



**AMERICAN PECAN COUNCIL
FEBRUARY COUNCIL MEETING
February 27, 2025**

Minutes

I. CALL TO ORDER

Mr. Larry Don Womack, Chair, called the meeting of the American Pecan Council (Council or APC) to order at 9:00 a.m. CT on February 27, 2025, after notice was properly given to the Council.

II. ROLL CALL

Mr. Justin Jones conducted roll call. The following individuals were in attendance:

Council Members Present:

Justin Jones
Lalo Medina
Larry Don Womack
Alexander Wright
Frank Salopek
Josh Bowman
Alex Willson
Evo Soria
Jared Miller
Brandon Harrell
Will Easterlin
Taylor Moses
Brent Brinkley
Molly Willis
Lisa Jackson
Randy Stephens
Vada Lucas Jr.
Deborah Walden-Ralls
Mark Hendrixson
Jeff Worn
Steve Zaffarano
Jake Montz
Mark Hamilton

Due to the vacancy in Eastern Region Grower Seat 1, Ms. Taylor Moses, as the designated alternate, was seated in the Member seat for the duration of the meeting.



As Central Region Grower Seat 2 was vacant, Mr. Randy Stephens, as the designated alternate, was seated in the Member seat for the duration of the meeting.

As Eastern Region Sheller Seat 1 was vacant, Mr. Jeff Worn, as the designated alternate, was seated in the Member seat for the duration of the meeting.

USDA Attendees:

Jennie Varela, USDA AMS

Jamilah Cassagnol, USDA

APC Staff Present:

Anne Warden, APC staff

Serena Schaffner, APC staff

Brandon Drummond, APC staff

Emma Garner, APC staff

Kristi Mosquera, APC staff

Bailey Rayfield, APC staff

Gabrielle Teixeira, APPB staff

Carl Sanders, APPB staff

Joy Glass, APPB staff

Additional Attendees:

Andrew Downie

Ana Lucia Sanchez

Charmaine Macatangay

Chris Bobek, Moss Krusicks

Colleen Bradburn

Don Lucas

Erika Hinsberger

Joe Krusicks, Moss Krusicks

Katia Filippucci

Larry Salopek

Louie Salopek

Dr. Luis Ribera

Marianna Bruorton

Najot Athwal

Nicole Gray, Gray Matter Consulting

Phillip Arnold

Vada Lucas

A quorum of the members of APC was confirmed.



III. APPROVAL OF PREVIOUS MINUTES

Chairman Womack called for a motion to approve the minutes from the Council meeting held on December 19, 2024. Mr. Salopek moved to approve, and Mr. Medina seconded the motion. The minutes were approved unanimously.

IV. ADMINISTRATIVE REPORTS

CHAIR REPORT

Mr. Womack acknowledged former Chairman Mike Adams and expressed appreciation for the contributions of each chapter since 2016 that have helped advance the industry to its current state. He also conveyed his gratitude to the APC staff for their ongoing efforts and dedication.

CEO UPDATE

Ms. Warden welcomed all attendees, both in person and virtually. She reiterated the significance of the Unified Pecan Promotion Plan (UPPP), which outlines four core strategies that serve as the foundation for all Council initiatives. She emphasized that the UPPP functions as a long-term strategic blueprint for the industry and noted that a Council vote on the final plan would solidify alignment across stakeholders.

She provided an overview of the Council's evolving marketing strategy since her appointment in October 2023. The initial focus on top-of-funnel awareness shifted in 2024 to full-funnel efforts designed to drive sales and shift consumer perception. For 2025, marketing efforts will prioritize sales activation, supported by a performance scorecard that was distributed to Council members to promote stronger alignment with pecan businesses and retail partners. She also announced an expansion of the UPPP to include a 10-year vision for the industry and acknowledged growing engagement from state and regional associations.

Ms. Warden introduced Ms. Schaffner, who detailed two strategic focus areas of the UPPP: export expansion and industry readiness. Ms. Schaffner encouraged Council members to share the FY24 Annual Report and highlighted export growth in the UK, China, Germany, and India, with exploratory efforts underway in Canada and South Korea. Notably, retail partnerships in the UK increased activations from 1,700 to 4,100—a 138% increase.

