

**TESTIMONY OF****FRED H. BESHEARS****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 Fred H. Beshears. It is spelled F-R-E-D B-E-S-H-E-A-R-S. I live in Monticello, Florida and I am presently the owner of Simpson Nurseries, which was founded in 1902. I have over 20 acres of pecans nut production & 100 acres of pecan nursery production plus 800 ac of other tree production. Last year we produced 10,000 pounds of pecans. On our farm we grow mostly old varieties of pecans. My resume is attached.

Simpson Nurseries has over \$750,000 in annual gross revenue from pecans, & pecan tree sales, therefore, under the Small Business Administration guidelines we are classified as a <sup>large</sup>~~small~~ business.

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. Plus, I am very familiar with the process, purpose and program as I led the Pecan Promotion Programs Act of 1990 when I was President of the Federated Pecan Growers of the United States.

I have also reviewed the economic analysis summary prepared by Dr. Marco Palma, specifically, the projected average price increase from promotion of 6.3C per in shell pound versus the average 2.5C per in shell pound cost. Overall, I am aware of the costs that the proposed federal marketing order may impose on my farm and the industries 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 of the pecan nuts as we also have a small gift pack nut business. Such wide variation in pricing makes it extremely difficult to plan for the future operation of the industry. While prices for pecans go up and down dramatically from year to year, cost of production has steadily increased. Cost of fertilizer, insecticides and equipment have all increased in recent years regardless of the price paid to the growers.

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 anticipate prices of the coming crop which interferes with our market planning for tree production and gift sales while at the same time the lack of price stability affects the entire industry for all sizes of growers.

I think my farm and the industry would also benefit in the future from market promotion, 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, which is a much better system than the 1990 Pecan Promotion Plan. 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. The American Pecan Board has kept our industry informed about its efforts to propose a federal marketing order.

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 any may have.

# **FRED H. BESHEARS**

P.O. Box 160  
Monticello, FL 32344

## **EDUCATION**

**Robert E. Lee High School** , Jacksonville, FL- 1964

**University of Florida**, Gainesville FL - 1968

Bachelor of Science in Agricultural Economics

## **EXPERIENCE**

As President and owner of Simpson Nurseries, one of the largest nurseries in the United States, I oversee production, sales and distribution to mass merchandisers. I have been closely involved in land development and sales, apartment management and rentals, trading stocks, bonds and other real and financial investments, and have interest in several other operating companies.

## **ACTIVITIES**

**President**, Federated Pecan Growers of U.S. - 1987-1991

**President**, Florida Pecan Growers - 1985-1987

**Monticello Kiwanis** - 1976-present

**Director**, Vision 2020 Investment Fund - 2009-present

**Board of Director**, Farmers & Merchants Bank - 2008-present

**Board of Director**, Farm Credit of Northwest Florida - 2002-2014