



# Rural Economic Outlook Conference

Impact of the Agricultural Insurance Market on the Ag Industry

# Bad Press



**National & International  
Headlines**

# Huge explosions rock Beirut with widespread damage, injuries

BEIRUT (AP) — Massive explosions rocked downtown Beirut on Tuesday, flattening much of the port, damaging buildings and blowing out windows and doors as a giant mushroom cloud rose above the capital. Witnesses saw many people injured by flying glass and debris.



WEATHER

# Derecho in Midwest traveled 770 miles in 14 hours, flipped trucks and smashed a grain elevator

The 'intense derecho' traveled from southeast South Dakota all the way to Ohio





**Bradforton, IL**  
• April 2, 2021



**Mountain Home, ID**  
• May 17, 2021



**Jefferson, IA**  
• May 20, 2021



**Sleepy Eye, MN**  
• June 1, 2021



**New Ulm, MN**  
• June 1, 2021



Safety is **no accident.**

# Firefighters keep watch on remnants of massive cotton gin fire

One large pile expected to continue to burn for next few days, authorities say



ILLINOIS

## Illinois truck crash and ammonia leak leaves 5 dead, including 2 children

Around 500 residents within a one-mile radius of the crash in the Teutopolis area were forced to evacuate due to the toxic leak



# Multiple animals killed as massive fire engulfs chicken farm in Texas

by JESSICA A. BOTELHO | The National Desk | Tue, January 30th 2024





**LATEST**



The blaze made it onto news sites across the U.S. and as far away as Russia, China and New Zealand.





