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THE CONCEPT, DUTIES, AND OPERATIONS OF THE FLORIDA AVOCADO AND LIME COMMISSION

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The Avocado and Lime Growers of Florida have not ridden the wave of general prosperity that has swept over the nation since World War II but have, on the contrary, been stranded on the reefs of poor returns and engulfed by the rising tide of high prices.

What are the reasons for this unhappy condition? First, there are two reasons beyond our control, about which we can do nothing.

A. High costs of labor, machinery, taxes and fertilizers.

B. Sharp increase in production—150,000-600,000 in 10 years. There are, however, three other factors militating against good prices about which we can do something and are doing it.

C. Lack of Quality Control.

Up until 1954 there had been little control over the quality of avocados and limes shipped to the consumer. There were few, if any, standards of grading. Much unattractive and scarred fruit was shipped to the markets and frequently immature fruit was picked by growers who were trying to beat their neighbors to the punch. In fact, it used to be said in Dade County that the quickest fruit ripeners were a high price or an approaching hurricane. Somehow, these two situations would cause the picking and shipping of a lot of immature fruit. When Madam housewife found that the Florida Avocados she bought would rot before ripening and her Florida Limes had no juice, she did not come back to get stung the second time.

Fruit was shipped in varying sized and shaped boxes, some of which were a few pounds short of the normal weight—this lack of standardization did not capture the goodwill of wholesaler and retailer, who, understandably, like to know how much of a commodity a container holds.

Both the trade and the consumer had become wary of these two potentially fine products and stayed away from them in droves. It became apparent by 1954 that these industries must take some drastic steps for improvement or else go under.

To overcome this handicap, the growers after several meetings, finally petitioned the Secretary of Agriculture to permit the formation of Marketing Agreements for these two fruits. After extensive hearings covering all matters concerning the industries, the Secretary put into effect an Avocado Marketing agreement in 1954 and a Lime Marketing Agreement in 1955.

These Agreements are administered by Committees of local persons prominent in the

industry. Their decisions in matters of grade, size, maturity standards and containers have the force of law and are enforced by the Federal-State Inspection Service. They have established an obligatory 42% juice content for all limes sold and have hiked the juice content to 46% for small limes, since juice is more difficult to squeeze out of the young small fruit.

For avocados they have established a picking schedule for each variety. The criteria for these schedules are a combination of picking dates, weight and sizes. For instance, no Lula Avocado may be picked before October 8 and it must have a minimum weight of 18 ounces and have a minimum diameter of 3-10/16 inches. Such regulations obviously complicate the life of the grower and some of them are not happy, but it does insure that fruit reaching the market will be mature. While all problems have not been solved yet, the Avocado and Lime Committees have set up much improved standards for our products and we have noted a much more receptive attitude by the trade than last year, and we hope it will be soon reflected in consumer demand.

D. Lack of Distribution and Pricing Policy.

The industry consists of about a dozen packers and shippers of significant volume. These outfits have their own distribution system which operates independently of the others. Many of these shippers may be flooding the market at City "A" while City "B" has no offering. But even worse is the fact that most of the fruit they handle is on a consignment basis from the growers so that the shipper has no real proprietary interest in the price. Thus the wholesale buyers play them off one against the other so that when the fruit is in good supply the price quickly plummets to the bottom.

It is easy for the growers to lay the blame for all these evils on the packers. However, under the present conditions of cut-throat competition, the packers are pretty much obligated to do what they are now doing. It is now up to the growers to assume command and to properly regulate the business to the advantage of all concerned. I believe that many packers would welcome such control but no one wishes to take the first step. This is not an easy matter to accomplish and it has not yet been solved. We have had the industry studied by a specialist in Farmer Cooperatives of the Department of Agriculture who may be able to help us set up some type of industry control, such as a posted price system to which the packer must adhere, as well as furnishing information on destination of shipments.

