



# WHY WE NEED A MARKETING ORDER FOR PECANS

Presentation at:  
Western Pecan Growers Association  
50th Annual Conference  
Las Cruces, New Mexico

By:  
Mike Adams, President  
American Pecan Board

# THE AMERICAN PECAN INDUSTRY IS AT A FORK IN THE ROAD






**PRESS RELEASE AMER  
ICAN PECAN BOA**

The American Pecan Board enthusiastically endorses the Federal Marketing Order for Pecans as published in the Federal Register on February 29, 2016. The next step in the process of adoption is a Grower Referendum to be held from March 9 through March 30, whereby pecan growers can vote on acceptance of the Order. As opposed to programs that are funded by taxpayer money, the FMO for Pecans is a self-help program whereby pecan money is administered by pecan people for the benefit of the pecan industry and consumers who enjoy pecans.

Since 2013, APB has sought input from pecan stakeholders and worked to collaborate with USDA on a rule that will serve the pecan industry as it better informs the consuming public of the goodness of pecans. *“The cooperation of our industry is historic,”* comments Mike Adams, a Texas grower who serves as president of APB. *“Many pecan folks from across the pecan belt were instrumental in crafting the rules along with the able assistance of USDA personnel.”*

Pecans are truly a natural health food that is native to North America. They are grown in 15 states in the United States from the Carolinas to California.

The marketing order, once implemented, will uniquely serve farmers, processors, and consumers alike. It will facilitate a more stable market for growers, an assured supply for processors and end users, and a consistent, healthful product to be enjoyed by lovers of good food.



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# WHERE ARE WE TODAY?

1. Referendum is set for March 9 through March 30
2. SE Mkt Field Office of USDA is coordinating the referendum mailing
3. Growers will receive
  - a. Copy of the Secretary's Decision
  - b. Ballot
  - c. Return envelope
4. Mailing list is developed from USDA agency
5. If grower does not receive a ballot and is eligible to vote, phone number to call is
6. **863.324.3375**
7. Return ballot by March 30 R



# GROWER REFERENDUM SUMMARY

- Grower qualified to vote in the referendum  
50,000 inshell lbs. average production over the four years ending July 31, 2014  
Or  
30 pecan acres (includes non-producing acres)
- On the ballot, each grower votes
- For his/her preference for the passage of the FMO
- With his/her average production over the 4 years including 2011 – 2014 crops
- Referendum can be approved in one of two ways
- 2/3rds (67%) of those growers voting cast a YES vote
- 2/3rds (67%) of the volume of inshell lbs. voting casting a vote in favor
- USDA is responsible for counting and validating the accuracy of votes



# STAY INFORMED

American Pecan Board Website

[www.pecanboard.com](http://www.pecanboard.com)

[info@pecanboard.com](mailto:info@pecanboard.com)



## WHAT IF WE DO NOTHING?

- We, as growers, allow our market to be determined by someone else We
- will continue to make expensive decisions based on poor information
- Research on pecans will continue to diminish
- Pecans will continue to lose market share to substitute commodities
- We, as an industry, have allowed our future to be determined by forces outside our industry over which we have little “say so”





