Have Crop Damage? Report It Promptly!

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, ask 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.

Upcoming Event: NJ State Holstein Show

The 2013 NJ State 4-H and NJ State Holstein show dates are August 11-13. This year the event is taking place at the Salem County Fairgrounds. The event schedule is as follows:

- Sunday, Aug.11th - Move in
- Monday, Aug. 12th - State 4-H Show
- Tuesday, Aug. 13th - State Holstein Show

All entries are due by July 30th and are to be sent to:

Salem County Extension Office
51 Cheney Road, Suite 1
Woodstown, NJ 08098

LGM Sign-Up: July 26

Funding for the Dairy Livestock Gross Margin (LGM) Program is readily available for the June sign-up period. The program is authorized in the lower 48 states, and with this widespread availability, funding will likely be quickly utilized. Dairy producers should give the LGM for dairy program consideration based on the extreme volatility in feed pricing alone. A policy could help to set a guaranteed margin and provide relief in an unstable environment.

If you feel that dairy LGM may benefit you, contact your crop insurance agent as soon as possible to get details for your farm and to take care of pre-enrollment issues. Sign-ups will begin on Friday, July 26 and continue through July 27, if funds are not exhausted.

Visit us on the web:
- Facebook
- Twitter
- WordPress Blog

If you have any questions, give us a call at:

(856) 769-0090
Tackling Heat Stress

As summer temperatures and humidity rise on dairy farms, it is common for cows to experience heat stress. Cow comfort is key to attaining maximum production. Whenever the temperature rises above the mid-70s and humidity is high (85%), the cow will be under stress (see table below for reference).

Risks of Heat Stress

- Increased sweating and panting
- Decreased fertility
- Dehydration & decreased food intake
- Increased risk of mastitis (bacterial growth)
- Increased somatic cell count (SCC) level
- Reduced milk production
- Increase in negative energy balance

There are four main methodologies for cooling cows that include Shade, Air, Water and Time. All four elements must be combined for the most effective cow cooling. When implementing a cow cooling system, consider the locations with the most immediate need.

In order of priority:

- Holding Pen: fans and sprinklers
- Maternity pen: fans and sprinklers
- Pre-fresh cow pen: fans and sprinklers
- Lactating cows: fans and sprinklers over feed lines, fans over freestalls
- Hospital cow pen: fans and sprinklers
- Processing areas (head chutes, hoof trimming, palpation rails, etc.): fans
- Travel lanes: shade

\[ \text{THI} = (\text{Dry-Bulb Temp.} \, ^{\circ} \text{C}) + (0.36 \text{ dew point Temp.} \, ^{\circ} \text{C}) + 41.2 \]

If more than two cows out of 10 have respiratory rates exceeding 100 breaths per minute, then immediate action should be taken to reduce heat stress.
Biosecurity at the Fair

It's almost fair time and I'm sure you'd love to bring home a blue ribbon from this year's dairy show, but how would you like to bring home hairy heel warts, pinkeye or Staph Aureus/Mycoplasma mastitis as well? There is a risk of this transmission taking place at the fair and that should be considered before you load your animals to head for the fairgrounds. Think about it, you may have a closed herd and have contagious diseases controlled at home, but this is the one time a year that your (most prized) animals get moved off farm. Those animals will have contact with other animals in places such as the show barn, wash rack and in the ring. Sure, there are rules against housing and showing animals with contagious diseases such as pinkeye, ringworm, hairy warts, etc., but even with a veterinarian's approval, cases may slip through the cracks. Be especially aware of your animals' feet in areas like the milking station and wash area where animals spend an extended amount of time standing. Moist areas create perfect conditions for bacteria that cause heel warts, hoof rot, etc to thrive if an infected cow has had exposure to that area. By no means should you lock your animals in the barn and quarantine them from the world, you should be proud to show off your animals, just be aware of the risks that may be present. Always remember, an ounce of prevention is worth a pound of cure!

