Mississippi MarketMaker Newsletter



Pecan Production in Mississippi and United States

Posadas, B.C. Mississippi MarketMaker Newsletter, Vol. 7, No. 9, May 9, 2017.

Economic Contribution of Pecan Production

Economic impact analysis shows the economic contribution an industry makes locally, region-wide, nation-wide, or globally. This economic information is crucial in making private investment decisions, formulating government policy, and developing research and extension programs for the industry. The IMPLAN (http://implan.com/) software and the 2013 input-output data for Mississippi were used to estimate the economic contribution of pecan production to the state economy in 2015. Sector 5 or tree nut farming of the 2013 IMPLAN input-output data was used in the economic analysis.

The value of utilized and in-shell pecans produced in Mississippi reached \$1.9 million in 2015, which is about 54 percent of the average annual value of production since 2007. The total economic contribution of pecan production amounted to \$3.2 million in 2015 (Fig. 1). Pecan production created 42 jobs and generated labor income amounting to \$1.8 million in the state economy.

Pecan production generates annual tax revenues for producing states and the U.S. federal government. Almost \$296,000 were estimated to have been paid by Mississippi households and businesses in 2015 to the federal government as social insurance tax, tax on production and imports, corporate profit tax, and personal income tax. The state of Mississippi was expected to have collected taxes from households and businesses in 2015 amounting to more than \$93,000 as social insurance tax, tax on production and imports, corporate profits tax, and personal tax.

Economic contribution of pecan production in Mississippi				
Impact Type	Employment (Jobs)	Labor Income (\$M)	Total Value Added (\$M)	Output (\$M)
Direct Effect	32	1.5	1.8	1.9
Indirect Effect	1	0.1	0.1	0.2
Induced Effect	9	0.3	0.6	1.1
Total Effect	42	1.8	2.4	3.2

Fig 1. Total economic contribution includes direct, indirect and induced effects estimated by using 2015 annual production values and 2013 IMPLAN data. Local purchases percentage was set to 100%. Number of jobs is rounded off.

Annual Volume and Value of Pecan Production

According to USDA Quick Stats, the major pecan producing states in 2015 were Georgia (36%), New Mexico (33%), Texas (13%), and Arizona (9%). Fig. 2 shows the annual volume and value of utilized and in-shell pecan production in the United States since 2007. Annual pecan production in all producing states averaged 280 million pounds while annual value was around \$500 million.

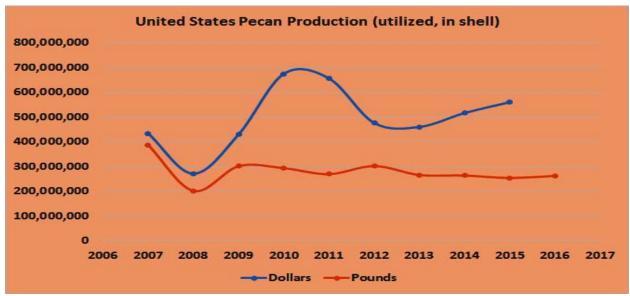


Fig. 2. Annual volume and value of United States pecan production Source: USDA (https://quickstats.nass.usda.gov/)

Fig. 3 shows the yearly quantity and value of utilized and in-shell pecan production in Mississippi since 2007. The market share of Mississippi to the total domestic pecan production averaged less than 1% since 2007. Annual pecan production in the state was around 2.8 million pounds while annual value was about \$3.5 million.

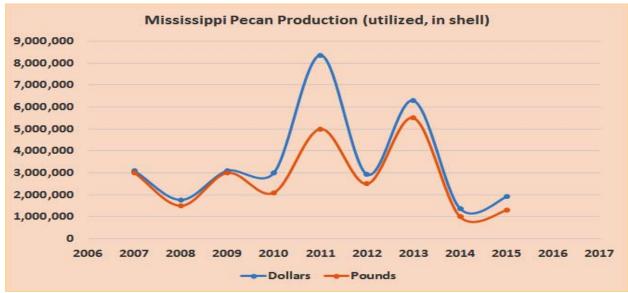


Fig. 3. Annual volume and value of Mississippi pecan production Source: USDA (https://quickstats.nass.usda.gov/)

Mississippi pecans were sold at significantly lower prices than in all producing states. Fig. 4 shows the average prices of pecan production in Mississippi and United States since 2007. Mississippi pecans were sold at an average price of \$1.28 per pound, which was about 73% of the average prices in all producing states. The average price of pecans in all producing states was \$1.79 per pound.

