



MARKET UPDATE

Tomatoes: With several local regions in play and relatively light demand, the East continues to have ample supply on rounds, romas, and grape tomatoes. Overall quality is good, but there are some trouble spots where the fruit is showing effects of Summertime afternoon heat showers.

The West also has an adequate supply of tomatoes to meet market demands. California's mature green growers expect lighter volume over the weekend, as they've been picking ahead due to heat-based maturity. Quality is mostly good, but there are more culls than usual due to sunburn. Vine-ripe supply is light to moderate in Mexico's growing regions, but quality and sizing are good. There are a lot of high-tech greenhouse grape tomatoes coming to market from multiple areas, as well as open-field product from Baja and Fresno. Quality is very good, with the exception of lots that have been backed up due to slow demand.

Bell Peppers: Bell peppers are plentiful throughout the country, with multiple growing regions shipping product on both sides of the country. Eastern growers are short on smaller sizes, as weather, crown picks, and the varieties cultivated are geared more toward jumbo and XL-sized fruit. With excellent growing conditions for the last few weeks, several areas in California are bringing nice fruit to market. All sizes are available.

Green Beans: Michigan, Virginia, Tennessee, and other small local deals continue to bring good supply of green beans to Eastern markets. In the West, Watsonville and Brentwood expect to have moderate supply through August. Santa Maria and Fresno will have sporadic supply for the next few weeks, when they will wind down the season.

Cucumbers: Although supply has been strong, Eastern cucumber quality has been challenging. Some growers have let older fields go and moved into new plantings in an effort to improve quality. As for the West, production is limited in Baja where crops have experienced disease and bloom drop. As well, two of the larger growers are finished until Fall crops begin in September. There are local cucs available in the Northwest, but volume is light and not enough to meet demand of the entire Western market.

Summer Squash: Squash remains available in multiple areas throughout the East. Quality on yellow squash is challenging, as weather has produced scarring concerns. The Central California Coast is seeing lighter production as they move toward the end of the Summer season while Watsonville/Salinas continues with light, but steady production. Zucchini quality and condition have been nice, but good-quality yellow squash is hard to come by.

Eggplant: Michigan's eggplant supply has been steady. Add numerous local deals to the mix, and Eastern demand is being easily met. However, the West is seeing Fresno's production drop off significantly. Stockton growers have just gotten up and running but numbers are expected to be light from this area.

Hard Squash: With Mexico completely out of the picture, the West is looking to Fresno and Stockton for hard squash. Butternut quality is excellent, acorn's is inconsistent, and spaghetti is showing a lot of scarring and ground staining. Eastern markets are seeing ample supply, but are struggling to find spaghetti squash that will meet retail standards. Excessive scarring is prevalent in several of the major growing areas.

TRANSPORTATION FACTS

* The National Diesel Average fell \$.03 this week, moving from \$2.38 to \$2.35 per gallon.

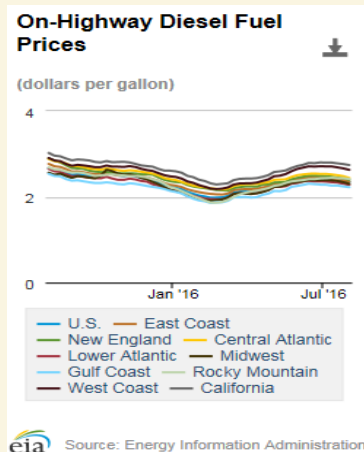
* The average price for a gallon of diesel fuel is \$.32 lower than the same time last year.

* Diesel prices dropped in all reporting areas this week. The West Coast saw the most significant decline (-\$.04).

* California continues to have the highest-priced diesel fuel at \$2.74. The Gulf Coast region keeps rolling with the best price in the nation (\$2.22 per gallon).

