



## Livestock Risk Protection insurance now available for lamb producers, feeders

By James Sedman and John Hewlett

Wyoming lamb producers and feeders have a new option for managing price risk.

Livestock Risk Protection insurance (LRP) coverage has been extended to lamb producers in 27 states, including Wyoming. This means lamb producers now have similar protection from downside price swings as producers of fed and feeder cattle do under LRP.

### Lamb Prices, Coverage, and Policy Provisions

LRP lamb policies are similar to cattle and swine policies in that a producer must first fill out an application for coverage. After approval, a producer must decide on the specific coverage endorsements (SCEs). The SCE defines the number of head, market weights, and time period for the specific lambs marketed. SCEs can be purchased for 13-, 26-, or 39-week periods for up to 7,000-head per SCE and 28,000-head total per year.



The beginning and ending market lamb values used in lamb LRP contracts are determined using the U.S. Department of Agriculture's (USDA) "formula live lambs" price. This price is based on an econometric model of slaughter lamb prices, actual slaughter under federal inspection, live weight, pelt price, a moving average seasonal index, and other variables. Producers and feeders may continue to market their lambs through their own market channels and at the maximum price they can

negotiate; however, the actual price received by a producer is not used with respect to the insurance. This is an important point, as lamb LRP indemnities are paid if the actual ending value (determined using the formula price) is less than the expected value determined when the SCE was written.

Once the number of head and the time period are determined, the expected price is set using the formula live price. Like other LRP contracts,

producers may choose between 80- and 95-percent coverage levels in 5-percent increments. The total insured value equals the expected price times the number of head times the expected weights. This value is then multiplied by the coverage level to determine the final expected value. The actual value at the time of marketing is determined the same way using that day's price coupled with the expected weight. If the actual value is less than expected, an indemnity is paid.

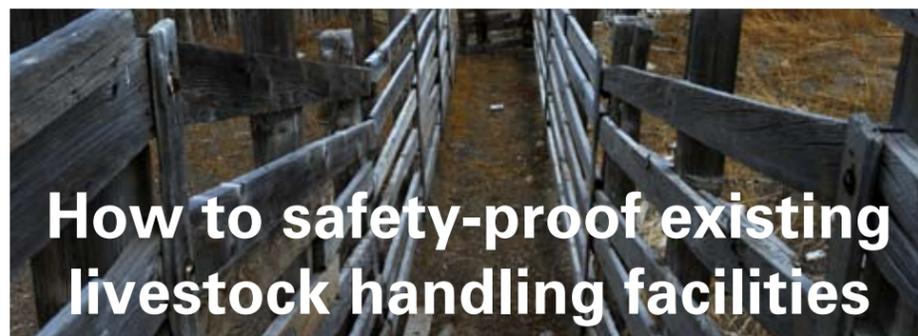
### Points to Note

Individual production systems (such as farm, pasture, or feedlot raised) are not considered for LRP coverage. The lambs insured under LRP must be owned at the time the SCE is purchased and must be in a state that qualifies for LRP insurance, such as Wyoming. Lamb weights in the contract quoted by USDA are a function of the markets at any given time. A producer is not paid an indemnity based on actual lamb weights or actual prices received.

Producers should choose a coverage period that best matches their production cycle; however, lambs are not required to be marketed on the exact date the policy expires. On the other hand, the lambs must be held until the last 30 days of coverage.

Find out more about lamb LRP contracts and other risk management options by contacting an authorized crop insurance agent or visit the Risk Management Agency's Web site at [www.rma.usda.gov](http://www.rma.usda.gov). For more information about this and other risk management topics on the Web, and for a detailed description of this and other livestock risk management topics, consult the Western Risk Management Library at [agecon.uwyo.edu/riskmgt](http://agecon.uwyo.edu/riskmgt).

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## How to safety-proof existing livestock handling facilities

By Steve Paisley

Safety is not only important for livestock but also for those family members and employees who manage and care for livestock.

Unfortunately, injuries that occur around handling facilities are usually not directly related to the animals themselves. Common causes of many injuries are bad lighting, old or faulty equipment, a lack of experience, carelessness, improper apparel, preoccupation, and hurrying too fast.

