Florida avocado marketing activities are administered by the Avocado Committee, under the USDA marketing order section 915. This committee sets and implements marketing regulations for the industry. Most regulations focus on quality grades, shipping containers, and weights. Florida avocados are packed in differently sized containers, including a 6-14 count in one layer box called a flat, and boxes of 14-36 counts in two layers. The minimum weight for a flat is 12 pounds, and 24 pounds for a two-layer box. Containers of 33 and 31 pounds are sometimes used as well.

Most Florida avocados are handled by local packinghouses, packed according to the Florida U.S. Combo various Greenskin varieties grades in flats and boxes, and shipped primarily to wholesalers and retailers on the East Coast of the United States. The Florida avocado season starts in May with very little volume (Figure 1). The volume continues to increase until mid-August when it reaches its peak, after which there is a gradual decrease in shipments until March of the following year, when the season ends. This seasonal shipment pattern remains the same for most years, but there is some variation which is usually the result of weather conditions affecting the start of blooming.

Figure 2 shows the monthly average prices per carton 2 layer for Florida avocados in the New York Terminal market for the July 2008 to April 2009 period. Growers usually receive approximately 60 percent of the terminal market price. Like other commodities, the avocado market follows the laws of supply and demand. With the start of the season, when less volume is shipped, prices are higher; and as the volume increases, prices fall. Based on the pattern of shipments and prices obtained in the market, significant gains can be made if you are able to exploit the “window of opportunity” by producing early and late varieties. An alternative strategy would be to organize your production and harvesting in such a manner that equal amounts are shipped throughout the period. On average, your net return will be more than if you were to ship all or the majority of your fruits during the time when prices are at their lowest.

Outside of the above traditional way in which the bulk of Florida’s avocados are marketed, opportunities exist to try and capture more of the final consumer’s food dollar. Capturing more of the final value of a product is certainly a worthy goal for commodity producers; however, it may not be as easy as it appears at first glance. A proper understanding of the marketing chain and the roles of different individuals and firms in it will be helpful to anyone considering value-added marketing strategies. Moreover, any attempts to do so must be in conformity with the Florida Marketing Order mentioned above, since there are strict conditions governing the handling and selling of the fruits and heavy fines for persons found in violation. WE THERFORE STRONGLY SUGGEST THAT BEFORE INVESTING RESOURCES IN ANY OF THE MARKETING OPPORTUNITIES WE DISCUSS BELOW, YOU FIRST CHECK WITH THE FLORIDA AVOCADO MARKETING OPPORTUNITIES
Figure 1. Monthly shipments of fresh Florida avocados, 2004/05 - 2007/08.

Source: Fruit and Vegetable Market News, USDA

Figure 2. Monthly average prices per 25 lb. carton 2 layer for Florida avocados, New York terminal market, July 2008-Apr 2009.

Source: Market News terminal market report, USDA
http://marketnews.usda.gov/portal/fv
ADMINISTRATIVE COMMITTEE, located at 18710 SW 288th Street, Homestead, Florida 33030, telephone (305) 247-0848.

A few ways to increase returns include direct marketing, adding value, using niche or specialty markets. Direct marketing has become popular among small producers due to advances in information technologies and consumer concerns about personal health, the environment, and food safety. Direct marketing includes community-supported agriculture (CSA), catalog and Internet sales, and local markets (http://edis.ifas.ufl.edu/FE569). Adding value means changing a product from its raw form into a form more convenient for consumer consumption. For example, sliced avocados add value to the raw fruit. Other examples of adding value to fruits include jams, wines, barbecue sauces, ice cream, dried fruits, vinegars, and chocolate-dipped fruits. Niche or specialty markets can be profitable for small operations. Large businesses cater mainly to the largest, most profitable market segments and often ignore smaller, specialty market segments, which can command premium prices. Improving quality seems obvious, but it involves improving both the physical appearance of the good and production conditions (i.e., protecting/preserving natural resources and the environment). Here are some specific marketing opportunities that you might consider as they relate to avocados.

### Organic Markets

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<th>Major growth in consumer demand for organic produce over the past twenty years</th>
<th>Difficult to follow strict organic practices in South Florida growing climate due to year-round pests and disease.</th>
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<td>Photo source: <a href="http://crane.ifas.ufl.edu/av/index.htm">http://crane.ifas.ufl.edu/av/index.htm</a></td>
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### Organic Production

The organic food industry in the United States has been growing rapidly during the past several years. Annual growth has been about 30% since 1998 and grew 32.6% from 2001 to 2002. The U.S. consumer sales of organic food in 2003 were $7.9 billion, compared to $3.7 billion in 1997 (Nutrition Business Journal of San Diego, California). The market for organic foods and beverages is still growing at a rapid pace and is expected to generate sales of $32.3 billion by 2009, according to a new report from “Packaged Facts,”
http://www.organicconsumers.org/organic/growing112904.cfm. Fresh fruits and vegetables are in top ranks among organic food items purchased by consumers.

