

Increased California Volume Expected on Back End

For a variety of reasons, the volume of California avocados shipped on a weekly basis during the first half of the season was a bit less than expected. Consequently, several handlers said the back end of the deal will be heavier than anticipated with good volume in August and enough supplies for targeted promotions even into September.

"We are definitely going to have California fruit in September," said Rob Wedin of Calavo Growers Inc., Santa Paula, CA. Speaking as May was coming to a close, he said the market for California fruit was strong and steady. He added that cooler spring temperatures were giving growers the ability to keep the fruit on the trees and many were taking advantage of that. Wedin noted that August and September of 2017 produced very high farm gate prices and growers might be eyeing another advantageous situation this year, albeit with prices a bit lower.

Giovanni Cavaletto of Index Fresh, Bloomington, CA, said the 2017/18 season appears to be headed for one of the longer seasons on record. "We picked some Hass in December, which was the first time we had done that in eight or 10 years." He added that some shipments from the most northern regions are expected to last into early October, making this a 10-month marketing season.

Cavaletto said Index is continuing its series of grower seminars in an

effort to help growers become more efficient and market their crop to their best advantage. The firm is holding these seminars three times a year with an emphasis on various cultural practices.

Cavaletto marveled at how well the market is reacting to much larger supplies this year. He said the run-up to Cinco de Mayo saw record numbers of avocados shipped and said June also was expected to produce a series of weeks with more than 65 million pounds sold each week. "And despite that, the market is strong and we are not seeing any major downward pressure on the price."

Another veteran of the California avocado industry, Jim Donovan of Mission Produce, echoed the sentiments of his colleagues. "California growers went into this season knowing they had a big crop and I believe most are pretty pleased with where we are at," he said in late May. "Overall the market is good and that is with a lot more supplies than last year."

He agreed that growers who are able to keep fruit on the tree for the August/September time slot should reap some rewards. Last year, there were some very high grove prices with \$2 per pound being topped at some points. Donovan does not believe the average price will be as high as last year but he said with the increased volume, most growers will do very well. He reasoned that Peru's volume will drop off significantly from mid-August on and Mexico

should not yet be shipping big numbers on the front end of its 2018/19 crop.

However, Donovan did caution against holding your fruit simply to cash in on higher prices. He said the field price has been solid all year and some growers just can't keep their fruit on the trees that long. There is always a trade off as pulling fruit off the tree early will help the growth of the following year's fruit.

Rankin McDaniel of McDaniel Fruit Co., Fallbrook, CA, said 2018 has been a good year for California growers if you consider the increased volume from many points of origin and gauge that against the prices growers are receiving. "For the most part, I'd say they are 'happy', not 'happy happy' but we've had a good pricing structure all season."

Speaking before the California Avocado Commission had released its mid-season estimate predicting about 360 million pounds for the season, McDaniel said he did not expect the industry to get to the 370 million pound level. "We'll come close but I don't think we will get there." He noted that the fires, wind and small fruit have combined to decrease total pounds this year from the pre-season estimate.

All the handlers said the bloom was relatively good for the 2018/19 crop but it was much too early to offer any type of guess with regard to next year's volume. 🍷