



TESTIMONY OF

DAVID SALOPEK

Pecan Federal Marketing Order Hearing

Docket No. AMS-FV-15-0023; FV15-986-1

Western Region – Las Cruces, New Mexico - July 20 and 21, 2015

My name is David Salopek. It's spelled D-A-V-I-D S-A-L-O-P-E-K. I live in Las Cruces, New Mexico. I am the owner of David Salopek Farms. A copy of my resume is attached. David Salopek Farms is a pecan farm in Las Cruces, New Mexico. We have over 1,700 acres of pecans currently in production. We also have 160 acres of new pecan trees that will be in production in another 4 to 7 years. On our farm we grow improved variety pecans. The pecan business has been a family affair for us. My father planted pecan trees in the 1950s through the 1970s when this was something relatively new in the Mesilla Valley. After his untimely passing, my mother Paulina and I took over the pecan farm in 1979. My mother recently passed away but she was a true pecan pioneer and important grower voice for New Mexico pecans for over three decades.

We are a large pecan grower under the Small Business Administration guidelines.

I have attended several meetings where representatives of the American Pecan Board spoke about the federal marketing order, so I feel like I have been

informed about the process of securing a federal marketing order and I have been given an opportunity to participate in this process. I am very encouraged at the number of opportunities we have been given to interact with members of the American Pecan Board, especially Mike Adams.

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 my farm will greatly outweigh any costs associated with it.

In recent years, I have seen wide variation in the prices I have received for my pecan crop. No one has ever put a gun to my head and made me sell, but such a wide variation in pricing makes it difficult to know if we are receiving a fair price every year and to plan for the future operation of our farm. While prices for pecans go up and down dramatically from year to year, my cost of production has steadily increased.

The lack of accurate market information on the anticipated size of the pecan crop, the carry-in volumes and the other market data that factors into pricing makes it difficult for me and all growers to negotiate realistic prices for our crop. I have

had to resort in recent years to putting some or all of my crop in cold storage until I could better understand the market and before we could commit to sell our crop. Increased price stability and more accurate market information would greatly benefit my farm.

I think my farm and the industry would also benefit in the future from uniform and updated grade, size, quality, packaging, shipping protocols, if found to be necessary, and other handling requirements as we compete with other tree nuts for shelf space and consumer attention.

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 small track farmer or one that does not plan to put all commercial inputs (fertilizer, water, etc.) into his farm.

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.

DAVID P. SALOPEK

EDUCATION

New Mexico State University Las Cruces, NM

Bachelor of Science, 1988

- GPA: ~ 3.7
- Major: Agriculture Economics
- Minor: Agricultural Finance
- Alpha Zeta Honor Society, *Member*
- NMSU Division I Men's Swim Team, *Athlete* (1985 – 1987)
- NMSU Division I Men's Swim Team, *Assistant Coach* (1988 – 1989)

EXPERIENCE

David Salopek Farms, LLC Las Cruces, NM

Owner & Manager (1979 – Present)

- Overseeing all aspects of farm management, including: irrigations, fertilizer use, pest management, harvest, marketing of crop, etc.

COMMUNITY INVOLVEMENT

- **Farm Credit of New Mexico** (2009 – 2014)
 - *Board Member and Audit Committee*
- **New Mexico Pecan Grower's Lower Rio Grande Group** (2007 – Present)
 - *Water Rights Litigation Board Member*
- **National Pecan Shellers Council** (2002 – Present)
 - *Board of Directors, Appointed Member-at-Large*
- **National Pecan Growers Council, President** (2002 – 2003)
- **New Mexico Pecan Growers** (2001 – Present)
 - *President* (2001 – 2011)
 - *Board Member* (2011 – Present)
- **New Mexico Governor's Climate Task Force** (2001 – 2002)
 - *Committee Member by Governor Appointment*
- **National Pecan Sheller's Marketing Board, Board Member** (1998 – Present)
- **Western Pecan Growers Association** (1994 – 2011)
 - *Board Member*
 - *President* (1995 – 1997)
- **New Mexico Environment Improvement Board** (1996 – 1999)
 - *Board Member by Governor Appointment*
- **Doña Ana County Soil & Water Conservation Board** (1982 – 1996)

AWARDS & HONORS

- **Philip Leyendecker Award** (April 19, 2007)
- **Sam Steel Society Inductee** (May 14, 1999)