



IN THIS ISSUE, YOU'LL FIND:

- [Reminder: Growers Encouraged to Complete Gibberellic Acid Survey](#)
- [USDA Coronavirus Food Assistance Program](#)
- [COVID-related Small Business Disaster Assistance Updates](#)
- [New COVID-19 Loan Program for Small and Medium-sized Businesses](#)
- [CAC's Tiered Account Program Aligns Supply with Marketing Resources to Optimize Retail Sales](#)
- [Marie Callender's Features Three California Avocado Menu Items on Limited Selection Menu](#)
- [Market Trends](#)
- [Crop Statistics](#)
- [Weather Outlook](#)

Calendar

For a listing of industry events and dates for the coming year, please visit:
<http://www.californiaavocadogrowers.com/commission/industry-calendar>

CAC Board Meeting

May 28

May 28

Time: TBD

Location: Web/Teleconference

Reminder: Growers Encouraged to Complete Gibberellic Acid Survey

In early 2018, the plant growth regulator gibberellic acid (GA) was, after many years of trialing, [approved for use on avocados](#) in California for the purpose of increasing fruit set and size. The registration for GA is a special local needs registration (SLN), and only the specific product named in the SLN — ProGibb LV Plus® from Valent BioSciences Corporation — can be used under the registration at this time. The SLN registration allows for one application of ProGibb LV Plus per year at the cauliflower stage of bloom. The product may be applied by air or ground.

The California Avocado Commission (CAC) is interested in learning about your experiences using ProGibb LV Plus, or why you have not used the product since it became available. As CAC works with Valent BioSciences toward a full label registration, there is the potential to make label modifications to allow for better utilization of the product. Thus, your input is critical to informing our efforts. In addition to being used in the full registration process, the aggregated results of this survey will be summarized in an article in an upcoming issue of From the Grove magazine; individual survey responses will be kept anonymous.

To participate, please [click here](#) to access the survey. Your time in responding to the survey is greatly appreciated.

USDA Coronavirus Food Assistance Program

On April 17, the U.S. Secretary of Agriculture Sonny Perdue [announced](#) the launch of the Coronavirus Food Assistance Program (CFAP) with \$19 billion in funds to assist farmers, ranchers and consumers during the COVID-19 pandemic. The program includes two elements. The first provides \$16 billion to provide funding support to producers and another \$3 billion will be allotted to the purchase of fresh produce, dairy and meat products for food banks.

The first program will provide direct support to farmers and ranchers for actual losses caused by COVID-19-related impacts on prices and market supply chains, as well as adjustment and marketing costs resulting from decreases in demand and short-term oversupply. Of that total, \$2.1 billion of aid has been set aside for specialty crop producers. To qualify, the producer must have experienced a 5 percent decrease between January and April.

Producers will receive a single payment. This payment will provide 85 percent compensation for losses that occurred from January 1 - April 15, 2020 and 30 percent compensation for losses expected from April 15 through the next two quarters. The payment limit is \$125,000 per commodity with an overall limit of \$250,000 per individual or entity.

USDA is working to expedite the rule-making process for this program. Once finalized, the California Avocado Commission (CAC) will provide information on how growers who believe they were impacted can apply.

The second program will be led by USDA's Agricultural Marketing Service which will work with vendors to distribute meat, produce and dairy items to food banks, community- and faith-based organizations and other non-profits who are providing food to those in need. The USDA will invite proposals from regional and local distributors impacted by the restaurant, hotel and food service closures and award contracts for the purchase of the agricultural products and delivery to non-profits. Distributors will be divided by regions and the USDA will provide a list of approved commodities based on food bank requests. Distributors will procure the products from growers/vendors, or in the case of avocados the handler. CAC will be working directly with the handler community to share details on how they can coordinate sale of avocados under this program.

COVID-related Small Business Disaster Assistance Updates

On April 24, a new bill was passed that provides additional funds for Small Business Administration programs that provide COVID-related disaster assistance for small businesses. The Paycheck Protection Program (PPP), which is designed to help small businesses keep their workforce on the payroll or to rehire workers, will receive an additional \$310 billion. The Economic Injury Disaster Loan (EIDL) program, which provides low-interest, long-term working capital to small businesses affected by COVID-19, will receive an additional \$50 billion of EIDL "loan subsidy" capital and \$10 billion in additional EIDL Advances. It should be noted that the new bill makes agricultural producers eligible for EIDL assistance.

