

PROTECT YOUR OPERATION FROM ID THEFT

We all have some level of awareness about identity theft through personal experience or the media.

Businesses are becoming an increasing target market for identity theft, with business identity theft up 100 percent in 2019 and estimated to have grown 258 percent so far in 2020 (according to Dun and Bradstreet).

Unfortunately, we can thank the COVID-19 pandemic for some of this increased fraud. The influx of funding opportunities in the form of government grants and loans has encouraged criminals to use their identity theft skills to take advantage of vulnerable businesses.

Identity theft occurs when someone gains access to your personal information, through either a breached email account or database, and then pretends to be you. Typically, the predator will open credit accounts in your name, for example, small

About the Wyoming SBDC Network

The Wyoming SBDC Network offers no-cost advising and technical assistance to help Wyoming entrepreneurs think about, launch, grow, reinvent, or exit their businesses. In 2019, the Wyoming SBDC Network:

- Helped Wyoming entrepreneurs start 108 new businesses,
- Created or saved 3,402 jobs, and
- Brought a capital impact of more than \$24 million to the state.

The Wyoming SBDC Network is hosted by the University of Wyoming with state funds from the Wyoming Business Council and is funded in part through a cooperative agreement with the U.S. Small Business Administration.

retail credit card accounts or even a mortgage, and you won't know this has happened until you apply for a loan and are denied or receive a call from a creditor.

Why is business identity theft so prevalent? Here are some of the top reasons:

- Businesses typically receive higher credit limits than individuals.
- Businesses do not have the same level of protection consumers have.
- With COVID-19, businesses have access to new financial opportunities.
- Dormant or closed businesses means fraud could go undetected.
- Unlike your personal information, most business information is publicly available.

What makes business fraud tempting? Business information is accessible through secretary of states' websites, websites like [Opencorporates.com](https://opencorporates.com), and professional networking sites like [LinkedIn](https://www.linkedin.com), and it is easy for the criminally minded to build a fairly accurate profile of a target business and its people.

With some simple forged documents, for example tax documents or updating false information with a Secretary of State's office, it isn't difficult to assume a business' identity.

Sometimes criminals even rent fake office space, create websites, or use other tactics to make the business' identity seem more legitimate. Business fraudsters have also taken the extra step to register with Dun and Bradstreet to get their 9-digit DUNS number, which is often what banks and other business' use to verify identity and credit-worthiness.

So what can you do? Assuming your business is listed with Dun and Bradstreet (a free online business registration company), you can check

your business' credit via their Credit Signal (bit.ly/dnb-credit-signal). Their email alerts for changes in your business' credit report, ratings, and scores could help as an indicator something is amiss.

If your business is asked to extend credit to another business, engage in the following 'Five C's of Fraud' as recommended by Dunn & Bradstreet:

- Confirmation: Make sure the company or person truly exists.
- Condition: Check if the company has the hallmarks of a normal, functioning business.
- Consistency: Assess whether the stated facts about the business are consistent with other sources of information.
- Character: Discover whether any past issues could impose risks on the transaction.
- Continuity: Determine whether the company's operational status has changed and might be posing new risks.

Help is Available Fighting Cyber Threats in Challenging Times

Contact your local Wyoming Small Business Development Center (SBDC) Network adviser at [wyomingsbdc.org](https://www.wyomingsbdc.org) if you need more cybersecurity tips, assistance from our government contracting team while navigating registrations and contracts, or advising on any business topic.

All Wyoming SBDC Network services are completely confidential and offered at no cost.

For the latest COVID-19 assistance, resources, news, and upcoming business assistance programming opportunities, visit our regularly updated COVID-19 Resources for Small Business page at [wyomingsbdc.org/covid19](https://www.wyomingsbdc.org/covid19).

Jim Drever is an SBDC regional director for Albany and Carbon counties. He can be reached at (307) 766-3505 or at james@uwyo.edu.

WYOMING HAY PRODUCERS HAVE INSURANCE OPTIONS

Production of grass, alfalfa, and mixed hay is an important component of many Wyoming farms and ranches.

There were 359,712 acres in Wyoming producing this type of forage in 2019. Whether used for feed or for sale, the revenue generated by forage should be considered in risk management planning.

Options under the federal crop insurance umbrella are available to cover both forage production and seeding (establishment). These programs can provide another tool to manage production risk for hay, although they are somewhat underused when compared to other crop insurance policies across the state.