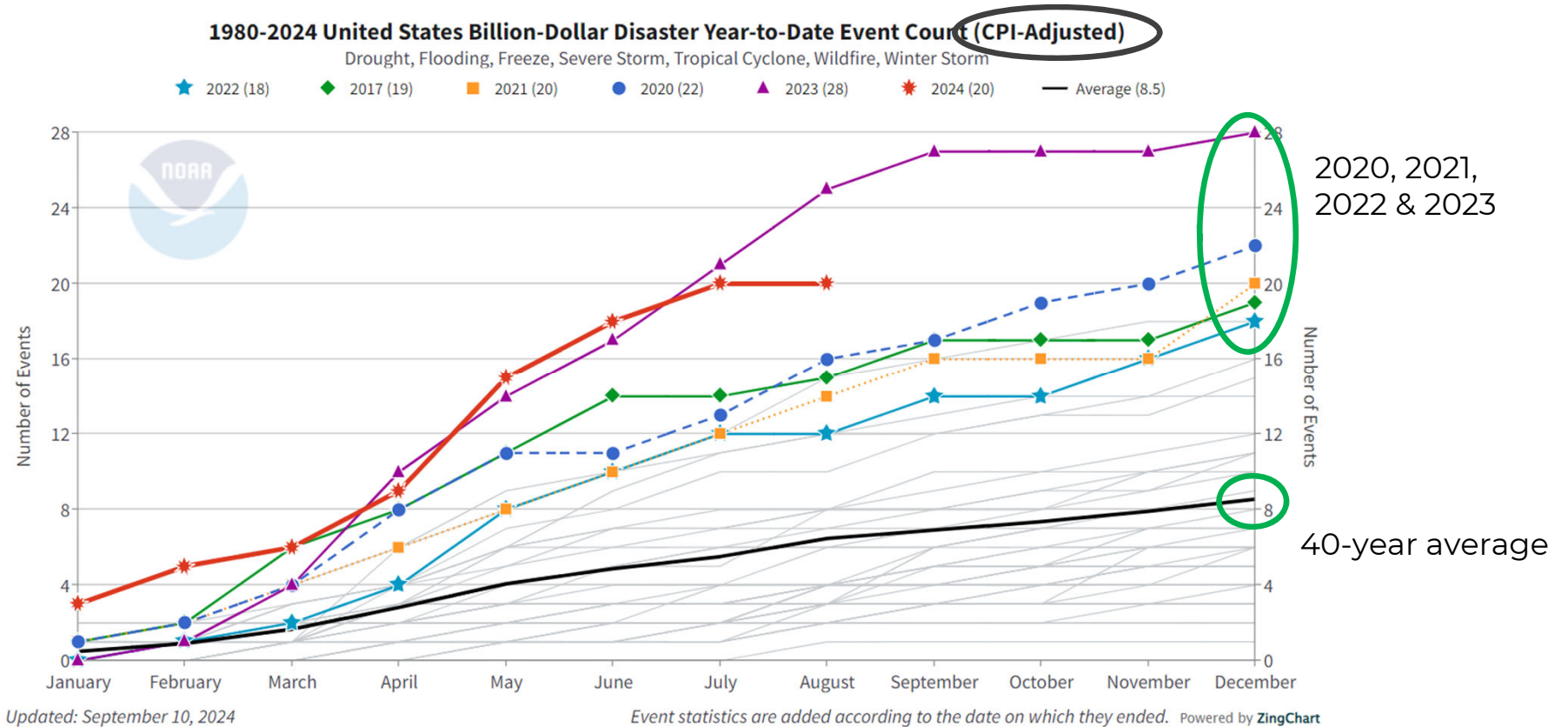
# Disasters




Still on the Rise

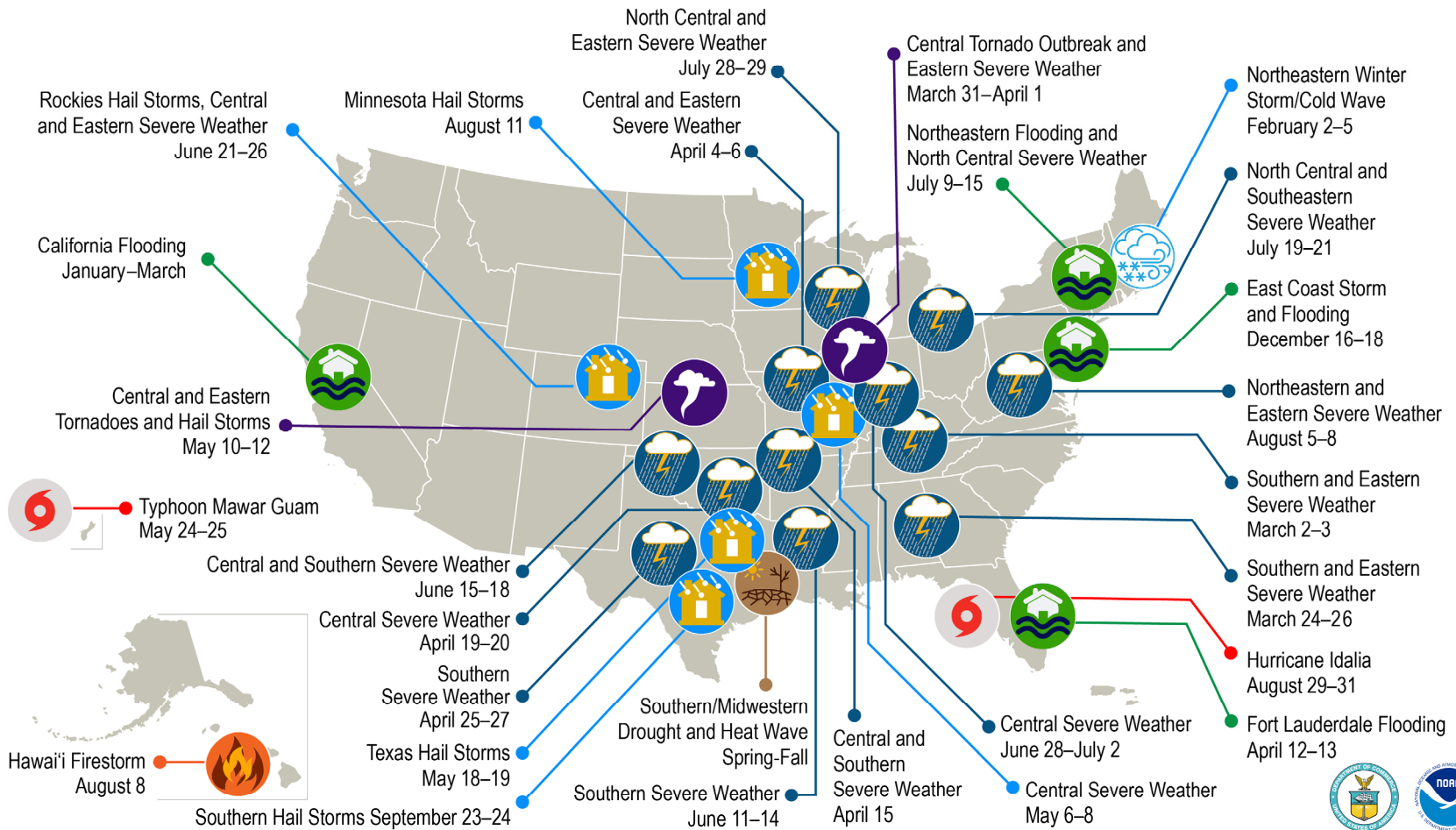
# Disaster Events

## Increasing Frequency



# U.S. 2023 Billion-Dollar Weather and Climate Disasters

-  Drought/Heat Wave
-  Flooding
-  Hail
-  Hurricane
-  Severe Weather
-  Tornado Outbreak
-  Wildfire
-  Winter Storm/Cold Wave



