

Exhibit 5

Pecan Hearing Testimony of Donald L. Hinman, AMS/USDA

My name is Donald L. Hinman (H-i-n-m-an). I am a senior economist in the Promotion and Economics Division (also known by its acronym PED), Fruit and Vegetable Program, Agricultural Marketing Service, US Department of Agriculture.

The purpose of my testimony is to present and submit into evidence a set of tables representing pecan market conditions. The title of the document is "Pecan data tables: Crop value, production, and price for 1994-2014." The source of this data is the National Agricultural Statistics Service of the USDA, which is also known by its acronym NASS (N-A-S-S). These tables were compiled by my PED colleague Katherine Looft (L-o-o-f-t) and me.

The purpose of presenting these tables is so that the data can serve as a reference document for the hearing record and for use by other witnesses during this hearing.

There are a total of 26 tables covering 7 categories. Crop Value is presented in units of \$1,000 and Production is presented in units of 1,000 pounds. Prices are presented in dollars per pound. All of the tables represent utilized in-shell pecans.

The term utilized means that the crop was harvested and sold into commercial channels. This is terminology that is used across many commodities for which NASS publishes data. For some crops for which data is published by NASS, there may be production that is harvested, but not sold. Presenting data covering the utilized crop ensures that crop value, production and price data are on a consistent basis.

On pages 1 and 2, Tables 1 through 3 present Crop Value for each state and for the U.S. Separate tables are presented for the two broad categories of pecan varieties: Table 2 covers Improved varieties, and Table 3 covers Native and seedling varieties. Table 1 combines both categories to represent all pecan varieties.

The NASS definition of improved varieties is "budded, grafted, or topworked."

The Production by Variety category consists of 3 tables organized the same way as Crop Value. On page 3, Table 4 covers all pecan varieties. Tables 5 and 6 on page 4 present production of Improved varieties and Native and Seedling varieties, respectively.

Table 4 shows that 2014 U.S. production was 265 million pounds. The last row in Tables 5 and 6 present production of Improved varieties and Native and seedling varieties, respectively, as percentages of total U.S. production. Table 5 shows that Improved variety production of 222 million pounds in 2014 represented 84 percent of U.S. production. Table 6 shows that 2014 Native and seedling production of 44 million pounds represented 16 percent of U.S. production.

It should be noted that all production tables present the states in declining order of magnitude by level of 2014 production. For tables categorized by region, that pattern is followed within each region. The final columns in those tables present percentages by state and then cumulative percentages by state. The crop value tables are also presented in declining order of magnitude.

The cumulative percentage column of Table 4 shows that the top 3 producing states (Georgia, New Mexico, and Texas) represented 75 percent of 2014 U.S. production. Table 5 shows that the same 3 states represented 83 percent of U.S. Improved variety production. Table 6 shows that the top 3 states in terms of Native and seedling production (Oklahoma, Texas, and Louisiana) represented 88 percent of total U.S. Native and seedling production.

The next section in the document is Production by Region. NASS publishes pecan data for 3 distinct regions. On pages 6 and 7, Tables 7, 8, and 9 present production data for each state in the East, Central and West regions, respectively. Table 11 presents data for the entire US, covering all 3 regions.

The second to the last row in each of those table shows that 2014 production in the East, Central, and West regions was 75 million, 99 million, and 91 million pounds, respectively. When I refer here to particular numbers, I am rounding the numbers rather than stating out loud the decimals. Out of total 2014 production of 265 million pounds, the respective regional percentages were 28, 37, and 34.

Although data is published for each state, there are some years in which data from particular states is not published by NASS for confidentiality reasons -- to avoid disclosing data for individual operations. On Page 7, Table 10 combines into a category called Other States data from several states for which confidentiality was an issue in particular years. The years to which this applies are 1994, 1995 and 2013.

The production data in Tables 7 through 11, representing all varieties, by state and region, is then broken out by the two variety categories. On pages 8 and 9, Tables 12 through 15 present Improved Variety Production by Region. On pages 10 and 11, Tables 16 through 19 present Native and Seedling Production by Region.

The last two categories of tables present grower price data. On page 12, Tables 20 through 22 present annual average grower prices per pound of Improved varieties for each state, *categorized by 3 regions*. On page 13, Table 23 presents U.S. annual average grower prices for Improved varieties, *covering all states combined*.

On page 14, Tables 24 and 25 present annual average grower prices for Native and Seedling varieties *for each state in the East and Central regions*. Table 26 presents U.S. annual average grower prices for Native and seedling varieties, *covering all states combined*.

Data for 2014 in Tables 1 through 26 was prepared using what NASS refers to as preliminary 2014 data, published in January 2015. It should be noted that NASS issued its final 2014 pecan data on Friday afternoon, July 17, too late to be included in these tables.

Part II of the "Pecan data tables" therefore includes as Table 27 a page of pecan data excerpted from the July 2015 NASS report known as *Noncitrus Fruits and Nuts*.

Table 28 compares the parity price for pecans published annually by NASS to the season average grower price for Improved variety pecans.

Table 29 is a table of pecan supply and utilization prepared by the Economic Research Service.