

2020

A new board was seated at the California Avocado Commission (CAC) in November 2019 and although many of the faces around the table were the same, there was no lingering in the past or resting on one's laurels. The 2019 season is over, and the prospects of 2020 are already having a sobering effect. Fortunately, the season's strong financial finish favorably positions the Commission to face the challenges ahead.

Top on the list of challenges is the Commission's job number one: marketing California avocados and promoting our brand. The board reviewed the results of a tracking study conducted this past autumn and the task ahead was made clear. The tracking research, based on a survey completed by a nationally representative consumer panel, is one of multiple measures designed to gauge the progress of our marketing efforts. This year, the research findings made everyone in the boardroom shift a little uncomfortably in their seats.

It should be no surprise, perhaps, that Mexico continues to make strides when consumers are asked where their avocados originate. The sheer volume of fruit imported from Mexico makes that rising awareness a predictable fact of life. Overall awareness of California Avocados is comparable to Avocados from Mexico, but Mexico as an origin

became more top-of-mind among the survey respondents over the past several years, likely due to Mexico's heavy advertising. Awareness of ads by Mexico rose significantly since 2016, and again, no wonder, since California is being outspent by Mexico on the order of ten to one.

The research held some bright spots, however, and specific findings are cause for optimism going forward. In California, consumers polled continue to show a strong preference for the home team—California avocados—by a wide margin over Mexico. California avocados are still perceived as being more premium than imports, and they stand out as the best tasting and highest quality, by far. Most importantly, while some Californians surveyed stated that California avocados are the most expensive, forty percent said they “are worth paying more for”. Freshness, appearance, texture, food safety and environmental factors all contribute to this sense of value.

Some degree of comfort can be derived from the fact that positive perceptions are strongest right here in our home state of California. With California on track to reach 44 million residents by 2025 (Public Policy Institute of California), it is not difficult to imagine being able to sell every single avocado grown in California just



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down the street. After all, California's per capita consumption of avocados is well above the national average, and even a 500 million-pound crop could disappear locally at the hands of hungry consumers. This has been an underlying tenet of our long-term strategy since 2012, and it is borne out in greater numbers, with respect to volume sold in California, nearly every year. This is why California consumers' “willingness to pay more,” as revealed in the research, is critical. Selling close to home also allows us to capitalize on freshness as a differentiator.

The new board also paused to acknowledge some of the non-marketing issues that must be reckoned with, directly or indirectly, in 2020. Among these are succession planning, the potential for product recalls, making the San Diego County Water Authority's Special Agricultural Water Rate permanent, negative publicity about avocados in general, and the next Commission referendum. There is little doubt that the board will have a busy year.

How 2020 unfolds, and the job the Commission does to keep the California Avocado brand prominently in front of loyal consumers will have some bearing on the CAC referendum scheduled to occur in early 2021. Between now and then, the new board, under the able leadership of Chairman John

Lamb, is committed to doing everything within its power to advance the California avocado industry for the benefit of you, the grower. Management is likewise committed to running an effective and accountable organization that is responsive to the needs of growers. As we

face 2020 together and size up what lies before us, board and management are up to the task. We believe that you are too – buoyed by the good returns of the 2019 season, and your continuing belief in the almost inexplicable magic of the California Avocado brand. 🥑

CALIFORNIA
IS AT OUR CORE

Local growers are the heart of our business and are core to our West Pak avocado family. We too are growers with deep roots in the community, so it's personal for us! That's why we're committed to re-investing in our collective future. With modern facilities, state-of-the-art technology, and decades of dedication and experience, we're here for you!

Let our grower roots help maximize your returns!
1-800-266-4414 or visit us at westpakavocado.com

Connect instantly with our field staff using our online chat feature

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To contact a CAC representative, please visit:
CaliforniaAvocadoGrowers.com/Commission/your-representatives