

THE PRESENT OUTLOOK FOR A COMMERCIAL AVOCADO INDUSTRY IN CALIFORNIA

Geo. B. Hodgkin

Reserving the privilege of altering my opinion in keeping with future conditions I will make so bold as to predict the future of the avocado industry in California as judged by present indications.

There is no reason for presuming that the history of the avocado industry will be fundamentally different from the histories of similar industries. I have therefore drawn on my personal experience in the raisin and citrus industries for my predictions. The raisin industry a few years ago soared to the *dizzy* height of 17c per pound, bringing on a great boom of planting, followed by a sharp depression of prices to less than the cost of production. Now the industry is just beginning to emerge from the slump, leaving behind it the marginal producers. The booms and depressions of the citrus industry have been followed by increased plantings in the one case and by the grubbing out or abandoning of groves in the other. Such experiences force upon one a realization of the impotency of the growers' frenzied argument that because it costs so much to produce a crop, the selling price must be sufficient to cover that cost. The only constructive effect that cost of production figures have ever had on prices of agricultural products is indirectly brought about by the greater solidarity and effort on the part of the growers in mending their marketing methods, that is, regulating supply and demand.

I have also observed rather closely the management of various types of growers organizations, and have come to realize very definitely that as manager of the organization, responsible for marketing the avocados, the task will be exceedingly unpleasant unless we succeed in returning profitable prices to the growers. With these experiences in mind I have viewed with the greatest apprehension the increased plantings of the past two years and what is much more important, the apparent wide spread interest in planting. Judging from the calls and letters received at our office everyone with a sick citrus tree is considering the advisability of replacing that tree with an avocado. Everyone with bare land is considering the possibility of planting it to avocados, and certainly many of the prospective purchasers of agricultural land in Southern California are considering avocados. It is a foregone conclusion that many of these plantings will be ill advised and even among the properly planted groves the laws of chance will render some fruitless but nevertheless, the increases in production must be great. Prospective avocado growers come to the office to discuss the industry and present their idea of profits based on one hundred trees per acre, three hundred fruits per tree and 50c per fruit, totaling \$15,000.00, which for the sake of conservatism they divide by four, leaving only \$3,750.00 per year, per acre! I do not attempt to direct them over a short cut to the industry but give them a list of reading matter, including the Association Annual Reports, Knowles Ryerson's Bulletin and Wilson Popenoe's book,

and advise them to visit all of the avocado growers from Santa Barbara to San Diego, then after several months of reading, visiting, talking, attending meetings and studying they will be in a position to consider the business of avocado growing. "But" ask most of these people, "can we, after going to all this trouble and expense be reasonably sure of making a profit out of avocados?" And my answer is always "Yes." It is yes for just one reason —the unparalleled spirit of intelligent, generous cooperation that exists among the avocado enthusiasts of California. To some of you that may appear to be a high sounding, vague reason for advising people to sink their money into an industry, but I will be more specific.

The first growers of avocados in California have been put to very great expense because of the necessity for experiments of every conceivable kind. Many of the first groves have been abandoned due to wrong location. Many are being topworked due to wrong varieties. And many are exceedingly expensive to care for due to wrong planting methods. Very few of them are really profitable even at present high prices.

The commercial planters of today will be able to produce avocados as cheaply as citrus fruits are produced if they utilize the information offered them. The avocado enthusiasts of California are unlike those interested in most industries and even unlike those interested in similar industries in other localities. They have experimented wisely and given generously the results of their experiments to the public. So the new planter can determine with reasonable accuracy where to plant as regards soil, moisture, drainage, weather and other requirements of the avocado. He can learn what varieties give the most promise generally and which are best adapted to his specific locality. He can purchase trees propagated from fairly reliable buds. And he can learn best how to plant and care for his trees. All these advantages are available to the new planter because of the cooperative spirit of the California Avocado enthusiasts, personified in the organization and functioning of the California Avocado Association. The meetings of the Association have fostered and guided the experiments. The reports of the Association have circulated and preserved the results.

Having thus brought his trees to the point of fruition the new planter is confronted with the problem of marketing. Some time before a marketing problem appeared to be imminent a number of far-sighted growers began to prepare for it. They raised a fund that was used for the organizing of the California Avocado Growers Exchange. Growers who had developed satisfactory private markets for their fruit and growers who were peddling their small crops in a market basket as well as the commercial producers, who had no particular market, joined the Exchange for the good of the industry and for the future, even though it might mean for them, a temporary sacrifice. As a matter of fact it was quickly demonstrated that the Exchange was not organized a moment too soon. Before it had gotten fully under way the market was flooded with fruit and it was two or three months before the Exchange was able to cope with the situation.

The second year of operations is far more productive of optimism than the first year. With approximately the same amount of fruit to sell the Exchange is maintaining twice the price of a year ago and instead of selling the great majority of fruit in Los Angeles with just a little in San Francisco and only a few pounds in the East, it is now selling about half of the fruit in the East, a fair amount in San Francisco and only a minor part in Los Angeles.

But don't for a moment be misled by this promising array of statements. What has been done is almost nothing as compared with what must be done in order to market the carloads of avocados that will be produced if these new groves planted and under consideration are to justify their existence. The Exchange is only an exceedingly adaptable tool, the power behind the tool is the loyalty and spirit of the members.

Here are just a few of the problems to be met—a comprehensive survey of all other avocado producing countries to determine their seasons of production so that we may grow varieties that will meet with the least competition on the market. We have been straining every effort to get varieties that will give us a year round production, especially production during the Fall months. Judging from the present indications we are most fortunate in not having found many good Fall varieties. The Fall will, I believe, prove less profitable than the late Winter and Spring.

We must perfect our packing and shipping methods so that the fruit will arrive in good condition.

We must establish packing houses throughout the producing districts and sales agents throughout the markets.

The next step must be an expensive advertising and sales campaign for which it is necessary to raise a large fund of money. People not familiar with the spirit of our growers find it hard to understand what would induce a man with just a few young trees or with perhaps a piece of land and some trees in prospect to sign up in the Exchange and pay the Exchange dues—but the membership includes many such growers and their dues help prepare the way for a future marketing campaign that will help to sell their fruit.

Nor does the spirit of cooperation stop with the growers. Many nursery-men realizing that their future prosperity depends on the prosperity of the industry have pledged five cents to the Association for every avocado tree they sell.

And what is still more difficult for outsiders to understand—a number of realtors have pledged one dollar per acre for all the avocado land they sell.

Ladies and gentlemen, that spirit cannot be downed. With it everything is possible and so long as it continues to exist the future of the California Avocado industry is assured.