

# Economic Importance of the Pecan Industry

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The U.S. is the world's largest pecan producer. Other countries producing pecans include Australia, Brazil, Israel, Mexico, Peru, and South Africa.

Two types of pecans are produced in the U.S.: native or seedling, and improved varieties. Native pecans are varieties that developed under natural conditions. Seedling pecans are produced from seed (the nut) and have not been budded or grafted. Improved pecans are varieties that have been genetically altered through breeding and grafting techniques to produce more nuts, and nuts with a greater percentage of nut meat.

## Pecan Production by States

Depending on the variety, pecan trees require 205–233 frost-free days for the nuts to reach maturity, thus restricting pecan production to southern states. The following states are most important in commercial pecan tree growing: Alabama, Arizona, Arkansas, California, Florida, Georgia, Mississippi, New Mexico, North Carolina, Oklahoma, South Carolina, and Texas (table 1). Kansas, Kentucky, Maryland, Missouri, Tennessee, and Virginia also grow some pecan trees.

The top five states, in order of native pecan production from 1970 to 1999, were Texas, Georgia, Alabama, Louisiana, and Oklahoma. The top five states, in order of improved pecan production from 1978 to 1986, were Georgia, Texas, New Mexico, Arizona, and Alabama. When total pecan production is included, Georgia remains the top producer, followed by Texas, New Mexico, Arizona, and Louisiana.

## Pecan Production

From 1970 to 1999, 1981 saw the largest pecan crop, totaling almost 340 million in-shell pounds. Followed by 335 Million in 1998. The lowest pecan production was about 103.1 million in-shell pounds in 1976. The second lowest production was 146 million

in-shell pounds in 1998. While this production variability exists for both native and improved pecans, improved pecan production ranged from 48% (1979) to 78% (1982) of total production from 1978 to 1999.

## Pecan Prices

The U.S. average price for improved pecans has been consistently above the U.S. average native pecan price. In part, this price differential results from quality differences, meat yields, and differences in quantities produced.

From 1970 to 1999, U.S. average pecan prices ranged from a low of 29.8 cents (1971) per in-shell pound to a high of \$1.14 (1992) per in-shell pound for native pecans, and from 35.4 cents (1971) to \$1.57 (1992) per in-shell pound for improved pecans. During this same period, U.S. improved pecans averaged 78.2 cents per pound, while native or seedling pecans averaged 49.7 cents per pound—an average price difference of 28.5 cents per pound. Differences in prices from state to state reflect national and local difference in supply and demand, as well as differences in quality, nut meats obtained, and market outlets.

The annual gross value of pecans produced from 1970 to 1999 ranged from \$60.5 million in 1970 to \$309 million in 1991, changing dramatically over the years.

## Pecan Imports/Exports

Historically, pecan imports and exports have been only a small portion of total U.S. pecan production. From 1970 to 1999, imports (shelled basis) ranged from a low of 0.2% (1981) of total U.S. production that year, to a high of 52% (1986), while exports reached an all-time high in 1990 with more than 9 million pounds (shelled) or about 9% of the total U.S. production. Imports from Mexico and exports to European countries have increased significantly since 1988.