India was identified as a high-opportunity market, with a targeted strategy focusing on hospitality, luxury retail, and weddings. She also noted that every \$1 in industry assessments for 2025 would be matched by \$1 in federal export grants—an unprecedented level of support.

In terms of industry readiness, she noted that the initiatives include new educational materials, monthly webinars, and a free digital consulting service to enhance stakeholders' online presence. A new performance scorecard was introduced to track progress in key areas such as trust, sales, perception, purchase frequency, and exports.



Ms. Warden encouraged Council members to share the Annual Report at industry gatherings and noted that the scorecard would be updated semi-annually. She also discussed internal efforts to improve efficiency, including a proposed hire of a dedicated sales representative and bookkeeper to support program growth and reduce expenses.

She updated the Council on a task force formed in July 2024 to evaluate transitioning from contractors to employees. The task force recommended forming a nonprofit staffing entity, and legal counsel has been engaged. Discussions with USDA are ongoing, and a special meeting may be required ahead of contract expirations in July 2025.

Other updates included vendor evaluations to improve strategic and financial alignment, with a potential office relocation under consideration to reduce costs. She concluded by stressing the importance of long-term planning and innovation, highlighting efforts such as pecan byproduct development and infrastructure expansion in new markets.

She then introduced Ms. Varela for the USDA update.

USDA UPDATE

Ms. Varela provided an update to the Council regarding the current transition within the administration. She noted that, as is customary during such transitions, there is typically a pause in rulemaking, appointments, and related activities. As a result, the appointment of new Council members has been delayed. Ms. Varela concluded by expressing her appreciation for the Council's patience and continued collaboration with USDA during this period.

VACANCY REPORT

Chairman Womack and Mr. Mason began with a moment of silence in honor of the late Chop Evans, recognizing his enduring contributions to the industry and the Council.

Mr. Womack provided an overview of the nomination process as outlined in the federal marketing order. He clarified that while public input is welcomed, formal nominations must be made by a Council member and approved by Council vote. Should an Alternate be selected to fill a Member seat, a separate nomination process will be initiated to fill the resulting Alternate vacancy.

Mr. Womack opened the floor for nominations for Eastern Region Sheller Member Seat 1. Ms. Warden reported that a nomination had been submitted by the industry for Ms. Sally Arn of Carter Pecan. Mr. Harrell formally nominated Ms. Arn. As no further nominations were received, the floor was closed.

For Eastern Region Grower Member Seat 1, Mr. Easterlin nominated Mr. Lawton Pearson. With no additional nominations, the floor was closed.



Turning to the Western Region Sheller Alternate Seat 1, Ms. Warden stated that no nominations had been received from the industry. Mr. Womack opened the floor for nominations; none were offered, and the floor was subsequently closed.

For Western Region Sheller Alternate Seat 2, Mr. Frank Salopek nominated Mr. Greg Salopek. No other nominations were received, and the floor was closed.

Regarding Western Region Grower Alternate Seat 1, Ms. Warden reported that nominations had been submitted from the industry for Dr. William Davis, Mr. Nav Athwal, Mr. Benito Fernandez, and Mr. Shay Wagner. Mr. Harrell nominated Mr. Wagner, and Mr. Medina nominated Mr. Brycen Salopek. With no additional nominations, the floor was closed. A secret ballot was conducted, and Ms. Varela reported that Mr. Salopek received the majority of votes.

For Central Region Grower Member Seat 2, Mr. Medina nominated Mr. Randy Stephens, while Ms. Warden noted that the industry had also submitted a nomination for Mr. Chad Selman. As no further nominations were received, the floor was closed.

For Central Region Grower Alternate Seat 2, Mr. Miller nominated Mr. Selman. No additional nominations were submitted, and the floor was closed.