This map denotes the approximate location for each of the **28 separate billion-dollar weather and climate disasters that impacted the United States in 2023.**



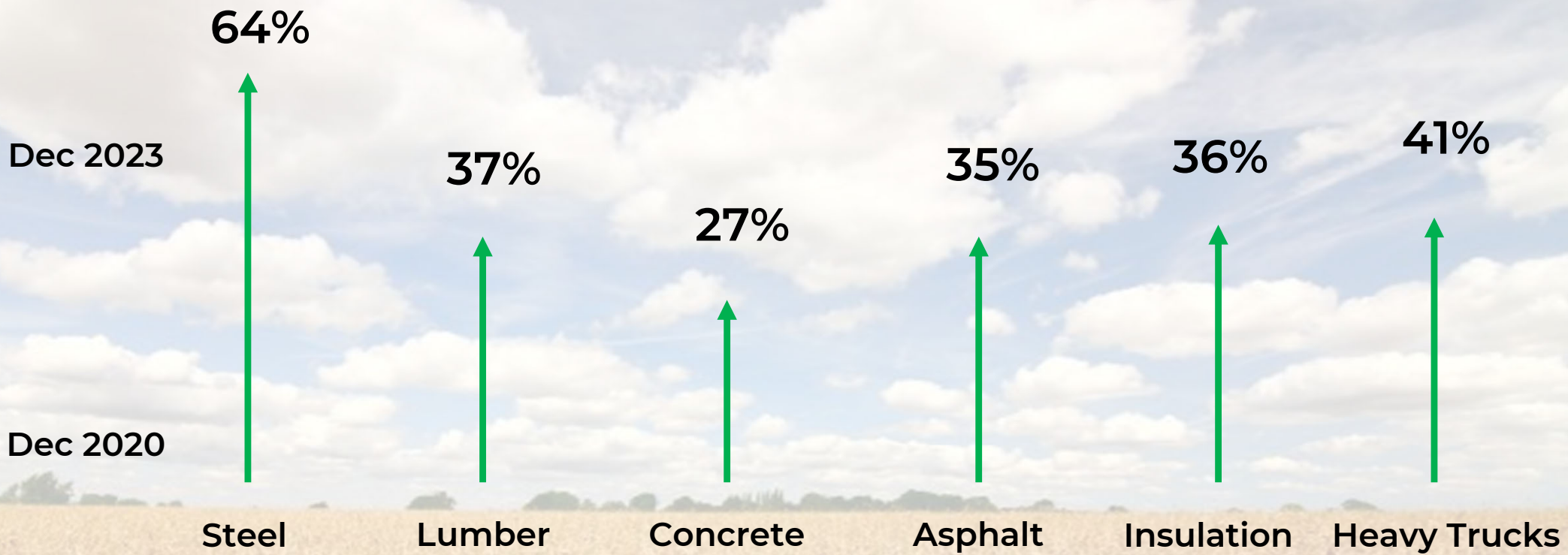
# Inflation



Levelling Out

# Inflation

Persistent & Extreme



# Social Inflation

A white semi-truck with a long trailer is driving on a dirt road in a rural landscape. The sky is blue with scattered white clouds. The truck is positioned in the lower right quadrant of the image, moving towards the left. The background shows rolling hills and a clear horizon.

The New Market Concern



# Social Inflation

## And Nuclear Verdicts



Dec 2022

320%



Unrealistic expectation of corporate responsibility.



Elimination of tort limitations.



Attorney advertisements.



Creative injury complaints & treatment plans.



Litigation Financing.

Dec 2010

Average Personal Injury Judgement

A photograph of an industrial facility, likely a grain elevator or processing plant. It features several large, cylindrical metal silos with corrugated siding. A complex network of steel structures, including tall vertical towers and long horizontal conveyor belts, connects the silos. The sky is clear and blue. The overall scene is industrial and functional.

