

How to Benefit From "Pre-Ripe"

Charles Oilman Henry—

President, Henry Avocado Company, Escondido, California.

I am glad to note I'm scheduled for the "Work Shop" portion of today's program. I hope I will be able to generate your enthusiasm for the "Ripe Program" to the level of mine. I trust you will ask many questions.

My topic today is, "how to benefit from pre-ripe." I would like to approach this from a grower standpoint.

For many years, you have heard the phrase, "Think retail." I am sure you interpreted this to mean "handle with care" or "don't throw in the culls" or some other obvious good business procedure. Now, let's really think retail, and we find that most of the time we are offering the consumer a product that is unusable when purchased. This is what the controlled ripening program is all about.

The need for improvement in the marketing of avocados is quite apparent. Grower losses, when production is over 400 million pounds per year, are quite evident.

Advertising and promotion can continue to build demand, but to improve grower returns with our rapidly increasing production, it will be too slow. We know that next year we must market some 12 to 15 million pounds every week. This translates to some 24 to 28 million avocados every week of the year.

Let's think retail.

To market this increasing volume, the avocado must be changed to a convenience item. The customer must be able to use it when they want it. The avocado must become as easy to use as the banana, tomato, or any of its other competitors for the consumer dollar. The produce department now carries some 140 items, most of which can be used on the day of purchase. Avocados, as marketed today, are rarely usable on the day of purchase. When customers buy hard avocados, they do not buy again until the fruit they have has been consumed. Our industry must change the product we offer. We must offer fruit in a ready to eat condition to gain repeat sales faster. Well documented tests indicate we can sell twice as many avocados to existing users, if we offer ripe fruit.

The need is evident. The method is available. The tests are convincing. Now, we need the support of the packers and sales personnel and the demand of growers that their handler is offering "Control Ripened" avocados.

The use of ethylene gas in the ripening of avocados is not a recent discovery. Some twenty years ago, the Henry Avocado Company started a company known as "Frigid Foods." That company was in the business of quick freezing avocado pulp, slices, and half-shells, using the liquid nitrogen process we developed. A major problem then, as now, was the unevenness of the ripening process. We then, some 20 years ago, used

ethylene gas, and it helped; but the out-turn was still erratic and required several sortings to process only the ripe fruit. This inconsistency of ripening was primarily due to incorrect temperatures and improper air flow and venting techniques. The company was later sold to Calavo.

Some 25 years ago, the University of California, under the direction of Dr. Irv Eaks, began extensive and continuing research on the ripening of avocados using ethylene. Perhaps good grower returns at that time resulted in apathy toward that study, but the disastrous returns since 1981 have necessitated using all the research available to us in the marketing of avocados.

In 1982, Mr. Vic Tokar, who was familiar with the research done by Dr. Eaks, approached our company with the commercial applications of this research and what it could do for the avocado industry. Efforts were made in 1982 to get the stores to ripen their own avocados in the back rooms of the produce departments. This was quite unsuccessful, as the produce people did not have the time and the knowledge to ripen their own. During the summer of 1983, the members of the Marketing Committee of the California Avocado Commission requested the Commission to use a "hidden camera" approach and film the actions of avocado shoppers. We were told there was no money available for this project, so the effort was financed by the handlers and the Commission made the film. This film clearly demonstrated that countless sales were lost when ripe fruit was not offered. I, like most of you, already knew this was true; but the film was the catalyst that motivated the Henry Avocado Company to start the controlled ripening process.

We firmly believe the best interests of the California grower are served by the marketing of avocados in fresh form. Avocados used for oil, dog food, or frozen products can be produced in many countries and much cheaper than in California. Therefore, our emphasis is on "fresh form." We also recognized that convenience of usage would lead to increased velocity at retail levels.