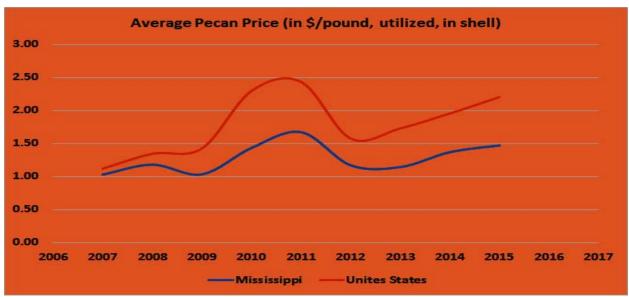


Fig. 4. Average prices of pecan production

Source: USDA (https://quickstats.nass.usda.gov/)

Pecan Growers Registered in MarketMaker

There are 221 pecan growers registered in MarketMaker member states. Click this **LINK** to view the search results online. Follow these steps to search for pecan farmers in all MarketMaker member states:

States: AL, AK, AZ, AR, CA, CO, CT, DC, DE, FL, GA, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, or WY »

Type: Farmer/Rancher » Profile: Farmer/Rancher >

Fruits & Nuts > Nut Product Type >

Pecans

In Mississippi, 19 pecan growers are registered, as shown by this online **LINK**. Follow these steps to search for pecan farmers in Mississippi in MarketMaker:

State: MS »

Type: Farmer/Rancher » Profile: Farmer/Rancher >

Fruits & Nuts > Nut Product Type >

Pecans

FREQUENTLY ASKED QUESTIONS

What is MarketMaker?

<u>MarketMaker</u> is the largest and most in-depth database of its kind featuring a diverse community of food-related businesses: buyers, farmers/ranchers, fisheries, farmers markets, processors/packers, wineries, restaurants and more. <u>MarketMaker</u> provides simple yet powerful search tools to connect with others across the production and distribution chain (http://ms.foodmarketmaker.com/).

Where can you find Mississippi MarketMaker?

MarketMaker is located at http://ms.foodmarketmaker.com/.

Ask Siri or Cortana to search for "Mississippi MarketMaker" on your smart phone.

How do you register your food business in Mississippi MarketMaker?

Click **Register** and type your email address and a password in the spaces under **Register**. Be prepared to enter information (and pictures) about your business.

What are the benefits in registering your food business in Mississippi MarketMaker?

Producers register their businesses in <u>MarketMaker</u> because food buyers of all types access our database to find products and services to meet their specific needs. Through <u>MarketMaker</u>, producers can reach more buyers and more efficiently form profitable business alliances.

How do you search for your business profile in Mississippi MarketMaker?

Click **Search** and type the name of your business in the space under **Search MarketMaker**.

How do you update your business profile in Mississippi MarketMaker?

Click <u>Register</u> and then click <u>UPDATE YOUR PROFILE</u>. Type your email address and password in the spaces under <u>Account Login</u>. Be prepared to enter updated information (and pictures) about your business.

MarketMaker Training Workshops

This training workshop is available upon request by a group of 6-12 producers, extension agents, state regulatory agencies staff and teachers. Each workshop will best fit the needs of the participants. Email Dr. Ben Posadas for details at **ben.posadas@msstate.edu**.

How do you search for local food businesses in Mississippi MarketMaker?

Click **Search** and type a keyword in the space under **Search MarketMaker**.

What is the Market Research tool of MarketMaker?

The MarketMaker research tool is an interactive mapping resource for identifying target markets, developing customized census profiles, and mapping food related businesses over demographic maps.

Where do you find the Market Research tool in MarketMaker?

Look for the **Market Research** section in MarketMaker and click **Research your market now** or **Use previous version**.