



2012 TOMATO OUTLINE – PROCESSING TOMATOES

Last day to sign up for the 2012 crop is: January 31, 2012

**Protect your hard earned investments in growing tomatoes!
Insure against poor weather and grow with peace of mind!**

To find out how tomato crop insurance can really work for you, [click here](#) to contact us or call us at 1-877-573-1122 or 209-668-6788.

1. **Qualification Requirements:**

- A. Irrigated acreage ***only with adequate water and irrigation facilities at time of planting.***
- B. You must have an insurable interest in the fields you want to insure. Insurable interest means you either own, lease or have a share in the crop.
- C. Tomatoes for canning or processing grown on acreage under a contract executed with a processor before August 20 each year. *Contracted tons must equal or exceed the total insurance policy guaranteed tons.* Growers must insure all tomato acreage in the county in which they own, lease or receive a share of the crop. When fields are rented on a crop share, either the landlord or operator, or both can insure their share in the crop.
- D. Tomatoes must be planted or seeded by June 15, 2012.

We DO NOT insure any acreage:

1. Which is destroyed and not replanted if it was practical to replant.
2. Tomatoes not grown under contract.
3. Tomatoes planted for hybrid seed production.

2. **Insured Causes of Loss:** Unavoidable loss of production or damage resulting from:

- A. Any adverse weather conditions: e.g. rain, wind, hail, frost, excessive heat or cool temperatures, including weather/growing conditions that cause acres to be bypassed or prevents timely harvest.
- B. Insects and plant disease, if proper application of control measures are done and the insect or plant disease problem is due to adverse weather conditions.
- C. Damage from wildlife, birds, non-domesticated animals or earthquake.
- D. Failure of the irrigation water supply source after planting.

3. Tomato Production Guarantee:

- A. Yield guarantee is based on the grower's past production of total tons of tomatoes delivered to a cannery or processor from insurable acreage in the county for all preceding years up to a maximum of 10 APH years.
- B. The production and yield report (APH) form must be prepared for the county to develop "master yield" tonnage for the grower. The master yield APH form records the grower's actual acres and total verified tons of production grown in the county for each of the past crop years that records are available up to 10 "APH years".
The total tonnage is divided by the planted acres for each year to arrive at the average yield per acre for each year. The total of all annual average yields is divided by the number of years of records to arrive at the master yield for the county. The master yields are used – one for direct seeding acreage and one for transplanted acreage.
- C. Guarantee per acre is determined from the approved "Master Yield" per acre multiplied by the coverage level selected by the grower.
- E. The maximum coverage level available is 75% of the approved average yield. 50%, 55%, 60%, 65%, 70% coverage levels also available.
- F. Unit guarantee: Actual insurance coverage is by unit, not by acre. The unit guarantee is the per acre guarantee multiplied by the number of acres in the insured unit. If production from a unit exceeds the unit guarantee, there is no payable loss, even if some acres have zero production.
- G. For growers with 4 or more years of past production history in the county, the Master Yield will be in effect and that master average yield per acre will be assigned to all units insured as the approved yield. The Regional Service Office will determine master yields for growers who have less than four years or production history on the APH.

5. Price Elections Per Ton: \$68.00 per ton Conventional, \$102.00 per ton Organic Certified

- A. The elected price will be the amount paid for each ton of loss below the Stage 3 unit guarantee.

6. Price Election and Coverage is Progressive by Stages:

Tomato insurance coverage has price elections used to determine the indemnity increasing upon specific events as shown in the policy to the maximum price election for harvested tomato acreage.

- A. Stage 1: Immature plants - 50% of price election
- B. Stage 2: Unharvested mature plants – 80% of price election
- C. Stage 3: Harvested Guarantee – 100% of price election

NOTE: Stage 1 – From planting to first fruit set (30% of plants have 1" fruit)
Stage 2 – From fruit set to start of harvest: Insurance price paid is 80%
Stage 3 – Any acreage harvested and delivered to cannery or processor

Note: Unit guarantee, total amount of insurance and premium is calculated on 3rd stage harvested guarantee. However, the dollar amount of loss (indemnity) is calculated on the stage price election.

- 7. Coverage Example: Stage 3 Tomatoes**
Owner or operator of 250 acres of tomatoes
If 10 year average yield is 35.2 tons/acre (the Master Yield)
75% coverage = 26.4 tons/acre guarantee

26.4 tons per acre X 250 acres = 6,600 harvested tons guarantee (Stage 3)

Price elected \$68.00 X 6,600 tons = \$448,800 protection for total loss

8. Replant Payment – To Replant Damaged Stand:

A. If insured acres are damaged by insurable causes resulting in a plant stand of less than 50% and it is practical to replant and then is replanted after our inspection will be eligible for replant costs reimbursement up to \$408 per acre.

9. Insurance Period

A. Insurance attaches at planting – seeding or transplanting

B. Insurance ceases on a unit if the crop is destroyed and it is too late or not practical to replant and it will be a Stage 1 loss (50% of the total insurance).

C. Insurance ceases upon the earlier of:

1. Harvest completion or discontinuance of harvest
2. When the canner or processor no longer accepts tomatoes under the contract that covers the insured acreage
3. Final adjustment of the loss
4. Total destruction of the crop
5. October 20th

10. Yield Adjustments:

Growers with severe loss years in their past 10 year history can request a yield adjustment which replaces loss year history with a factored county yield. This can help keep the coverage adequate even after several loss years in the past.

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