Ms. Warden then reviewed the final slate of nominations:

- Sally Arn – Eastern Region Sheller Member Seat 1
- Lawton Pearson – Eastern Region Grower Member Seat 1
- Greg Salopek – Western Region Sheller Alternate Seat 2
- Brycen Salopek – Western Region Grower Alternate Seat 1
- Randy Stephens – Central Region Grower Member Seat 2
- Chad Selman – Central Region Grower Alternate Seat 2

Mr. Jones moved to approve the full slate of nominees. The motion was seconded by Mr. Salopek and unanimously approved by the Council.

V. COMMITTEE REPORTS

GOVERNANCE COMMITTEE REPORT

Mr. Womack reported that the Governance Committee convened to review the FY 2025 Unified Pecan Promotion Plan. As part of strategic planning efforts, he noted that the committee discussed conducting a workshop and interviews with industry members, with staff scheduled to present key initiatives in July based on input from these sessions to guide research and strategic priorities. The committee reviewed and approved a recommendation for the revised FY 2025 budget for full Council consideration. Additionally, the committee received updates on the FY 2024 financial audit and handler audits, and reviewed proposed amendments to the Order,



bylaws, and internal controls. The Governance Committee charter was also reviewed and approved for presentation to the Council in February. The committee voted to initiate a Request for Proposal (RFP) process to select a researcher to conduct the Fair Act Study, in collaboration with the APPB, to ensure a comprehensive evaluation of each organization's distinct impact. Lastly, the committee approved recommendations for a new accounting firm and a new bank, both of which will be submitted for full Council approval.

MARKETING COMMITTEE REPORT

Ms. Schaffner provided an update to the Council noting that the Marketing Committee reviewed and approved its charter to be brought forward to the Council in February. He noted that the committee also discussed FY24 efforts, including findings from the Industry survey and the resulting initiatives. Looking ahead to FY25, they explored upcoming priorities such as a refresh of the AmericanPecan.com website and the potential development of a LinkedIn presence, pending USDA approval. Staff provided a topline overview of the FY25 Unified Pecan Promotion Plan (UPPP) and encouraged committee members to review the plan, which had been distributed by Anne in December, and to prepare thoughts, feedback, and transformative ideas for discussion at the February Board Meeting. Additionally, Mr. Zaffarano informed the Council that the committee revisited the FY25 budget to re-familiarize themselves with the funding categories.

INDUSTRY RELATIONS COMMITTEE

Mr. Jones informed the Council that the committee discussed ongoing efforts to develop and enhance industry resources, including the continued use of webinars to provide valuable insights and educational opportunities for stakeholders. He noted that plans are underway to launch conference tours aimed at engaging with industry members, discussing the Unified Pecan Promotion (UPPP) strategy, gaining a deeper understanding of emerging industry trends, and gathering feedback to help shape future initiatives. He also noted that a newly designed booth will be introduced at upcoming industry events and conferences, serving as a central hub for networking, information sharing, and stakeholder engagement. Additionally, efforts to strengthen collaboration with state and regional organizations are being prioritized to broaden outreach and promote the pecan industry through initiatives such as billboard advertising.

INTERNATIONAL COMMITTEE

Mr. Easterlin informed the Council that the International Committee reviewed and approved its charter to be brought forward to the Council in February. He noted that the committee discussed FY24 activities, highlighting efforts in key international markets including India, the UK, China, and Germany. He noted that staff provided a topline overview of the FY25 Unified Pecan Promotion Plan (UPPP).

Mr. Easterlin informed the Council that the committee evaluated agency proposals for Germany and approved a motion to move forward with The Garden, APC's current UK agency. This decision aims to not only expand efforts in Germany but also to leverage the agency's existing



presence in broader European markets such as Scandinavia and the Netherlands. For China, the committee reviewed several agency proposals and, following extensive discussion, approved a motion to proceed with Contineo—an agency with strong experience in U.S. agricultural commodities, familiarity with U.S. funding mechanisms and ATO relationships, and well-established contacts in the importer, retailer, and hospitality sectors. This partnership is expected to enable more targeted marketing opportunities for American Pecans in the Chinese market.

Finally, he noted that the committee reviewed the revised FY25 proposed budget, which reflects additional grant funding, and approved a motion to bring the updated budget forward to the Council for approval.

