TESTIMONY OF



JOSEPH MASSEY

Pecan Federal Marketing Order Hearing Docket No. AMS-FV-15-0023; FV15-986-1 <u>Central Region - Dallas, Texas - July 23 and 24, 2015</u>

My name is Joseph Massey. It is spelled J-O-S-E-P-H M-A-S-S-E-Y. I live in San Antonio, Texas. I have been the owner of J-B Cattle and Pecans since 2000. J-B Cattle and Pecans is a cattle operation and pecan farm located in Uvalde, Texas. I have over 233 acres of forty-five year old pecans currently in production. On my farm we grow improved variety pecans. My resume is attached.

J-B Cattle and Pecans would be considered a small pecan grower under the Small Business Administration definitions.

In recent years, I have seen wide variation in the prices I have received from my pecan crop. Such wide variation in pricing makes it extremely difficult to plan for the future operation of my farm. While prices for pecans go up and down dramatically from year to year, my 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.

This price instability is compounded by the lack of accurate market information on the anticipated size of the pecan crop in any given year. All of this makes it difficult for me to negotiate a fair price for my crop and to make reasonable business decisions about investments in my farm. Increased price stability and more accurate market information would greatly benefit my small family operation.

I think my 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 have reviewed the economic analysis summary prepared by Dr. Marco Palma, specifically, the projected average price increase from promotion of 6.3C per in shell pound versus the average 2.5C per in shell pound cost. Overall, I am aware of the costs that the proposed 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 my farm will greatly outweigh any costs associated with it.

I 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 not a commercial grower. Any grower that is smaller than the proposed threshold could not justify the cost inherent in such a small production and is most probably merely a seller of pecans from older trees that happen to be on his or her property, a hobby farmer or one that does not plan to put all commercial inputs (fertilizer, water, etc.) on his farm.

The American Pecan Board has kept our organization informed about its efforts to propose a federal marketing order. I believe that I have been informed about the process and I have been given an opportunity to participate.

I have been on the Board of the Texas Pecan Growers Association and I am currently the President of the Texas Pecan Growers Association. I have been authorized by the Board of Texas Pecan Growers Association to testify on its behalf in support of a federal marketing order for pecans and we have written a letter of support on behalf of the Texas Pecan Growers Association to the Secretary of Agriculture is support of the proposed federal marketing order for pecans. I am also testifying in my individual capacity in support of the federal marketing order for pecans.

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.

Joseph M Massey

Professional Qualifications

A senior executive with experience as CEO, President, COO and Director of early to mid-stage companies. Demonstrated entrepreneurial skills, including leadership, communication, people development, strategic vision planning and business development. Demonstrated successful production of patentable and marketable technologies, products and services in the life-science field.

2013 to present

DigitalBeef, LLC San Antonio, Texas

Joseph M Massey founded DigitalBeef in 2013 to provide performance recording platforms for the beef industry that are user friendly. The objective is to bring easy to use to information technology to the beef industry as well as other food animals.

2004 to 2013

International Brangus Breeders Association San Antonio, Texas

Recruited as Executive Vice President, to lead the association, by redirecting the focus of the association to serve it members and make Brangus cattle relevant to the commercial cattle industry.

2007 to 2013

Genetics Performance Solution, LLC San Antonio, Texas

Started GPS, LLC, a breed registry services and performance analysis company serving the cattle and breed association industry, for a joint venture between the International Brangus Breeders Association and the Red Angus Association of America. GPS manages online registry programs for breed association and the data base management of performance data like multi-breed EPDs.

2000 to Present

J-B Cattle and Pecans San Antonio, Texas

Owns and operates a 7,000 tree pecan orchard and Brangus cattle operation.

TriMas Corporation

San Antonio, Texas

Co-founded TriMas Corporation as President/Co-Owner on December 1996 with the charter to look for business opportunities starting with the purchase of a family business America Shutters. America Shutters was a local retail manufacturer of plantation wood shutters. The company was reorganized into a regional wholesale company selling shutters throughout Texas with marketing service centers in several cities. The company developed a reputation of producing a high-end premier shutter. The company was sold September 30, 2002.