* The WTI Crude Oil Price dipped -2.3% this week, moving from \$42.92 to \$41.93

* Despite slight shortages in Missouri, Indiana, and Illinois, transportation is available in most areas of the country. A slight surplus is reported in Texas and at Mexican crossing points.



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Restaurant Industry News

6 Customer Service Lessons for Young Millennials

By: Bruce Tulgan, www.qsrmagazine.com, July 2016

Being in a frontline service position is not just a Millennial generation thing. It's a young worker thing. Less experienced workers are disproportionately represented in frontline service roles because these roles are often the lower-tier positions. In fact, most organizations seeking to scale their operations in any significant way tend to put a young (and therefore relatively inexpensive) workforce out front.

"How do you know us?" asks the manager of a large chain store. "You know us by the people behind the counter. The labor pool available for those jobs is usually pretty darned young. I can only hire who I can hire. But we get a lot of complaints about the younger counter help. Sometimes they are just unhelpful, distracted, doing their own thing, especially if the store is not too busy."

We see this often in our research at RainmakerThinking. I call the social dynamic that develops among front-of-house workers in a customer-service environment the "cash register culture." Because they spend hour after hour with their coworkers, their relationships with each other become the context of the job for some workers.

To turn "cash register" culture into "customer service" culture, restaurant leaders should teach younger employees these six best practices:

1. Make yourself available

Being available doesn't necessarily require approaching customers, making eye contact, smiling, or extending verbal greetings, although this is the method many organizations favor.

"Anybody who eats in restaurants has had the experience of trying to get their server's attention, and the server just won't look at you," says a senior executive at a large restaurant chain. "It's more about being visible, unobtrusive, and paying very close attention to your tables, even while you are running around."

He adds that while competitors might encourage front-facing employees to introduce themselves and "spit out some corny line," some customers find this creepy. It's

better instead to be aware of guests and ready to serve.

2. Say as little as possible

The less employees say, the less chance there is of saying something distracting, confusing, annoying, wrong, or even offensive. Saying less also saves time in any discussion and gives more air space to the customer. It's worth reminding young workers that most people prefer to talk rather than to listen. So let the customer do most of the talking.

3. When you do talk, choose your words carefully

The safest words to say to a customer usually end in a question mark. Open-ended questions are a good place to start. Once an employee really understands what the guest is saying, then he or she can ask specific clarifying questions. Sometimes the most important words are the most basic; front-of-house workers should always say "please" and "thank you," and never "I can't help you" or "no."

Perhaps the best way to help inexperienced workers choose their words carefully is to help them choose those words in advance. Managers should provide them with prepared materials and encourage them to learn their lines and rehearse. The beauty of prepared materials is that they almost always provide a more thorough, precise, and attractive response than most frontline service personnel would otherwise offer on their own. These prepared materials also function as a training tool because employees usually learn some basic communication tactics that will serve them well anywhere they go.

4. Never wing it

When it comes to saying words out loud to customers, don't guess, don't hope, and don't exaggerate. That means if it's going to be 10 minutes, employees should not say it will only be a "couple of minutes." Rather, they should say it will be *at least* 10 minutes. Sometimes the best thing to say is, "I don't know. Let me find out for you."

5. Request feedback

Managers should also teach young worker to confirm that the customer

is happy and has no unsatisfied expectation or need at the moment. This can be accomplished by asking, "Is that acceptable?" or "Are you happy with everything?" or "Is there anything else you need?"

6. Problem solve

Once employees identify a problem, they should decide whether or not they have the knowledge, authority, and resources to solve it. Once these young workers learn what types of problems they should not try to solve alone, they can gather basic information quickly and pass it to the right person. The employee should still be kept in the loop of these problems so they can learn how was the situation handled and what information is readily available for future reference.

Customer service is a skill that does not become obsolete. Teach younger Millennials and inexperienced workers that every single customer-service interaction is an opportunity to practice and fine-tune this valuable skill. Remind them that every customer has his or her own sphere of influence and authority. Every customer is worth impressing. Impressive people are impressed by those are themselves positive, motivated, polite, focused on the task at hand, and willing to go the extra mile.