GRADES & STANDARDS COMMITTEE

Mr. Montz informed the Council that the committee voted to recommend the charter to the Council. He noted that the committee also approved a motion for staff to issue a Request for Proposals (RFP) to explore a new crop estimate methodology. He stated that members agreed to reconvene in March to review submitted proposals and determine whether they merit funding.

Mr. Montz informed the committee that further discussion centered on the NPSA's requested revisions to the USDA's 2024 in-shell and shelled pecan standards. He noted that the committee voted to recommend that the APC petition USDA implement these changes. He noted that a significant portion of the discussion focused on the potential shift from measuring moisture content to using water activity as a more accurate indicator of conditions that could support microbial growth in pecans. He noted that the committee voted to request this change, contingent on USDA inspectors having the capability to measure water activity.

Finally, he noted that staff provided an update on the Unified Pecan Promotion Plan, and the committee noted no recommended changes at this time.

VI. OLD BUSINESS

PROPOSED REVISIONS TO THE FY 25 BUDGET

Mr. Drummond presented a revised FY25 budget reflecting increased federal grant funding. Mr. Medina noted the favorable return on investment, with nearly double the assessed amount being secured through federal grants. In response to Ms. Varela's inquiry regarding potential shortfalls due to recent hurricanes, Mr. Drummond stated that no revenue adjustments are currently anticipated, as contingency funds would offset any shortfalls. Mr. Medina motioned to approve the revised FY 25 budget. The motion was seconded by Mr. Stephens, and the Council approved.

APPROVAL OF FINANCIAL STATEMENTS

Mr. Drummond presented the financial statements for the period for November and December 2024 to the Council, noting that the statements had been included in their meeting packets for



review. Mr. Salopek motioned to approve the financial statements from November and December 2024. The motion was seconded by Mr. Medina, and the Council approved.

REVIEW OF FY 24 FINANCIAL AUDIT REPORT

Mr. Drummond introduced Mr. Chris Bobek from the financial auditing firm Moss, Krusick & Associates LLC to present an overview of the final FY24 financial audit report to the Council. Mr. Bobek then provided a detailed review of the audit findings. Ms. Varela noted an area of correction on page 8 to reflect that handler pay assessments noting that the Council members who are identified as handlers pay assessments to the Council. Mr. Salopek motioned that the Council approves the financial audit report regarding the Council's financial statements for the year ended September 30, 2024, with noted revisions. Mr. Stephens seconded the motion, and the Council approved.

VII. NEW BUSINESS

APPROVAL OF THE COMMITTEE CHARTERS & BUDGET AUTHORITY

Mr. Womack noted that each Committee reviewed their respective Committee charter and recommended it to the Council. Ms. Warden also reviewed the budget authority action with the Council.

Mr. Jones motioned that the Council approves the Governance Committee charter and grant authority to each committee to direct all spending within its respective committee budget. Mr. Medina seconded the motion, and the Council approved.

Mr. Easterlin motioned that the Council approves the Marketing Committee charter and grant authority to each committee to direct all spending within its respective committee budget. Mr. Medina seconded the motion, and the Council approved.

Mr. Salopek motioned that the Council approves the International Committee charter and grant authority to each committee to direct all spending within its respective committee budget. Mr. Stephens seconded the motion, and the Council approved.

Mr. Easterlin motioned that the Council approves the Industry Relations Committee charter and grant authority to each committee to direct all spending within its respective committee budget. Mr. Soria seconded the motion, and the Council approved.

Mr. Jones motioned that the Council approves the Grades & Standards Committee charter and grant authority to each committee to direct all spending within its respective committee budget. Ms. Moses seconded the motion, and the Council approved.



APPROVAL OF THE FY 25 UNIFIED PECAN PROMOTION PLAN

Mr. Womack noted the importance of the UPPP in unifying the industry and preparing for the industry. Mr. Salopek motioned to approve FY25 Unified Pecan Promotion Plan. Mr. Stephens seconded the motion, and the Council approved.

