

CADO —THE AVOCADO HANDLERS ASSOCIATION

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The business of making money with avocados can be divided into two broad areas—growing and marketing.

The horticultural dimension of the avocado industry has progressed steadily for more than half a century. Growers have improved their production methods. Standard procedures exist in most areas of grove care. Disease controls are being sought constantly through programmed research. Horticultural objectives have remained fairly static over the years and steady progress has been made toward the realization of these objectives.

In its marketing dimension, the avocado industry is in a completely different situation. Marketing conditions have changed dramatically in the past fifteen years.

First, markets are closer to the supply in terms of time. Plentiful high speed transportation has created a "one-price" market from coast to coast. For large quantities of California avocados, the home market price—the Los Angeles price—is the base price in other major markets, to which little more than transportation costs can be added.

Second, there are fewer buyers. Mergers of stores and chains have put tremendous buying power in the hands of a few. Obviously, each buyer buys (or fails to buy) more than before. From a seller's point of view, each buyer is more important than ever. For avocados, there is a shrinking customer pool and as the number of buyers decreases, those remaining wield more organized buying power.

Third, organized avocado marketing power has not kept pace with the great increase of power in organized buying.

In the avocado industry, there has been an uncommon divergence of marketing philosophies. There have been few common meeting grounds for avocado sellers.

As the avocado industry matured, various sellers realized the need for a floor upon which common problems could be considered and discussed and eventually acted upon. This resulted ultimately in the formation of the California Avocado Development Organization, popular name: CADO.

The original purpose of CADO was to engage in industry-wide advertising and promotion. Its high, self-imposed goal was to secure approval by that number of avocado packers who move 90% of the fruit. Many handlers signed, but at the deadline two or three reluctants failed to give support. The final sign-up accounted for handlers who shipped 87% of the fruit and CADO narrowly failed in its first big effort. Immediately the industry petitioned the California Director of Agriculture for a marketing order to do

avocado advertising and promotion. For a short while, CADO became an organization with no reason for existence. At a CADO meeting called later to decide the fate of the organization, it was felt by several handlers that CADO should be kept alive as a sounding board for avocado handlers, a place to meet and discuss common problems. The early formational meetings of CADO had demonstrated the feasibility of cooperation between shippers.

Rules were changed to meet the needs of the new CADO, dues fixed new officers elected, possible projects outlined and a vigorous membership program begun.

As a result of this revitalization, CADO today numbers in its membership twenty handlers representing more than 90% of the industry's fruit. Its purpose is to deal with questions of general application in the California avocado industry and develop the industry in order that it may be conducted with the greatest efficiency and economy.

CADO's first appearance on the public scene was at the San Diego County Fair in July, 1961. Here, in conjunction with the San Diego County Farm Bureau, guacamole was served to visitors and thousands of recipe leaflets were distributed.

Following this successful project, a prize-winning exhibit at the Los Angeles County Fair was conducted and the infant CADO had demonstrated that in simple things at least, it could accomplish good for the industry.

Statistics and records of the total California avocado industry have been sadly lacking. Until CADO, there had been no industry-wide estimate of the total crop, no report of industry shipping figures, not even a completely accurate figure as to how much the industry produced each year!

The Chief of the California Crop and Livestock Reporting Service was invited to meet with CADO and his aid was sought in establishing an industry-wide avocado crop estimate program. Today, through that service and CADO's Industry Estimate Committee, industry figures are compiled.

CADO, through its own committee, working with the Federal-State Market News Service, established a continuing report of the quantity of fruit flowing to market each week. Such reports have long been standard procedure in most produce industries. Handlers send confidential weekly shipping reports to the News Service where they are totaled and published.

A third area of CADO's continuing activity is variety improvement. Working with the California Avocado Society on this important problem, regular studies are being made to learn retailer and consumer reactions to various avocado varieties. This information is publicized to growers, nurseries and farm groups to help determine the best commercial varieties to plant.

Medical research relating to the effects of avocados on body cholesterol, weight and nutrition, was one of the first areas investigated by CADO. Cost estimates were obtained from several hospitals and groups qualified to do such research. With the advent of the California Avocado Advisory Board, this information was turned over to that group's research committee where the necessary funds are more available. The CADO Medical Research Committee has been retained to work with the California Avocado Advisory Board Committee if requested.

CADO has initiated a long-needed study of the standard weight industry pack problem. In cooperation with the California Bureau of Fruit and Vegetable Standardization, a study is being pursued to determine actual market weights of various packs, shrinkage, tolerances and a system of packinghouse inspections.

CADO's Maturity Testing Committee has begun studies which may result in new and better methods of determining avocado maturity. New chemical and electronic procedures and new sampling methods hold hopes of improving the present oil-content technique.

Additional problems will come before CADO, the handler association. Although some will relate to horticulture aspects of the avocado industry, most will be in the more fluid, more demanding area of avocado marketing. Growers are realizing more and more the need for total marketing knowledge—what happens to their products from grove to consumer's dinner table—and the problems that must be solved if they are to operate profitably. CADO is the logical organization to deal with many industry problems that stand in the way of basic industry effectiveness. CADO's efforts are directed toward improvement of the California avocado industry. It deserves the support of all connected with that industry.