They will notice you. They will remember you. Learn their names, and they might learn yours.



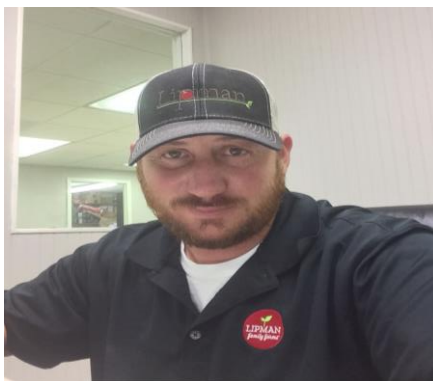


SPOTLIGHT ON LIPMAN Team Lipman Shouts Out

Jason Taylor Transportation Manager Lipman- Knoxville, TN

As the transportation manager for Lipman Knoxville, Jason enjoys his many and varied responsibilities. Some of these include: managing dispatch, drivers, equipment, rate confirmations, and receiving shortages. He even jumps in a truck to deliver local orders as needed or when special request are made.

Jason says, "I enjoy being a part of team Lipman because I feel like we are a family-oriented business and I enjoy the fact that we get to service a wide variety of customers that feed millions of families just like ours every day."



Marty Thompson General Manager Lipman- Kent, WA

As general manager, Marty's responsibilities are to manage employees, product and the facility. But he doesn't stop there! He also oversees the sales office and is directly responsible for some key accounts. In addition he manages all the local commodities out of the Northwest during the seasonally appropriate time frame.

"What I like most about Lipman is the people. One of the true indicators of a great company is the people and their attitudes. Being new to the 'family,' I have yet to meet one person that does not seem to love what they do."

PRODUCE BAROMETER

ITEM	QUALITY	PRICING
Bell Pepper	Good	Lower
Cucumber	Good	Steady
Eggplant	Good	Steady
Green Beans	Good	Steady
Lettuce-Iceberg	Good	Steady
Jalapenos	Good	Steady
Onions	Fair to Good	Steady
Tomatoes	Good	Steady



AUGUST CALENDAR

All Month

Family Fun Month

August 6th

National Kid's Day

August 8th

National Sneak Some Zucchini
on Your Neighbor's Porch Day

August 11th

National Panini Day

Exmore, VA Weather

Fri Aug 5	Sat Aug 6	Sun Aug 7	Mon Aug 8	Tue Aug 9	Wed Aug 10
86° F	90° F	84° F	84° F	86° F	86° F
75° F	73° F	73° F	73° F	75° F	77° F
SE 8 MPH	SSW 11 MPH	NNE 11 MPH	NE 8 MPH	ESE 11 MPH	S 9 MPH
Precip 10%	Precip 20%	Precip 20%	Averages	Averages	Precip 10%
Averages 86° F / 69° F	Averages 86° F / 69° F	Averages 86° F / 69° F	Averages 86° F / 69° F	Averages 86° F / 69° F	Averages 86° F / 69° F

NEWS IN THE GROCERY TRADE

Mintel Shows Shoppers Want Less Packaging, Less Waste

www.qsrmagazine.com, August 3, 2016

As Americans take notice of increasingly strained global food resources, new research from Mintel reveals that 80 percent of U.S. food shoppers agree that reducing food waste is as important as reducing packaging waste. In an effort to limit waste, half (52 percent) of consumers prefer to buy foods with minimal/no packaging. As they look to extend the life of the food products they buy, 81 percent of consumers say that they would choose resealable packaging over non-resealable packaging, and more than half (54 percent) would pay more for packaging with added features such as being resealable or portion controlled, with 30 percent often reusing food packaging for other purposes. However, recycling food packaging is far from a universal behavior, as just 42 percent of consumers report recycling most of the food packaging they use.

