



▶ Volume 14, Issue 1

Recent Fall 2013 Prices...
 Corn - \$5.74/ BU.
 Beans - \$12.85/ BU.

Record Claims Paid in 2012

As you might imagine, 2012 is expected to be the largest amount of money ever paid in the history of Crop Insurance. The combination of record high commodity prices at harvest, the Trend Adjustment factors and of course, some of the most extremely hot and dry weather we have seen in many years, once again proved the value of a solid risk management program.

While the jury is still out as to the ultimate magnitude of claims for 2012, many industry insiders are expecting losses that could total \$25 billion, more than twice as high as the previous record of \$10.8 billion set just last year. The projected payouts for this year rose much higher in early November, once the harvest price for RP plans was discovered to be \$7.50/

bushel for corn and \$15.39/ bushel for soybeans. Of course farmers who opted for less expensive non harvest price options still had \$5.68/bushel for corn and \$12.55/bushel for soybeans.

Estimates place coverage of the US corn crop of 95 million acres at over 80%. This compares to only about 15% of the crop insured during the severe drought from 1988.

In our own agency we have turned in claims on over 80% of the farmers we insure and paid losses already exceed total indemnities paid out in 2011. Many claims required a 3 year APH audit as they exceeded \$200K. Those mandatory reviews kept adjusters from working other claims as quickly as we would have liked.

There are still nearly as many

claims to settle as have been done so far! Thanks for your patience as companies and adjusters try to get all the claims worked in a timely, professional and accurate manner! We really insure some of the nicest individuals in the world!

Please feel free to contact us as often as you want to check on the status of any claim. We work for you and our whole staff is dedicated to your complete satisfaction. While RMA will not allow us to be present during an adjusters visit, we are eager to consult with you on any issues you have concerning adjusters or any aspect of your claim.

"Don't judge each day by the harvest you reap but by the seeds that you plant"
 Robert Louis Stevenson

IMPORTANT DATES

RP/YP/Grip Base Price Corn	Feb. Ave. Dec. CBOT
RP/YP/Grip Base Price Soybeans	Feb. Ave. Nov. CBOT
Sales Closing MPC-I-TWI APH Revision	3/15/13 4/30/13
Final Plant Corn Beans	6/05/13 6/20/13
Acreage Reports Due MPC-I \$ Billed	7/15/13 8/15/13

How to help your crop adjuster help you.

Here are some things to consider when preparing to meet with your crop adjuster:

- ⇒ Get all of your current year crop production organized.
- ⇒ If you have bins to measure, let the adjuster know which lines are your policy are in which bin. Sometimes a map of your storage can help.
- ⇒ If you delivered all of your grain, some form of settle-

- ment or at least delivery sheets are usually required.
- ⇒ Sold production should also be organized to match your policy unit structure.
- ⇒ Be aware that net bushels from an elevator will often not match net bushels adjusters use depending on moisture and other shrink factors used.
- ⇒ Official government moisture charts can be printed

- from the "tools" tab of our web site. We even have some excel spreadsheets we can email to help figure large quantities of loads more quickly.
- ⇒ To expedite payments and avoid mail /deposit delays, most of our companies offer direct deposit of indemnities directly to your bank account. Call with bank information and we can usually set this up with you over the phone quickly.

Contacting us...

- Our office is S. off OLD US 24E - 4301 Grand Prix Drive in Logansport
- Our phone 574.737.7467 (Steve's cell 574.721.6499)
- Our Toll Free Number is 1.888.566.7467 (566.SIMS)
- Our web site is www.dicksimsinc.com

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Crop Insurance: a preview of what 2013 has to offer.

Even though many claims are still pending, rates are out for next year. Surprisingly rates for protecting 2013 Indiana crops should actually be less than they were last year! While it seems logical that record losses this year would raise rates, the rates are set early enough that 2012 results are not a factor in determining 2013 rates. Also beware that some initial planting dates have changed for 2013.

Many companies continue to offer supplemental products to work to enhance your main Crop Insurance. Here is a sampling of the offerings for 2013:

- **Crop Hail** Offers inexpensive acre by acre coverage with no deductible for hail, fire, transit, storage, and vandalism. There are even options for wind or green snap available.
- **Supplemental Replant** This private coverage enhances basic MPCI replant features for very little additional cost. Pays you more than base policy for pennies/acre.
- **TWI -Total Weather Insurance** Pays you money strictly based on the weather experienced on your farms. More flexible and hassle free than government policies.
- **MPD Multiple Price Discovery** This product was new in 2012 and allows farmers to use Dec. or Jan. instead of Feb. for Price Discovery
- **E+ Enterprise Plus** Have you ever wished you could have optional units (OU) on just a few farms without paying high OU premium on your whole operation. That is the idea behind E+ .While rates and quoting software are not released yet, we expect many farmers to be interested in this innovative product.

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Save the Date:

What: 2013 Customer Picnic

When: Sat. July 20 6:30 PM

Where: Logansport's Riverside
Park McHale Complex

Winter Marketing Meeting

Please join us this **Tue., Jan. 15th at 6:30 PM at the Logansport LEDF Business Resource Center** (see map) for a Marketing update from Mike Silver, Grain merchandiser for Kokomo Grain. Mike will have a formal presentation on Power Point slides that will discuss many of the fundamental and technical aspects of crop and input pricing in advance of this important time of

year when price elections are established on the Chicago Board of Trade.

Enjoy a snack and beverage on us at this informal meeting, while gaining insight in many of the major factors which will greatly affect your income in the coming months. Questions are always encouraged to add to the discussion! Feel free to bring a friend with you for an informative evening,

LEDF 310 S Pearl Street