Consulting in the Biotech Industry

Consulting Projects:

- Worked with BCM Technologies, Inc., Houston, Texas to develop a business plan for technologies available from Baylor College of Medicine dealing with targeted homologous recombination, embryonic stem cells and chimera embryo production. Once the venture was formed and seed money put in place, a full time management team was hired.
- Worked with Ambion, Austin, Texas, a biotechnology company, to develop a business plan to hire
 a president and position the company to raise capital.
- Worked with, PPL Therapeutics, Inc., Roslin, Edinburg, Scotland, legal council to evaluate patents and patent position of the company to produce transgenic bovine using in vitro matured oocytes (ended with the overturn of a key patent in England).
- Worked with, Genzyme Transgenic Corp., Framingham, Massachusetts, legal council to evaluate patents and patent position of the company to produce transgenic bovine for the pharmaceutical industry (same type work as the PPL project).

1989-1993

Genmark, Inc.

Salt Lake City, Utah

Recruited as CEO/President/Director for Genmark, Inc. by Prince Ventures, to develop a strategic vision and business plan dealing with DNA marker development and application in the life-science field. Genmark developed a highly successful program producing the first and most used set of human DNA markers for application in human forensic and parent identification. The company also developed the first bovine DNA marker map and linkages to commercial traits of interest, such as milk volume, protein and fat content. The DNA marker technology and Genmark's assets were sold to ABS, a W. R. Grace Company, in December 1993.

- Raised \$5 million in capital from the venture community.
- Developed and directed the early-stage research and product development strategies which led to a
 number of patent applications for human DNA markers, bovine DNA markers and bovine nuclear
 transfer procedures, license agreements with Applied Biosystems, Inc., a Perkin Elmer company,
 Promega, and Hoffmann-La Roche.
- Recruited all senior managers, scientists and staff.
- Negotiated contracts, license agreements and sales of bovine DNA markers and technology assets to ABS. Negotiated sales of human DNA markers and technology to LifeCodes, A Quantum Company.
- Developed strategic alliances with European human DNA laboratories, animal genetic DNA laboratories, animal breeding companies (semen companies) and breed associations.

Granada Genetics, Inc.

College Station, Texas

Started Granada Genetics, Inc., a bovine embryo transfer company, and served as its first President and COO for Granada Corporation. Granada Genetics developed as one of the most successful international embryo transfer companies with four U.S. facilities, one in Cambridge, England, and numerous international joint ventures.

- Recruited during my Ph.D. program to develop the initial business plan and strategy for Granada Genetics, Inc. The company grew to generate annual sales in excess of \$12 million with operating profits of \$3 million.
- Recruited senior managers and scientists, including 11 veterinarians and 7 Ph.D.'s. The company employed over 110 employees.
- Responsible for Granada Genetics' P/L, Sales, Marketing, Production, Research and Development, and Business Development.
- Developed and directed the early-stage research and product development strategies which led to a number of patents on bovine nuclear transfer and bovine embryo manipulation, research program on embryo cloning, embryo sexing, transgenic animal production (first transgenic bovine) and development of recombinant bovine gonadotropin hormones (FSH, LH).
- Negotiated and managed contracts with Integrated Genetics, Baylor College of Medicine, SIBIA, Genentech and Texas A&M University. Conducted research and field trials to obtain two INAD's for FDA approval of recombinant hormones.
- Developed and negotiated contracts with a number of international customers to develop joint embryo transfer projects around the world, such as the Philippines, Pakistan, Egypt, Venezuela, South Africa, Korea, China, Japan and others.

1986-1989

Granada Corporation (parent company to Granada Genetics, Inc.)

- Operational responsibility for Agromarina De Panama (a shrimp farming and marketing company). Participated in the initial contact, negotiation and due diligence of the Agromarina acquisition from Ralston Purina. Located in Panama City, Panama, Agromarina De Panama, a \$12 million plus revenue company, employed over 400 personnel and marketed shrimp and tails to the U. S. and Europe.
- Operational responsibility for Granada Mariculture Technologies, Inc., a technology company with sales of \$3 million, which provided technical support to Agromarina and to the shrimp farming industry. Granada Mariculture managed shrimp farming operations in Guatemala and Columbia and marketed shrimp post larvae into the U. S. and Central America.
- Operational responsibility for Granada Sire Services a start up company in the animal breeding industry.
- Technical responsibility for Granada Equine Services, a horse breeding company.

1976

Texas A&M University

Project Manager – Bovine Estrous Synchronization Project for Texas A&M University Physiology Department and ICI U. S. A.

