



**TESTIMONY OF
KINLEY SORRELS**

Pecan Federal Marketing Order Hearing

Docket No. AMS-FV-15-0023; FV15-986-1

Central Region - Dallas, Texas - July 23 and 24, 2015

My name is Kinley Sorrells. It is spelled K-I-N-L-E-Y S-O-R-R-E-L-L-S. I live five miles east of Comanche, Texas. I am the owner of Sorrells Farms, which is located in Comanche County, Texas. Since 1977, Sorrells Farms has been major suppliers of pecans, watermelons, cantaloupes, tomatoes, jalapenos and peaches to the wholesale markets. We have over 1,400 acres of pecans currently in production. We produce on average 1.3-2.5 million pounds of pecans each year. We have also planted 50 acres of new pecan trees that will not be in production for another four to seven years. On our farm we grow 85% improved variety pecans and 15% native.

Under the Small Business Administration definitions, we would be considered a large business (more than \$750,000 in annual gross revenue).

I have reviewed the economic analysis summary prepared by Dr. Marco Palma, specifically, the projected average price increase from promotion of 6.3¢ per in shell pound versus the average 2.5¢ per in shell pound cost. Overall, I am aware of the costs that a federal marketing order may impose on my farm and I do

not believe those costs are unduly burdensome. Further, I believe that the benefits of the federal marketing order to my farm will greatly outweigh any costs associated with it.

In recent years, I have seen wide variation in the prices I have received from my pecan crop. Such wide variation in pricing makes it extremely difficult to plan for the future operation of my farm. While prices for pecans go up and down dramatically from year to year, my cost of production have steadily increased. Cost of fertilizer, insecticides and equipment have all increased in recent years regardless of the price I receive for my crop.

Further, the lack of accurate market information on the anticipated size of the pecan crop in any given year also makes it difficult for me to negotiate a fair price for my crop and to make reasonable business decisions about investments in my farm. Increased price stability and more accurate market information would greatly benefit my farm.

I think my farm and the industry would also benefit in the future from grade, size, quality, packaging, shipping protocols, and other handling requirements as we compete with other tree nuts for shelf space and consumer attention.

I also understand that under the proposed order, only growers with more than thirty acres of pecans or more than 50,000 pounds of average production per year over the last four years will be allowed to vote on the proposed order. In my

opinion, this threshold is reasonable because a grower that does not meet this threshold is not a commercial grower. Any grower that is smaller than the proposed threshold could not justify the cost inherent in such a small production.

I am currently a member of the Texas Pecan Growers Association and a past Board member of the Texas Pecan Board, serving 12 years. The American Pecan Board has kept us informed about its efforts to propose a federal marketing order. I feel like I have been informed about the process of securing a federal marketing order and have been given an opportunity to participate in this process.

In conclusion, I fully support the proposed federal marketing order for pecans and encourage the Secretary to implement the order as proposed by the American Pecan Board.

I would be glad to answer any questions anyone may have.

Sorrells Farms, Inc.
3401 CR 304A
Comanche, TX 76442



254.879.4677
F: 254.879.4122
www.sorrellsfarms.com

Kinley Sorrells

Tarleton State University, Stephenville, Texas
1973-1979
Bachelor of Science, Agriculture Education
Masters of Education, Plant and Soil Science

Sorrells Farms, Inc., Comanche, Texas
Owner/President

Native and Improved Pecan Operation, Produce Operation, Cattle Operation, and Retail Store Operation.

-The company comprises 2,200 acres and is in harvest mode around nine months out of the year. Pecans are sold inshell and shelled, as well as, produce to wholesale, retail, and gift markets. The retail store sells a variety of gift items, pecans, produce, and nursery products. The cattle operation manages about 100 head of cattle.

Other:

Currently serves on the Heart of Texas Baptist Encampment Board of Directors, Ag Texas Board of Directors, Lake Proctor Irrigation Authority Board, and Extension Horticulture Committee. Previously served on the Texas Pecan Growers Board and the Texas Pecan Board.