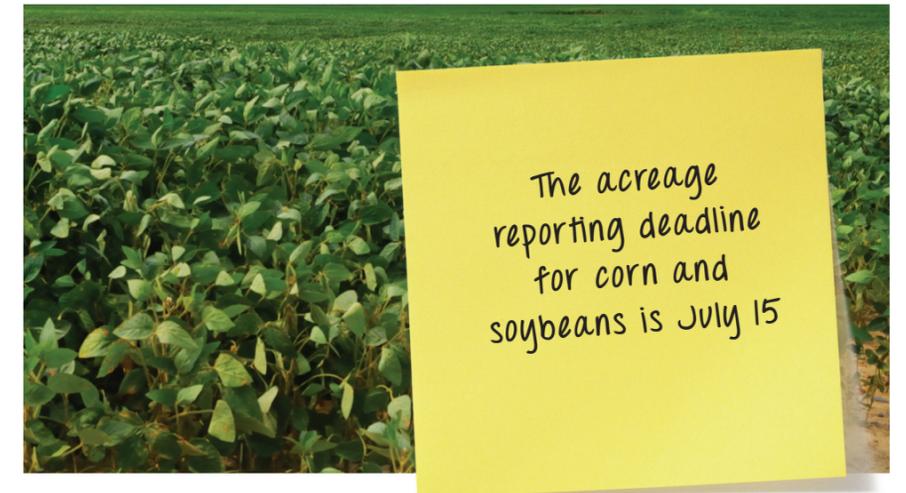
If you fail to report on time, you may not be protected. If you report too much acreage, you may pay too much premium. If you report too little acreage you may recover less when you file a claim. Crop insurance agents often say that mistakes in acreage reporting are the easiest way for producers to have an unsatisfactory experience with crop insurance.

Don't depend on your agent to do this important job for you. Your signature on the bottom of the acreage reporting form makes it, legally, your responsibility. Double check it for yourself. Also make sure that your crop insurance and FSA reports are identical (provide written explanation of any differences). The law requires that they be compared.

Make sure that you receive and retain a signed copy of the reports that you file as this is critical to correct any errors that may show up later.

What is an acreage report?

The acreage report is the basis for determining the amount of insurance provided



and the premium charged. An annual acreage report for each insured crop in which you have an ownership share in the county must be submitted to your insurance company (through your agent) on or before the acreage reporting date for that crop.

The acreage report shows: the crops you have planted; acreage prevented from planting; what share you have in those crops; where the crops are located; how many acres you planted; the dates you planted them; what insurance unit they are located on, and the cultural practice followed (i.e. irrigated, double cropped, etc.). You may not revise this report after the acreage reporting date.

Remember

Acreage reporting is your responsibility. Doing it right will save you money.

Always get a copy of your report immediately after signing and filing it with your agent and keep it with your records.

Remember, it is your responsibility to report crop damage to your agent within 72 hours of discovery.

Never put damaged acreage to another use without prior written consent of the insurance company. You don't want to destroy any evidence of a possible claim. ▲

How to File a Crop Insurance Claim

If your small grains are showing signs of losses you should pay attention to your reporting responsibilities. This also applies to silage that may be stressed.

Any time you have crop damage that will adversely affect your yield, or the value of your crop, you may be eligible to file a claim. The loss adjuster will determine whether your yield falls below the guarantee stated in your crop insurance policy. This applies to revenue protection policies and yield protection policies.



Here is what you should remember...

Report crop damage promptly:

- Before replanting (many policies have replanting payments);
- Within 72 hours of discovery of damage;
- 15 days before harvest begins (if loss is possible); and
- Within 15 days after harvesting is completed (by insurance unit) but not later than the end of the insurance period (December 10 for grain corn and soybeans).

Caution: Do not destroy evidence that is needed to support your claim without clear direction from the insurance company, preferably in writing. ▲