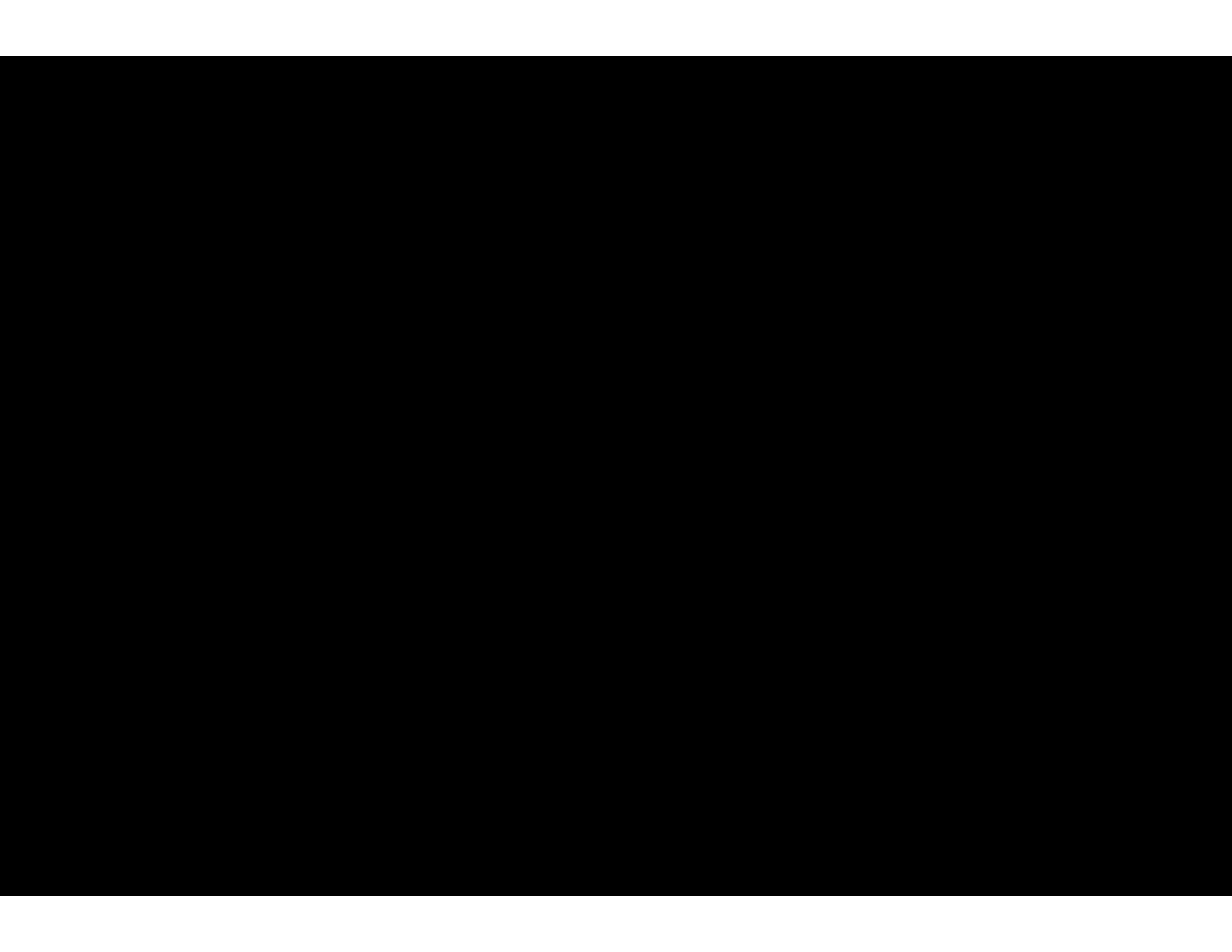
# WHAT IF?

- China or any other international customer goes away, or exerts an undue influence on market conditions
- The grant money from Washington disappears
- Pecan research funds dry up and pecan scientists retire
- The industry has a e-coli, salmonella, or other negative crisis
- We have a 500 million lb. crop



# WHAT IF A FMO BECOMES A REALITY

- Sufficient budget to get in the “Marketing Game”
- More accurate, objective data that the industry has confidence
- in Research
- Full time staff representing us
  - To consumers
  - To the food industry
  - On Capital Hill
  - In crisis situations





# WHAT IF?

- The American Pecan Council, the administrative body of the FMO, can run an ad campaign like that
- New products are developed
- Research is funded to fully explore
  - Packaging options
  - Shelf life
  - Health cures and advantages of eating pecans



**Result: DEMAND for Pecans goes up,  
resulting in higher prices**

# *THE DAWNING OF A NEW DAY FOR THE AMERICAN PECAN INDUSTRY*