E. Lack of Public Acceptance.

Literally millions of U.S. citizens have never eaten nor even heard of avocados and limes, and many of those who are slightly familiar with them have only a limited knowledge of their versatility. Most people do not know that avocados may be mashed to make a versatile spread called guacamole, and that the fruit may be used not only in salads, but also in soups and even ice cream.

Many people think of limes as green lemons, and those who know what they are consider them only as a basis for a cooling drink and usually an alcoholic drink at that. Many do not realize the lime is at its best in iced-tea; should be used instead of vinegar in salads and also as a garnish for fish, seafood, steaks, chops, etc.

It is well known that this country, in normal years, produces all types of food in the

greatest possible abundance. It is only necessary to go into a supermarket and see the thousands of items displayed there to realize that no one housewife can buy them all. It is also well to remember that people can only consume so much food, no matter how much money they have, and the tendency now is for people to try to eat less and less. To look at the matter in its most elemental terms there is only so much stomach space in America and there are thousands and thousands of fresh, canned, precooked and frozen items trying desperately to get a share of that space.

The people of the country have, in the majority, gotten along quite happily without Florida Limes and are quite content with lemons. They know very little about avocados and not many housewives are going to risk 29 cents to buy a fruit which she does not know how to use unless the trade informs her. At the same time she is being bombarded all day long by the television, radio, newspapers and magazines to buy this and buy that. Many hundreds of products are attractively and gaudily packed so that she will be persuaded to put them in her basket. The competition is fierce for the customer's dollars. What can possibly lead us to believe that little known tropical fruits such as limes, avocados, mangos or lychees can possibly compete with those articles that are so frequently brought to the housewife's attention.

Many old time growers like to think of the good old days when they used to get a good price without advertising. In those days of the small grocery the proprietor, having invested in avocados or limes, would do a bit of selling to get his money back. Today no clerk sells anything in a supermarket. A merchant thinks of the square feet in his store in terms of dollars of sales per square foot, and he is insistent that what goes into those square feet will carry its share of the load. If it does not carry the load, it will be discontinued. And that is what has been happening in late years to avocados and limes. Outside of staples, only an advertised and promoted product can hope to make its way. And speaking of staples, even sugar, potatoes, pears, grapes and citrus are all being advertised today. It was for the purpose of letting the public know about Florida Avocados and Limes that the growers called for the creation of a body to tell the public the story about our fruits.

This brings us down to the main part of our talk—The Florida Avocado and Lime Commission.

Finally, in early 1955 the sentiment of the growers as expressed in various meetings was for a State Advertising Commission. Mr. Luther Chandler, one of the largest avocado and lime growers, assumed the initiative and had Mr. Counts Johnson of Tampa, a distinguished citrus lawyer, draw up a bill outlining the proposed law. Armed with this bill Mr. Chandler and myself descended on the legislature when the short two-month session was half over. The fact that we were able to squeeze the bill through the legislature at that late date is a latter day minor miracle and can be ascribed to Mr. Chandler's tireless energy and wide acquaintance throughout the State.

The bill was passed on the last day of the session in May. By the time the Governor signed the bill, appointed the members and by the time the Commission had held a few organizational meetings, hired a manager, heard advertising presentations, selected an advertising counsel, it was well into September. Also, the adoption of a market policy and preparation of collateral material took another six weeks so that we missed the

1955 lime season and barely got in on the 1955-56 avocado season.

The Commission's makeup is somewhat complicated but it is designed to give a proportional representation to Dade County on one side and to the upstate areas on the other. Also, it is designed to give predominance to growers but provides for strong representation by packers of fresh fruit and by processors in order that all elements of the business may have representation both functionally and geographically.

The Commission is a self-supporting agency and does not receive any funds whatsoever from the State or U.S. Government. The Commission levies a tax of 10 cents per 55 pound bushel on all avocados and limes sold, both fresh or processed. This amounts to about \$50,000 a year from each fruit. Administrative expenses cost about \$15,000 so there is about \$85,000 to spend each year for advertising, publicity and sales promotion.

