

# PABC Journal



## CALENDAR

### MIDLANDS PLANT & FLOWER FESTIVAL

The annual Festival will be held April 18 –21 at the SC State Farmers Market, 3483 Charleston Highway, West Columbia. Fri-Sat hours—8 am to 6 pm. Sun.—noon—5 pm.

### PABC BOARD MEETING

The PABC Board will meet **May 14** at 4 pm at the PABC office. Open session Board will meet the same day at 5 pm.

Remember to visit our website:  
[scagribusiness.org](http://scagribusiness.org)

## AGRIBUSINESS FOCUSED ON FIXING SOUTH CAROLINA'S INFRASTRUCTURE

PABC is working collaboratively with other organizations to encourage the legislature to find solutions to fix South Carolina's infrastructure this legislative session. The SC House recently passed a \$6.9 billion FY 2013-14 state budget that includes more than \$100 million for roads and bridges for this year.

Efforts have included PABC, along with SC Farm Bureau and the SC Forestry Association, signing onto a SC Chamber letter to legislators in support of them finding and reviewing different funding methods for transportation.

Jack Shuler, president of PABC, and Cam Crawford, president of the SC Forestry Association presented testi-

mony at a Ways and Means subcommittee on H. 3412, which would transfer the income from motor vehicle sales tax to the Non-Federal Aid Highway Fund to be used for highway, road and bridge maintenance and repairs.

While Mr. Shuler presented overall impacts on the agribusiness industry, Mr. Crawford presented specific stats related to effects on the wood and paper products industry due to deficient bridges and roads.

According to Mr. Crawford, load restricted bridges in SC force logging trucks to be re-routed resulting in inefficiency and higher transportation costs. Taking alternative routes can cause trucks to

drive an additional 15 to 20 miles to deliver its load. These trucks average 5 or 6 miles per gallon, and diesel fuel is \$4 per gallon. The wood and paper products industry has 73 primary mills, with several of these mills receiving 400 loads of wood a day. The additional time spent traveling to the mills means less loads are being delivered. Most logging businesses have a small profit margin and these load restricted bridges seriously impact their bottom-line.

This \$17 billion forest industry must have access to a sound infrastructure to remain competitive.

*(Continued on Page 4— Please see Infrastructure)*

## MAKING SMALL FARMS MORE PROFITABLE

South Carolina's abundant resources have created a rich history of agricultural success. But, despite the fertile and affordable land, the state is not currently economically competitive with neighboring states in the agricultural sector.

The SC Department of Agriculture (SCDA) is developing a strategic plan to increase economic development and create jobs in the specialty crop sector, which includes fruit and vegetable production for human consumption and small-scale meat production. The plan will include a comprehensive agricultural economic assessment and infrastructure investment in regional food hubs and value-added processing across the state.

Creating food hubs to give farmers new opportunities to get products to consumers is already being explored in other areas. According to *The Wall Street Journal*, New York Governor Andrew Cuomo recently announced that they will spend \$3.6 million to create food distribution hubs in upstate New York, which will result in 150 jobs.

PABC is working with the SCDA and the SC Department of Commerce to brand concepts for food processing certified sites. The first site certification, located in the Pee Dee area, is completed, with other counties also expressing interest in certifying sites in their area.

Boosting the profitability of small farmers is part of the SCDA plan to raise the economic impact of agribusiness from \$34 billion to \$50 billion by 2020.

# Sound Infrastructure Crucial to Agribusiness Success

**By: Pamela Lackey  
David Winkles**

South Carolina must get serious about confronting the problem of our declining transportation infrastructure to avoid significant short- and long-term damage to our state's largest business sector.

Agribusiness (which includes agriculture, forestry and timber products) contributes \$34 billion to South Carolina's economy and provides 200,000 jobs.

In rural areas, agribusiness is often the primary asset to create jobs, improve per capita income and stimulate growth. The good news is South Carolina is well-positioned to participate in the international marketplace.

