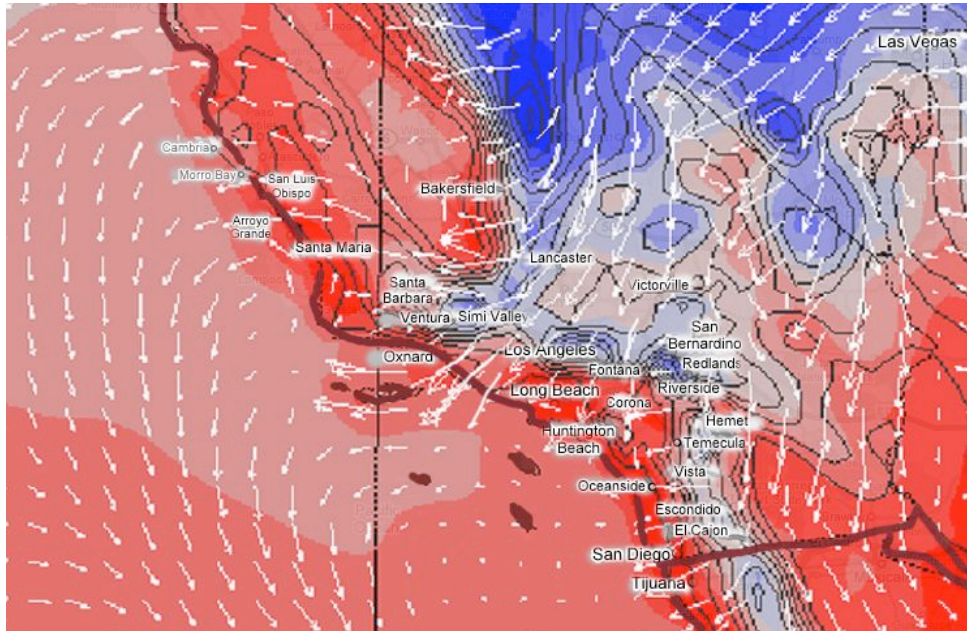


Preliminary Report to the CAC Board on Wind and Fire Storms of October 21 – 25, 2007

Powerful Santa Ana Winds:

On October 18, 2007 the National Weather Service and private sector forecasters began issuing warnings that hurricane-force winds and very low humidity air would lead to hazardous fire conditions across Southern California beginning late Saturday night and lasting through Monday October 22.

In San Diego meteorologists predicted Santa Ana winds with gusts topping 80 miles per hour would sweep through on late Sunday, and said these could be expected to be as strong, and long-lasting, as those the area had suffered in 2003, when nearly 60,000 acres of San Diego County burned.



Wind moves en masse from the high western deserts through mountain passes and downward to the Pacific Ocean, on Sunday October 21. These were the makings of powerful Santa Ana winds that stripped fruit and fuelled wildfires across the industry.

By 2 p.m. Saturday, wind gauges north of Santa Clarita were measuring wind gusts peaking near 60 miles per hour.

A massive high-pressure system had developed over the Rocky Mountains, pushing warm air across the deserts of Nevada, Arizona and California. This air heats up as it gains speed, is pushed through local mountain passes, and compressed as it loses altitude flowing out toward the Pacific Ocean.

By mid-day Sunday the National Weather Service reported widespread hurricane-force winds peaking near 80 miles per hour from Oxnard to San Diego. The Santa Ana winds were by then some of the strongest and most widespread on record, and reports of fruit being stripped from trees were coming in to Commission staff from San Luis Obispo to Escondido

Wildfires Erupt:

The first of many fires was believed set in Orange County in two places along a remote section of Santiago Canyon Road, in the hills northeast of Irvine.

With thick brush and extremely dry conditions, the fire spread rapidly hitting Irvine Ranch orchards and nearby structures with such speed and heat that local fire crews deployed to protect the property, barely had time to retreat with their equipment. Almost all of the Ranch property was impacted to some extent by the firestorm.



Irvine Ranch property smoldering in the distance on Monday October 22 after wildfires swept through the area the night before.

Within the next 12 hours at least a dozen other wind-fanned wildfires were spreading out of control through much of the industry's southern districts. With mandatory evacuations ordered across most of these areas, accurate damage

assessments were impossible during the first two full days of these firestorms (Monday and Tuesday).

Unfortunately, the Associated Press provided damage estimates to the national media well before actual losses were known. Their initial release estimated losses of 20,000 acres in San Diego County alone, but was based on a statement from a County Agriculture official the AP reporter had misinterpreted. Clearly, with the total San Diego County avocado acreage before the fires at 24,000 acres, the AP number was unrealistic. Much of the Commission's staff efforts over the 24 hours following this AP release was spent steering reporters back on track and away from the temptation this sensational report generated

Also, we knew that while severe damage may have occurred in places, generally avocado groves are far less combustible than chaparral, oak scrub, pine trees or citrus orchards which had been providing much of the fires' fuel. In most cases, even fast moving fires with an abundant fuel supply are slowed, even stopped, by the green "firebreak" offered by the lush canopies of avocado trees.

On Wednesday October 24 the first evacuees were allowed to return home to their farms, and qualified local survey crews were able to assess crop and tree losses in burn areas first hand, and we were able to start providing the first accurate assessments of crop and property losses.

As of today (Friday October 26) the Commission estimates overall preliminary crop losses across the avocado industry at 10%. Prior to this disaster growers reported their total crop to be 365 million pounds for the 2008 season. Considering the days of wind and wildfires now behind us, the crop is likely to come in at around 325 million pounds by season end in November.

The Commission is scheduled to mail growers post-wildfire/ windstorm crop estimate survey forms so that growers and grove managers can provide their adjusted crop numbers once they have made a final determination of losses.

The wildfires that swept across Southern California this week forced the evacuation of thousands of growers from their homes and groves, and caused considerable anxiety for many of our industry's farm families. As the fires and smoke subsided, the avocado community was saddened to learn of individual losses to homes, properties and groves. The California Avocado Commission is deeply concerned for the safety and welfare of every one of the more than 3,000 farm families affected by these devastating events and will do all in our power to provide support during recovery.

We know from information gathered by our staff, called in by growers, reported by media, and from federal, state and county agencies, that while many families have suffered serious losses the outcome could have been much worse. Our deepest

sympathies go out to all those who face despair and anguish from their losses, and our gratitude to those who have worked tirelessly to save properties and lives in the firestorms.

Early tree loss estimates from growers and grove managers in the field have been coming in to the Commission both voluntarily and through direct contacts made by staff. Our first rough estimates of firestorm losses by area are presented below. The total loss in acreage is around 3,100 a good portion of which will need to be replanted:

Area	Producing Acres	Fire Loss Acreage	% Loss
San Diego County	24,171	2500	10.0%
Orange County	1390	300	21.6%
Riverside County	7,664	300	4%

We will be working with the Farm Service Agency, Federal Emergency Management Agency and the Risk Management Agency to find the best possible assistance and insurance benefit combinations for the grower community.

Look for updates providing information on the extent and impact of this disaster as this comes available.

The attached information is from the State Governor's Office and FEMA and is provided to help those who may need immediate assistance.