

Risk Management

Situation Overview:

- A. *The following traditional risk management tools applied to our farm before applying for this grant: Contract milk with a cooperative – very infrequent forward contracts*
- B. *Does the farm have a marketing plan? Please describe.* Our marketing plan is to make as much milk as we can on our farm.

Actions:

- C. *What communication was necessary with the farm's ag lender and what were their requirements for additional ag protection through risk management to move the project forward? Please describe.* For our project, our accountant ran projections and reviewed our finances before giving the project a green light, but nothing specific to risk management.

Results:

- D. *Can the farm quantify the change in business profitability attributed to implementation of new risk management tools? Please describe.* Currently does not apply, but we are recognizing the value of available risk management tools and will continue to explore our options.