

PABC Journal



SOUTH CAROLINA FORESTRY INDUSTRY POSITIONED FOR SIGNIFICANT GROWTH

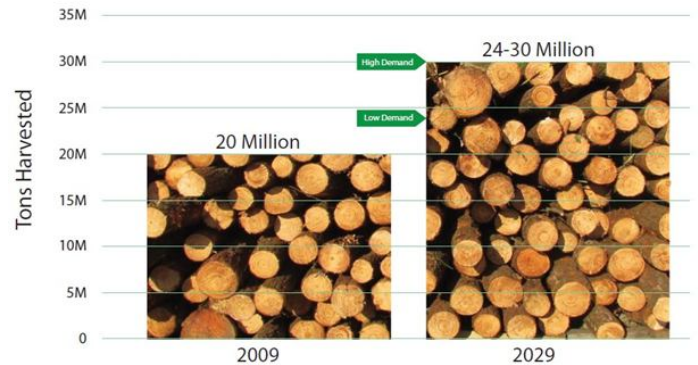
The forestry industry in South Carolina is positioned for significant growth in the decades ahead, according to a study conducted by nationally prominent forestry expert Dr. Robert Abt of North Carolina State University.

Much of the supply of large pine roundtop (trees used for sawtimber) is already in the ground and ready for harvest. Growers have largely been holding that inventory during

the economic recession due to lower demand and depressed prices. As the economy recovers, both demand and

(Cont. on pg. 3, see Forestry)

Total Wood Harvest in South Carolina



Source: South Carolina's Forest Resource Outlook; a Study by Dr. Robert Abt, NC State University, 2013

A diverse group of forestry professionals from manufacturing, timber growing, private forestry consultants and governmental bodies participated in the study. This committee, known as the "20/15 Forestry Resource Committee," projected that an additional 4-8 million tons of wood will be harvested above South Carolina's current annual total of more than 20 million tons, an increase of 20% to 40% by 2020.



It's time for ArborOne Farm Credit's third annual Aim-At-Ag Sporting Clays Tournament, October 26 at Black River Sporting Clays. This grassroots event was conceived by a group of employees at ArborOne and now ranks as one of the state's highest single contributions to the SC Chapters of FFA and 4-H. For more information on sponsorships or registering for the tournament, call Charles Vernon – 843-432-2340 or email: cvernon@arborone.com

PABC BOARD MEETING

November 12, 2013

10:30 am

PABC Office

MAKING SMALL FARMS BIG BUSINESS STUDY COMPLETED

The SC Department of Agriculture (SCDA), SC Farm Bureau, the SC Department of Commerce, Grow Food, and Carolina Farm Stewardship have completed a study that includes a comprehensive agricultural economic assessment of opportunities in regional food hubs and value-added processing across South Carolina. Palmetto AgriBusiness Council (PABC) managed the project. This study is part of SCDA's strategic plan to increase the profitability of small farms in the state. "Making Small Farms into Big Business" is a plan for infrastructure investments to connect small farms in South Carolina to local markets.

Part of the study's findings included identifying the state's assets, which include plentiful land, adequate water supply and multiple growing seasons. Some of the issues identified include: demand for local foods exceed supply, more farmers are needed and regulatory barriers must be removed.

The study found that food production nodes are emerging across the state. The "nodes" will be created by clusters of farmers and food producers who are in very close proximity to each other and to their intended markets. South Carolina may be able to support 15-20 nodes in different parts of the state. A food production node differs from a food hub, which is more of a regional facility that focuses on distribution of local foods

(Cont. on pg. 3, see Small Farms)

New Signage to Make Finding SC Agritourism Destinations Easier

**By: Hugh Weathers
Commissioner
of Agriculture**

South Carolina is a great place to call home and fortunately you don't have to leave the state to find a lot of interesting and beautiful places to spend a day or even a week. Agritourism destinations are fast becoming popular choices for people of all ages.

Agritourism is any activity that brings people to farms, ranches and agricultural areas and helps them connect to agriculture. And there are a lot of agritourism activities in our state. Denver Downs Farms in the Upstate is a great example of agritourism. The farm's corn maze attracts people from all over each fall. If you head to the coast, another wonderful example is Boone Hall Plantation and its many activities and events throughout the year. These are so many other great examples of South Carolina Agritourism that are ready for you to explore, and finding those locations is about to get easier

The South Carolina General Assembly has approved legislation creating the Agritourism and Tourist Oriented Directional Signage Program, commonly referred to as the TODS program.

