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American Pecan Board establishes marketing order

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The U.S. pecan industry has remained fairly stagnant over the past 50 years. There has not been much change in crop size from the 1960s to current

production estimates. It is estimated that pecan production in 15 states within the United States currently produce more than 60 percent of the world's pecans.

Over the last 10 years, with the increased interest in pecans worldwide, growers have been planting more pecan trees with hopes of meeting this future demand. Once the new trees start to produce, it will be even more critical for the industry to increase efforts to market and promote pecans. To facilitate the changing face of the industry, individuals working in the pecan industry must maintain a strong, goal-based relationship focused on remediating any challenges the industry may face.

In 2013, after several years of discussion, the American Pecan Board was formed to oversee this endeavor. The board is comprised of pecan stakeholders from across the nation including growers and shellers. For the past two years, the board has met with those involved in the pecan industry at



local, state, regional and national levels in order to form a marketing order that encompasses the needs of the pecan industry. From these conversations, a Federal Marketing Order (FMO) was created to benefit the domestic and global pecan market. The FMO will be important for the industry to increase both international and domestic markets, and it will help grow a sustainable market for pecans.

The FMO will assist the industry and be used to:

- Market and promote pecans to increase demand and prices.

- Gather and publish accurate industry data.
- Coordinate and invest in pecan research, including product development.
- Establish grade, quality and size standards.
- Establish packaging and container standards.

Funding for these activities will be paid for by the pecan industry through assessments of between 1 cent and 3 cents per pound of pecans, depending upon the category of nuts. In a recent study conducted by Marco Palma, ▶

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Ph.D., with Texas A&M University, a 2.5 cent investment in marketing will have a benefit of 6.3 cents for improved pecans, and a 1.5 cent investment will return 3.6 cents for native pecans. The FMO will be voted on by quali-

fied growers and will be re-approved every five years. Its implementation and lawful usage will be overseen by the Secretary of Agriculture and the USDA. Monies generated through the assessment will be utilized solely for

the benefit of pecans.

If you have any questions or concerns please feel free to contact me. For more information on the American Pecan Board and the Federal Marketing Order go to www.pecanboard.com. ■