We should define at this point what exactly is meant by "advertising" in its most narrow or technical sense. Advertising means the purchase of space or time in newspapers, magazines, billboards, radio and television, in busses, trade papers, etc. It provides a method whereby the public may read or hear our message in exactly the terms we wish it presented. We can control the time we wish it published or broadcast and we can control it geographically by proper selection of media. It is quite expensive. In the case of perishable commodities, I believe the results are not immediately apparent, but gradually build up as the cumulative impact of the repeated and repeated messages strike home.

The second method is publicity. Here we attempt to get information, news and pictures about our product printed or broadcast for free in the same media as above. Such publicity is obviously quite cheap since our only expense is the preparation of the material. The media prints it because they feel their readers will regard it as news or as desirable educational material. We have hired a publicity agency which writes background articles about limes or avocados; prepares luscious sounding and fully tested recipes and then takes beautiful art pictures of same in color and sends the results out to syndicates as material for the women's food pages in the magazines or newspapers. These activities can also be adapted to radio and television. Such elaborately prepared material is obviously beyond the means of the average women's page editor to prepare. She has to put something dramatic and exciting in the newspaper every day. If the article is well prepared and the subject timely, she will probably have it printed. However, such publicity is difficult to control as far as timing is concerned, and if our product is locally in poor supply, there is nothing to stop her from substituting something else in its place or publishing it when we have no fruit on the market.

Sales promotion is the last item and for a comparatively new commodity with little money, is probably the best.

Here we are trying to do two things. We are trying, first, to get our product into a maximum number of stores and in those particular stores we are trying to get the maximum display space and the maximum number of people to purchase our product immediately. This is generally called point-of-sale selling. Here we put a lot of effort into persuading the fresh produce manager of a chain store group to push our product in a

number of stores and to put in a mass display of our fruit. Accompanying the mass display are various kinds of posters, banners, streamers, bin cards, price cards, all designed to catch the purchaser's eye. What it is that causes people to buy at a mass display I don't know, but I do know that it sells merchandise. This kind of activity is comparatively cheap and gives immediate sales results which can be accurately determined. However, the store manager likes to have advertising support in the local newspapers and radio and may demand it as a part of the promotional agreement.

It is the policy of our Commission to put our maximum effort into the latter type activity. Grant Advertising, Inc., our advertising counsel, has taken on an extra man who is constantly working in the field with chain store managers and produce buyers. He attempts to interest a chain to cooperate in pushing our products in as many stores as possible. He arranges for displays and furnishes each store with a kit of promotional material. This type of activity is not easy. There is much competition for store space by all types of products; store indifference must be overcome and store personnel educated into the use of the product.

We also try to make our money go as far as possible by tying in with larger and stronger advertisers of companion products, such as liquor, tea and fish for limes, and salad oils and grapefruit sections for avocados. These larger outfits have more field men and a wider distribution set-up than we do, so that we get the benefit of their widespread facilities. We also try to get free radio and television time and to get local announcers to mention us favorably from time to time. We rent booths at various type trade conventions to get hotel and restaurants to use our products and also give away samples of frozen limeade and avocado at various public expositions such as the Home Show and at various convention functions.

Obviously, we do not have sufficient funds to cover the entire country so the Commission has made it a policy to try to capture the Florida market. Reasons for this are that it is cheaper and easier to organize a promotion close at home than at a distance and it is also easier to watch its progress. We understand that a very large percentage of the entire California avocado crop, well over 50%, is consumed in their own state. We wish to do the same here. Also, the amount of lemons sold in Florida is larger than the entire Florida lime crop. We hope to woo many Floridians from lemons over to the more tasty lime, and to make avocados a household word within the state.