The following checklist should also be considered to ensure safety in existing handling facilities:

- Maintain adequate or even lighting. This is important not only for a safe work environment and improved safety for workers, but shadows and light spots often create hesitation and tension in animals.
- Keep your work area clean and free from debris. To avoid falling, tripping and stumbling, ensure floors and ramps are clean.
- Test gate levers and latches to verify they are functional and safe. Proper functioning of the squeeze chute is also important. For new workers or handlers, point out dangerous areas where gates, squeeze panels, or levers open/close. It is often easier to discuss potential hazards before the noise level increases and conversation becomes difficult.
- Survey all facilities for sharp edges, pro-

trusions, corners, and nails that could cause injury. While often overlooked, this is a quick preventative step that can dramatically reduce the amount of bruising and injuries while working cattle.

- Use and maintain all equipment according to manufacturers' instructions. Promptly repair all equipment in a proper manner. Gates and restraints that are makeshift are unsafe and can lead to both animal and handler injuries.
- Properly store all tools and equipment out of the way – this list may include sorting sticks, rattle paddles, shovels, scrapers, hammers, etc. Providing storage space, whether it's a storage closet, shelving, or cabinet, ensures tools are clean, accounted for, and out of the way.
- Finally, the most important safety precaution is to be patient and work livestock at a comfortable pace. Keeping livestock and handlers calm and relaxed will dramatically reduce the chance of injury. Taking the time to make minor repairs, properly clear the area, and making sure all equipment is functioning properly, is an important safety, as well as food quality and wholesomeness, step.

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## Sheep beat herbicides for leafy spurge, Russian knapweed control

By Ron Cunningham

It probably doesn't surprise many that invasive weeds are becoming the dominant plants on a vast majority of some of Wyoming's ranches and on large tracts of rangelands.

It may surprise some that, instead of using herbicides, studies are showing sheep are the most practical and least expensive method of control in many situations.

As invasive noxious weeds replace native and other desirable species of grasses and forbs, the plant diversity is negatively affected, wildlife habitat suffers drastically, and the potential for beneficial cattle grazing diminishes to almost little or no forage production value.

The invasion of noxious non-native plants (weeds) is the most serious threat to many areas throughout the West, including Wyoming and neighboring states. One estimate from Montana shows more than 17 million acres of Western public lands have a serious noxious weed infestation.

Herbicides are the traditional method of controlling invasive noxious weeds, but a Wyoming study on an integrated pest management weed study by me and fellow University of Wyoming Cooperative Extension Service (UW CES) educator Alex Malcolm and Lars Baker of the Fremont County Weed and Pest Control District showed Russian knapweed required at least eight yearly herbicide treatments, hence making herbicide treatments economically impractical in many situations.

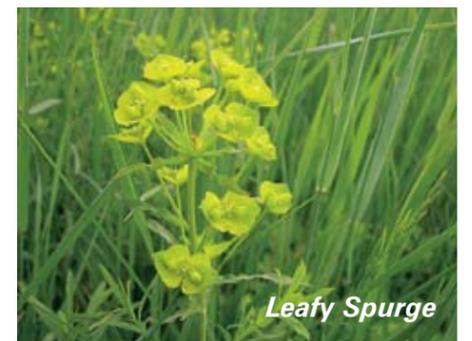
Rather than using extensive and expensive amounts of herbicides, a practical solution is using sheep to control weeds like leafy spurge and Russian knapweed. Both are serious invader weeds throughout Wyoming.

Sheep will selectively graze the unwanted invasive weeds, which helps control growth, weakens the root, degrades plant vigor, and prevents weeds from spreading. The native grasses are then able to grow larger roots and re-establish themselves as part of a balanced grass and forb component on the fields and in the rangelands. Forbs are a critical component needed in the food supply of many wildlife species. Wildlife do better on forbs and on a mix of plants versus a monoculture of one-plant communities.

Another Montana study showed sheep utilized 60-70 percent of leafy spurge but only 30-40 percent of the grasses. An additional Montana study also found sheep utilized 50-60 percent of knapweed but only 30-40 percent of the grasses and 10 percent of the forbs.

For more information, contact the UW CES office nearest you. They are listed online at <http://ces.uwyo.edu/Counties.asp>.

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Leafy Spurge