

Crop Insurance

FARMER SUCCESS STORY



Garden State Crop Insurance Education Initiative Crop Insurance Reduces Farming Risk

Hunterdon County, NJ - Fulper Farms is a family owned and operated dairy farm that has more than a century of farm family history. Built on a foundation of strong work ethic, true family values and a passion for farming, Fulper Farms has been a successful operation making pure, wholesome dairy products and growing high quality crops. A large part of the Fulper Farms success story has been the use of risk management tools, including the use of crop insurance.

Currently, the operation consists of 120 Holstein cows milked twice daily that produce about 8,000 pounds of milk per day. About 1,200 acres of field crops are raised that include hay, straw, corn and soybeans. All feed for the dairy animals is produced on farm and it takes 350 acres to produce this feed. Farming practices that are "green" and environmentally friendly are utilized on the farm including the use of renewable energy, nutrient recycling and soil conservation.

Robert Fulper, 4th generation farmer and partner in Fulper Farms, is the farm manager that has been making important business and risk management decisions for the farm. At the beginning of each year, Robert works with staff from the Salem County Extension Office to complete a financial analysis of his operation (FINPACK) where he evaluates the farm's balance sheet, budgets for each crop and creates a flow sheet for the upcoming year of farming. Through this financial analysis, Robert is able to decide what crop insurance policy or policies best suit the needs for his operation in the upcoming year.

Currently, Robert insures his grain using a revenue protection plan with buy up to 70% coverage. By using the yield with revenue protection, Mr. Fulper is able to take advantage of the higher price of grain whether it be the projected or harvest price. Robert forward contracts grain so there is peace of mind when the contracts are due by using crop insurance. If yields are negatively impacted by an insurable cause, the indemnity payment will allow grain to be bought to fill the contract at harvest price. Also, since all of the dairy feed is made on farm, crop insurance helps to ensure that if yields are lacking due to insurable cause and feed is short, an indemnity payment will help to purchase feed.

Mr. Fulper states, "The risk in farming (grain) has become extremely high. Costs to plant crops have doubled, and if those crops fail, the risk is too much to absorb. Crop insurance gives me peace of mind that I will not have to carry all of the risk if I have a poor growing year."

The future of Fulper Farms is dependent upon the 5th generation who are already key decision makers in the farm operation. Through innovation and farm education along with a risk management plan, Fulper Farms is sure to thrive and produce fresh dairy products and high quality crops for generations to come.



Rutgers Cooperative Extension and the New Jersey Department of Agriculture has partnered with USDA Risk Management Agency (RMA) to provide crop insurance education to New Jersey farmers. This institution is an equal opportunity provider. For more information or a list of New Jersey crop insurance agents, please visit the Garden State Crop Insurance Education Initiative website at <http://salem.rutgers.edu/cropinsurance> or call 1-800-308-2449.