REVIEW OF THE PROPOSED ORDER, BYLAW, & INTERNAL CONTROLS

Ms. Warden emphasized the importance of periodically reviewing the Federal Marketing Order to ensure it remains aligned with current industry needs and continues to function effectively. She noted that the Governance Committee had conducted a comprehensive review of the Order, and she invited input from Council members on the proposed revisions. An overview of each proposed change and its rationale was presented.

Ms. Varela outlined the processes for modifying the Marketing Order, including:

- Formal rulemaking, which involves justification, a hearing, publication of proposed rules, and a referendum;
- Informal rulemaking, which includes notice, a public comment period, and rulemaking without a referendum; and
- Formal through informal, which combines elements of both processes, such as a justification, rulemaking process, and referendum without a formal hearing.

Ms. Warden then led a discussion on the definition of a “handler,” noting that increasing vertical integration among growers may impact the relevance of the current definition. Based on industry feedback, there is a strong preference for assessments to be collected at the point the product enters the stream of commerce. After deliberation, the Council concluded that the existing definition remains appropriate, and no changes were necessary at this time.

Next, Ms. Warden presented a proposed revision to the definition of Trade Supply, recommending the exclusion of grower-cleaned production from the estimate, as APC does not collect such data. Ms. Varela confirmed that the proposed revision would follow a “formal through informal” rulemaking process. The Council supported moving forward with the recommendation.

Ms. Warden also proposed a revision to the Marketing Policy definition, specifically redefining “disappearance” as the difference between total production and reported merchantable pecans, and removing any requirement to report grower-cleaned production. The Council was in agreement with the recommendation.



Regarding sheller seat requirements, Ms. Warden noted an increase in unfilled sheller seats due to a lack of eligible members meeting the current 12.5-million-pound minimum threshold. USDA's analysis of a significantly reduced threshold still did not yield a viable solution. To foster broader participation and rotation, staff recommended restructuring the sheller seats either as six (6) at-large positions or two (2) per region (Eastern, Central, Western), without any minimum volume requirement. The Council agreed to proceed with the recommended revision of six at-large sheller seats and supported referring the matter to the NPSA Board for further discussion.

A proposal to allow Council voting via email was then presented. Ms. Warden explained that staff recommended permitting email voting only in cases where the issue had already been discussed publicly. The Council expressed support for this addition.

Ms. Warden also addressed the existing definition of inter-handler transfer and associated forms. The Governance Committee determined that this provision remains relevant; therefore, no changes were recommended at this time.

Following the discussions, Mr. Medina motioned to proceed with the proposed revisions relating to the definitions of trade supply, disappearance, sheller representation, and email voting, for the purpose of developing formal proposals. Mr. Soria seconded the motion, and the Council approved.

Ms. Warden then reviewed the proposed amendments to the Bylaws, as included in the meeting packets. She stated that the Governance Committee had thoroughly reviewed these changes, with additional administrative adjustments made following legal review.

She also presented updates to the Internal Controls Policy, which included the removal of references to previous vendors and other outdated language.

Mr. Stephens motioned to approve the proposed revisions to the Bylaws; the motion was seconded by Mr. Willson, and approved by the Council.

Mr. Medina motioned to adopt the recommended changes to the Internal Control Policy; Mr. Salopek seconded, and the motion carried.

BANK & INVESTMENT

Mr. Drummond reported that staff conducted a comprehensive evaluation of the organization's current banking institution, which included a review of the services provided and interest income generated. As part of this review, three proposals were solicited and received through a formal Request for Proposals (RFP) process. Following thorough evaluation, Pinnacle Financial Partners was identified as the top-ranked respondent, offering competitive interest rates, a broad range of financial services, and demonstrated experience serving ten other commodity boards. The Governance Committee reviewed all proposals and recommended transitioning to Pinnacle Financial Partners. Accordingly, a recommendation was presented to the Council to



approve the transition. Mr. Salopek moved to approve the transition to Pinnacle Financial Partners as the organization's official banking institution. Mr. Easterlin seconded the motion, and the Council unanimously approved.