A lack of clear communication on labels may be a contributor to the relatively low recycling rate, as one quarter of consumers agree that it's not always clear which food packaging is recyclable. Further, only 13 percent of consumers make an effort to avoid foods in packaging that cannot be recycled.

"Our research shows that reducing food waste is top of mind for consumers," says John Owen, senior food and drink analyst at Mintel. "This presents opportunities for food brands and retailers to address these concerns through innovative packaging and product messaging. The prevention of food waste can be positioned not only as a good way for consumers to save money, but also as a way to work toward reversing the growing food waste trend through conscious consumption." With snacking on the rise among on-the-go Americans, single-serve food packaging is growing in popularity. In fact, 36 percent of consumers are interested in packaging that allows food to be eaten on the go, while one quarter (23 percent) often buy individually portioned packs.

When it comes to the more perishable food items purchased, smaller packages appear to be the way to go as they can lead to less food waste. Mintel research reveals that more than half (53 percent) of consumers agree fresh produce spoils before they can eat/use it and two in five (41 percent) would pay more for vegetables that come in single-serve packages. What's more, 56 percent of consumers would be motivated to select one food product over another if its packaging better prevented food from going bad.

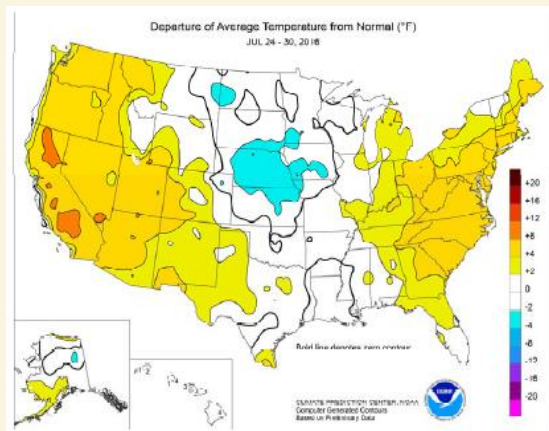
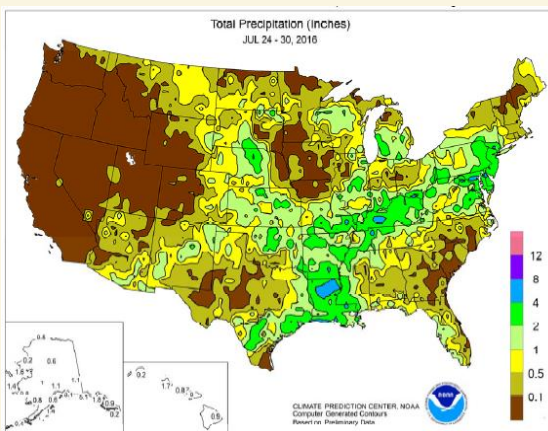
Consumers are also interested in taking a more "eyes-on" approach when food shopping: 38 percent agree that they would be motivated to choose one food product over another if the packaging allowed them to view the contents. As revealed by Mintel's Global New Products Database (GNPD), food packaging with a cut-out window accounted for 12 percent of all new U.S. carton-based product launches in the first five months of 2016, up from 8 percent in 2013.

As highlighted in Mintel's 2016 Global Packaging Trend, Phenomenal Flexibles, flexible packaging is no longer considered a compromise for brands as demand for single-serve packaging grows and as consumers associate flexible pouches with being modern. In fact, 34 percent of consumers view flexible pouches as "modern," compared to two in five (40 percent) consumers who perceive glass packaging as "old-fashioned." However, despite its antiquated image, consumers are more likely to agree that glass is reusable (49 percent) and effective at retaining freshness (38 percent). And while flexible pouches are seen as more innovative and portable (44 percent), consumers are much less likely to view the packaging as being reusable (11 percent) or retaining freshness (21 percent) when compared to glass.

