



# Crop Insurance

## FARMER SUCCESS STORY

### Federal crop insurance plays a major role in risk management.

MEDINA, NY— Charlie Pettit's grandfather started the farm in 1919, his father took over after WWII, Charlie and his brother, Tom, formed a partnership in 1975 and in 2013, they are in transition to involve ownership to Charlie's son, Dan. Besides the three of them, the farm has one full-time employee and ten seasonal harvest laborers. Pettit Farms is located approximately 10 to 12 miles south of the Lake Ontario shore, very close to the Niagara escarpment.

They grow approximately 100 acres of apples, 200 acres of soybeans, 180 acres of corn, 70 acres of wheat, and 50 acres of clover, which is harvested for seed. All of the crops are insured.

The 100 acres of apples are broken up into four units. This has helped him maintain his cash-flow when one unit suffers damage, but others don't. He says "Our apples that are grown for the fresh market are covered under the fresh program, and our apples that are grown for processing are covered under the processing program. We have been getting more 90 degree days lately and sunburn is a big issue. Honeycrisp is a variety that will burn easily. That apple will be scored (graded) similarly to an apple that has been damaged by hail." He notes that the records he keeps for food safety audits and crop insurance purposes, requiring he know exactly where the apples come from in his orchard, has made the family better managers.

Mr. Pettit thinks the next generation has seen firsthand the benefits of crop insurance in 2012, which was the most unusual year you could ask for. He believes that if they go below 70% of an average crop it is a terrible year, and last year they picked about 34%. "If it wasn't for the crop insurance program, 2012 would have been a very bad year for our farm," he states.

Pettit has never seen hail damage with his field crops. He says, "Our only experience with crop insurance claims for corn and soybeans is prevented planting when a weather pattern prevents us from planting up



Charlie Pettit, Pettit Farms, Medina, NY

until June 10th. With wheat, we have had issues with sprouting of the wheat due to excessive moisture at harvest time."

Pettit believes that the farm would not be here today if they hadn't had crop insurance for the last fifteen years. He says, "I think each producer has a different financial position and a different crop mix. If a producer grows some livestock, some fruit, and has more diversification he is spreading his risk that way. We are growing purely apples, and our grain crop isn't large enough to support the three families if the apples are a problem. **Just to say that you must carry crop insurance is wrong, but for a good share of the farmers, I would suggest it.**" He continues, "I think that up until we had the multi-peril crop insurance, the months of July and August looking at the forecast and talking about the possibility of hail made me a very nervous person. **Now that we have crop insurance and we have seen that there are benefits from it, it gives me some security.**"

Crop insurance must be purchased from a licensed agent. Enrollment deadlines vary by crop. The enrollment deadline for apples is November 20th.



The New York State Department of Agriculture and Markets has partnered with USDA Risk Management Agency (RMA) to provide crop insurance education to New York State farmers. For more information, please visit the NYS Crop Insurance Education website at [www.agriculture.ny.gov/AP/CropInsurance.html](http://www.agriculture.ny.gov/AP/CropInsurance.html) or call 518-457-4531 or write to: 10B Airline Dr., Albany, NY 12235. The RMA website is: [www.rma.usda.gov](http://www.rma.usda.gov). To find a crop insurance agent, ask a neighbor for a recommendation, contact your local Farm Service Agency (FSA) office or use the USDA RMA crop insurance agent locator tool on the web at [www.rma.usda.gov/tools/agent.html](http://www.rma.usda.gov/tools/agent.html)