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LOOKING AHEAD IN CALIFORNIA

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It is with regret that I must talk to you via airmail. Had it been physically possible I would at this moment be basking in your warm hospitality and equally inviting southern sun, which Florida and California share between them, practically to the exclusion of the rest of the world. The exceptions are rare indeed. Cold weather, I am told, is prevented from crossing the state line of Florida by wise and far-seeing legislation enacted many years ago. Rain is almost unknown in Southern California. Of course, my secretary cannot hear my dictation at the moment because of the thunder; the lightning has just put the lights out, and it is a question whether I shall be able to reach home this evening because it is reported that the roads have been washed out — however, rain is almost unknown in Southern California.

With the aid of a crystal-ball, a tome of past records of Calavo Growers, a look at weather reports for the next five years, and a clear insight into all future economic happenings, both domestic and foreign, I am going to tell you exactly what is in store for the California avocado industry and how its future relates to Florida.

The future is undoubtedly best guessed by attempting to project forward the trends of the past. In California, the trends of the past are found in the annual production record of Calavo Growers. Production has fluctuated so violently in the short history of the California industry that figures for any single season or comparisons of one crop with another do not yield an accurate story of the industry's growth and cooperative marketing record. Occasionally, one step up the production ladder has been followed by two steps backward, but the trend through the years since 1924 — Calavo's first year — has been steeply upward in the matter of increased crop yield. This is made graphic by dividing the first sixteen years of Calavo's marketing into four periods of four years. Each period contains at least one large crop — larger for that period — and all four periods show strikingly the growth in average annual production, regardless of seasonal fluctuation.

The first four years (1924 to 1927) are almost meaningless because only 31,300 flats were handled during the average year of the period. Those, of course, were the lavish days when growers received \$3.00 per flat (13 pounds net weight) net returns! Then in the next four-year period the annual average increased to 112,500 flats, or 3% times. Net returns to the growers were still "diamond-studded" — \$2.33 per flat.

With the 1930-31 crop it became apparent that the depression and the California avocado industry were here to stay. Both had donned their long pants, though the pants were a bit roomy at that time. The annual average production from 1931 to 1935 was over 430,000 flats, and the return to growers was 80c.

In the most recent four-year period (1935-1939), the average annual production was practically doubled over the previous period — 805,000 flats — but the net return to members was 81c per flat. In other words, the average returns per flat has not only been maintained but slightly increased over the previous four-year period, in the face of the great production increase. These average annual figures show that the cooperative growers have created increasing demand for their product without having to resort to elimination of part of their crops through prorates or similar programs; and that grower-returns have remained stable in the face of an average annual production increase probably unmatched by any other perishable agricultural commodity in this country!

This year, the 1939-40 crop begins the next four-year period. The current year is an "off-crop", once again demonstrating the phenomenon of alternate bearing which seems to be an obsession with the Fuerte, California's principal producer among the many varieties. This little peculiarity in fact is one of the greatest problems within the California industry today. It is one of the few major problems which hasn't been licked.

This erratic production is perhaps more clearly understood when compared with our biggest crop so far, which is the 1938-39 crop of close to a million-and-a-half flats. Taking that crop as 100%, we find that the 1933-34 crop was 18% as large, the 1934-35 crop was 70% as large, in 1935-36 it was only 38%, in 1936-37 it was 45%, then in 1937-38 it was back to 39%, and now this year we have only about half as great a crop as last year. Next year will be another "colossus", it appears, and if Florida is not too possessive with its half of the option on the sun, Calavo may produce two to two-and-a-half million flats next year, or nearly three times as much as this year.

Irregularity of production is probably the "No. 1 Deterrent" to profitable marketing. It very seriously complicates sales promotion and distribution. Not only is it expensive to expand a marketing organization to cope with a big crop, but with only a half-crop the next year, the promotion and market development cannot be taken full advantage of when a smaller succeeding crop confines distribution.

Nevertheless, the California industry has reached a plateau of relative stability so that the marketing methods of the past and the present, which have proved their ability to move the industry forward, can be held sound and competent to build in the future as in the past. The industry's economic problem is, as it has always been, dependent upon united, controlled and organized marketing under a central direction, with intensive advertising, consumer education, sales promotion, and market development. Size of the crops, great as they are and great as they threaten to be, need be no ogre when merchandising effort and monies are expended by all and together, rather than by some and apart. Combining the supplies of Florida, Cuba and California, the domestic annual avocado consumption per capita is still only one-quarter of one pound! The average American eats 1,440 pounds of food annually, 195 pounds of which is fruit. Surely there will be room in the future for more than a quarter of a pound of avocados.

Florida and California growers have passionate faith in their fruit. They believe, with all justification, that those Americans who do not have the opportunity to eat avocados, or have not yet been educated to their many virtues and are not daily enjoying them, are subjects of pity. And who has not heard the admission "At first the flavor of an avocado was quite a shock, but I've learned to love them."

The avocado is difficult to distribute and often hard to retail because of its perishability and its fleeting stage of ripeness. It is different to the taste of the uninitiated, and it requires a complimentary recipe presentation, but more people every day are learning to like the flavor of the avocado, to know when it is ready to eat, to learn of its nutritional and dietetic benefits, and to know how best to serve the fruit. It is the avocado grower's business, whether he be in Florida or California, to accelerate the number of daily converts to his product, and to work toward that end for the sake of his future.

One of the most remarkable relationships in agriculture today is the compatibility between Florida and California avocado growers and marketers. The two states have shared cultural problems for decades. The two states have divided sales territories for years. Calavo Growers has, through its eastern sales offices, been an important factor in the marketing of the Florida crop for a number of seasons. During the season when no Florida avocados are available, Calavos are shipped into the Florida area. Florida and California have worked incessantly and like one to protect themselves and each other against the destructive importation of Cuban avocados. This harmony and the promise of its continuation is one more, and not the least, point in favor of a bountiful future for the Florida and California avocado industries.