We believe that we can capitalize on the patriotic and State pride of Florida to sell Florida Products. We also like Florida as a site for our efforts in that there are many hundred thousand tourists, if not millions, who come here during the winter. We wish to identify our fruits with exotic, glamorous Florida so that the tourist will ask for them while here, and demand them when he returns home. There are, of course, some difficulties in this theory. Restaurant operators, patriotism notwithstanding, run their places on a dollar and cents basis and are not interested in serving the fruits unless the customer asks for them. It is our problem to make the diner ask for limes and avocados. We also have difficulty in the bootlegging of uninspected and poor quality fruit in the local areas. By bootlegging the dealer escapes all taxes and inspection and can sell lower quality fruit for less. Thus such fruit advertised at absurdly low prices has a tendency to discourage the chains from handling legitimate fruit at profitable prices.

In developing the Florida Market we distribute our information and recipe booklets to County Home Demonstration Agents and to hundreds of Home Economic Teachers. We have asked the Florida Purchasing Board to utilize our fruits in preference to out-of-state products, and we intend to exploit the county governments as well.

This year, which is actually our first year, we started off with a statewide promotion of frozen limeade concentrate. We advertised twice weekly in seven newspapers in Miami, Tampa, Jacksonville and Orlando and had participating spots on 7 women's radio programs every day in these cities. We utilized the Winn-Dixie, Food Fair, Setzer, Public, A & P and B. & B. Stores. The promotion appeared to pay off as limeade sales were said to be considerably higher. Not only that, a new company, Realemon of Chicago, has bought a plant near Miami and has joined Libby, Minute-Maid, Par Ken and Donald Duck as processors of lime juice, not only for their own brands, but for the brands of many distant chains. We are happy to state that this year no limes were dumped—all that could not be sold as fresh fruit were put into juice and generally at higher prices than since 1953.

We ran a similar campaign in Florida for fresh limes during June and July. Our field man supervised many mass displays. We gave prizes for the best displays and many of them were very handsome indeed. Comments from various produce managers indicated they were pleased with the promotion.

We also made arrangements for a promotion with Mohican Stores of New York and New England—a seventy-store outfit. Mohican is a promotion minded chain and went all out on mass displays and tied in limes with their private label mayonnaise and tea. They also pushed limes in connection with lime meringue pie and featured these pies in their bakery department.

This comparatively small chain sold over 2000 bushels of fresh limes and 6,427 lime pies.

Many Mohican managers said that they scored record sales of tea and mayonnaise, thanks to limes. The Bethlehem, Pennsylvania store reported "We sold more limes in the past 4 weeks than we sold since the store was opened in 1936." Easton, Penna. stated "The Florida Lime Promotion was a honey."

Norwich, Conn.—"Lime Meringue pies make a really hot summer special." Having a record of a successful lime promotion behind us we feel we are now in a position to go to the big chains and ask for a lime promotion in several hundred stores. If the chain stores can be sure that limes will make them money, they will promote them for a limited period. We intend to use a number "of chains successively throughout next summer.

This fall we will have an avocado promotion going in about 300 stores of the Grand Union Chain in the Middle Atlantic Area during the week of November 12. A similar promotion will run in the Mohican Stores at the same time. We have also arranged for a three week promotion in about 250 stores of the Kroger Chain in Atlanta, Cincinnati and Chicago from the period November 29-December 15. And we contemplate doing a six week promotion on both fruits in Florida in December and January. We have managed to get limeade on the Army-Air Force Master Menu for the summer months next year and we intend to exploit this possibility to the utmost.

Since our Commission is a temporary one with only a two-year life, it will expire next June, unless the growers wish the activity continued. Our first two years have not all been success; we have made mistakes but we have learned from these mistakes. If we are continued, we will take over the promotional activity from our advertising counsel and will hire two or three field men to be constantly on the road plugging our products. We will advertise just enough to support these promotions and we shall do a thorough job in Florida but will not neglect the large population centers. We will do more to push our products in the hotel and restaurant trade and will step up tie-in activity with all products that are companionable with lime and avocados. This constant activity pointing out the uses of our fruit cannot in the long run help but to increase both the demand and the price for genuine Florida Avocados and Limes.