Looking ahead, the industry is expected to account for \$50 billion in economic impact by 2020, with much of the growth resulting from the creation of new export markets. This ability to efficiently transport products to the Port of Charleston is imperative. Unfortunately, South Carolina's rural roads and bridges are declining, making shipping products to market more costly and time-consuming.

According to the SC Department of Transportation, nearly one-third of

South Carolina's primary and interstate highways are in poor to mediocre condition, with approximately half of the secondary roads in failing condition. One out of every five bridges in the state is considered deficient.

Our highway system needs far exceed \$6 billion in the long term. However, an immediate infusion of an additional \$300 million annually can address many of our most pressing critical needs in three areas:

- \$100 million new dollars annually dedicated to Act 114 "ranked interstate widening," supplementing the existing federal funds shown in the current Statewide Transportation Improvement Program (STIP).
- \$100 million annually for "replacement of all 420 load-restricted bridges" within five years. After completing the load-restricted bridges, these funds would supplement the current federal allocation dedicated by the SCDOT for the replacement/rehabilitation of the remaining 468 structurally deficient bridges.
- \$100 million annually for an Act 114 ranked "statewide resurfacing program," touching each of the state's 46 coun-

ties.

A recent study by the Association of General Contractors estimates that every \$1 billion invested in infrastructure would create more than 28,500 jobs in construction, manufacturing and other industries.

We do not endorse any specific funding strategy. However, we commend Governor Nikki Haley for recognizing the critical need to fund our state's highways and bridges, and for identifying possible funding mechanisms and the General Assembly for its review of all funding alternatives.

The SCDOT has developed an initial plan of action, based on traffic count and needs, which we support. We also support expansion of I-26 to facilitate the flow of commerce through the Port of Charleston.

With the many needs our state faces, the magnitude of the infrastructure problem is a challenge. But the decision will determine South Carolina's economic future.

Neighboring states, strong agribusiness competitors, recognize the importance of infrastructure investment. Georgia spends \$35,000 per mile; North Carolina spends more than \$150,000. South Carolina spends an average of \$15,000 per mile on roads.

We encourage our state leaders to not let this Legislative session pass without developing a comprehensive plan to fix our state's infrastructure, reaffirming South Carolina's commitment to sustainable growth through agribusiness.



**Pamela Lackey is Chair of PABC and the President of AT&T South Carolina.**



**David Winkles is President of the SC Farm Bureau and a founding member of PABC.**

# SCDA Offers a Fresh Take on Fresh on the Menu

**By: Commissioner of Agriculture  
Hugh Weathers**

*Do you have a favorite place to eat?* Most people do, and probably more than just one. South Carolina is home to some pretty amazing restaurants. The culinary scene continues to get a lot of attention from across the country. Folks in other states are finding out what we already know—South Carolina is home to great food with great local flavor!

Six years ago, the South Carolina Department of Agriculture (SCDA) introduced the state to Certified South Carolina Grown. The branding

initiative has finally caught on and many folks look for it when they shop for fresh fruit and produce. In fact, you can find the Certified SC logo in more than 500 retail stores in South Carolina.

A few years after the start of Certified SC, SCDA decided to expand the push to buy local to restaurants and eateries. That's when Fresh on the Menu began. Currently, more than 300 restaurants agree to incorporate at least 25% of Certified SC Grown produce and products on their menus, when in-season. In turn, those restaurants benefit from Fresh on the Menu branding.

As the demand for buying local continues to grow, SCDA has a fresh take on Fresh on the Menu. This spring, SCDA will launch a new campaign for Fresh on the Menu, encouraging greater restaurant and consumer participation. The theme, "it's a matter of taste", will be easily identifiable by South Carolinians and visitors to our state. The goal is to connect consumers with restaurants serving

Certified SC. A mobile app is in the works, making finding the perfect place to eat quicker and easier than ever before.

If you have a favorite restaurant, but it's not already a Fresh on the Menu, then let the manager know about Fresh on the Menu. Chances are he or she will be very excited to take part in SC's version of buying and eating local.



Attendees visit exhibits at the SC AgriBiz and Farm Expo.

