



# Dairy Production Newsletter

**Notice:**

Coverage election must occur by June 1, 2018. If no coverage is selected, this is the equivalent of opting out of the program.

## Dairy Margin Protect Program...the Basics

Programs like DMPP are designed to benefit as many dairies as possible. Because of that, it is important to pick the coverage that is best for your dairy.

The chart below shows are farm that produces 5.5 million pounds, and selected the \$8 coverage level for 90% of their production.

Coverage level (margin) per cwt.	Tier 1 2018 Premium	Tier 2 2018 premium
	Covered Production history less than 5 million lbs.	Covered production history greater than 5 million lbs.
\$4	None	None
\$4.50	None	\$0.020
\$5.00	None	\$0.040
\$5.50	\$0.009	\$0.100
\$6.00	\$0.016	\$0.155
\$7.00	\$0.063	\$0.830
\$7.50	\$0.087	\$1.060
\$8.00	\$0.142	\$1.36

**Quick Tips:**

- \$100 administrative fee
- Coverage begins Jan.1, 2018
- Production history shown from 2011, 2012, or 2013
- Premium payment due by Sept..1, 2018
- Cannot enroll if already signed up for LGM.
- Can enroll if signed up for MILC program
- If you wait to sign up till June 1st, you will already know the coverage level for four of the months, and we will be pretty certain of the fifth month.

Month	Projected	Margin Diff	Margin Pmt
Jan-18	\$8.12	\$0.12	\$0
Feb-18	\$6.88	-\$1.12	\$4,606
Mar-18	\$6.77	-\$1.23	\$5,080
Apr-18	\$6.79	-\$1.21	\$5,000
May-18	\$7.51	-\$0.49	\$2,016
Jun-18	\$8.01	\$0.01	\$0
Jul-18	\$8.35	\$0.35	\$0
Aug-18	\$8.59	\$0.59	\$0
Sep-18	\$8.73	\$0.73	\$0
Oct-18	\$9.27	\$1.27	\$0
Nov-18	\$9.19	\$1.19	\$0
Dec-18	\$9.09	\$1.09	\$0

\$16,701 Gross Total

**\$9,572 Net Total**

**Ag Partners Service**

If you are interested in what returns you could expect on your dairy, talk to your AgPartners/WWN nutritionist. We can plug in your dairy's numbers to give you a better idea of what level of coverage would be best

for your dairy, if any.

The information in this sheet is very basic. To learn more, visit [www.fsa.usda.gov/dairy](http://www.fsa.usda.gov/dairy)

**Cam Sorensen**  
Dairy Nutrition and Production Specialist



Phone: **(715)-497-8568**

Email:

[cams@agpartners.net](mailto:cams@agpartners.net)

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