According to The Packer (September 22, 2003), “as conventional avocados are just reaching a mainstream popularity spike, organic avocados are being successfully marketed as well. Companies such as Eco-Farm Corp. and Pacific Organic Produce, both based in California, have seen dramatic increases in organic avocado sales over the last few years. Eco-Farm Corp has been growing and marketing organic avocados since the 1970s and will be bringing 500 acres of new plantings into production soon. Pacific Organic in San Francisco sold 57,000 boxes of organic avocados in 2002 and imported 100,000 boxes of organic avocados from Chile in 2003.”

Developing the organic market requires an effort by growers, shippers, wholesalers and retailers to educate consumers about the benefits of organic fresh fruits and vegetables. These efforts are costly, but are usually economically beneficial for the industry in the long term. Florida avocados are no exception. Nationally, the two supermarket chains that have invested heavily in organic products are Whole Foods Market and Wild Oats Natural Marketplace. These two companies have several stores in South Florida. Many buyers at local farmers’ markets are looking for organic fresh fruits and vegetables as well.

<table>
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<th>Farmers’ markets</th>
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<td>• Considerable time investment required</td>
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<td>• Require timely harvest of avocados</td>
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Farmers’ markets

More and more consumers like to visit their local farmers’ markets and talk to farmers, buy fresh fruits and vegetables, freshly baked bread and maybe buy a few ornamental plants. Many farmers’ markets have cooking demonstrations, games for kids, live music and an array of entertainment activities, which make them a good place for the whole family to visit.

Most successful vendors at farmers’ markets offer a variety of products. Thus, while it may be feasible for an avocado grower to only offer what he or she grows, it may be more profitable to offer a broader array of items if permitted by the farmers’ market rules. Combining avocados with other fruits or produce items will attract more buyers.
The USDA’s Agricultural Marketing Services website has a link to contact names, location addresses and hours of operation for farmers’ markets found throughout the state of Florida: http://www.ams.usda.gov/farmersmarkets/States/Florida.htm. In addition, the Florida Department of Agriculture and Consumer Services’ Bureau of State Farmers’ Markets has links to State Farmers’ Markets, Fairs and Expositions, and Community Farmers’ Markets, as well as how-to publications and research articles: http://www.florida-agriculture.com/markets.htm.

Many South Florida farmers’ markets operate only during the months of November to May. Growers may consider these farmers’ markets for the late varieties, which are usually available during the months of November to February. It is important to contact farmers’ market managers at locations where you consider participating early on, in order to determine hours of operation and arrange for space.

### Cooperative Marketing

**Possible benefits**

- Better price with larger volume of avocados
- Provide member-growers with marketplace bargaining power
- Take greater control of your product

Photo source: [http://crane.ifas.ufl.edu/av/index.htm](http://crane.ifas.ufl.edu/av/index.htm)

### Cooperatives

Members of a cooperative can usually negotiate better prices because they have larger volumes to sell. They may also have reduced costs for inputs and harvesting. Member-growers save time and reduce wasted products left in the field. Co-op members will need to make a commitment to selling their product through the co-op in order to sustain the overall group effort, and stand to gain a chance for better returns for their crops. A co-op requires skilled financial and time management, and it may be necessary to hire an experienced individual with excellent decision-making skills on a full-time or part-time seasonal basis. The fixed costs associated with operating a farmer’s cooperative may make it infeasible if members’ aggregate production is relatively small.

You can find information for farmers’ cooperatives by following the link [http://palmm.fcla.edu/feol/](http://palmm.fcla.edu/feol/) to find “Florida Environments Online.” Then use this site’s path finder entitled “Florida Agriculture and Rural Life” to search for the publication “Cooperative agriculture in Florida: a survey of the development of the cooperative ventures in
Florida and the United States,” by Doyle Edgar Timmons. Although this publication is quite old, it remains an excellent source of cooperative farming information. The entire publication is available for download and printing purposes.

### Pick your own markets

- Advertise with road-side signage, in local newspapers and on the Florida Department of Agriculture and Consumer Service’s web site at [http://www.doacs.state.fl.us](http://www.doacs.state.fl.us)
- Provide parking, restrooms, and pole-mounted picking aids

Photo source: [http://crane.ifas.ufl.edu/av/index.htm](http://crane.ifas.ufl.edu/av/index.htm)

### Pick-your-own markets

A pick-your-own or “U-pick” operation may provide growers with more profits, but it will take considerable management time during the harvest season.

