



United States Department of Agriculture
Risk Management Agency

January 2006

2006 COMMODITY INSURANCE FACT SHEET

Strawberries

Pilot Program: North Carolina

Crop Insured

Insurance is available for all annual hill plasticulture strawberries under a pilot program. The policy will cover all acreage for recommended plasticulture strawberry varieties in the county that is:

- Planted with certified disease-free plants transplanted annually into fumigated or organic raised beds with plastic mulch
- Irrigated (drip irrigation with overhead irrigation for frost and freeze protection)
- Grown for commercial sale.

Any person who plants in excess of 125 percent of the strawberry acreage grown in the crop year previous to the current crop year will have a reduction to the amount of insurance. This reduction does not apply to an increase of 5 acres or less.

Note: Acreage planted to the Matted Row practice will not be insurable under this policy. Organic plasticulture is insurable under this policy.

Counties Available

Strawberries are insurable in Brunswick, Buncombe, Columbus, Cumberland, Duplin, Guilford, Haywood, Henderson, Johnston, New Hanover, Pender, Robeson, and Wake counties.

Causes of Loss

Adverse weather conditions¹
 Failure of irrigation water supply²
 Fire
 Insects³
 Plant disease³
 Wildlife

¹Including drought, hail, excess precipitation. ²If caused by insured peril.
³But not damage due to insufficient or improper application of pest and disease control measures.

Insurance Period

Coverage begins at transplanting (unless the acreage is inspected and determined not to meet insurability requirements) and ends at the earliest of: (1) total destruction of the insured crop on the unit, (2) harvest of the unit, (3) final adjustment of a loss on a unit, (4) abandonment of the crop on the unit, (5) the date harvest should have started on acreage that will not be harvested, and (6) July 31 (calendar date following planting).

Important Dates

Sales Closing August 31, 2005

Initial Planting Date¹ September 1, 2005
 Initial Planting Date² September 15, 2005
 Initial Planting Date³ September 20, 2005
 Initial Planting Date⁴ October 7, 2005

Final Planting Date¹ September 30, 2005
 Final Planting Date² October 14, 2005
 Final Planting Date³ October 19, 2005
 Final Planting Date⁴ November 5, 2005

Acreage Report Due¹ October 15, 2005
 Acreage Report Due² October 31, 2005
 Acreage Report Due³ November 15, 2005
 Acreage Report Due⁴ November 30, 2005

¹Buncombe, Haywood, and Henderson counties. ²Guilford county.
³Cumberland, Duplin, Johnston, Robeson, and Wake counties.
⁴Brunswick, Columbus, New Hanover, and Pender counties.

Definitions

Allowable Cost— An amount not to exceed 33 cents per pound (6 cents for “U-Pick” berries) for harvesting and handling costs (e.g., picking, packing, shipping, etc.) that will be subtracted from the average price received to determine the value of production.

Average Price Received—The average dollar amount per pound received for all strawberries sold determined by dividing total revenue by total pounds.

Direct Marketing—Sale of strawberries directly to consumers without intervention of a wholesaler, packer, shipper, etc. (for example, roadside stands, farmers’ markets, pick-your-own operations).

Marketable Production—Mature, ripe fruit free from decay, freeze injury, shriveling, mold, or other deterioration that may have occurred or progressed since the strawberries were harvested and which was due to an insurable cause.

Minimum Value—An amount (34 cents per pound) used to value marketable production when the sale price minus the allowable cost is less than 34 cents per pound.

Minimum Value Option—For an additional premium, this option will reduce the minimum value used in determining the value of your marketable production, in essence decreasing your production-to-count in the event of a claim (consult your agent for more details concerning this feature).

Coverage Levels and Premium Subsidies

Coverage Level	Dollar Guarantee	Premium Subsidy
CAT	\$1939	100%
50%	\$3525	67%
55%	\$3878	64%
60%	\$4230	64%
65%	\$4583	59%
70%	\$4935	59%
75%	\$5287	55%

Note: Changes were made that limits the amount of insurance—the liability will be reduced for producers who have produced at least 10,000 pounds per acre but less than 18,000 pounds per acre in 3 of the last 5 most recent years. Please see special provisions of Insurance for further clarification.

Loss Example

10	Acres
x \$4583	Amount of insurance per acre (65-percent coverage level)
\$45,830	Dollar guarantee
- 10,950	Value of production to be counted
\$34,880	Gross indemnity
- \$706	Estimated producer premium
\$34,174	Net indemnity

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