

Insurance benchmarking for Iowa fruit and vegetable producers, Year 2

Abstract: Iowa fruit and vegetables growers need risk management options similar to those available to row crop producers. However, there was no body of data on production costs and sales that would guide the development of such insurance options. This project collected data from Iowa growers that will allow federal and state agencies to create and adapt insurance instruments suitable for fruit and vegetable producers.

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The education provided through this grant has helped fruit and vegetable farmers keep better records, and collect accurate production information for their businesses.

What was done and why?

Whole Farm Revenue Insurance was available in Iowa for the first time in 2014. In-depth conversations with the Farm Services Agency (FSA), Iowa Department of Agriculture and Land Stewardship, Risk Management Agency, U.S. Department of Agriculture and Iowa State University Extension have made it clear that baseline data on production and sales must be gathered before more and better fruit and vegetable insurance opportunities can be offered for Iowa farmers.

The objectives for this project were:

1. At least 40 Iowa fruit and vegetable farms will know how to keep detailed production and sales records.
2. Ten farms will have recorded and submitted production and sales data for actual fruit and vegetable production in Iowa.
3. Information will be published detailing production and sales history by individual crops as well as by whole farm revenue. This will provide important information for organizations working to improve Iowa's fruit and vegetable industry as well as for lenders that consider providing loans to fruit and vegetable producers.
4. Project events and outcomes will be promoted to a broad audience to increase awareness of the need for better crop insurance for fruit and vegetable production in Iowa.

What did we learn?

The baseline production data collected through this project has created actual production history for fruit and vegetable crops in Iowa and allowed producers to compare their yields to those of other fellow Iowa farmers. In addition, crop insurers report they have used the actual production histories to improve crop insurance options for fruit and vegetable farmers in Iowa.

As a result of the data collected and outreach performed for this project, NAP has incorporated the yields from this project into their T-yields. Iowa NAP also has improved their product, requiring a lower threshold for a loss and higher pay backs. (This project was not solely responsible for these changes, but the information provided to NAP employees on the reasons this product was not providing sufficient risk management aided in their decision-making.)



MARKETING