

THE AVOCADO INDUSTRY — WHERE IS IT HEADED?

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In preparing this talk I dug out some old books to obtain information on the avocado industry since it started back in the early 1900's. To find out where we are headed, we should look at the past and the present for clues to direct us in the future. What were the problems? How were these problems worked on? What organizations were interested enough to start and develop this industry to its present form?

In 1910 a giant tree on the Prior Ranch in Escondido was the only avocado tree in San Diego County. In 1920 there were about 1,000 trees. In 1929 there were approximately 3,000 acres in the county. This upward trend of planting continued until the acreage today is approximately 15,000 acres in San Diego County. In other counties of the state, similar plantings were going on and the total for the state at the present is approximately 26,000 acres.

Let's take a look at the past. What were the problems facing the small group of interested growers in this budding industry? As with every new agricultural industry, one of the most pressing problems was the development of proper VARIETIES. Many trees were planted and at one time there were over 200 varieties to be marketed. Another problem facing this young industry was the MARKETING of the increasing crop. Did you know that in 1927 the estimated total crop for the state was 2½ million pounds? We are now moving 2½ to 3 millions pounds a week for the balance of the 1963-64 season. The ADVERTISING and promotion, as well as the distribution, of this new crop was confined to one group. How to grow the avocado was naturally an important problem. This meant finding out the best variety to plant, the best fertilizer program, the best irrigation practice, the best way to harvest the fruit, and many other CULTURAL problems that did not as yet have an answer. Establishing a MATURITY standard was of utmost importance. The industry definitely experienced GROWING PAINS.

At this point I should like to read a few statements from the 1929 California Avocado Association Yearbook. Quote: "The variety question and its solution is of extreme importance to the avocado industry. There is a great need in the industry for a variety that produces summer and fall fruit of the Fuerte quality and appearance. Everyone admits that a big problem in the avocado industry is to increase consumption. An avocado grower should work with marketing organizations in producing the kind of fruit that the market demands rather than hampering it by producing fruit of all colors, sizes, and shapes. The future development of the industry in California generally, and San Diego specifically, depends entirely upon the success the industry achieves in

increasing production; improving fruit quality; increasing the efficiency of production; and increasing the efficiency of marketing."—end of quote. Does this sound familiar?

Do you know how many organizations were working on behalf of the industry in this day? The California Avocado Association, Name later changed to California Avocado Society was formed in 1915 to help develop the industry. They set up various committees on varieties, cultural practices, and marketing. To market the increasing crop, the California Avocado Growers Exchange, a cooperative marketing organization, was formed in 1924. Soon afterward a few cash buyers began handling avocados. Farm Bureau was active in helping this industry get started. The research staff and Extension Service of the University of California were asked to work on cultural problems.

With this brief look at the past, let's take a closer look at the present. ADVERTISING and promotion should be considered a problem until we have saturated this country with the avocado story. Tremendous advances in the advertising and promoting of your product have been made during the last two years. The numbers of VARIETIES are being reduced, but there are many more which should be eliminated. The Fuerte, Hass, MacArthur, Rincon, and Bacon constitute 90 to 98% of the total volume of the industry. The other 150 or so varieties constitute between 2 and 10% of the volume. Within the industry, the Avocado Variety Improvement Committee was formed for the purpose of educating growers as to what varieties are no longer accepted by the trade. CULTURAL problems have been given increased attention and information continues to pile up on how to grow avocados, but we are still not at the end on this one. During the last few years the MARKETING groups have become better organized to work on the problems of handling and marketing the avocados but much more needs to be done. The MATURITY standard is still lacking after some forty years of work. FRUIT QUALITY at the retail and consumer level leaves much to be desired.

The avocado industry has grown! Bob Rock has summarized for you the industry's growth in acreage, production, and price returns. This growth was not an accident. Many organizations and people have been working for the development of the avocado industry. The list is long.

The California Avocado Advisory Board, your organization for promoting and advertising avocados; The California Avocado Development Organization, formed by packers to work on marketing and fruit handling problems; The Avocado Section of the Farm Bureau; The California Avocado Society serving the industry through its various committees, its grants of money to research, and its general interest in the development of the industry; Citavo, a relatively new organization working in behalf of growers dealing primarily with labor; The Agricultural Producers Labor Committee, also working on labor problems.

These then are the private groups serving the industry. What about the public service organizations? The State Department of Agriculture, through its various departments is making market reports, market surveys, crop estimate reports, and inspections. The Agricultural Commissioner's Office which works locally on fruit inspection, quarantine, pest control and on many other aspects in protecting agriculture under the Agricultural Code. The Federal State Market News Service, USDA, has been compiling market reports on your fruit. Their weekly reports tell where, when, and how your fruit is

marketed and distributed, and the prices received. The Soil Conservation Service, with local offices to provide help to growers. The University of California, through its research stations and Extension Service, provides research and education on industry problems, both production and marketing. With all this work going on, what do we have to show for it? Let's summarize.

