



Crop Insurance

FARMER SUCCESS STORY

I think anything that mitigates the risk for farmers is a good thing.

WILLIAMSON, NY— Chip Bailey is a first generation farmer. He grew up in Wayne County, worked on fruit farms and loved it, then went to college to figure out how he could buy his own farm. In his senior year at Cornell, he lease-purchased his first farm and came home on weekends to get the farm ready for when he graduated in May 1984. “My wife, Karla, and I were married in 1987 and have expanded the farm since then.”

KC Bailey Orchards, Inc. (“K” for Karla and “C” for Chip) consists of 180 acres of apples with about 25 acres of growing young trees. When he first started, the apples were produced mostly for juice. Their production has gone from 0% fresh apple production to the 70% fresh level presently. “In the simplest of terms, we grow the apples, put them in bins that we build, put them in storage that we own, and deliver them on our trucks.” Chip continues, “Beside the apple production another thing that we are into is renewable energy. Right now we have a wind mill on our farm and solar panels, and we produce 100 percent of the energy that we use. We are net zero on a renewable energy basis.”

The Bailey’s main farm is located a little less than a mile from Lake Ontario. “In the spring, typically things are cooler and in the fall things are warmer later, which is beneficial for apple production.” They have another farm that is two-tenths of a mile south that gets a lake effect, but is a little bit earlier ground. They also have a third farm that is about 5 miles south of the lake. It’s on a drumlin, which was formed by glaciers, and looks like an upsidedown canoe. It doesn’t get as much lake effect weather, but has great air drainage. Chip says, “The main benefit geographically is that it spreads out your risk weather-wise. Weather patterns, whether it is high winds or hail, could happen on one farm and not the other farms.”

Chip and Karla evaluate their crop insurance coverage



Chip Bailey, KC Bailey Orchards, Inc., Williamson, NY

levels every year. “We tweak it from year to year, but we don’t change things in a huge way.” He continues, “**Just like in farming, things change; crop insurance changes too, so it is important to have a thorough understanding of those changes and what they mean.**” The Bailey’s three farm locations have different unit structures so it customizes the insurance that they use. Chip says, “We’re not overpaying or underpaying for insurance, but we find that proper balance to mitigate the risk so we can meet our financial obligations in a timely fashion. **Whatever your cost structure is, that is what you are mitigating the risk for.**”

Chip’s advice for a new farmers is “First and foremost, buy a farm with a proven site and history. [And] get a good education so you can become more open minded and pursue different strategies. A good education is important for a young farmer.”

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



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 or call 518-457-4531 or write to: 10B Airline Dr., Albany, NY 12235. The RMA website is: 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