Getting consumers’ attention is essential. U-pick operations need to advertise with roadside signage, in local newspapers and on the Department of Agriculture web site at: [http://www.doacs.state.fl.us](http://www.doacs.state.fl.us).

U-pick operators will need to provide adequate, safe parking, pole-mounted picking aids, and containers. You may also want to provide restrooms and drinking water. Also, you will need to be there to supervise and help. It will take time to build up your business with repeat customers.

Close supervision will be required to prevent damage to trees and to assure patrons’ safety. Particular attention should be paid to covering irrigation wells and to controlling insects such as fire ants and wasps.

You will also need to investigate if you need to carry extra liability insurance (pick-your-own operations are often outside the bounds of regular farm liability insurance).
Roadside markets

Roadside stands or markets are a type of direct marketing system where a grower establishes a selling place near a roadway and sells directly to consumers. Produce sold in a roadside stand may be grown exclusively in the farm or may be purchased from outside sources. A few growers sell various fruits and vegetables roadside in the Homestead area. The advantage is that you get retail prices and that the revenues are immediate. However, costs are a significant factor. Roadside markets require increased investment in equipment and labor costs associated with running the market. Other significant costs may be the acquisition of a high-traffic location and construction of attractive, but not necessarily fancy, structures and display fixtures. In some cases, it may be feasible to augment produce sales with sales of other food items. For more information on several successful South Dade (Homestead) roadside stands, see: http://www.Redlandriot.com and click on “Burr’s Berry Farm,” “Knaus Berry Farm,” and “Robert Is Here.”

To operate a roadside market, growers should learn the state and local legal requirements for establishing one. In addition, a fact sheet by Cooperative Extension Service of Agriculture, Oklahoma State University (OSU Extension Fact, No. 186) outlines the following for a successful roadside market:

- Roadside signs should be placed far enough in advance of the market to attract customers and to provide enough time for them to stop safely at the stand.
- Overripe produce should not be offered for sale unless it is marked and displayed as such.
- If possible, place the stand on or near the farm or orchard to create a farm atmosphere.
- Post prices clearly so all customers are treated fairly and equally. If prices are not posted, many customers will simply pass up the items rather than seek out the sales attendant to determine prices.
• Home-grown produce generally increases sales and the percentage of repeated customers, because it has the connotation of being fresher.
• A pleasant personality with strong emphasis on courtesy, honesty and integrity are helpful in dealing with the public.

**Online marketing**

• An individual grower can establish his or her own website
• Growers can sell through established online companies
• Several growers can establish a jointly owned website

Examples of established online companies:
- [http://www.lycheesonline.com](http://www.lycheesonline.com)
- [http://www.avocadonow.com](http://www.avocadonow.com)
- [http://www.thinkavocado.com](http://www.thinkavocado.com)

Photo source: [http://crane.ifas.ufl.edu/av/index.htm](http://crane.ifas.ufl.edu/av/index.htm)

Online marketing

The Florida Gift Fruit Association ([http://www.fgfsa.com](http://www.fgfsa.com)) specializes in shipping Florida-grown citrus products nationally and internationally, and many of their member firms may consider adding avocado fruits to their gift baskets. Most gift fruit marketers are selling their products online, and this way they are able to reach out to a wider customer base.

The Florida Department of Agriculture and Consumer Services offers promotional assistance, including website development and hosting, promotional materials, demographic consumer information, current research articles, etc. There is also extensive material available concerning the “Fresh from Florida” Florida Agricultural Promotional Campaign, which can be viewed on [http://www.florida-agriculture.com/marketing/index.htm](http://www.florida-agriculture.com/marketing/index.htm).

Some growers sell their produce online using other companies’ websites. The online company receives the order and passes it down to the grower for packing, shipping and handling. Growers pay for the online service. Packages are usually sent via courier services, such as FedEx, UPS or Airborne to customers.
It is also possible that a grower or a group of growers can set up a website and sell their fruits online. Selling online requires availability of a variety of fruits during each season, or a number of avocado varieties to extend the season over a longer time period. Also, selling online requires that growers ship only the best quality product to command a premium price and justify the relatively high shipping costs. Commitment to the ultimate in product quality will enhance the firm’s reputation and foster repeat sales.

