

IN A NUTSHELL

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American Pecan Council staff attend USDA Showcase in DC

APC SHOWCASES PRODUCTS BEFORE USDA REPRESENTATIVES

On September 26, 2018, the American Pecan Council participated in an Agricultural Round Table Showcase in Washington D.C. The purpose of the show was to showcase the importance of Federal Marketing Orders and Research and Promotion (R&P) programs, and their role for the industry. Several commodity programs demonstrated recipes, showcased product, and relayed several success stories that have assisted their industry. Information was provided to attendees, showing the importance of product development, promotion, statistics, research, standardization, and compliance. Additionally, the event provided an opportunity for all federal programs to share and discuss information amongst the group. APC is a member of the Agricultural Round Table and looks forward to continuing to work with other agricultural programs in the months ahead.

APC MEETS WITH USDA

On September 24, the American Pecan Council met with several divisions within USDA to discuss opportunities offered under the Chinese tariff mitigation program. In July, China imposed significant tariffs on the pecan industry. As a result of the tariffs, the Trump Administration authorized \$12 billion in mitigation measures to assist all commodities that have been impacted by China's actions. Under the mitigation programs, the American Pecan industry received over \$16 million in purchase programs for the industry. The APC met with several officials that

oversee this program to get additional information on how the program will be administered. The APC will continue to work with industry and USDA to provide the information needed to become a supplier as well as how to participate in the program. Additionally, \$200 million, in Ag Trade Promotion, has been authorized to assist industries in developing strategies that have been impacted by the tariffs. Applications are due November 2, 2018. These dollars are open to federal marketing programs, trade associations, state and local commodity programs, and private companies. However, it was made clear that applications need to demonstrate new ideas, how the crop was impacted by the China market disruption and must display coordination within the industry to show broad support amongst the industry. Applications will then be reviewed and approved. It should be noted that these are not Market Access Program (MAP) dollars, but additional dollars under the Ag Trade Promotion programs and will be treated separately from MAP dollars. For additional information regarding these programs, please contact the Council office.

APC RECAP AUGUST 30, 2018 COUNCIL MEETING

On August 30, 2018, the American Pecan Council held a full Council meeting. The successful meeting saw the Council update its by-laws and internal control policies while putting into place several new policies that will assist the industry in directing funding, employees, and overall operations of the Council. Special thank you to USDA for assisting the APC in identifying a few areas that were strengthened as a result of the compliance audit. Other items adopted during the meeting included the approval of the Council's 2018-2019 budget. This budget includes: dollars for marketing programs; Market Access Program (MAP) assistance; research for satellite mapping projects, electronic reporting, and NASS studies; assistance for forms, and compliance; general research dollars; and strategic planning. Finally, during the meeting, the 2016 summary numbers were released to the industry. The APC plans to release the 2017 numbers in September and then will begin to release monthly numbers starting in October 2018. APC is excited about the changes and the information being generated by the Federal Marketing Order and looks forward to continuing to provide vital tools to the pecan industry, so decisions may be made based on unfiltered, unbiased data. Should you have any questions, please do not hesitate to contact the American Pecan Council.

APC ATTENDS ASIA LOGISTICA

On September 5 - 7, Executive Director Alex Ott attended the Asia Logistica Trade Show. Asia Logistica is the second largest trade show, behind Fruit Logistica and is focused on Asia markets. During the event, APC met with several representatives of several countries to gather information on the impacts of the latest tariffs and market conditions as it relates to pecans and other nut crops. Additionally, the event provided an opportunity to meet with several other commodity programs to see how other programs are being impacted by the trade situations. It should be noted that there was interest into existing and new markets for pecans. However, further information and market analysis is needed to see if these are markets that will bring additional movement for pecans. APC will continue to update the industry on new and existing markets and how these are changing for the positive or negative due to the challenges globally.

BIG MARKET DYNAMICS – BIG MARKETING NEEDED

With several market dynamics being changed due to the increased tariffs and other market variables, the Council approved a six-month marketing strategy for the industry. This six-month strategy will push demand for the pecan industry during the peak of production. During the brand launch in May of 2018, pecans for the first time led the social media discussion and networks in the nut category. This was a very good indicator that Pecans can educate consumers but need to do so through new modern means of technology. Social media and Social TV, where data has shown most consumers get their information on nuts will be increased, driving demand for the industry. By driving demand, more pecans will be sold during the peak of season, hopefully providing an outlet for the industry during the "wave of pecans" that are coming. APC will continue to monitor and track these developments as the program is launched. Should you have any questions about the marketing program, please contact the Council office.



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APC SPEAKS AT NPSA

On September 13 & 14, the American Pecan Council updated the National Pecan Shellers Association on the activities and marketing programs the American Pecan Council (APC) is conducting for the 2018 – 2019 year. By attending the show, it provided the APC an opportunity to look for synergies to promote the industry's crop in a unified message. Additionally, it allowed APC to communicate the importance of working together and getting good data for the industry to utilize. Special thanks to Jon Krueger, the new Executive Director of the National Pecan Shellers Association, for the opportunity to present at his annual meeting.

CALENDAR OF EVENTS

Western Pecan Production Short Course October 15–17, 2018 Las Cruces, New Mexico

> Produce Marketing Association October 18 – 20 Orlando, Florida

New Mexico Pecan Growers Meeting November 2, 2018

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