Other Forage Insurance Policies:

Pasture, Range, Forage Rainfall Index Insurance (RI-PRF)

- Sign-up Deadline is November 15 for 2021 coverage.
- RI-PRF is an area insurance plan designed to protect producers against decreases in precipitation using a historic rainfall index.
- Available for pasture and non-irrigated hay in Wyoming.

Forage Insurance

Wyoming producers have the option to insure hay (alfalfa, grass, and alfalfa grass mixes) under Forage Insurance. Coverage is available for irrigated and non-irrigated hay on a county-by-county basis. The insured forage must have an adequate stand population (evaluated on a per-square-foot basis) and be at least one year removed from establishment to qualify (other age requirements apply as well). Protection is provided against risk of loss from weather, insects, fire, and other natural disasters. Producers can choose coverage levels ranging from 50 to 75 percent of the total dollar amount per acre (set by the Risk Management Agency). Producers must file an acreage and production underwriting report identifying each field and its insurability. Catastrophic Risk Protection (CAT) coverage is available, as well as the Supplemental Coverage Option county-by-county.

Forage Seeding

The spring climate in Wyoming can sometimes be challenging to establish an adequate hay stand. Frost/freezing damage, snow and hailstorms, and drought are just some of the hurdles forage

operators face. Insurance for forage (alfalfa and alfalfa/grass mixtures) seeding is available in most counties. This coverage is for spring-seeded forage, planted before the spring deadline (varies by location), and in the fall if planted before August 31. Coverage is available for irrigated and non-irrigated forages, county-by-county.

A stand can include a nurse crop (oats, barley, flax, or wheat) planted within the guidelines of the policy. The coverage period runs from the planting date to May 21 of the following year, unless the crop was harvested or abandoned beforehand. This coverage is not available for alfalfa and alfalfa/grass mixes intended to be grazed within the insurance period.

Forage seeding is a dollar insurance plan, meaning the grower purchases coverage based on a preset dollar amount per acre. Coverage is available from 50 to 75 percent of the per-acre dollar amount.

Premium subsidies decrease as coverage levels increase; for example, 50 percent coverage includes a 67 percent premium subsidy, while 75 percent coverage offers a 55 percent

For further information

Visit USDA's Risk Management Agency (RMA) at rma.usda.gov or a local crop insurance agent for more information on how forage and forage seeding insurance can help manage production risks. Visit RightRisk.org for more information on this and a variety of other risk management topics.

when plants are least susceptible to defoliation, prior to stem elongation or late in the season after plants have gone dormant, is an option that can help reduce the detrimental grazing effects during drought.

Grazing 50 Percent

A plant community can overcome drought if good grazing management is practiced by not allowing livestock to remove too much plant material; no more than 50 percent of aboveground growth. However, if overgrazing occurs and plants are weakened through excessive loss of leaves, weedy species can benefit from the reduction in these desirable plants and even increase during drought conditions.

The severity and timing of the drought will determine what type of grazing, if any, can occur on

- If drought is severe, plant growth is greatly limited, leaving little useable grazable forage. Completely removing livestock from the rangeland may be warranted.
- If drought occurs early in the growing season but is not severe, plant growth may be adequate for some controlled grazing.
- If drought occurs late in the growing season, grazing plants may not be affected, but soil moisture and subsequent growing season moisture and plant growth should be monitored.

Production and management strategies to maintain plant health during a drought include destocking pastures, early weaning of young livestock, stockpiling forage, purchasing harvested feeds, and leasing pastures elsewhere.

Important Dates and Reminders:

- RI-PRF sign-up November 15
- Fall Planting Reporting October 15
- Sign-up continues for Coronavirus Food Assistance Program (CFAP) applications for crops and livestock

Production Example

Let's consider how these insurance policies work in the event of an indemnity. First, assume we have 100 acres of alfalfa to establish in the spring and that it will be covered by Forage Seeding insurance. The value for this policy is \$150/acre; if we chose to insure at 75 percent coverage, we would have \$112.50 per acre of coverage, or \$11,250 total.

Now further assume due to a severe freeze 50 acres have less than a 50 percent stand count, while the other 50 acres are estimated to have a stand count of 75 percent. The acres with an adequate stand are included in the production to count, determined by multiplying coverage per acre (\$112.50) by 50 acres, resulting in total production to count of \$5,625. It turns out this is the indemnity amount (not including premium costs), where half of the acreage was below the required stand count.