Whether you agree or not, there is improved relationships and better understanding within the industry today. More harmony. For the first time in the history of the industry we have available more marketing information concerning the amount of fruit handled by variety, where shipped, and price received. Research is being carried on in practically every cultural practice and most post-harvest operations. An outstanding advertising and promotional program has been in effect for two years, and the country is becoming well acquainted with the avocado fruit. Surveys of retail markets tell how your fruit arrives, what; the quality is, with suggestions on how to improve the handling of the fruit. Consumer education is being carried on. This not only includes the housewife, but the retail store operator. This, then, is generally what we have today.

What about the future? We still have a list of problems and I would like to briefly review those with you. With the good advertising program now being carried out, the quality of fruit placed on the retail stand must be tops. If we continue to spend money on advertising and selling the public on using avocados, we had better be sure the fruit put at their disposal is a quality worthy of the price they pay. The establishment of a reliable maturity standard is a must in the future. Included in the cultural problems are; (1) Reduce the number of varieties; (2) Develop two or three high and consistent producing varieties to cover the twelve months of the year; (3) Continue work on all phases of growing avocados, and (4) Increase production efficiency.

Work on the distribution of the avocado should continue. With nation-wide advertising, the demand for an avocado will make it necessary to have your fruit in more markets than they are at the present time. Marketing should ever occupy our thoughts so further efficiencies will result. This will provide better returns for the retailer, wholesaler, packer, and grower.

What about the organizations of the future? The California Avocado Advisory Board has been operating for two years and your recent vote showed that you want to continue this program of advertising and promotion for at least the next three years. The Board has done an outstanding job for you in reaching millions of people with the avocado story. The California Avocado Society will continue its work only as long as there is interest in its program and their work supported by interested growers. The California Avocado Development Organization continues to work on problems of fruit handling, containers, field operations, harvesting methods, market reports, accumulation of marketing data, and the ever-important maturity standard. Farm Bureau can be an excellent tool if growers would only support the Avocado Section in their county. This could be an active group. Where legislative action is needed on programs which would benefit the industry you have no other group that has as much state-wide and nation-wide influence with legislative bodies. Labor will be a problem of the future. Citavo and Agricultural Producers Labor Committee can be helpful in future labor programs. Around the room are displays from as many groups as were able to put one up. This is to let you know the work that is going on in behalf of the industry. My feeling has been that

too many growers either have not been told or have not been interested enough to find out what these various groups have been doing on their behalf. Various public organizations—Soil Conservation, U.S.D.A., Market News Service, Department of Agriculture, Agricultural Commissioner's Office, the University of California, and others, are only too eager to help you in making your industry more efficient and profitable. If you are efficient it will reflect in an improved product for the consumer at a price more people can afford to pay. In turn, it makes your endeavor profitable.

We have just reviewed the past, present, and future of the avocado industry. You are no doubt asking the question, "All right, what can we do, or more specifically, what can I do that I am not now doing that would be helpful to the industry?" Here are a few points I hope you will take home and think about. Let's not restrict our view to the production problems only. **GET THE TOTAL VIEW!**—that is, the production and marketing picture. How can this be done? **BE INFORMED.** Read the various publications that are available from private and public sources. This includes both cultural and marketing information. There are available market reports, research magazines, industry newsletters, cultural and marketing trade magazines, and numerous bulletins. By joining the Avocado Society, you automatically receive the Yearbook, a publication highly regarded throughout the world by growers and researchers alike. Get on the mailing list for various marketing reports and learn how to interpret a market report. By being informed you will have the knowledge that is necessary for good decisions. For instance, how and when to fertilize; how and when to irrigate; when to harvest; how to handle your fruit; what the market situation is; what is the market price; and so forth. The more information you have the better decisions you can make.

UNITY is a "must" in the avocado industry if we are to grow beyond the present boundaries. There must be cooperation among growers, packers, and retailers. Finally, **BE ACTIVE.** Join an organization, support it, offer it your ideas and suggestions. Do you know there are about 5,000 avocado growers of one degree or another? Active people are needed who are willing to cooperate and bring about the unity so greatly needed in the industry. The future of the avocado industry, then, is in your hands. The Avocado Industry—where is it headed?

We can go backward to a small insignificant industry, or we can stay at the present level, or we can go forward and become a **GIANT.** Production is increasing, the value of the crop is increasing, acreage will continue to increase as the industry is successful in returning a good price to the grower. No one person or group is responsible for a low price or a high price. Only by working together will we achieve the type of industry we want. We must all do this together. Will you be a **HAPPY AVOCADO GROWER** realizing a good return for your work and time, or a **SAD AVOCADO GROWER** with much work and poor returns. Which one will you be? Much will depend upon what you do in the years ahead. **IT'S UP TO YOU!**