

Short California Crop But a Good Season

Several handlers agreed that this year's California crop, though short, offers a nice blueprint for successful marketing in the future, regardless of the size of the crop.

Speaking on June 1, Bob Lucy, a principal at Del Rey Avocado Co., Fallbrook, CA, said about two-thirds of the crop had been marketed by that date this year compared to only half the previous year. Del Rey provided California avocados for some Super Bowl promotions and also sold significant volume in February and March. That did not happen in 2014 but Lucy said during a typical year California fruit can and should be harvested for sale during the late winter and early spring months. It is a time when California's fruit is at an acceptable maturity level for many growers.

Rankin McDaniel of McDaniel Fruit Co., also headquartered in Fallbrook, was very complimentary of the marketing efforts of the California Avocado Commission in 2015. "California avocados have done very well this year," he said in late May. "We are very pleased with the marketing of avocados and the overall growth of the commodity. CAC has done a marvelous job and created great demand for California fruit."



He noted that prices have remained very consistent even though volume was often at 40 million pounds per week – an unimaginable number just a decade ago. He said as California competes against Peru and Mexico in the late spring and early summer time frame, the California fruit should command a premium price in the marketplace. He predicted a three tier pricing system, which was

already occurring as Peru entered the market with its first fruit.

Matthew Clark of Eco Farms believes California avocados will keep their premium price throughout the summer aided by the shortness of the crop. He noted that the original estimate of 327 million pounds for Golden State fruit had been adjusted downward to 283 million pounds in late May. "And we don't think we are



going to reach that.” He said ECO Farms believes the crop will end up in the 250-265 million pound range.

Dana Thomas, president of Index Fresh, Bloomington, CA, also marveled at the consistent price that has been the order of the day this year. “It has been a nice consistent market,” he said. “Amazingly consistent. Prices have been consistently high and there hasn’t been a lot of ups and downs,” he said of the market price for California fruit.

Thomas said overall demand for avocados continues to rise and he is very bullish on the future of the market for all points of origin. He noted that 20 years ago he believed there was tremendous potential for increased sales, and he still believes that, even though sales have tripled in those two decades. “I’m still a big avocado booster,” he said.

The 2015-16 Crop

Looking ahead, handlers are cautiously optimistic that there will be a lot more California fruit next year than this year. The early bloom was good and there also has been a late bloom in many areas. While a heat wave did impact the bloom in

San Diego County, Lucy said San Diego should still have a very good crop next year, but probably not a record setter. He is hopeful that the San Luis Obispo area and its Morro Bay region also will have good supplies next year. The Del Rey executive said that for cultural reasons that region has quite possibly the best tasting avocado that is produced anywhere, yet supplies have been down two years in a row because of lack of water. For the most part, Morro Bay growers rely on well water and during the California drought many have seen their production fall dramatically because of lack of water. “It’s all about water,” he said. “There is good bloom for next year and hopefully an El Niño can kick in and replenish the wells.”

Thomas of Index agreed that there has been a very good bloom this spring, which has the potential of creating “a better crop than we have seen for the last two years.” But he cautioned that there are a lot of environmental factors that have to play out over the next six months before the 2015-2016 crop is made. “Water is going to continue to be a big issue,” he said.

After two straight years of California crops that were around

the 500 million pound figure in 2012 and 2013, the last two years have produced 40 percent fewer avocados with crops in the 300 million pound neighborhood. And, in fact, as noted earlier, some don’t expect this year’s crop to even hit the revised estimate of 283 million pounds.

However, there is reason for optimism as the wish for El Niño conditions is not just idle chatter. The spring has seen torrential rains in the lower Midwest and Texas caused by the El Niño effects, which is the result of specific combinations of Pacific Ocean water temperature and high pressure climatic conditions. Climatologists say those conditions currently exist and there is an increasing chance that the result will be greater than normal rain in California and the West Coast in the 2015/16 rain season. The latest odds by climatologists predict a 70-80 percent chance that the conditions will persist through the summer and into the fall.

Some of these climatologists predicted the same thing last year, which did not materialize. Paul Roundy, a professor of atmospheric sciences at the University at Albany in New York, admits he thought there was an 80 percent chance of the El Niño developing last year and he sees the same strong possibilities this year. He notes that an 80 percent chance still means there is a 20 percent chance that the El Niño conditions present in the spring will not result in the expected increase in rain in the West in the fall. However, he stands by the prediction and says that if the conditions that existed in April and May persist through the summer, there is a very good chance significant rain will come this fall.

California avocado growers are among those hoping the odds truly play out in their favor. 🥑