



CAC 2014 Annual Meetings

Vision 2025 Impact on Programs Explored

The California Avocado Commission (CAC) Annual Meetings were once again well attended with more than 250 industry stakeholders attending April 8 through April 10, 2014, in Fallbrook, Santa Paula and San Luis Obispo. While last year's meetings featured a panel discussion from retail and food service experts, this year management returned to a more typical format of reports from staff on Commission activities.

Each meeting began with a round of introductions, followed by President Tom Bellamore's review of how CAC's Vision 2025 is the impetus behind the Commission's marketing, production research, outreach and advocacy initiatives in an era of increasing competition, supply and demand for avocados.

Bellamore noted that per capita avocado consumption in the United States has now reached 5.4 pounds annually and usage has shifted to heavy and super heavy users, thus creating sufficient demand to absorb significant increases in

supply. That said, California's premium positioning remains a critical factor in differentiating the California avocado especially as the California avocado industry cannot compete on price. Bellamore discussed CAC's premium positioning marketing strategies that engage with and make an emotional connection with the consumer, as well as market the exclusivity of the California avocado. These strategies, he noted, are working: consumers think California avocados are premium (3:1) versus Mexico.

Bellamore concluded his presentation by introducing the California avocado on-fruit labeling initiative, a well-researched project to improve California branding right on the fruit and provide stronger connectivity between CAC's marketing activity and the avocados themselves. He explained that a variety of new California labels will begin to be applied by packers starting this season. This news was met with very favorable response by California avocado growers in attendance.

Marketing

Jan DeLyser, CAC's vice president of marketing, began her presentation with a look back at CAC's 2013 advertising efforts that communicated the "all avocados are NOT created equal" messaging. Building on that message, DeLyser showcased the new 2014 campaign that focuses on illustrating three key messages: California avocados are only available for a limited amount of time, in a limited geography and they take a unique journey to market. The samples clearly illustrated the contrast between the California positioning and that of "Avocados from Mexico."

DeLyser then highlighted current marketing initiatives scheduled for the 2014 season including avocado labeling, public relations, CAC's new blog, co-marketing, supermarket registered dietitians, food service and a summary of trade calls.

Industry Affairs

Ken Melban, CAC's director, issues management, shared the Commission's mission statement with attendees — and in light of CAC's industry affairs responsibilities to California avocado growers — placed special emphasis on the final three words: improving grower sustainability. Melban's presentation focused on the very issues that challenge California avocado industry sustainability — water pricing and availability, new product registrations, pursuing California access to new global markets, phytosanitary concerns, immigration reform and food safety — and the steps CAC has taken to address these issues on behalf of California growers.

He elaborated on the topic of food safety, noting that the Food Safety Modernization Act (FSMA) will require growers to demonstrate compliance with specific practices to mitigate risk. Although implementation of FSMA has been delayed until 2015, Melban noted the increasing importance retailers are currently placing on GAP certification.

Grower Outreach and Communications

CAC's industry affairs manager April Aymami shared plans for the Pine Tree Ranch demonstration grove and CAC's continuing efforts to provide growers with the latest information concerning cultural management best practices. It was noted that to-date the Commission had held two field days at the demonstration grove, with the inaugural event drawing more than 100 attendees to the Santa Paula property. Aymami encouraged growers to attend the June 26 field day which will focus on irrigation and water quality management, as well as feature new planting demonstrations. On the communications side, she advised attendees of the availability of the Commission's 2012-13 annual report and discussed the importance of the annual grower crop estimate survey.

Production Research

Dr. Tim Spann, CAC's research project manager, provided an overview of the Commission's Production Research program and funded projects designed to help growers face current and long-term challenges. Specifically Spann highlighted the following recently-concluded projects:

- In light of developing resistance to abamectin, Dr. Joe Morse, University of California Riverside (UCR) has developed efficacy data for and registered six pesticides to supplement abamectin for use in avocado thrips and perseá mite pest management.
- Dr. Frank Martin, of the U.S. Department of Agriculture lab in Salinas, is working on a system for better diagnosing Phytophthora.

Spann also updated attendees on the status of the polyphagous shot hole borer research and noted that the Commission was working with the California Department of Food and Agriculture to coordinate a task force to help tackle this issue. Lastly Spann covered the restructure of CAC's plant-breeding program to focus on developing rootstocks that are more resistant to Phytophthora and better adapted to salinity.

Tom Bellamore concluded the presentations and opened the floor to questions. At the three sessions, two topics took precedence for growers: the increasing competition presented by Mexico and questions concerning the need to become GAP certified.

In response to growers' concerns about Mexico, Bellamore reminded the audience about CAC's long involvement in federal rule making that focused on pest risks. From a regulatory perspective, the Mexican Avocado Import Program has essentially remained unchanged since 2007. As USDA now considers its next steps, it will be important to maintain the program's integrity and ensure that compliance with the necessary phytosanitary protocols is not compromised. This time around, Bellamore said, growers in Michoacan and growers in California have a shared interest in a staged approach to program expansion where access is achieved only after pest mitigation steps are well documented. No one wants the market disruption that could result from a poorly regulated systems approach for pest management.

As concerns GAP certification, Bellamore urged growers to be proactive for two major reasons. First, much of the imported avocado supply is already Global-GAP certified. Next, while there is currently a market for all California avocados, as retailers increasingly require GAP certification, those California avocado growers who are GAP certified will have a competitive edge over those who are not. He noted that those growers who are GAP certified will "be the first in line and other growers won't be ready." 