In November of 1983 — just 11 months ago — with the guidance of Vic Tokar, we converted several large refrigerators to ripening rooms. In a ripening room, the fruit is brought, either up or down, to 68°F. It is held at 68° for 24 hours. During this stabilization period, it is very important to vent out the CO₂. At the end of the 24-hour period, ethylene gas at a concentration of approximately 100 parts per million is added for another 24 hours. Avocados produce a great amount of CO₂, and this must be vented out during the entire process. At the end of the processing period, the fruit will be in a firm state. If held at 68-70°, all of the fruit will be ready to eat in 48 hours. The normal procedure, however, is to refrigerate the fruit immediately after the control ripening process. Fruit held at 38-40° can be held about two weeks to allow for transit and storage. When the fruit is brought back to 70°, it will ripen in 48 hours.

The avocado naturally produces ethylene once it has started to ripen; therefore, the fruit is not being treated with any foreign or unnatural chemical. There is absolutely no difference between fruit treated with ethylene and those ripened in air, except that those treated with ethylene will all ripen at the same time. The ethylene merely acts as a catalyst to start the ripening process and prevents excessive moisture loss.

I mentioned we started Control Ripening in November 1983. We obviously started with

small volume, as the receivers were afraid all the fruit would get ripe too quickly. The advantages of the program were obvious to all, however. Chain stores knew that they could sell twice as many if the fruit was ready to eat. Doubling the volume should result in doubling the profit. Restaurant suppliers realized they would no longer have to ripen their own avocados and repack the fruit to deliver only fruit ready to use. Institutional buyers could now be confident that they would have fruit ready to use when they wanted it.

I have made countless trips, carrying samples of Control Ripened avocados to retail and institutional users to demonstrate the predictability and uniformity of controlled ripening. I would like to tell you of one experience. I went to Denver to call on Mr. Mike Aiton, produce director of the King Sooper stores. He had experimented with ripening avocados in banana rooms. His experience was negative, probably due to not venting out the CO₂. Mike was well aware that he could sell many more avocados if the fruit was ready to eat.

I took two boxes of "control ripened" fruit. All fruit was firm and precooled. I asked him to put one box in the refrigerator for two weeks, and to leave the other on his desk at room temperature for 48 hours. I explained that all of the fruit in the box on his desk would be ripe and ready to eat at that time. The other box was to be removed from the refrigerator two weeks later and brought to room temperature, and 48 hours later all fruit in this box would be ready to eat. When I called back, Mike was so impressed with the uniformity and the predictability of the fruit he immediately ordered three full loads — that's over 5,000 lugs — for an ad. Mike was very diligent in instructing his receivers and all in-store personnel that a "new product" was coming, and how to handle it. The fruit was perfect on arrival, and was so well received by consumers that a fourth load was rushed to King Sooper. Some 6,720 lugs were sold in 63 stores in one week! The next time they went on ad, they took 5 loads, or 8,400 lugs. That's 130 lugs per store in a week, or over 18 lugs per day average. Needless to say, King Sooper loves Control Ripened avocados. They are selling more and making more money.

King Sooper is now owned by Kroger. Kroger nationwide is very interested in pre-ripened fruit. Safeway/Portland Division and the Sacramento Division are using ripened fruit now, and additional major divisions will start this season. Alpha Beta/Los Angeles Division started last May, and Albertson's in Los Angeles started in August. All report substantial sales increases, and the program is proceeding faster than I had dreamed possible.

The usage of existing banana ripening rooms will expand the effort enormously. The salesmen of Chiquita Banana ripening facilities now offer another usage for their rooms. Avocados can be ripened at destination with minimal training. We have a ripening facility ready in New Jersey, and several major chains throughout the country are preparing to ripen avocados in their banana rooms.

What can the grower do to expedite this effort? Urge or insist that your handler be actively involved in the controlled ripening of your fruit. Make every effort to deliver fresh fruit to your handler at approximately 65-70°. During hot weather, keep your fruit in the shade and cool it with a mister sprinkler arrangement. Work with your handler to supply him with the fruit he needs when he needs it.

What does all this mean to the grower? That through existing users, using significantly more avocados, our demand could once again exceed supply. This means higher prices for your avocados.