# The Result

Market Levelling

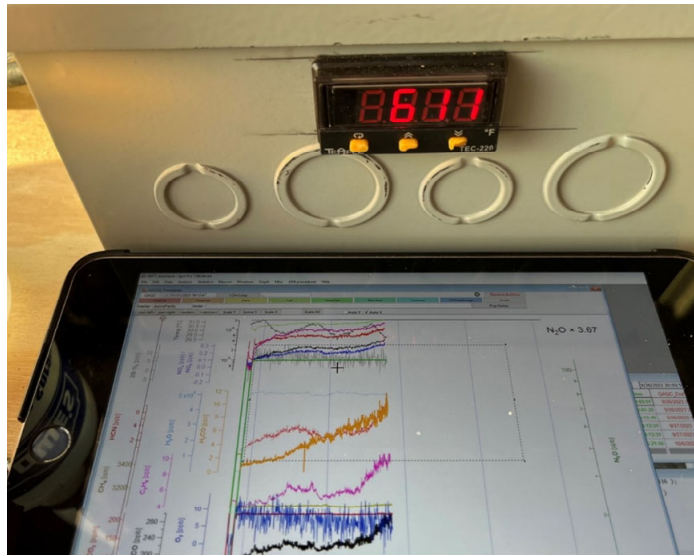


But it's not going  
backward.

# Prevent the Preventable



Invest in the future.



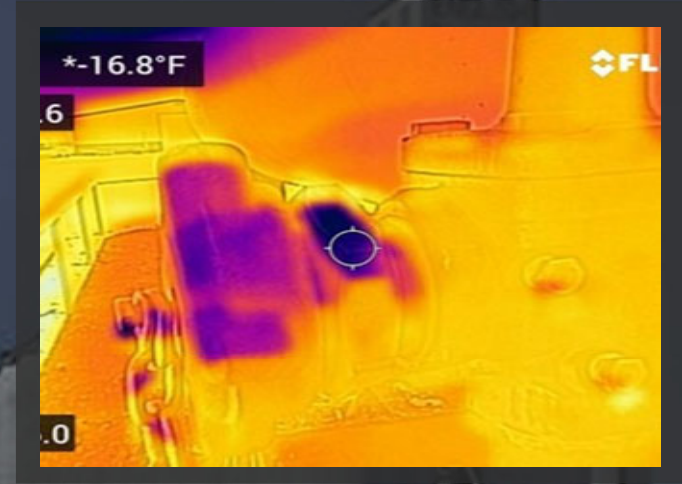
## Reduce The Risk Cottonseed Fire Detection

— Triangle is currently sponsoring a research project in conjunction with the USDA to find the precursors to combustion for cottonseed and seed cotton.



# Reduce The Risk

## Infrared Cameras



Infrared cameras are used by all field employees to identify hot spots and PREVENT serious malfunctions.

# Reduce The Risk

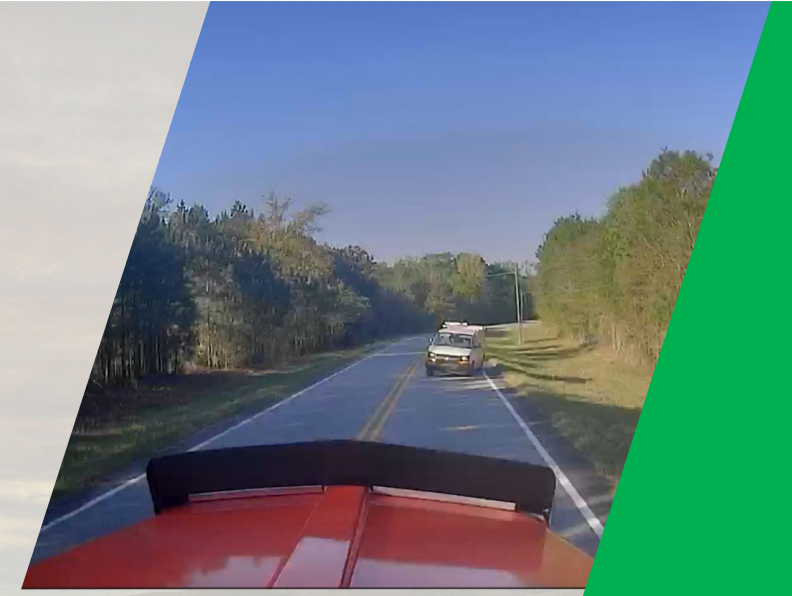
## Dashcam Program

Dashcams are often the only defense.

