BSE Case Confirmed in United States

Statement by U.S. Agriculture Secretary Tom Vilsack Regarding a Detection of Bovine Spongiform Encephalopathy (BSE) in the United States

“The beef and dairy in the American food supply is safe and USDA remains confident in the health of U.S. cattle. The systems and safeguards in place to protect animal and human health worked as planned to identify this case quickly, and will ensure that it presents no risk to the food supply or to human health. USDA has no reason to believe that any other U.S. animals are currently affected, but we will remain vigilant and committed to the safeguards in place.”

Please visit www.USDA.gov/BSE to learn more about BSE and to find updates as USDA continues to investigate this incident and share information as it becomes available.

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Filing a Notice of Loss? Document Them!

If your crop is damaged, you are responsible to file notice with your agent within 72 hours. The policy requires that such notices should be in writing. Therefore, if you file a notice of damage by phone, as your crop insurance agent for a copy of the notice that they file with the insurance company because it is critical that a paper trail exists. Also, remember the evidence of damage must be viewed by an adjuster or you may lose policy benefits.

Replanting Payments

Many of the crop insurance policies provide replanting payments, if due to insurable cause, you are required to replant a crop. If you experience a replanting situation, contact your agent for details before you destroy the evidence of damage.
### What is Prevented Planting?

Prevented Planting (PP) coverage is available on barley, corn, grain sorghum, oats, potatoes, processing beans, soybeans, and wheat in New Jersey. If you are unable to plant your crop by the Final Planting Date or during the late planting period, your option (get dates from your agent as they vary by crop by county) due to an insured cause of loss, you could be eligible for a PP payment. One of the great benefits of the prevented planting option is that, if the condition is general for similar farms in the area, you are protected acre-by-acre, not unit-by-unit as you are at harvest time. The PP payment is a percentage of your insurance guarantee. The default guarantee for the usual PP option is 60 percent of the harvest guarantee for most crops. Premium options are available to buy up on PP coverage by +5 or +10 percent. Prevented Planting has many rules, so contact your agent immediately for details if you have a prevented planting situation.

### Acreage Reporting: It’s YOUR Responsibility!

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 are planted; the dates the crops were planted; what insurance unit the crops 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.

All too often, producers depend on their crop insurance agent to turn in their acreage reporting. This is a foolish mistake since, in the end, you suffer financially! Your signature on the bottom of the acreage reporting form makes the report, legally, your responsibility. It is critical that you complete acreage reports accurately, double check them, and submit them on time. Be sure that your acreage reporting for crop insurance and FSA are identical and once completed, retain a copy for your personal file.

### Upcoming Acreage Reporting Deadlines

- **June 1** for spring seeded forage
- **July 15** for corn, and sorghum
- **July 15** for soybeans
Statement by USDA Chief Veterinary Officer John Clifford Regarding a Detection of Bovine Spongiform Encephalopathy (BSE) in the United States

Assures Consumers That’s Existing Safeguards Protected Food Supply; Reiterates Safety of Consuming Beef Products

WASHINGTON, April 24, 2012 – USDA Chief Veterinary Officer John Clifford today released the following statement on the detection of BSE in the United States:

"As part of our targeted surveillance system, the U.S. Department of Agriculture's (USDA) Animal and Plant Health Inspection Service (APHIS) has confirmed the nation's fourth case of bovine spongiform encephalopathy (BSE) in a dairy cow from central California. The carcass of the animal is being held under State authority at a rendering facility in California and will be destroyed. It was never presented for slaughter for human consumption, so at no time presented a risk to the food supply or human health. Additionally, milk does not transmit BSE.

"The United States has had longstanding interlocking safeguards to protect human and animal health against BSE. For public health, these measures include the USDA ban on specified risk materials, or SRMs, from the food supply. SRMs are parts of the animal that are most likely to contain the BSE agent if it is present in an animal. USDA also bans all nonambulatory (sometimes called "downer") cattle from entering the human food chain. For animal health, the Food and Drug Administration (FDA) ban on ruminant material in cattle feed prevents the spread of the disease in the cattle herd.

"Evidence shows that our systems and safeguards to prevent BSE are working, as are similar actions taken by countries around the world. In 2011, there were only 29 worldwide cases of BSE, a dramatic decline and 99% reduction since the peak in 1992 of 37,311 cases. This is directly attributable to the impact and effectiveness of feed bans as a primary control measure for the disease.

"Samples from the animal in question were tested at USDA's National Veterinary Services Laboratories in Ames, Iowa. Confirmatory results using immunohistochemistry and western blot tests confirmed the animal was positive for atypical BSE, a very rare form of the disease not generally associated with an animal consuming infected feed.

"We are sharing our laboratory results with international animal health reference laboratories in Canada and England, which have official World Animal Health (OIE) reference labs. These labs have extensive experience diagnosing atypical BSE and will review our confirmation of this form of the disease. In addition, we will be conducting a comprehensive epidemiological investigation in conjunction with California animal and public health officials and the FDA.

"BSE is a progressive neurological disease among cattle that is always fatal. It belongs to a family of diseases known as transmissible spongiform encephalopathies. Affected animals may display nervousness or aggression, abnormal posture, difficulty in coordination and rising, decreased milk production, or loss of body weight despite continued appetite.

"This detection in no way affects the United States' BSE status as determined by the OIE. The United States has in place all of the elements of a system that OIE has determined ensures that beef and beef products are safe for human consumption: a mammalian feed ban, removal of specified risk materials, and vigorous surveillance. Consequently, this detection should not affect U.S. trade.

"USDA remains confident in the health of the national herd and the safety of beef and dairy products. As the epidemiological investigation progresses, USDA will continue to communicate findings in a timely and transparent manner."
**Livestock Gross Margin (LGM) for Dairy**

Livestock Gross Margin (LGM) for dairy is an insurance program designed to protect dairymen against unexpected declines in their gross margin. Put simply, gross margin is the market value of milk minus feed costs. The program does not set a support price on milk but rather sets a floor price on milk and a ceiling price on feed. Milk and feed prices are determined by using the futures price of milk (Class III) and feed (corn and soybean mean) on the Chicago Merchantile Exchange. Other causes of revenue loss including production loss, damage of livestock, livestock death, etc. are not covered under LGM for dairy.

Unfortunately, at this time, the LGM for dairy program has been suspended due to insufficient funding for subsidies. It is likely that funding will become available in October of 2012, and due to the popularity of the insurance program, now is the time to evaluate your operation and determine if LGM for dairy is a management tool you would like to incorporate into your business plan.

If you have any questions regarding LGM for dairy, call the Garden State Crop Insurance education hotline at 1-800-308-2449.

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**How Dairy LGM Works**

1. Quantity of Milk
2. Default feed or Producer feed
3. Expected Prices Determined
4. Expected Gross Margin (Insurance Guarantee)
5. Actual Prices Determined
6. Actual Gross Margin (AGM) is Calculated
7. Expected Gross Margin minus Actual Gross Margin = Indemnity

This newsletter is brought to you by the Garden State Crop Insurance Education Initiative, a partnership between the USDA Risk Management Agency, New Jersey Department of Agriculture and Rutgers Cooperative Extension of Salem County. For additional information about crop insurance, contact your crop insurance agent, locate a crop insurance agent at www.rma.usda.gov/tools/agent.html, visit our website http://salem.rutgers.edu/cropinsurance or call our toll free hotline 1-800-308-2449.

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