When funds for these programs ran out last week, the loan portals were shut down. Both the PPP and EIDL portals will be re-opened this week.

If you already submitted a PPP application, it's recommended you check with your lender to be certain the application is complete. If your lender notifies you that your loan has an "SBA Loan Number" that means your loan has been approved and funds should be disbursed within 10 days of the approval.

If you have not yet applied for a PPP loan, your best course of action is to see if your existing banking institution provides PPP loans and, if so, apply through them. If your bank does not offer PPP loans, you can check this [online list of lenders eligible to offer PPP](#).

For more information about the PPP, growers can refer to the following:

- [Small Business Association PPP webpage](#)

- [U.S. Treasury Department PPP webpage](#)
- [PPP application form](#)

If you already applied for EIDL assistance on March 30 or later and you have an application number beginning with “3,” you do not need to do anything at this time. If you still need to apply for EIDL assistance, watch for the reopening of the [EIDL application portal](#). If you want to check the status of your EIDL application, call 1.800.659.2955 or email disastercustomerservice@sba.gov.

New COVID-19 Loan Program for Small and Medium-sized Businesses

To assist small and medium-sized businesses affected by COVID-19, the Federal Reserve has announced the rollout of a new lending program called the [Main Street Lending Program](#). This program will provide support for small and mid-sized businesses that were in good financial standing prior to the pandemic.

While the program does not offer loan forgiveness, it does offer favorable terms — including the deferment of principal and interest payments for one year — and will be delivered through local banks. The four-year loans will be available to companies employing up to 10,000 workers or with revenues less than \$2.5 billion.

Businesses that have taken advantage of the Paycheck Protection Program also may take out a Main Street loan. Businesses who take out these loans also must commit to making reasonable efforts to maintain payroll and retain workers.

For more information, view the [Federal Reserve’s recent press release](#).

CAC’s Tiered Account Program Aligns Supply with Marketing Resources to Optimize Retail Sales

The goal of the California Avocado Commission’s (CAC) Tiered Account Program, which is now in its fifth year, is to create alignment between supply and marketing resources, and encourage distribution where customers have demonstrated a preference for California avocados. At the end of each season, the Commission collects retailer-specific data as well as AMRIC data and then incorporates the information into a series of retailer report cards utilized by CAC’s retail marketing team to guide its retailer partnership decisions for the next season.

The process begins with the assemblage of IRI Point of Sales data — that includes volume, dollar sales and average price — and AMRIC data, including FOB pricing for California and imported fruit. This data is integrated with additional information including:

- Dates the retailer carried California avocados on the shelf
- Dates and details of in-store sales and promotional activities
- CAC-customized social media developed for specific retailers
- Retailer advertising showcasing avocados and California avocados

The data is then analyzed to determine:

- Best performing retailers carrying California avocados
- Retailers whose shoppers are willing to pay a premium for the fruit
- In-store retail price of California avocados in-season versus prior non-season and prior season
- California retail price versus price of imported fruit

- FOB price advantage for California versus imports

These insights are gathered into a report that is utilized by CAC staff to hone in on opportunities to increase retail sales and utilize marketing resources most effectively. Those retailers deemed “most likely to succeed” are categorized as Tier 1 retailers. Unique “report cards” are then developed for these targeted retailers illustrating key metrics that CAC would strive to achieve in the upcoming season.

CAC’s Retail Marketing Directors (RMDs) then meet with shipper/handlers to review the list of Tiered Account retailers and assess their potential based on crop size, location of the retailer’s stores and several other key business, sales and marketing attributes. Together, the RMDs and shipper/handlers finalize the list of priority retailers. The final step is to determine the level of sales and marketing support the Commission will provide each chain, keeping in mind that CAC and the shippers will adjust the marketing programs as needed to maximize the crop’s sales performance.

The Tiered Account program plays a critical role in helping the Commission plan the overall distribution of the crop by reviewing past California crop shipments within and outside the state. This data helps CAC focus its marketing resources on the regions and retailers with the greatest potential. Because the program helps measure the price premium received by California avocados, it also helps CAC demonstrate the value of the fruit to all stakeholders. By synchronizing shipments with marketing activities and monitoring and measuring the overall timing and performance of CAC’s marketing efforts, the Commission can better adjust activities and optimize performance during the season and going forward.