**694** accounts enrolled

**5773** units delivered

**1147** units ordered this year









# Approach Risk Differently

The Stakes are Higher

# Retain More Risk

Higher Deductibles



Bet on Yourself



Reduce Premium



Manage Your Risk

# Retain More Risk

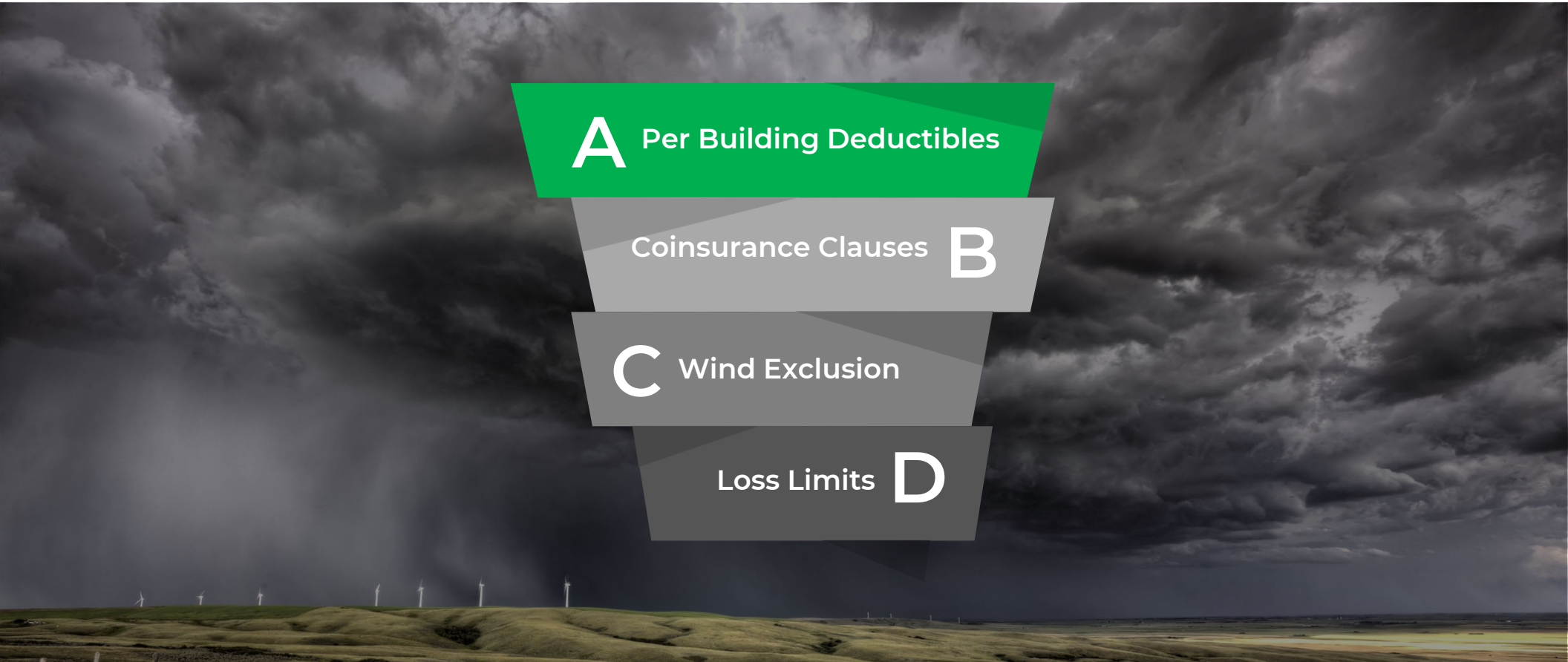
## Insurance Carrier Pitfalls

**A** Per Building Deductibles

Coinsurance Clauses **B**

**C** Wind Exclusion

Loss Limits **D**



# Eliminate Unnecessary Coverage

Protect Your Loss Ratio



## Buy What You Need

Move unused facilities to Debris Removal or remove completely.



## Prevent the Preventable

Preventable losses attract the attention of underwriters.



## Cover the Big Stuff

Do not treat insurance as a maintenance program.



**Regulations**

**Recommendations**

**Record Keeping**

# **Compliance** with Regulations

The minimum standard

Non-Compliance with Regulations  
Repeat Loss Control Recommendations  
Incomplete File Documentation

**=**

**Fastest way to  
become uninsured**



# Lower Limits

## Umbrella Markets



**Nuclear Verdicts**  
Attorneys as for and go after policy limits.



**Contractual Obligations**  
Consider buying only the limit required by your contracts.



**\$5M**  
Umbrellas above \$5M will become scarce.

# QUESTIONS?



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