1974-1975

Syntex

Artificial Insemination Instructor, Technical Services Department, Syntex Agribusiness Livestock Division, Denver, Colorado.

Academic Appointments

1989-1995	Adjunct Professor, Department of Veterinary Physiology and Pharmacology,
	Texas A&M University.
1986-1989	Adjunct Associate Professor, Department of Animal Science, Texas A&M
	University.
1981-1983	Research Affiliation, Department of Veterinary Physiology and Pharmacology,
	Texas A&M University.
1978-1979	Graduate Assistant, Department of Veterinary Physiology and Pharmacology,
	Texas A&M University

Associations:

- Texas Pecan Growers Association
- American Society of Animal Science
- American Embryo Transfer Association
- International Embryo Transfer Society
- Society for the Study of Reproduction

Boards

- Director, DigitalBeef, LLC
- Director, GPS, LLC, until 2013
- Director, Texas Pecan Growers Association, 2008-to present, President 2014 to 2016
- Director, J-B Pecans and Cattle
- Director, Trimas Corporation, until 2002
- Director, Genmark, Inc., until 1993
- Director, Granada Genetics, Inc., until 1989
- Director, Agromarina De Panama, until 1989
- Director, Granada Mariculture Technologies, until 1989
- Board of Governors, American Embryo Transfer Association 1983-1986, Secretary/Treasurer 1983-1984, President 1984-1985
- Board of Governors, International Embryo Transfer Association 1983-1984, Secretary/Treasurer 1984

Patents

• Inventor: Bovine Nuclear Transplantation

Education

- Ph.D., Physiology of Reproduction, Texas A&M University 1980
- M.S., Physiology of Reproduction, Texas A&M University 1974
- B.S., Animal Science, Texas A&M University 1973, Minor in Accounting

Personal Data

- Languages: English. Spanish
- Hobbies: Golf, Water Skiing, Snow Skiing and Running

Publications Popular Press:

 Published over 150 non-technical papers related to animal biotechnology and animal production

Publications and Papers Presented:

- Massey, J. M.: Determination of Ovulation from the Onset of Estrus in Beef Cows. M. S. Thesis, Texas A&M University, College Station, Texas (1974)
- Massey, J. M.: The Development of Bovine Embryos Following Enzymatic Removal of the Zona Pellucida. Ph. D. Dissertation, Texas A&M University, College Station, Texas (1978)
- Flow, B. L., Massey, J. M., and Kraemer, D. C.: Nonsurgical Collection of Baboon Embryos. Presented at the Annual Meeting of the Texas Branch, A. A. L. A. S., Houston, Texas (1977)
- Maxwell, D. P., Massey, J. M. and Kraemer, D. C.: Timing of Ovulation in the Superovulated Bovine. Theriogenology 9:97 (Abstr). Presented at International Embryo Transfer Society Annual Meeting, Denver, Colorado (1978)
- Massey, J. M., Anderson, J. G., Ellis, W. C., Sorensen, Jr., A. M., and Kraemer, D. C.: Development of Bovine Embryos Following Enzymatic Removal of the Zona Pellucida, Theriogenology 17:99 (Abstr). Presented at International Embryo Transfer Society Annual Meeting, Denver, Colorado (1982)
- Wiley, H. E., Bowen, M. J., Massey, J. M., Amoss, M. S., Blake, R. W., and Kraemer, D. C.: The Effects of FSH on Sperm Transport in Cattle. Theriogenology 17:113 (Abstr). Presented at International Embryo Transfer Society Annual Meeting, Denver, Colorado, (1983)
- Massey, J. M., Oden, A. J., Voelkel, S. A., and Godke, R. A.: Pregnancy Rate Following HCG Treatment of Bovine Embryo Transfer Recipients. Theriogenology 19:140 (Abstr). Presented at International Embryo Transfer Society Annual Meeting, Denver, Colorado (1983)
- Massey, J. M.: Embryo Freezing: Proceedings of the Annual Conference on Artificial Insemination and Embryo Transfer in Beef Cattle, Denver Colorado, (1983)
- Massey, J. M., and Oden, A. J.: No Seasonal Effect on Embryo Donor Performance in the Southwest Region of the U. S. A. Theriogenology 21:196. Presentation at International Embryo Transfer Society Annual Meeting, San Antonio, Texas (1984)
- Bondioli, K. R., Brunson, C. B., Looney, C. R., Massey, J. M., McGrath, A. B., Mertes, P. C., and Oden, A. J.: *In Vitro* Survival of Bovine Embryos Frozen in Media Supplemented with Newborn Calf Serum or Bovine Serum Albumin: Theriogenology 21:223 (Abstr).