**Table 1. U.S. Pecans: Production, season average price and value.**

Variety and state	Utilized production			Price per pound			Value of utilized production		
	1997	1998	1999	1997	1998	1999	1997	1998	1999
	1,000 pounds			Dollars			1,000 Dollars		
<b>Improved varieties</b>									
Alabama	7,000	3,500	8,000	0.760	0.954	0.780	5,320	3,339	6,240
Arizona*	18,500	13,000	19,500	1.250	1.590	1.250	23,125	20,670	24,375
Arkansas	1,200	300	760	0.750	1.150	0.790	900	345	600
California	3,000	1,700	2,400	1.320	1.660	1.170	3,960	2,822	2,808
Florida	600	200	1,500	1.000	1.100	1.000	600	220	1,500
Georgia	77,000	35,000	80,000	0.904	1.240	0.870	69,608	43,400	69,600
Louisiana	2,000	3,000	4,000	0.900	1.000	0.950	1,800	3,000	3,800
Mississippi	2,600	800	3,000	0.844	0.870	1.050	2,194	696	3,150
New Mexico	45,000	32,000	50,000	0.940	1.490	1.000	42,300	47,680	50,000
North Carolina	900	1,500	1,000	0.950	1.000	0.800	855	1,500	800
Oklahoma	3,000	200	3,000	0.760	1.220	1.050	2,280	244	3,150
South Carolina	2,100	800	800	0.840	1.240	0.730	1,764	992	584
Texas	40,000	20,000	55,000	0.863	1.300	1.010	34,520	26,000	55,550
<b>United States</b>	<b>202,900</b>	<b>112,000</b>	<b>228,960</b>	<b>0.933</b>	<b>1.350</b>	<b>0.970</b>	<b>189,226</b>	<b>150,908</b>	<b>222,157</b>
<b>Native and seedling</b>									
Alabama	6,000	1,500	5,000	0.518	0.674	0.480	3,108	1,011	2,400
Arkansas	2,300	250	3,040	0.630	0.880	0.700	1,449	220	2,128
Florida	1,200	1,100	1,400	0.600	0.750	0.600	720	825	840
Georgia	23,000	5,000	10,000	0.591	1.110	0.650	13,593	5,550	6,500
Kansas	4,200	50	3,500	0.670	0.880	0.920	2,814	44	3,220
Louisiana	10,000	13,000	14,000	0.480	0.600	0.500	4,800	7,800	7,000
Mississippi	1,400	400	1,000	0.583	0.660	0.550	816	264	550
North Carolina	600	1,000	300	0.650	0.800	0.600	390	800	180
Oklahoma	32,000	1,800	32,000	0.550	0.680	0.500	17,600	1,224	16,000
South Carolina	1,400	300	300	0.610	1.020	0.680	854	306	204
Texas	50,000	10,000	25,000	0.477	0.850	0.500	23,850	8,500	12,500
<b>United States</b>	<b>132,100</b>	<b>34,400</b>	<b>95,540</b>	<b>0.530</b>	<b>0.772</b>	<b>0.539</b>	<b>69,994</b>	<b>26,544</b>	<b>51,522</b>
<b>All pecans</b>									
Alabama	13,000	5,000	13,000	0.648	0.870	0.665	8,428	4,350	8,640
Arizona	18,500	13,000	19,500	1.250	1.590	1.250	23,125	20,670	24,375
Arkansas	3,500	550	3,800	0.671	1.030	0.718	2,349	565	2,728
California	3,000	1,700	2,400	1.320	1.660	1.170	3,960	2,822	2,808
Florida	1,800	1,300	2,900	0.733	0.804	0.807	1,320	1,045	2,340
Georgia	100,000	40,000	90,000	0.832	1.220	0.846	83,201	48,950	76,100
Kansas	4,200	50	3,500	0.670	0.880	0.920	2,814	44	3,220
Louisiana	12,000	16,000	18,000	0.550	0.675	0.600	6,600	10,800	10,800
Mississippi	4,000	1,200	4,000	0.753	0.800	0.925	3,010	960	3,700
New Mexico	45,000	32,000	50,000	0.940	1.490	1.000	42,300	47,680	50,000
North Carolina	1,500	2,500	1,300	0.830	0.920	0.754	1,245	2,300	980
Oklahoma	35,000	2,000	35,000	0.568	0.734	0.547	19,880	1,468	19,150
South Carolina	3,500	1,100	1,100	0.748	1.180	0.716	2,618	1,298	788
Texas	90,000	30,000	80,000	0.649	1.150	0.851	58,370	34,500	68,050
<b>United States</b>	<b>335,000</b>	<b>146,400</b>	<b>324,500</b>	<b>0.774</b>	<b>1.210</b>	<b>0.843</b>	<b>259,220</b>	<b>177,452</b>	<b>273,679</b>

Source: Agric. Statistics Board, NASS, USDA, January 2000, Preliminary Annual Summary.

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