

By avocado industry veteran Avi Crane



For over a decade, avocado consumption in North America has increased at a steady pace. Based on the first eight weeks of 2017, this year will reverse the trend. This decrease is not caused by a production failure (the avocado crop in Mexico has not been overestimated) or a market saturation situation. Avocado demand continues and will continue to rise.

The reversal of the consumption trend is a result of the slowdown of the harvest pace in Mexico. The Mexican avocado industry has the volume and infrastructure (harvest, packing, cooling and shipping) to ship well over 1,250 truckloads per week. Until the industry leaders regain control of the situation, the avocado producers in Michoacán (and Jalisco) will forfeit millions of pesos that the North American market was willing and eager to pay them.

The U.S. avocado consumption increase in 2016 was just 2.67% over the prior year; the lowest increase since Mexican avocados were given the green light to cross into the USA.

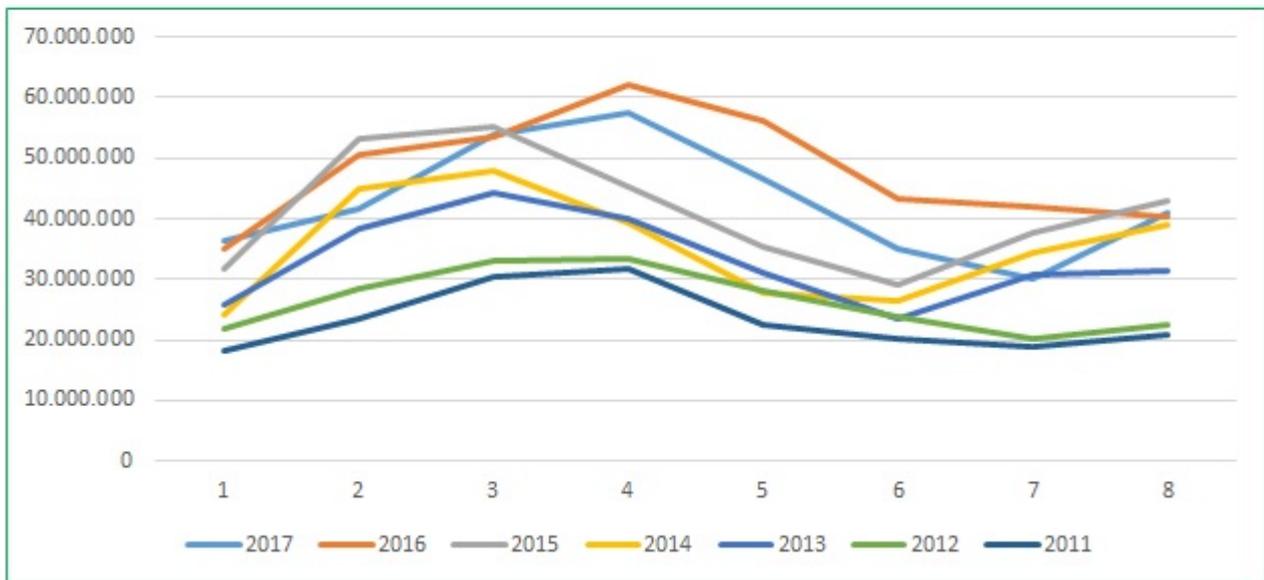
This columnist estimates close to 4,000 truckloads were left in Mexico due to the shutdown in the fall of 2016, resulting in US\$200 million in lost retail value and American consumers denied access to avocados at the grocery store and restaurants. As articulated previously, the perpetrators of the shutdown continue to have the ability to repeat their activities at any time.

This month the Mexican avocado industry neglected to celebrate the 10-year anniversary of obtaining full market access to the USA, which happened on Feb. 1, 2007.

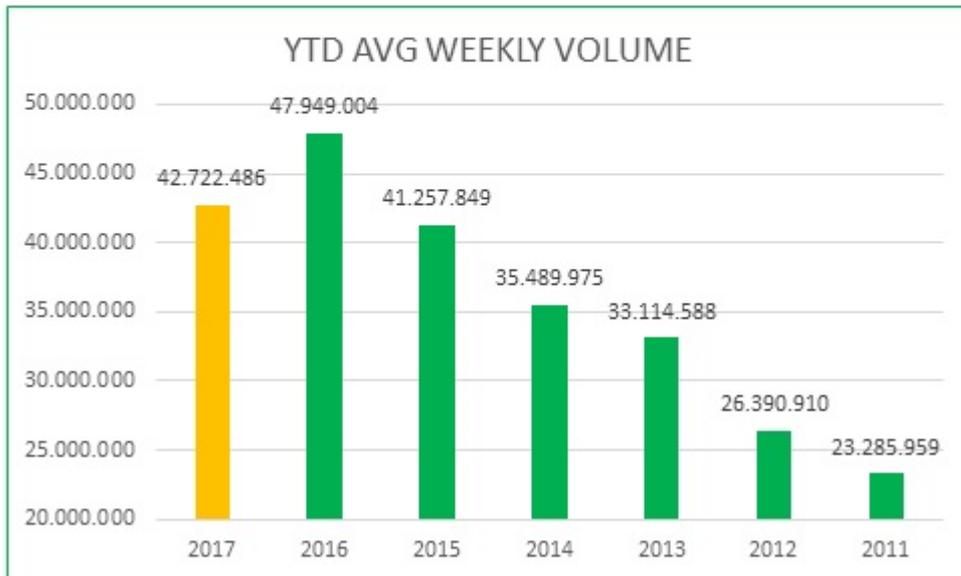
Domestic Hass producers, despite their fears and decades of using financial resources to delay the entrance of avocados from Mexico, have seen record returns this past decade and the California avocado companies, which import over 60% of volume, have seen a surge in profits from their investments in Mexico.

Sadly, unless the leaders of the Mexican avocado industry and the producers are able to regain control, the growth the industry has achieved since 2007 will remain in jeopardy.

**2011-2017 WEEKLY SHIPMENT COMPARISON
WEEKS 1- 8 (IN POUNDS)**



**YTD AVERAGE WEEKLY SHIPMENTS
WEEKS 1-8 (IN POUNDS)**



YEAR TO DATE CHANGE IN TOTAL VOLUME VS. PRIOR YEAR PERIOD



SOURCE: California Avocado Commission, Hass Avocado Board and other industry and Proprietary statistical models

Avi Crane is a former executive of Calavo Growers, Inc. (CVGW). Crane served as vice president at the California Avocado Commission, and established and managed the Chiquita avocado program. Avi Crane began his career in the avocado industry as a producer and currently, along with his partner in Mexico, he is working directly with producers to secure lines of credit to cashflow their production costs and to facilitate their shipments to the USA through ProducePay.

Avi Crane can be reached at avicado@worldavocados.com.

Headline photo: www.shutterstock.com

www.freshfruitportal.com