**SC AgriBiz and Farm Expo a Success**  
Organizers of the first annual SC AgriBiz and Farm Expo held in January in Florence were pleased with the event's exhibitions and attendance.

"This was a total team effort of all SC agriculture," Jody Martin with the Expo said. We look forward to expanding and growing these efforts from year to year."

The event, which was held to promote agriculture in SC and surrounding areas, featured over 100 exhibitors with educational sessions, an economic development symposium and The Taste of South Carolina.

Next year's Expo is planned for January 16 and 17th, 2014 at the Florence Civic Center. For more information, visit [SCAgriBizExpo.com](http://SCAgriBizExpo.com) or contact Jody Martin, [jody@PCSAgriBiz.com](mailto:jody@PCSAgriBiz.com)/843-250-7900.



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## PABC OFFICERS

Pamela P. Lackey, Chair

Bob Battle, Past Chair

Bruce Hoffman, Vice-Chair

Ronnie L. Summers, Secretary-Treasurer

## STAFF

Jack W. Shuler, President

Cathy B. Novinger, Executive Director



PABC is proud to announce the first annual Harvest Concert at the SC State Fair. This event will be held opening night (October 9, 2013) of the Fair and will be an opportunity to showcase South Carolina's agribusiness industry and its supporters. If you are interested in learning about our Partnership Reward Program for your company to be a part of this exciting evening, contact Jack Shuler at 803-926-3462 or by email: jack@novingerqtr.com

## PABC RE-ELECTS OFFICERS FOR 2013

The PABC Board voted to re-elect the current officers for a second term for 2013.

**Pamela Lackey** was re-elected Chair of the Council. She is President of AT&T South Carolina.

**Bruce Hoffman** was re-elected Vice Chair. Mr. Hoffman is Vice President of Kapstone Charleston Kraft.

**Ronnie Summers** was re-elected Secretary/Treasurer. Mr. Summers is SC Divisional President of AgSouth.

## PALMETTO AGRIBUSINESS COUNCIL WELCOMES NEW MEMBERS



**David Gossett**, serves as Nexsen Pruet's Managing Partner for Professionals. He concentrates his law practice in economic development, real estate and lending.

Mr. Gossett is the co-creator of the Farm Credit System's Rural America Bond Program. This program provides the opportunity to invest in the growth of non-urban communities by financing business projects, infrastructure, and health care services that focus on rural areas, as well as projects supporting agriculture and agribusiness. Mr. Gossett is active in a number of professional and civic groups.



**Sarah Windham** serves as a Senior Manager in the Charleston, SC office of Dixon Hughes Goodman, LLP.

Ms. Windham has over 13 years experience serving clients in the agriculture industry, as well as clients in the construction and real estate industries. She has experience in accounting, attest and tax, engagements for a wide variety of clientele, including family owned businesses.

A graduate of Wofford College, with a B.A. in Accounting, Ms. Windham is a member of numerous associations including the American Institute of Certified Public Accountants and the SC Association of Certified Public Accountants.



**Steven Odom** is Vice President over production for Manchester Farms, a 40-year old second generation, vertically integrated quail processing company located in Sumter, SC.

Mr. Odom, a Clemson University graduate, began his career at Carolina Golden Products (Gold Kist) in Sumter as a processing supervisor. He began working at Manchester Farms in 1992. He and his sister purchased Manchester Farms from their parents in 2009.

Active in several organizations, Mr. Odom has served on the board of the SC Poultry Federation for the past 18 years and is a past Chairman.

## Infrastructure cont. from pg. 1

**Other** infrastructure-related bills that have been introduced in addition to H.3412 (sponsored by Speaker Bobby Harrell), include bill S. 411, sponsored by Senator Nikki Setzler, which provides for state bonds to be used to finance county transportation infrastructure. Another bill, H. 3645, (sponsored by Rep. Tommy Stringer) ties the state's fuel tax to inflation with indexing.

**Although PABC** does not endorse any one funding method, we are encouraged to see legislators reviewing the different mechanisms to find a solution to fix South Carolina's roads and bridges.