

Planning for Business Continuity

In a study of dairy farms affected by floods in the state of Washington the average cost to each farm was approximately \$150,000. This cost was due to lost production, animal deaths, and illness. The figure does not take into account the value of genetic material or long-term economic impact. At the time of the flood only 22% of the farmers were insured for a flood. Clearly disasters can have catastrophic effects on farms, leading some farmers to leave the industry.

Business plans are best developed with accountants and with financial and insurance brokers who specialize in agricultural businesses.