TODS is a program that

allows tourism and agritourism facilities to have directional signing placed in the highway right-of-way.

The program is a cooperative effort between the SC Department of Transportation (SCDOT), the SC Department of Parks, Recreation and Tourism (SCPRT) and the SC Department of Agriculture (SCDA). Designed to promote agritourism and tourist-oriented facilities in rural areas, the program provides directional signage from the closest primary route, a designated S.C. or U.S. route.

The SCDA and the SCPRT are responsible for promoting the program and screening businesses to ensure that they qualify to participate in the program. The screening process is referred to as "pre-approval." Deadline for the pre-approval application is October 30, 2013.

Because the backbone of the program revolves around highway signing, the SCDOT is tasked with overseeing the program and maintaining program regulations. The regulations were developed cooperatively by the three agencies and are in compliance with the Federal Highway Administration's Manual of Uniform Traffic Control Devices. SCDOT's authorized agent, South

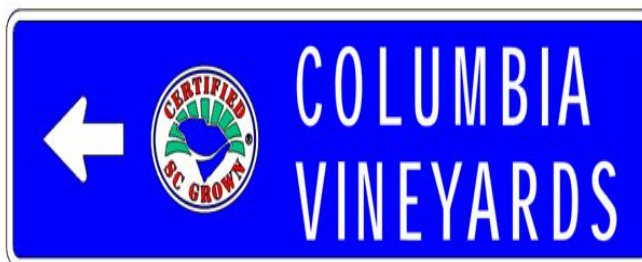
Carolina Logos, Inc., is responsible for administering the program and fabricating and installing all program signs. South Carolina Logos, Inc is the company that currently administers the logo signing program on interstate routes. Businesses must submit final applications to SCDOT after receiving pre-approval to participate in the program from the SCDA and SCPRT.

The final application is to be reviewed and approved or rejected by the TODS program oversight committee as required by the South Carolina Code of

Laws. SCDOT serves as chair of the oversight committee and forwards all approved applications to South Carolina Logos, Inc. to initiate the program participation process.

For more information on program regulations and the application process, visit: <http://www.agriculturesc.gov> and look under Hot Topics.

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The above signs are examples for providing direction to agritourism and tourism destinations.

PABC to Continue Focus on Infrastructure

As Palmetto AgriBusiness Council gears up for 2014, infrastructure will once again be a part of the legislative focus.

Working collaboratively with other agribusinesses and business organizations, PABC participated in an initiative to secure funding to fix South Carolina's highway system. Partners in the initiative included the SC Alliance to Fix Our Roads, SC Farm Bureau, SC Forestry Association, SC Manufacturers Alliance, SC Chamber of Commerce, SC Trucking Association and Carolinas AGC SC and others. Almost \$600 million was approved in this

past session, with the passage of Highway Funding legislation that provides for the \$50 million in recurring general revenues that would allow up to \$500 million in bonding, which will be used to help several major interstate projects. Also, included in the legislation was the transfer of vehicle sales tax recurring revenue of \$41.4 million that will be used for Non-Federal Aid Highway Fund (rural roads which do not qualify for federal aid) to be used exclusively for highway, road and bridge maintenance, as well as up to \$50 million in funding for bridges which is included in the General

Appropriations bill. According to PABC Executive Director Cathy Novinger there is still work to do. "We commend the General Assembly and Governor Haley for approving this essential funding for roads and bridges," she said. "But now we need to address how to meet additional infrastructure needs."

Novinger was part of a panel at the SC Alliance to Fix Our Roads annual meeting held in September. The meeting brought together businesses and organizations who support infrastructure funding, as well as legislators who spoke on the issue.

Small Farms

(cont. from pg. 1)

for larger markets, such as restaurants, grocery stores or wholesalers. SC may have the potential for as many as four food hubs: the existing Grow Food Carolina near Charleston, and others in the Greenville/Spartanburg region, near Columbia, near Florence, or in Horry County.

PABC President Jack Shuler commented, "Our next steps will be to develop strategies for implementation of the study's recommendations. By increasing the production and profitability of our farmers, we can create jobs and investment in our rural communities."

To view the study, go to: <http://www.crcworks.org/scfood.pdf>

Forestry Growth (cont. from pg. 1)

prices are expected to rise, creating incentives to harvest standing timber and, ultimately, to replant with new seedlings.

