



# GEORGIA'S RURAL CENTER

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## Pecan Shelling Facility Feasibility Study

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CENTER FOR RURAL PROSPERITY AND INNOVATION

## SUMMARY

The center partnered with the Center for Agribusiness and Economic Development (CAED) at the University of Georgia to conduct a feasibility study of a pecan shelling facility in Georgia. The project was completed in late Oct. 2019, and results were presented to the Pecan Commission's board in early 2020.

## ADDITIONAL INFORMATION

Contact the Center for Rural Prosperity and Innovation (Georgia's Rural Center) at [info@ruralga.org](mailto:info@ruralga.org) or 229.391.4847.

## AUTHORS + PARTNERS

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Georgia Pecan Commission

## Scope of project for the Georgia Pecan Commission

Completion date: October 28th, 2019.

The Center for Rural Prosperity and Innovation (CRPI) contracted with the Center for Agribusiness and Economic Development (CAED) at the University of Georgia to perform a study on the feasibility of a pecan shelling facility in Georgia. This project included the collection of data via research and surveys utilizing the findings to perform technical, market, and financial analyses. Seven key points were analyzed in this study.

# 1

### Technical Analysis

This will involve outlining current regulations, equipment needs, and storage/handling criteria. Waste management, processing facility regulations and guidelines, and utility needs are included.

# 2

### Community Impact

The input-output model IMPLAN will be used to calculate the direct and indirect impacts on variables such as county/area employment, tax collections, and economic output.

# 3

### Investigation of current shelling capacity

A list of shellers will be obtained from the Georgia Pecan Commission, online research, and conversations with growers around the state to ensure as comprehensive an accounting as possible. Using this list, a survey with follow-up phone calls or in-person visits will be used to determine the current shelling capacity of the state.

- a. This phase of the project will also include a survey of pecan producers in Georgia who are associated with the Georgia Pecan Commission. The producers will be asked about their current shelling practices, whether it occurs on their farm or using a sheller. They will also be asked for the quantity they're currently shelling.
- b. Surveys of shellers and producers will be administered online, in person, and via email. In order to explore the next link along the supply chain, each survey will include questions about to whom the shelled pecans are sold.

# 4

### Market Analysis

Potential markets will be investigated by talking with potential buyers of shelled pecans to gauge their interest in purchasing from a new facility. Consumers will also be engaged to determine interest in new products. This analysis will include product and packaging preference, price points, and distribution preferences.

# 5

### Financial Analysis

Using operations costs from similar enterprises, the CAED will estimate costs for utilities, equipment, employees, and construction for a proposed farm and processing facility. This information will be used to generate income statements, balance sheets, and other financial tools.

# 6

### Consumer survey (500 completed surveys)

This includes a look at: regional pecan consumption, regional pecan use (snack, baking, etc.), generational pecan awareness/perception (nutrient and protein)/usage, consumer interest in snack packaging, branding preferences (natural, Georgia branded, Organic, etc.), and willingness to pay for identified branded products and nutrient information.

# 7

### Survey of shelled pecan buyers

Included among these buyers are nut snack processors/manufacturers, candy processors/manufacturers, brokers, baking companies, and other companies that use pecans in their products as determined in the investigation of shelling capacity.