Export opportunity to Europe

- Euro may strengthen relative to the dollar
- Transportation is readily available
- Europe has large numbers of immigrants from the Caribbean and Latin America that know avocados
- Willingness of Europeans to try new foods

Export to Europe

In recent years, many European countries have received immigrants from Caribbean and Latin American countries. Most of these immigrants are accustomed to consuming the West Indian type avocado in their native countries. These “new” European residents represent a growing market for green-skin varieties of avocados, such as those produced by growers in South Florida. In addition to the market comprised of former residents of the Caribbean and Latin America, indigenous Europeans are known for their willingness to try new and different varieties of fruits and vegetables. They pay good prices and expect good quality fruits. In 2000, France led the world by importing 105,249 tons of avocados, 31.2 percent of total world imports of avocados that year. Key exporters to the French market include Israel, Spain and South Africa, comprising 35, 24 and 15 percent of the market, respectively. Other key importers included the Netherlands, United Kingdom, Japan and Canada (http://www.fas.usda.gov/htp/Hort_Circular/2002/02-02/Avocado.htm).

Exporting to Europe is a good option due to a relatively stronger Euro in comparison to the U.S. dollar, and readily available transportation between the U.S. and Europe.
In recent years, there has been a rapid increase in the consumption of “fresh-cut” fruits and vegetables. Fresh-cut produce offers many advantages to the food service industry and to consumers as well. Food service firms have been utilizing increasing quantities of fresh-cut produce because they offer uniform, prepackaged items that require little preparation labor, reduced injuries to preparation personnel (and reduced Workmen’s Comp claims), and significant reductions in waste disposal costs. The ultimate attraction for consumers who buy fresh-cut produce from food retailers is convenience. Meal preparation time can be greatly reduced by the use of fresh-cut produce.

Many varieties of Florida avocados possess two very important characteristics that would enhance their use for fresh-cut products. These characteristics are the relatively large fruit size and the typically lower fat content. The bigger fruit size of the Florida-type avocado will yield more fresh-cut portions per fruit in comparison to the smaller Hass variety. Also, the low fat content of Florida avocados at the food service level may have appeal to chefs and customers because it can be positioned as a “healthier” alternative. As evidence of this potential appeal, one of the local packinghouses has been successfully promoting low fat content Florida avocados.

Rapid browning after slicing of avocado fruit for fresh cut has remained an obstacle for fresh-cut processors. This obstacle is now believed to be solved because of two new formulations developed by the Westport, Conn.-based Mantrose-Haeuser Co., Inc., the makers of the NatureSeal® family of products for fresh-cut produce. NatureSeal for Avocados protects fresh-cut avocados from color, flavor and texture changes for up to two weeks. These formulations may be applied as a dip or as a spray (http://www.freshcut.com/mar2005/productshelflife.htm).

### Value-added (fresh-cut)

- More convenience
- Larger fruit size better
- Lower fat content for health conscience consumers

Miscellaneous avocado products

Like many other fresh fruits, avocado is considered a perishable product with limited shelf-life. Processing perishable food items into other forms of consumer products is a way to add value and extend shelf life. An important rationale behind the concept of value-added activities in agriculture is to provide consumers with more choices in how they purchase an agriculturally-based product. In doing so, not only is a larger portion of the agricultural product used (less waste), but it is also likely that consumers will buy more of the agriculturally-based product and generate more income for producers.

Reviewing the Internet, one comes across a variety of avocado by-products that have helped the avocado industries in California and other countries, such as New Zealand and Israel, develop niche market opportunities.
Many growers of other crops are identifying target markets (mostly ethnic groups) that may be interested in more exotic forms of different fruits and vegetables. Ethnic (specialty) produce is playing an important economic role in horticulture production in the United States. Although it appears that growing exotic varieties of fruits and vegetable may be more challenging, consumers are frequently willing to pay premium prices to buy these items. Heirloom tomatoes and many of the exotic Indian and Asian fruits and vegetables are good examples. It is possible that there may be varieties of Florida-type avocados that are considered minor cultivars, but may have some very special value to a particular segment of an ethnic population. It is only by studying these ethnic populations and their native-grown avocado cultivars that our growers may be able to build a niche market and grow these cultivars to fulfill their needs.

As it is with other products, many of the ethnic fruits and vegetables are gaining popularity in the mainstream markets.
Food service industry in South Florida

There are nearly 35,000 restaurants in Florida, and about 26,000 of them are located below a line dividing Florida into two regions, one north and the other south of Orlando. Florida restaurant sales for produce items in 2005 were estimated at $1.5 billion. Considering that 75 percent of all restaurants in Florida are located below the line (Orlando to the Keys), it is likely that $1.10 billion in produce sales occur within 250 miles of Miami-Dade County. Developing a strategic marketing plan to sell Florida avocados to the food service industry in this region appears to be a good opportunity for avocado growers, processors and shippers.