Significant tree planting in South Carolina would be the first such occurrence of the 21st century, as seedling planting in the state over the past decade is down 75% from the levels of the 1980s. The Forestry Commission launched a promising campaign entitled "Grow Some Green" in 2007. The program was undercut by the dramatic downturn in home building, a casualty of the recession the following year.

As the housing industry and general construction rebound, harvesting of large-diameter

pine (sawtimber) and replanting are expected to resume and even increase.

Small pine roundwood (trees used for pulp, paper and pellets) demand didn't decrease during the recession and, in fact, remained strong. This demand and reduced tree planting have reduced the historic supply of small-diameter pines. With that market scenario expected to continue, opportunities to plant and harvest small pine for the near future will expand.

In addition to projected growth over the long-term, the study found the short-term prospects of the forest industry in South Carolina brighter as well. Looking to the end of the current decade, the study

between 2.4 million and 4.0 million tons of small pine roundwood and additional demand between 1.6 and 4.0 million tons of large pine by the year 2020.

Commenting on the study, South Carolina State Forester Gene Kodama said, "South Carolina's forest industry and forests are critical to the state's economic and environmental health. We are excited to see that the study shows increased total wood availability for many years to come."

The study is the latest step for the "20/15 Project", a cooperative venture among the Forestry Commission, the SC Forestry Association and partners. The project is designed to grow the state's forest industry to \$20 billion in annual

economic impact by the year 2015. A report issued in 2008 showed a strong industry with a \$17.4 billion impact, making it the state's leading manufacturing sector in terms of jobs and payroll.

"The state's forests are primarily owned by private landowners. The wood they produce is critical to retaining and growing the industry and its job numbers and maintaining the working forest landscape," Kodama added.

The goal of the new study was to develop overall wood supply projections for South Carolina that would help identify opportunities to meet the goals of the 20/15 project. The study wasn't designed to address specific economic development projects.

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A Publication of Palmetto Agribusiness Council

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Cathy B. Novinger, Executive Director

Thanks to the sponsors of our Harvest Concert at the State Fair this year, we enjoyed a successful event featuring The Band Perry. This provided an excellent opportunity to showcase South Carolina agribusiness.



SC DEPARTMENT OF AGRICULTURE

ADVOCATES FOR AGRICULTURE

GrowthSpring Group, Dow AgroSciences Join Palmetto AgriBusiness Council



David G. Lund, President, of GrowthSpring Group, has joined PABC as an Associate member.

GrowthSpring Group is a strategic growth and marketing innovation firm that helps clients accelerate sales and profit growth. The company also helps clients identify and implement new business insights, opportunities, winning strategies and plans.

David is a growth strategy consultant with over 25 years of

experience working for Fortune 500 companies in marketing and innovation leadership. While working for Chiquita Brands for 12 years, David worked in leadership of multinational marketing and product development teams. He ran the specialty banana business from farm to market including the development of Chiquita Fresh-Cut Fruit. David is a co-inventor for extended freshness packaging and continues work with his partners on improving produce supply chains, produce merchandising, packaging and new value-added products.

David has worked directly with over 50 retailer headquarters to develop new strategies and build business. He brings a passion for growing fresh produce and value-added produce businesses to PABC.

He holds a Bachelor of Science

in Management from Purdue University and earned his MBA at the University of Virginia's Darden School of Business Administration.

David lives in Lexington, SC and serves on the Executive Board of the Indian Waters Council with the Boy Scouts of America.

DOW AGROSCIENCES

Megan Provost, State Affairs Manager for Dow AgroSciences, has joined PABC as an Executive member.

Dow AgroSciences provides a variety of products and services to meet the needs of their customers. Their research with strategic partners is bringing breakthrough and sustainable solutions in the industry such as innovative hybrids and seed varieties, crop-enhancing traits, crop protection products, post-harvest protection, residential pest control, and healthy oils.

In her role, Megan supports the Southeast and Eastern Seaboard including the entire Dow AgroSciences portfolio with key stakeholders in the state, state level commodity organizations, trade organizations, agriculture departments and other government entities. She is a member of the U.S. government affairs team and works across the regulatory, commercial, food chain and research and development functions to support registrations and public acceptance of new and existing Dow AgroSciences technology.

Before joining DAS, Megan served as a senior legislative assistant to Senator Richard G. Lugar, and held previous roles at the National Grain and Feed Association, the U.S. Department of Agriculture's Foreign Agricultural Service and the American Farm Bureau Federation. Megan is a graduate of Oklahoma State University, and holds a law degree from The George Washington University Law School. She and her husband reside in D.C.