BOOKKEEPING & ACCOUNTING SERVICES

Mr. Drummond reported that staff had completed a thorough evaluation of the organization's current accounting services provider, with a focus on service quality, cost structure, and the overall scope of services offered. As part of this process, three proposals were solicited and received through a formal Request for Proposals (RFP). Among the submissions, CliftonLarsonAllen LLP (CLA) was identified as the top-ranked firm, demonstrating robust service capabilities, competitive pricing, and extensive experience serving over ten other commodity organizations. Based on this assessment, the Governance Committee recommended transitioning to CLA for the provision of bookkeeping and accounting services. The recommendation brought forward for Council approval was to contract with CliftonLarsonAllen LLP for the remainder of Fiscal Year 2025 and to extend the current accounting firm's engagement by one month to facilitate a smooth and orderly transition. Mr. Easterlin moved to approve the transition to CliftonLarsonAllen LLP as the organization's accounting services provider. Mr. Salopek seconded the motion, and the Council approved the recommendation.

CHAIR TRAVEL

Ms. Warden underscored the importance of ensuring that the Chair, or in the Chair's absence, a designated Council member, is present to represent the organization at relevant association meetings. She noted that formal authorization from the Council would be required to approve the associated travel expenses. Mr. Salopek moved that the Council authorize travel for the Chair, or a designated representative, to attend such meetings on behalf of the American Pecan Council. Mr. Soria seconded the motion, and the Council approved the recommendation.

OUTSIDE SPEAKER

Ms. Warden noted that as she called out in the Unified Pecan Promotion Plan, she is trying to get industry to start thinking and planning for the future for areas such as new product development and export supply chain growth. With that said, she recommended a potential outside speaker for the July 2025 Council meeting who is the Chief Futurist at Visionary Labs, based in Hamburg, Germany. She noted the presenter brings 22 years of experience in market analysis, competitive intelligence, and scenario management, with an academic background in biology. She informed the Council that, the Chief Futurist recently delivered a presentation to European food traders at the Waren-Verein meeting, focusing on the future of agriculture and opportunities for industries to leapfrog innovation. For the Council's purposes if the Council approves, the Chief Futurist will prepare a customized presentation specifically tailored to the pecan industry. Mr. Soria motioned that the Council approved the cost of the outside speaker. Mr. Salopek seconded the motion, and the Council approved.



APC OFFICE MOVE

Ms. Warden informed the Council that the organization's current office lease is set to expire in July. In an effort to avoid increased lease costs, improve accessibility for members traveling to the office, and reduce expenses associated with hosting Council meetings, staff has been actively evaluating alternative office space options. Mr. Stephens moved that the Council authorize the Chief Executive Officer to negotiate and finalize a new lease agreement, with oversight from the Chair, and to approve up to \$10,000 in associated moving expenses. Mr. Bowman seconded the motion, and the Council approved.

REVIEW OF NPSA'S GRADES & STANDARDS PETITION

Ms. Warden informed the Council that the American Pecan Council (APC) received a formal request from the National Pecan Shellers Association (NPSA) to petition the United States Department of Agriculture (USDA) for minor modifications to the voluntary standards. She provided an overview of the proposed changes, which had been reviewed and recommended by the Grades & Standards Committee. The primary revisions pertain to the U.S. Fancy grade for shelled pecans, specifically modifying the descriptors from "Uniform in color" to "Fairly uniform in color," and from "Uniform in size" to "Fairly uniform in size." Additionally, the petition proposes shifting the standard for both in-shell and shelled pecans from measuring moisture content to measuring water activity.

Mr. Willson moved that the Council approve NPSA's request and petition the USDA to revise the 2024 standards for in-shell and shelled pecans accordingly. However, if the USDA is unable to inspect for water activity, the motion recommends proceeding only with the revisions related to color and size, as outlined in NPSA's request. Mr. Jones seconded the motion, and the Council approved.

VIII. ADJOURNMENT

Mr. Womack inquired whether there was any additional discussion. Hearing none, Mr. Salopek moved to adjourn the meeting. The motion was seconded by Mr. Jones. The meeting was adjourned at 11:32 a.m. Central Time.