Some precautions to consider at the fair this year include:

- Never feed with equipment used to remove manure
- Water and feed your animals out of your own bucket instead of the “community” bucket
- Use caution at milking station, use your own dip cup
- Make sure not to drastically change diet to avoid bloat
- Have ample fresh, clean water available
- Keep cows comfortable, use fans
- Keep bedding dry

U.S. Corn-Stockpile Estimate Raised as Feed, Exports

July 11 (Bloomberg) -- Corn inventories in the U.S., the world's top grower and exporter, will gain more than the government forecast last month as lower feed use and exports offset a smaller harvest of the rain-drenched crop.

Reserves on Aug. 31, 2014, will total 1.959 billion bushels, up from 1.949 billion (49.51 million metric tons) forecast in June, the U.S. Department of Agriculture said today in a report. Analysts surveyed by Bloomberg were expecting 1.895 billion, on average. USDA said inventories before the start of this year's harvest will decline to 729 million bushels, down from 769 million forecast a month ago and 989 million last year.

Production will total a record 13.95 billion bushels, down from 14.005 billion estimated a month ago. The average projection of 20 analysts surveyed by Bloomberg was 13.983 billion. Exports are seen at 1.25 billion bushels, down from 1.3 billion forecast last month, while feed and residual use is estimated at 5.15 billion bushels, a decline from 5.2 billion forecast in June.

Almost 18 inches (46 centimeters) of rain fell in Iowa, the biggest U.S. producer, from March 1 through May 31, the most in state records that began in 1873. The same three-month period in Illinois to North Dakota was the wettest in at least 112 years, data from the National Weather Service show. In each of the past three years, the USDA's forecasts for record crops proved wrong after hot weather in July and August cut yields.

Farmers will harvest 89.1 million acres this year, compared with 89.5 million forecast last month, the USDA said. Average yields this year may reach 156.5 bushels an acre, unchanged from 156.5 bushels estimated in June and up from 123.4 bushels in 2012. Corn is the biggest U.S. crop, with a 2012 value of $77.4 billion, government figures show.

Corn futures on the Chicago Board of Trade through yesterday tumbled 39 percent from a record $8.49 a bushel in August.

Source: AgWeb, July, 11, 2013 by Bloomberg
Livestock Gross Margin (LGM) for Dairy

Livestock Gross Margin (LGM) for dairy is an insurance program that provides protection against unexpected declines in the gross margin of a dairy operation. The market value of milk (gross revenue) minus feed costs (variable cost) equals gross margin. This expected value is calculated based the futures prices of milk (Chicago Class III) and feed (corn and soybean meal) based on the futures market of the Chicago Mercantile Exchange. Unlike crop insurance where the majority of revenue risk exists with production, the risk with LGM dairy lies predominately with price of milk and feed. This program does not set a support price on milk nor does it consider variable costs beyond feed. Instead, LGM for dairy strictly covers the difference between the expected gross margin and the actual gross margin. Other causes of revenue loss such as production loss, damage to livestock, livestock death, etc. are not covered. LGM for dairy is a risk management tool for dairymen to help them remain sustainable.

To participate in the LGM for dairy program, expected prices would be determined for both feed and milk in the futures market. The next step would be to determine how many cwt of milk are to be insured. Once this is determined, the gross margin guarantee is established and then at month’s end, the actual prices of milk and feed are determined. Actual gross margin may then be calculated to determine if an indemnity payment is owed.

Any amount of milk may be insured assuming that specified amount can in fact be produced. The limit of milk that can be covered in a year is 240,000cwt.

Premiums are determined using a premium calculator program based the amount of milk insured, expected gross margins for each period, and deductibles. Producers may select deductible levels between $0 and $2.00 per hundredweight of milk in $0.10 increments.

An application must be completed and filed while funds remain available but not later than the sales closing date of the initial insurance period for which coverage is requested. Coverage for the milk described in the application will not be provided unless the insurance company receives and accepts a completed application and a target marketing report, premium is paid in full, and the insurance company sends the producer a written summary of insurance. Coverage begins one full month following the sales closing date of the policy. In the eleven months in an insurance policy, ten months are insured because the month following sign up is not covered. To participate in the LGM for dairy program, consult your crop insurance agent.

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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