

NATIONAL PECAN FEDERATION



August 14, 2023

Marc McFetridge
U.S. Department of Agriculture
Agricultural Marketing Service
1400 Independence Ave. SE
Washington, D.C. 20250

Dear Mr. McFetridge,

The National Pecan Federation (NPF) was established in 2018 by pecan growers and shellers to unite the pecan industry and advocate with one voice. As you may know, the United States pecan industry has faced a variety of challenges over the last few years, including rising input prices, labor shortages, adverse weather, and harmful tariffs that have decreased market prices.

In 2018, China implemented retaliatory tariffs on U.S. pecans that cut total exports from 30 thousand-metric-tons (TMT) to 10 TMT. Pecan prices were at a high average market price of \$2.59 in 2016, then steadily declined to a low of \$1.42 per pound in 2020 (See chart below). Despite these additional tariffs being removed, exports have not reached the same pre-tariff levels.

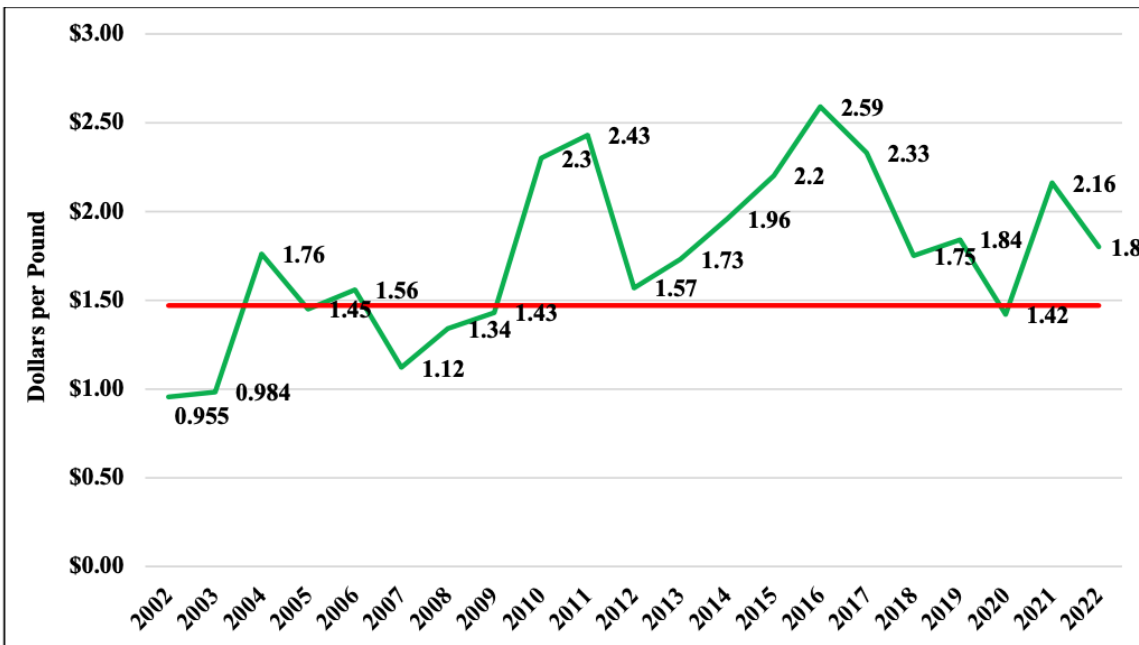


Figure 8. U.S. Marketing Year Average Pecan Prices and \$1.47 loan rate, 2002 to 2022.

Source: USDA-NASS.

Earlier this year, India reduced the tariff for U.S. pecan imports by 70%. This is expected to have significant positive effects on the U.S. pecan industry, as India is a large growth market for exported pecans. However, fiscal effects of the tariff reduction will take time.

Pecans, which are the only major tree nut indigenous to North America, are extremely nutritious. They contain “good” monosaturated fats, as well as protein, fiber, essential minerals, and bioactive compounds, including flavonoids and plant sterols. Pecans are among the lowest in carbs (4 grams) and highest in dietary fiber (3 grams) per serving. Scientific evidence suggests that eating 1.5 ounces per day of most nuts, including pecans, as part of a diet low in saturated fat and cholesterol may reduce the risk of heart disease (American Pecan Council).

The National Pecan Federation believes that the U.S. pecan industry is a strong candidate for a U.S. Department of Agriculture (USDA) Section 32 Commodity Procurement Solicitation. The pecan market supply includes a variety of end-products, such as pieces, halves, and a range of pecan sizes that we hope would be reflected in the specification for any pecan purchase. A significant purchase of pecans from USDA would be extremely beneficial to the industry.

We look forward to working with USDA AMS on this Section 32 Commodity Procurement Solicitation. For any questions, please contact Bob Redding at bredding@reddingfirm.com. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Larry Don Womack". The signature is written in a cursive, flowing style.

Larry Don Womack
Chairman, National Pecan Federation