

TESTIMONY OF

JEFF WORN

Pecan Federal Marketing Order Hearing

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

Eastern Region – Tifton, Georgia - July 27, 28 and 29, 2015

My name is Jeff Worn. It is spelled J-E-F-F W-O-R-N. I live in Valdosta, Georgia. I am an owner of South Georgia Pecans and a sheller/handler. The business was started in 1913 and had several owners before my father bought it in 1983. I grew up in the business and became a full-time employee after I graduated college. A copy of my resume is attached.

We are one of the largest suppliers of pecan meats in the world, selling to chain restaurants, confectionaries, ingredient users, large retailers and a host of other customers. We are a large sheller/handler under the Small Business Administration definition (retail sales from shelling of over \$7,000,000).

The pecan industry is changing rapidly. It is a challenging environment characterized by fluctuating prices, fluctuating supply and a lack of generic pecan promotion. There is much we could do to improve these conditions through the proposed federal marketing order for pecans.

We currently participate in the State of Georgia's 1¢ check-off program. We are glad to do so and the cost and indirect costs of recordkeeping, remittance

and audit are not a great burden to us. The benefits of that program we are sure will outweigh any costs to us. We view the assessments in the proposed federal marketing order the same way. The anticipated benefits will outweigh the costs.

I have discussed the proposed federal marketing order for pecans numerous times with Mike Adams and Bruce Caris, both Board members of the American Pecan Board. I feel that the American Pecan Board has kept me informed about the progress of the proposed marketing order, through their website, calls, and in person meetings with American Pecan Board members, and that I have had an adequate opportunity to provide input into the process.

I have reviewed the proposed federal marketing order and fully support its adoption. I have also reviewed the summary economic analysis prepared by Dr. Marco Palma. I agree that handlers will economically benefit from the proposed federal marketing order for pecans. I am aware that the proposed order may impose some direct costs on my operation, such as the 1-3¢ per pound assessment. I am also aware that there may be some indirect costs, such as the obligation to keep records of the amount of product we handle and the calculation and remission of assessments to the American Pecan Council. I believe these costs are reasonable and are not unduly burdensome. Furthermore, I am aware of the benefits that will flow from the increased marketing and promotion efforts, improved research and more accurate market data that will result from the order

and believe that these benefits will greatly outweigh the costs to my business. In the future the proposed handling authorities for grades, sizes, quality, packaging, transportation, etc. could be helpful for our operation and the industry. Overall, the benefits of the federal marketing order outweigh the costs.

I understand that only shellers that handle more than one million pounds of in-shell pecans per year will be eligible to nominate and to be elected to the sheller seats of the Council. I believe this is a fair threshold. First, I am not aware of any sheller in my area which handles less than one million in-shell pounds per year that is in the commercial shelling business. Further, if there is such a sheller, I do not believe it would be commercially viable because such a small operation could not invest in the required equipment and turn a profit on such a small production. I also agree that handling 12.5 million in-shell pounds of pecans is an appropriate demarcation between large shellers and small or medium-sized shellers.

In conclusion, I strongly support the proposed marketing order and encourage the Secretary to adopt and implement it.

I will be glad to answer any questions.

JEFFREY J. WORN

jeffworn@georgiapecan.com

Valdosta, GA 31601

Majority owner (SGP) and Executive Vice President, with expertise in developing new brands/programs for major retailers/ingredient users of nuts within the Food Production Industry. Solid experience in organizing accounting and financing strategies to allow for continued growth. Demonstrated success directing development of organizations during periods of tremendous growth. Deep understanding of how technical implementations and business functions are impacted during organizational change. Strong management and leadership skills, with ability to motivate professionals and maximize levels of productivity. Excellent communicator, with emphasis on building strong client relationships.

QUALIFICATION HIGHLIGHTS

Client Services	Team Leadership	Process
Training/Mentoring	Account	Improvement
Operations Management	Management	Sales/Marketing
Organizational	Project	
Development	Management	
Relationship	Change	
Development	Management	

PROFESSIONAL EXPERIENCE

South Georgia Pecan Co., Inc.

Maintenance Manager, Procurement, Executive VP

2004-Present

Build and manage processes from scratch with an emphasis in creating efficiency and increased productivity. Purchasing of raw material and understanding the financing/decision making behind the decisions being made. Managing entire organization through hyper growth in every aspect.

- **Developed and organized team from scratch, implementing procedures that supported and contributed to increase in annual revenue from \$57 million to \$150 million, while achieving predetermined targets for profitability and contribution margin.**
- **Created and implemented new processes to generate more production while creating new processes for entirely new products**
- **Established roles and responsibilities that clearly defined tasks and improved overall organization and productivity.**

PREVIOUS WORK HISTORY

The Langdale Company (Woodlands Division): 2001-2004

EDUCATION

Valdosta State University (2004-2008)

Bachelor of Business Administration