

Tom Bellamore
President
California Avocado
Commission

PRESIDENT'S MESSAGE

Farming, like life, is a balancing act. You take the good with the bad, prepare for variables you can and cannot control, learn from your mistakes and move slowly, but steadily, along the tightrope path of the growing season.

As we walked our drought-stressed groves in November 2016, the prospect before us seemed grim — how would our short crop fare in an increasingly global market churning out avocados to meet demand in the United States? With furrowed brow, we faced the 2016-17 season.

And then the winter rains came. Our soils were leached of the salts they'd accumulated during five years of drought and our fruit began to size beyond our expectations. With a sizeable portion of our water cares alleviated, we took a step forward.

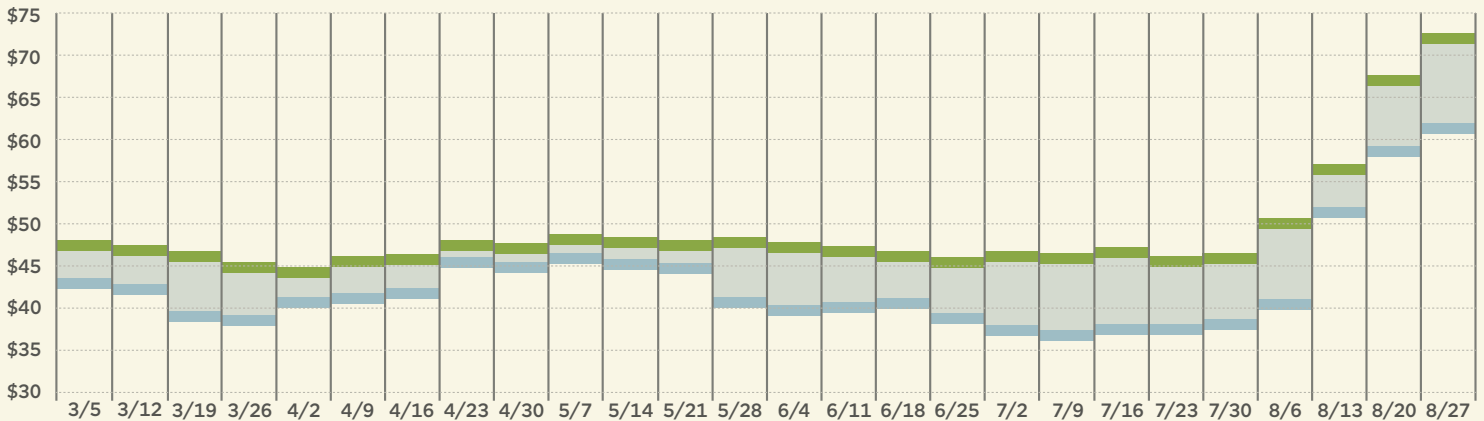
As the season progressed, however, avocado import volume stumbled due to a poor season in the southern hemisphere and late sizing. With average weekly

U.S. avocado consumption at 42 million pounds, demand consistently outpaced supply throughout the 2016-17 season. Surprisingly, what could have been a stumbling block was instead a launching pad. Price surges caused by the metrics of supply and demand lasted for an unprecedented five months and the season closed out with California avocados securing the highest average price per pound on record.

Our ability to secure a premium price isn't merely an accident. During the past few years, as social media and digital platforms began to revolutionize marketing, we adapted accordingly integrating traditional and non-traditional marketing strategies. The timing of this evolution has been fortuitous for the California Avocado Commission (CAC), as it has allowed us to shift the balance in favor of highly targetable, resource-efficient, nimble marketing strategies that reach our targeted consumers no matter where they are.

**FOB of avocados shipped within California by week
2017 California Season (March - August)**

■ CALIFORNIA ■ IMPORT



California avocados delivered higher FOB prices, when compared to imports, for every week of the 2017 California season.

Source: AMRIC Hass #1 Conventional (pounds) Mar-Aug 2017

“... we can magnify our presence,
make our voice heard
and connect one-on-one
with those who matter the most:
premium California avocado fans.”

**CALIFORNIA AVOCADO COMMISSION
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But fortuitous timing is only part of it. The Commission’s marketing team has — with undaunted reserves of ingenuity — sought and mastered every opportunity these new platforms present. Thanks to years of hard work we have an arsenal of precious tools at hand: a robust social media presence, highly recognizable marketing assets, a reputation as a trusted industry leader and long-established partnerships.

Through our tiered marketing programs we’ve firmly demonstrated to our partners that the California Avocados brand and our customized marketing strategies deliver reliable quality and value. What we lack in volume, we make up for in impact. And thus, in a short crop season plagued by supply issues, we remained relevant to our targeted retailers, foodservice operators and consumers while securing a premium price for our product.

Turns out, we’re pretty good at balancing along that tightrope thanks to years of preparation and plenty of trial and error. This year, the scales tipped in our favor; another year, they may not. But we have demonstrated we are here to stay. As small as we may be, we can utilize social media, digital and outreach opportunities to magnify our presence, make our voice heard and connect one-on-one with those who matter the most: premium California avocado fans.