The Tiered Account program remains a powerful assessment tool as the industry continues to adapt to the realities of the COVID-19 pandemic. "This California avocado season the Commission continues to use our Tiered Account approach striving for an FOB premium. We are aware that consumer needs and shopping patterns have been disrupted by the coronavirus situation and continually monitor the situation," said Jan DeLyser, California Avocado Commission vice president marketing. "While it is too early to tell what effect this disruption will have on the California FOB premium trend, one bit of good news is the avocado category has experienced less volatility than other produce categories."

TARGET ACCOUNTS sit at the “sweet spot,” where supply, target consumers and marketing activities come together



By aligning retail distribution, consumer preference and retailers committed to supporting California avocados, the Commission can maximize its marketing activities.

Marie Callender’s Features Three California Avocado Menu Items on Limited Selection Menu

In March, 22 Marie Callender’s locations in California and Nevada featured three Take-Out/To-Go menu items that included fresh California avocados — *Southwest Avocado with Chicken or Shrimp Salad, Turkey Croissant Club with*

Avocado and Fresh Avocado and Shrimp Stack. All three items are promoted on the Lunch Combos, Pair & Share and The Daily Dish specialty menus, and the Southwest Avocado with Chicken or Shrimp Salad is offered on the Party Platters/Box Lunches menu.

Originally, Marie Callender's was slated to premiere a Crunchy BBQ Chicken Salad for its spring limited-time-offer menu. The promotion was to include California avocado-branded in-store "Spring into Marie's" point-of-purchase signage. With the state-wide COVID-19 "stay home" Executive Order in place, Marie Callender's pivoted to offer its guests a limited selection of their top-selling menu items.

To entice families to purchase a meal pack during the first couple of weeks of shelter-in-place, the chain paired their specialty menu with the offer of a free pie for every order over \$25.

MARIE-CLUB The club with deals as tempting as the food. *-Marie*

WELCOME TO MARIE-CLUB

We're so happy you've joined MariE-Club.

[Click here to save \\$5 off \\$20 now!](#)

Offers valid for a limited time only. Price and participation may vary per location.

Southwest Avocado Salad with Shrimp

Heartland Chicken Pot Pie

California Eggs Benedict

Banana Cream Pie

Marie Callender's
Restaurant & Bakery

Locations Menu Famous Pies Gift Cards Order Online

[f](#) [i](#) [t](#) [@](#)

Three fresh California avocado menu items are showcased on Marie Callender's specialty to-go menus.

California Market Trends

To view all market trend graphs, including “Weekly Volume Summary,” “Weekly Avocado Prices” and “U.S. Avocado Supply,” please visit: <http://www.californiaavocadogrowers.com/industry/market-statistics>.

California Avocado Society Weekly Newslines* Avocado Prices – April 29, 2020

	Conventional #1	Organic #1
California Hass	(Field Price Per Lb)	(Field Price Per Lb)
#32's	\$1.26 - \$1.34	\$1.56 - \$1.82
36's	\$1.26 - \$1.34	\$1.56 - \$1.82
40's	\$1.26 - \$1.34	\$1.56 - \$1.94
48's	\$1.26 - \$1.34	\$1.98 - \$2.08
60's	\$1.12 - \$1.24	\$1.72 - \$1.90
70's	\$0.66 - \$0.84	\$1.32 - \$1.52
84's	\$0.42 - \$0.52	\$0.56 - \$0.90

*To subscribe to the Weekly Newslines, please contact the California Avocado Society at (949) 940-8869 or www.CaliforniaAvocadoSociety.org.

California Avocado Commission Weekly Volume Summary (Pounds)

	Week Ending 4/26/2020	Season-to-Date (since 11/01/2019)	2020 Year to Date
Hass	17,440,550	103,733,605	103,707,363
Lamb	0	0	0
Other (Greens)	1,000	967,853	832,591
California Total	17,441,550	104,701,458	104,539,954
Florida	0	10,240,663	2,742,905
Chile	0	2,525,666	445,506
Mexico	53,786,114	1,160,063,832	749,578,998
Peru	0	140,000	140,000
Other (Imports)	330,000	28,460,000	20,020,000
Import Total	54,116,114	1,191,189,498	770,184,504
USA Total	71,557,664	1,306,131,619	877,467,363

Sources:

California = CAC (AMRIC)

Florida = Florida Avocado Admin Committee

Chile = Comité de Paltas, Chile

Mexico = APEAM

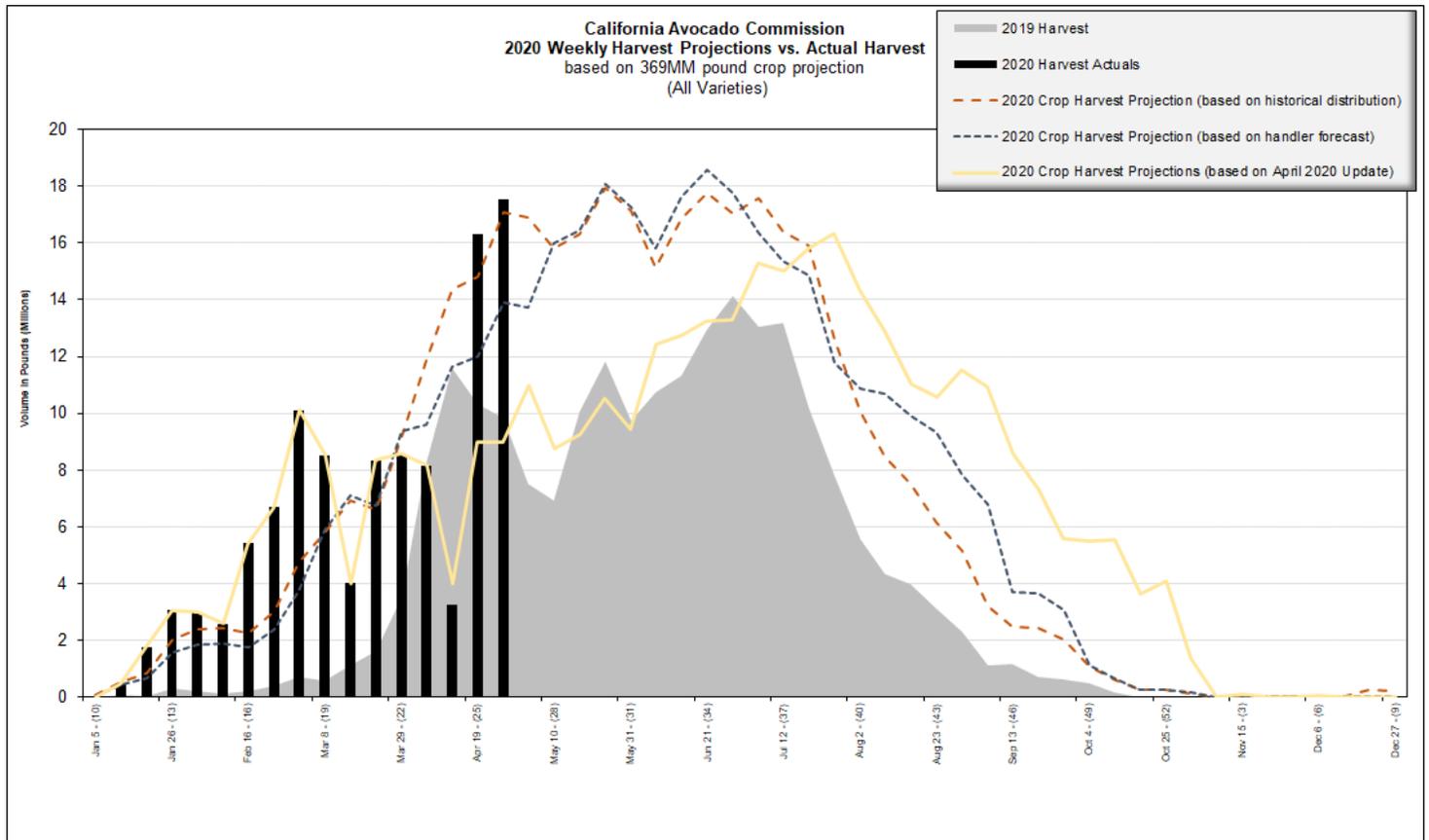
Peru = ProHass

Other Imports = USDA AMS website

Crop Statistics

In the last issue of the GS the Commission issued revised weekly harvest projections that attempted to forecast how market disruptions caused by the coronavirus pandemic might impact California fruit harvest over the course of the 2020 season. A variety of assumptions were used to build out that revised weekly forecast, details of which can be read [here](#), however, as seen in the chart below, California growers have defied all assumptions and exceeded revised projections by