"While the need for portability is forcing some brands to forgo glass for more convenient packaging options, glass hits on the trend of package reusability, and is considered visually appealing to many consumers," Owen says. "As such, brands that use glass packaging should market their products with a second life for its package in mind. Packaging continues to grow more important in the food marketing mix and brands should look to packaging to not only convey benefits and product information but also to shape a consumer's experience with the product and to capture new use occasions."

NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation



KEEP YOUR EYE ON THE CONSUMER

Youngsters Want Leisurely, Upscale Grocery Shopping

By: Pan Demetrakakes, www.retailleader.com

Young consumers want to treat grocery shopping as a leisurely, enjoyable experience, and often want to shop at stores more upscale than the ones they actually patronize. Those are two of the major takeaways from “Now Serving Young Millennials,” a report from marketing agency Gatesman+Dave. Done in conjunction with the Ohio University Consumer Research Center, the study is based on research methods including focus groups and a survey of more than 1,700 young millennials (ages 18 to 24). The survey asked about product preference, channel preference, purchase behavior, approaches to cooking and more.

One finding was that young millennials have aspirations of more upscale shopping than they can afford. They were asked whether they patronized any of seven retail grocery channels, and whether they would prefer to patronize them. On a scale from 1 to 7, the biggest disconnect downward from “patronage” to “preference” was big box stores, scoring 4.5 on the “patronage” scale but only 3.5 on the “preference” one. Discount retailers had almost as big a disconnect, scoring 2.9 on the “patronage” scale and 2.1 on “preference.” The biggest disconnect in the other direction—with preference outstripping actual patronage—was “health-centric retailer,” a category that includes upscale natural/organic stores like Whole Foods. These registered 2.9 in “patronage” and 3.8 in “preference.”

These upscale preferences may be explained in part by an attitude toward shopping revealed by another question. Asked how they engage with grocery retailers, two of the most popular responses were “sampling new food,” at 66 percent, and “relaxing,” at 42 percent. Both of these have to do with the experiential, as opposed to strictly practical, aspects of shopping.

Beth Vukmir, vice president, group account strategy director at Gatesman+Dave, says that “relaxing” was included as an option because in focus groups during the first phase of the study, it came out that many in the 18 to 24 age group liked to use grocery stores as a place to unwind. “Many purchase coffee or other beverages before browsing the aisles and described this use of the grocery store as a different part of their engagement with the store—something different from the task of shopping,” Vukmir says. “They seem to find some leisure in the overall shopping experience, which aligns with millennials being known as the foodie generation.”

The most frequent means of engagement with grocery retailers was loyalty programs, at 70.8 percent. Said one respondent: “I have never done a price comparison. I just feel like I am getting better deals because of the loyalty programs.”

The survey showed that young millennials have a lot of confidence in their cooking skills, but that their definition of cooking varies. Almost 80 percent of respondents defined it as “using a recipe to cook a meal”; for 47.9 percent, it was “assembling a meal of prepared dishes”; and 94 percent defined it as “using fresh ingredients in their original form.”

“I think their broad definition of cooking, combined with their interest in wanting to improve and test their skills, is a big opportunity for food retailers,” Vukmir says. “We just need to make it interesting in addition to being easy. Retailers have the opportunity to present simple, authentic, fun and fresh cooking challenges – digitally or right in the store. They can take steps to make planning, shopping and preparation easier and set the portions (and costs) for smaller households or individuals. They would likely find even more success if they provide a list of ingredient for a dish that allows these millennials to try new ethnic or other flavors.”

MARK YOUR CALENDAR & PACK YOUR BAGS

September 19-22, 2016

PMA Center for Growing Talent
High Performance Management Conference
Hyatt Regency Schaumburg
Chicago, IL
www.growingtalentbypma.org

November 14-15, 2016

United Fresh Brandstorm
Hilton San Francisco Financial District
San Francisco, CA
www.unitedfresh.org/events-programs

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