

Message from the President



Tom Bellamore

A Time for Every Season

By the time you read this column, the 2013 California avocado season will be underway. At least we hope so. Although the commission's fiscal year begins November 1, the dominance of imported fruit in the market, weather conditions, and the desire to allow fruit to size generally keep growers sitting tight until after the Super Bowl. This year, Mexico shipped a record volume of fruit in the weeks leading up to the Super Bowl, and even though demand was strong, prices were just the opposite. Understandably, growers have been reluctant to pick into a weak market.

So here we are, in March, with a classic "chicken and egg" situation. Anticipating a large crop and a long selling season, the commission's consumer advertising program is pegged for an earlier-than-usual start; radio commercials will begin in California markets the third week in March, and merchandising, public relations, promotions and online marketing activities will commence even sooner. Usually, these programs are designed to maintain momentum as the volume of California fruit builds. But the volume has been noticeably slow in coming for obvious reasons.

The commission and growers alike have been watching the season start with disappointment. We

all have a big hole to dig out of and seldom does market weakness dip so low or last so long. There is no reason to think, however, that the season is lost. Calls on key retail and foodservice accounts have been taking place since late last year, and the trade is eagerly awaiting the arrival of California fruit. The consistency and quality that our brand is known for promises to be a breath of fresh air to retailers and foodservice operators, many of whom have been less than satisfied with the recent performance of the imported supply. Combine this with the "pull" generated by the early marketing effort, and the market should be poised for price recovery. Here is the dilemma: without volume, that recovery may be prolonged, and without recovery, growers wait. Hence the chicken and egg analogy.

Lessons learned from the annals of prior seasons tell us that—at some point—it is possible to lose money waiting for a rising market. The loss may happen later, sometimes much later, but it can occur all the same. The 500 million pound Hass avocado crop presently on the trees in California will, inevitably, have to move to market by late fall, in advance of the rising tide of imports. Further compression of that harvest period, by getting a late start when there is

a significant crop to move, would not bode well for strong, mid-season returns. The commission will be doing its part, once again using television advertising and promoting aggressively during the summer holiday period, but we cannot perform miracles.

There are other considerations, too, that come into play: tree health and labor availability for example. Trees heavily laden with fruit well into the season may be under duress that manifests itself as reduced production in the year following. When the labor supply is ample, growers have more flexibility in their harvest strategy. When labor is scarce, growers may not be able to properly time their harvest to market conditions, and returns may suffer.

Your commission management and staff remain optimistic about the weeks and months that lie ahead. Our marketing spend will be strong, and our programs varied and compelling. The rest is up to the industry's packers and growers. The time for *this* avocado season is *now*, and those early to market should be rewarded for providing what the trade is clamoring for...premium quality California avocados. If we all shared such resolve, there would be little doubt about when the 2013 season was to begin. 🥑