One additional aspect to remember with Forage Seeding insurance is that indemnities on spring planted acreages are reduced by 50 percent if the stand count is greater than 55 percent, but less than 75 percent.

Applying this to our example, assume 80 acres of the reduced stand resulted in a 60 percent stand count, and 20 acres yielded an acceptable stand. To calculate the indemnity, we multiply 20 acres times \$112.50, resulting in production to count of \$2,250. This amount is subtracted from the total coverage, \$11,250, giving in an initial indemnity of \$9,000. Because the acreage yielded a 60 percent stand, this amount is further reduced by 50 percent, resulting in a total indemnity of \$4,500. These two scenarios are summarized in the accompanying table.

Forage production insurance would function the same way as forage seeding coverage, except the producer must keep records of each production unit and determine an average yield per acre.

James Sedman is a consultant to the Department of Agricultural and Applied Economics in the University of Wyoming College of Agriculture and Natural Resources, and **John Hewlett** is a farm and ranch management specialist in the department. Hewlett may be reached at (307) 766-2166 or hewlett@uwyo.edu.



UNDERSTANDING HOW DROUGHT AFFECTS RANGELAND PLANTS OFFERS STRATEGIES TO COMBAT MOISTURE SHORTAGE

Management of rangeland before, during, and after drought is critical.

In desperate times, producers may be tempted to get what they can out of rangeland to preserve herds. Just remember, the drought may last more than one season, and the effects of one or two years of overgrazing can lead to many more years of soil erosion, decreased plant production, and weed infestations after the drought.

Shock to a Plant's System

Drought influences plants at the cellular level, affecting all biochemical and physiological processes used to make food and survive. The plant may not expend valuable resources for reproduction, so seed



heads do not develop. In extreme cases, there are a reduced number of plant basal buds, which results in fewer shoots produced the following year. The plant will eventually die if this occurs over a period of years.

Plants have above and below ground components – shoots and roots. They must be able to support both through photosynthesis,

transpiration, and respiration. During drought, a robust root system is important for the plant to extract what little soil moisture is present. When soil moisture is limited, shoot growth is reduced and plants have a harder time making their own food. There is less energy to support healthy, growing roots and shoots.

Grazing Effects on Plant Growth, Soil Moisture

Understanding how livestock grazing affects plant growth and soil moisture is key to making proper management decisions. Rangeland that has a diversity of plant species, optimum plant cover, and plants with robust root systems, has greater infiltration of moisture into the soil compared to rangeland that has been overgrazed or is in poor condition.

Rangeland in poor condition typically has less plant cover, more soil compaction, and less productive plant species. This can intensify drought effects like runoff and decreased soil moisture. Leaving standing forage and plant litter on the soil surface lessens these effects.

Proper grazing can increase and maintain plant health, while improper and overgrazing can lead to a decline in plant health. Most grazing livestock select the tastiest plants first. If livestock are in a pasture for long periods, they will graze the same desirable plants repeatedly, not allowing for plant recovery between grazing. They will also select grasses and forbs in the vegetative stage first.

Grasses grazed during the elongation phase (when plants start to send up seed heads) typically produce less forage in subsequent years. Grazing in one pasture for long time periods or grazing during the elongation phase year after year can lead to decreased forage production, less desirable plant species, and increased bare ground.

How Much to Graze?

Determining what constitutes an appropriate level of grazing for drought conditions is an art and a science. Research has shown how certain plants respond to drought and grazing pressure, but each management scenario and suite of species presents a unique challenge.

Range managers typically refer to standards of how much forage can be removed by dry weight while maintaining landscape health and plant resilience. These can be adjusted depending on things like drought conditions, period of rest, and results of monitoring. Understanding the capabilities of your soil to produce certain forage grasses and implementing a monitoring plan is a good place to start.

If rangelands are grazed during drought, managers must be careful to consider both above and below ground plant health. Stocking rates should be adjusted accordingly to ensure plants are not overgrazed, and enough residual plant material is left to maintain photosynthesis, root health, and soil cover.

Even if stocking rates are reduced, rotating livestock during grazing so plants are allowed time to recover is important. In addition, allowing grazing

Extension educators **Glenn Owings** based in Sublette County can be reached at (307) 367-4380 or at gowings@uwyo.edu, and **Blaine Horn** based in Johnson County at (307) 684-7522 or lhorn@uwyo.edu. Extension invasive plant specialist **Dan Tekiela** is an assistant professor in the Department of Plant Sciences and can be contacted at (307) 766-3113 or dtekiela@uwyo.edu.