

## Strong Field Price Quickly Moves California Crop

**B**uoyed by a strong field price that rose sharply in March, the California avocado crop has moved from the groves to the packing shed and into commerce faster than handlers predicted in early spring.

“California fruit is moving much faster than we anticipated because of the much higher (field) prices,” said Ross Wileman, senior vice president of sales and marketing, Mission Produce Inc., Oxnard, CA. “The majority of the fruit will be gone by the end of July.”

Giovanni Cavaletto, vice president of operations, Index Fresh Inc., Bloomington, CA, echoed those sentiments: “The high prices are pulling the fruit off the tree,” he said in late May, adding that the strong pricing in early spring was unexpected.

By his calculations, California will have shipped 40 percent of its crop by the end of May, but Index will still have the ability to market significant volume in June, July and into August. Cavaletto said with the strong field price, there is no reason for growers to wait and expose their fruit to potential risk. He said theft, wind and heat could each play a role in reducing a grower’s on-tree crop. “Why risk it when the market is hot,” he said, predicting that a strong avocado market should remain in place at least through June. He said Mexico had dialed back its shipments, and In-

dex was estimating that there would be 6-8 percent less fruit on the market in June than there was last year.

Rob Wedin, vice president of fresh sales and marketing, Calavo Growers Inc., Santa Paula, CA, said this year’s small California crop (only estimated to be 175 million pounds) set the stage for strategic marketing. “We took the approach that since it was a really small crop, we weren’t going to pick any fruit at low prices.”

He noted that high field prices in April led to more picking than anticipated with about 20 percent of the volume coming off the trees in that month. That was followed by about 15 percent in May. Calavo anticipates marketing about 50 percent of its California volume in June and July with the final 15 percent coming off in August. He expects very little fruit in September and then only from the most northern groves in the state.

Besides the strong field prices, Wileman said many growers also were motivated by the heavy spring bloom. Growers, he said, wanted to get the fruit off the trees to make way for next year’s crop. But for the growers that are waiting a bit longer, Wileman said the market should remain strong. He said Mexico is on the downside of its volume and “we are seeing some quality issues as their season (2018/19) winds up. There

are more number 2s and more big fruit. We are seeing increased demand for the mid-range sized fruit.”

Estimating the 2020 crop is a tricky proposition. “I like to reserve judgment until after the 4<sup>th</sup> of July,” said Cavaletto, “but we sure have had a promising start.”

He said several positive factors point to a big bounce back year in 2020. In the first place, 2019 was clearly an off year so everything being equal, the alternate-season bearing tendencies of the avocado tree predict a heavy 2020. In addition, there was a heavy bloom and he said significant rain this year created “super healthy” trees and groves.

Wedin agreed. He labeled the spring bloom as “fantastic” and said even the trees scorched by the July heat last year appear to have bounced back, showing no signs of lasting tree damage.

One casualty of the light set this year has been the organic avocado supply situation. The market price was above \$70 per carton in May with no reason for it to come down at all. Wedin said organic supplies will be extremely tight for at least a couple of months. Mexico won’t have any organic fruit again until its new crop in July or August and California has few organic avocados because of the overall decline in volume. 🥑