

**TESTIMONY OF**

**TOM HARMON**

**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 Tom Harmon. It is spelled T-O-M H-A-R-M-O-N. I live in Gilbert, South Carolina. I have been in the pecan industry for over 50 years, beginning in 1964 when I became the manager of Nilo Plantation in Albany, Georgia. I have attached my resume. My wife, Nancy, and I own and operate Harmony Hills Farm in Lexington County, South Carolina. We have over 35 acres of pecans currently in production. Two years ago we planted 50 acres of new pecan trees that will not be in commercial production for another four to seven years. On our farm we grow improved variety pecans.

Under the Small Business Administration definitions, we would be considered a small business (less than \$750,000 in annual gross revenue).

I have reviewed the economic analysis summary prepared by Dr. Marco Palma, specifically, the projected average price increase from promotion of 6.3¢ per in shell pound versus the average 2.5¢ per in shell pound cost. Overall, I am aware of the costs that a federal marketing order may impose on my farm and I do not believe those costs are unduly burdensome. Further, I believe that the benefits

of the federal marketing order to our farm will greatly outweigh any costs associated with it.

In recent years, we have seen wide variation in the prices we have received from our pecan crop. Such wide variation in pricing makes it extremely difficult to plan for the future operation of our farm. While prices for pecans go up and down dramatically from year to year, our costs of production have steadily increased. Cost of fertilizer, insecticides and equipment have all increased in recent years regardless of the price I receive for my crop.

Further, the lack of accurate market information on the anticipated size of the pecan crop in any given year also makes it difficult for us to negotiate a fair price for our crop and to make reasonable business decisions about investments in our farm. Increased price stability and more accurate market information would greatly benefit our farm.

I think our farm and the industry would also benefit in the future from 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. In my opinion, this threshold is reasonable because a grower that does not meet this

threshold is probably not a commercial grower. Any grower that is smaller than the proposed threshold will find it difficult to justify the cost inherent in a small production.

I am currently the Coordinator of South Carolina Pecan Growers and Director of the Southeastern Pecan Growers Association. The American Pecan Board has kept us informed about its efforts to propose a federal marketing order. I have attended several meetings where the federal marketing order was being discussed. In the spring, Mike Adams came to the annual meeting of the SEPGA to discuss the federal marketing order. I feel like I have been informed about the process and have been given ample opportunity to participate.

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 anyone may have.

Resume

**Thomas S. (Tom) Harmon**

**Gilbert, SC 29054**

Enlisted SC Army National Guard – November 1955

Student Bus Driver – School year 1955 – 56

Graduated Lexington High School – June 1956

President of SC FFA Association – 1956-57

Graduated Clemson A&M College with Honor – June 1960  
- BS degree in Agronomy

Commissioned 2<sup>nd</sup> Lieutenant US Army Infantry – July 1960

Active Duty for Training – November 1960 – May 1961

Farm Manager at Okeetee Hunting Club (Quail Plantation) Switzerland, SC  
– June 1961 – October 1964

Manager of Nilo Plantation in Albany, GA – November 1964 – November 1966

Leased 640 acre farm (250 acres in pecans) in St. Matthews, SC – November 1966

Owned and operated Pecan Hill Farm in St. Matthews, SC with leased acreage  
– the farm grew to 2000 acres – 600 of those acres were in pecans

Sold the farm in St. Matthews – March 1985

During 1970s, served as Director and President of SEPGA

Operated a Landscape Maintenance business - June 1985 – September 1986

Voc Ag and biology teacher at Calhoun County High School – January 1987 – June 1995

During those years, completed Masters Degree at the University of South Carolina  
in Educational Administration – August 1991