Presented at International Embryo Transfer Society Annual Meeting, San Antonio, Texas (1984)

- Looney, C. R., Oden, A. J., Massey, J. M., Johnson, C. A., and Godke, R. A.: Pregnancy Rate Following HCG Administration at the Time of Transfer in Embryo Recipient Cattle. Theriogenology 21:246 (Abstr). Presented at International Embryo Transfer Society Annual Meeting, San Antonio, Texas, (1984)
- Massey, J. M.: Mechanics of Performing International Embryo Transfer Projects. Presentation at the American Embryo Transfer Annual Meeting, Lake of the Ozarks, Missouri (1984)
- Vogelsang, S. C., Bondioli, K. R., and Massey, J. M.: Commercial Application of Equine Embryo Transfer. Equine Veterinary Journal, Suppl. 3:89-91 (1985)
- Looney, C. R., Bondioli, K. R., Roach, R. T., Oden, A. J. and Massey, J. M.: Prostaglandin F (PGF) Treatment for Luteal Regression in Superovulation Regimes of Donor Cattle. Theriogenology 23:206 (Abstr). (1985)
- McGrath, A. B., Looney, C. R., Bluntzer, J. S., Oden, A. J., and Massey, J. M.: Comparison of Norgestoment and Prostaglandin F for Estrus Synchronization of Recipients Nursing Embryo Transfer Calves. Theriogenology 23:207 (Abstr). (1985)
- Massey, J. M.: Biotechnology in Producing Range Livestock. National Range Conference Proceedings, Oklahoma City, Oklahoma (1985)
- Vogelsang, D. G., Lindsey, B. R., Vogelsang, M. M., and Massey, J. M.: Reproductive Performance in Mares Subjected to Examination by Diagnostic Ultrasound. Presented at Equine Nutritional Physiology Society Meeting (1987)
- Massey, J. M.: Pay for Services Rendered. Presentation at American Embryo Transfer Association Annual Meeting, Orlando, Florida (1987)
- Looney, C. R., Bondioli, K. R., Hill, K. G., and Massey, J. M.: Superovulation of Donor Cows with Bovine Follicle Stimulation Hormone (bFSH) Produced by Recombinant DNA Technology. Theriogenology 29:1 (1988)
- Massey, J. M.: Animal Production Industry in the Year 2000 A. D. J. Reprod. Fert. Suppl. 41:199 (1990)
- Georges, M., and Massey, J. M.: Velogenetics, or the Synergistic use of Marker Assisted Selection and Germ-Line Manipulation. Theriogenology 35:151 (1991)
- Massey, J. M. and Georges, M.: Genmark's Approach to Marker Assisted Selection. Animal Biotechnology 3 (1):95 (1992)

TEXAS PECAN GROWERS ASSOCIATION

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June 15, 2015

The Honorable Tom Vilsack Secretary of Agriculture 1400 Independence Avenue, S.W. Room 200-A Washington, D.C. 20250

Dear Secretary Vilsack:

The Texas Pecan Growers Association is writing you in support of the Federal Marketing Order for Pecans currently being promulgated by the American Pecan Board. Our industry has and continues to face issues of price and supply instability in the market. This situation inhibits our effort to provide a consistent quality supply of pecans to domestic consumers at a price that supports a profitable return to producers and processors. We believe that a Federal Marketing Order will contribute to a more stable market environment that is favorable to growers, buyers, shellers, and consumers.

The Texas Pecan Growers Association goes on record in favor of the Order and greatly appreciates your support.

Respectfully submitted,

Joseph Massey President, TPGA

Cc: The Honorable Edward M. Avalos Office of the Under Secretary Marketing and Regulatory Programs U.S. Department of Agriculture Jamie L. Whitten Federal Building 1400 Independence Avenue, S.W., Room 228-W Washington, D.C. 20250

> The Honorable Anne L. Alonzo Administrator Agricultural Marketing Service U.S. Department of Agriculture South Agriculture Building 1400 Independence Avenue, S.W., Room 3069 Washington, D.C. 20250

Cindy Wise Executive Vice President