

After the passage of the Grower Referendum, What Is Next?

By

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Texas Pecan Growers Association Conference

San Marcos, Texas

July 12, 2016

THE AMERICAN PECAN COUNCIL

(Administrative Body of the FMO for Pecans)

▶ The Council

- ▶ 17 Member Seats and 17 Alternates
- ▶ Three regions - East, Central, and West
- ▶ 3 Grower Seats and 3 Grower Alternates in each region
- ▶ 2 Sheller Seats and 2 Sheller Alternates in each region
- ▶ 1 Accumulator Seat and 1 Alternate
- ▶ 1 Public Seat and 1 Alternate

▶ Definitions

- ▶ Grower - average annual production of 50,000 lbs. OR 30 pecan acres
- ▶ Sheller - processed over 1 million lbs. in preceding fiscal year
- ▶ Accumulator - means a person who compiles inshell pecans from other persons for the purpose of resale or transfer.
- ▶ Public member - means a person who may not have any financial interest, individually or corporately, or affiliation with persons vested in the pecan industry.

▶ Grower Seats

▶ Grower Seat 1

- ▶ Large grower (equal to or more than 176 acres)
- ▶ Selected by volume vote - majority of the volume of production voting

▶ Grower Seat 2

- ▶ Large grower (equal to or more than 176 acres)
- ▶ Selected by popular vote - majority of those growers voting

▶ Grower Seat 3

- ▶ Small grower (less than 176 acres of pecans)
- ▶ Selected by popular vote - majority of those growers voting

▶ Sheller Seats

▶ Sheller Seat 1

- ▶ Large sheller (more than 12.5 million lbs.)
- ▶ Selected by popular vote - majority of those shellers voting

▶ Sheller Seat 2

- ▶ Small sheller (less than 12.5 million lbs.)
- ▶ Selected by popular vote - majority of those shellers voting

▶ Accumulator Seat

- ▶ The accumulator member and alternate member must meet the criteria set forth in § 986.1, Accumulator, and may reside or maintain a place of business in any region.
- ▶ Accumulator seat and alternate are selected by the 15-member council once seated

▶ Public Seat

- ▶ No affiliation with pecans
- ▶ Public seat and alternate are selected by the 15-member council once seated

The Nomination Process

▶ Grower nominee

- ▶ Must meet the definition of a grower
- ▶ Must be nominated by a grower within the region in which nominated
- ▶ Must be seconded by two growers within the region in which nominated
- ▶ Must specify and be qualified for the seat for which he/she is nominated
- ▶ Nomination must be submitted on the Official Grower Nomination Form
- ▶ Must also submit the Official Grower Background Statement

▶ Sheller nominee

- ▶ Must meet the definition of a sheller
- ▶ Must be nominated by a sheller within the region in which nominated
- ▶ Must be seconded by one sheller within the region in which nominated
- ▶ Must specify and be qualified for the seat for which he/she is nominated
- ▶ Nomination must be submitted on the Official Sheller Nomination Form
- ▶ Must also submit the Official Sheller Background Statement

▶ Nomination period to be open for two weeks

Ballots and the Selection Process

- ▶ Once the nomination process is closed, USDA will qualify the nominees for each seat
- ▶ USDA will prepare the Official Ballot with the candidates listed for each seat in the three regions
- ▶ Ballots will be mailed to respective individuals in each group (grower ballots to growers and sheller ballots to shellers) in each region
- ▶ In the balloting for the initial Council only, growers will vote for two candidates in the large grower positions (Grower Seats 1 and 2) and one candidate in the small grower position (Grower Seat 3)
- ▶ Growers will also indicate their average annual production for the preceding four years
- ▶ Shellers will vote for one candidate for each seat

Counting, Selection, and Seating of the Initial Council

- ▶ Counting ballots, submission of candidate names, selection by the Secretary
 - ▶ After the balloting period is closed, USDA will count the ballots
 - ▶ Upon completion of counting, the complete voting results including the names of the two candidates for each seat who received the highest and second highest number of votes will be submitted to the Secretary of Agriculture.
 - ▶ From the two names, the Secretary can select the person to fill the seat and the alternate for the seat. The Secretary has the discretion to not select either or both names for the seat. In such a case, the nomination process will be repeated for that seat only.
- ▶ Seating of the American Pecan Council
 - ▶ Upon selection by the Secretary, the 9 grower members and the 9 grower alternates and the 6 sheller members and the 6 sheller alternates will be seated to the 15-member council.
 - ▶ The seated council will convene and nominate and select the accumulator and public seats along with the alternates.

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