nearly double the last two weeks. Interestingly enough, despite an early start to the season, where weekly harvest exceeded both 4-year and handler projections, California harvest is now currently tracking more closely to the 4-year historical harvest projections. The year-to-date harvest volume as of week ending 4/26/20 was approximately 108 million pounds, just three million pounds more than the 4-year projections of 105 million pounds, and weekly harvest has followed the 4-year trend line the past three weeks. As California finishes its third week of harvesting about three million pounds a day, the industry is watching markets very closely, as inventory levels continue to build. It has been reported that Cinco promotions are keeping fruit moving, but there is still uncertainty of whether the current level of shipments will be sustained following the promotion period. Market dynamics continue to shift daily and settle into some sort of normalcy, therefore CAC strongly encourages that growers maintain close communication with their grove managers and handlers to plan their harvest strategy to ensure orderly supply to market, minimizing market volatility.



Weather: 30-Day Outlook For California’s Coastal & Valley Areas

(April 21 – May 6)

Summary- The prevailing pattern is a high pressure ridge west of California 135W, and a quasi-stationary trough or upper low, around 145-151W.

We note a very late season appearance of *El Niño*, extending from the Ecuadorian coast westward to almost 130W. This late season activity may help to bring more rain to the far north coast and into Oregon. The *El Niño* is an energetic feature, and tends to overpower the contributions from IVTinit.

The MJO, was decreasing activity level from a maximum late last week. We have identified the 22nd as a day of precipitation. However it should be clarified that mainly scattered light showers are actually indicated. The rest of April is starting to appear more moist at times, thanks to the *El Niño* south of southern Mexico.

Support for troughing continues NNE of Hawaii, as shown by the IVTinit map. The CW3E forecast maps out 7 days focus on an atmospheric-river type system heading into the Oregon coast and far NW California. The IVTinit map continues support for weak troughing into SOCAL during the first part of May.

Potential Dates of Precipitation (from Fox Weather's CFSDAILYAI system):

Salinas Valley-San Luis Obispo Co- S SierraNV - (Rains and Mountain Snows):

Central-S Sierra: 4/22, 5/4-5, 5/13-14

Salinas Valley: 5/4, 5/12

San Luis O/Edna: 5/4, 5/12

Southern California Citrus/Avocado Area, San Luis Obispo Co to San Diego Co - (Rains and Mountain Snows):

Ventura Co: 5/4-5, 5/13-15

San Diego/Orange: 5/4-5, 5/13-15

Coldest at the coast on May 3-4-5th, with deep marine layer and some coastal drizzle. Showery fronts should continue to focus into SOCAL. Continuing cooler than normal for about the first half of May.

Summary – May 6-31... In Northern and Central California troughing will continue through early and middle portions of May, with a little below normal rainfall in N California. Above normal rainfall is possible for the Central SierraNV from Amador Co SSE along the crest to Mariposa Co.

San Luis Obispo Co...cool and possibly showery from May 14-16th, then dry with offshore flow developing and a turn to much warmer conditions inland and in coastal hills on May 17-27.

Southern California...A period of deeper marine layer and cooler/breezy conditions occur from May 13-17, with recurrent drizzle in the mornings. Cool coastal eddy conditions occur during most of May 17-22, then shallower marine layer and hot in the deserts and higher coastal foothills during 24-31 May.

Seasonal Outlook June 1 – July 31... Northern and Central California overall pattern....Below normal rainfall. Above, or well above, normal temperatures entire month of June.

For central California (Sierras and central coastal valleys): Near normal rainfall (almost none). Temperatures...above normal for Monterey Co north during June.

For San Luis Obispo Co south: Coastal low clouds and recurrent coastal eddy conditions. Cool drizzly mornings, breezy mild afternoons near the coast, for most of June.

Southern California, San Luis Obispo Co to San Diego Co: Our latest guidance is suggesting a hot month in N and Northcentral California during June, but near normal temperatures in SOCAL coast and valley areas. This argues for the usual "June gloom" with quite a few mornings having coastal drizzle and late burnoff of coastal low clouds.

Alan Fox...Fox Weather, LLC

Copyright © 2020, Fox Weather, LLC, Used by permission.