



MARKET UPDATE

Tomatoes: With ideal growing conditions, tomato production continues to be strong out of Florida. Ruskin is moving into 2nd and 3rd picks, so fruit has sized down. However, Immokalee has plenty of larger-sized rounds available. Both roma and grape tomato numbers have been good as well. Quality is excellent and should continue to be as long as weather conditions remain picture-perfect.

Both Baja and Eastern Mainland Mexico's tomato production continues to slow down with volume and sizing decreasing on rounds and romas. Availability should improve gradually over the next few weeks, as Western Mainland Mexico growers begin to come online. Grape tomatoes are available in very good supply as three different regions are crossing fruit.

Bell Peppers: Peppers are available in promotable volumes in the East. Georgia continues to ship fruit and has all sizes available. South Florida's yields and quality are very good, although sizing is heavier to the large end of the spectrum this week. Several areas in Mainland Mexico are providing supply to the West, with new growers adding to the mix each week. Color has been light on early picks, but overall quality and condition are good.

Cucumbers: Cucumber volumes have lightened up slightly out of Hermosillo and Culiacan due to some cooler weather, but production is more than ample to meet market demand. Quality and condition have been very good from all areas in Mexico. As for the East, Florida growers have adequate volumes and nice quality to bring to the table. In addition, Honduran fruit is beginning to come in more substantial volumes.

Summer Squash: Yellow and zucchini squashes also offer solid availability and quality in the East. Yellow supply is not as consistent as zucchini, but remains adequate to meet the market's needs. Although Mexican production is beginning to transition from Northern to Southern growing areas, availability remains steady with increases in volume projected.

Green Beans: There are plenty of green beans available in the East, primarily from the Lake area and South Florida. We could see this change over the coming weeks, as oversupply may cause growers to walk away from fields. The California desert will finish bean crops next week, shifting all Western production to Mainland Mexico where supply and quality have been good. Additional growers are expected to start up over the next week, adding more to the available supply.

Eggplant: Eggplant is very plentiful out of Mexico this week, as production remains strong. With Georgia wrapping things up on eggplant, all eyes are on Florida, where supply and quality have been very nice.

Chili Peppers: Growers in Plant City and South Florida are offering good supply on all varieties of chili peppers except Anaheims. The California desert and Baja, Mexico continue to bring small numbers of chilies to market, but will wind down soon. However, Mainland Mexico is in full swing with additional growers expected to start next week. Availability is good on all but tomatillos and habaneros. Overall quality is nice, but there are size issues with Anaheims and color concerns on serranos.

Hard Squash: There is light supply in Florida but most of the country's hard squash demand is being filled from Sonora, Mexico, where sizing & color are very nice.

TRANSPORTATION FACTS

* The National Diesel Average remained steady this week, holding at \$2.42 per gallon.

* The average price for a gallon of diesel fuel is the same as this time last year.

* Although fuel prices rose slightly or remained the same in several reporting areas, the majority reported slight decreases.

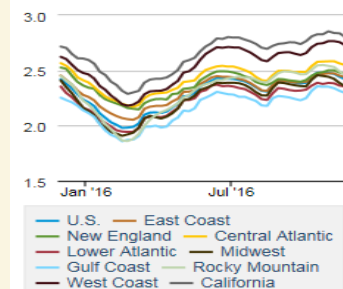
* California remains the high-price leader for diesel fuel at \$2.80 while the Gulf Coast region still offers the best bargain at \$2.29 per gallon.

* The WTI Crude Oil price dropped 5.9% this week, moving from \$48.03 to \$45.23 per barrel.

* Transportation supply has transitioned for the winter months with surpluses now available in Florida and at Nogales. Aside from shortages in storage onion and potato states, all remaining areas have adequate numbers of trucks available.

On-Highway Diesel Fuel Prices

(dollars per gallon)



Source: Energy Information Administration

ON THE HORIZON CONTENTS

Restaurant Industry News- page 2

Lipman in Pictures- page 3

An Apple a Day - page 4

News in the Grocery Trade - page 5

Produce Barometer- page 3

December Calendar- page 3

National Weather Spotlight- page 4

Pack Your Bags - page 5

Restaurant Industry News

Fast Casual Summit: 4 Questions Restaurant Brands Must Answer

By: Shelly Whitehead, www.pizzamarketplace.com, November 30, 2016

Few restaurateurs would deny that the food service landscape is crammed to overflowing with viable players. In fact, according to food service marketing consultant Gerry O'Brien, there are now about one million U.S. restaurants in this nation of 320 million people. That's one restaurant for every 320 people, and one big reason why fully one quarter of all restaurants fail nationally.

Last month, at the Fast Casual Executive Summit outside Los Angeles, O'Brien used those cold, hard numbers to crystallize one idea in the minds of restaurant leaders about surviving in food service today: The difference between winners and losers in this game, he said, is all about differentiation.

During a gathering of several hundred restaurant leaders at the ocean-side summit, O'Brien laid out the details from his research that support a short list of success factors employed by this country's biggest brands. Taken to its purest distillation, O'Brien told the audience that truly successful brands are those that have carefully considered and implemented key features that set their brand apart from its competitors.

But, he said, the best brands don't just settle for any old differentiating gimmick. O'Brien explained that the real winners have differentiated themselves by first clearly defining who their customer is and how best to meet their needs. To that end, he urged restaurateurs to consider the four following questions to develop clear, detailed answers:

Who are your ideal customers?

Answers to this question act as a compass for the overall direction a restaurant brand takes to differentiate itself from other players in this competitive game, he said. The more

descriptive a restaurateur is about the fundamental drivers, desires and needs of their target customers, the better that restaurant becomes at strongly satisfying its customers.

What are those ideal customers seeking?

Here, O'Brien engaged audience members to answer that question if, for instance, the restaurant's target customer is a young mom bringing her kids to lunch. The answers came fast and furious from the audience. "She needs a break," shouted one woman in the rear of the room. "She wants her kids to be healthy," another said. It was the kind of collective brainstorming and "putting yourself in your customer's shoes" that O'Brien said helps restaurateurs find the best ways to reach their audience and enlist their support.

What can your restaurant do to provide what that customer seeks?

Here again the answers came quickly from the audience, including responses like "She wants restaurant employees who actually act happy to see her *and* her kids, not like they're just a pain," and "The restaurant should make moms feel like that restaurant is home."

Finally, given all the above, what's your big idea for differentiation?

Here, O'Brien stepped in with an example of a Manhattan lunch spot called Sweet Revenge that specializes in savory cupcakes with wine and beer in what is known to be a decidedly upscale part of town. O'Brien explained that the operators of Sweet Revenge not only understood why they were there, but had a well-defined answer to that question. "So, what's your 'because'?" he asked the audience of food service experts. "Know that, and

make your 'because' believable and repeatable."

6 questions that answer a restaurant's 'why'

In order to truly achieve the kind of differentiation that successful brands need to survive and thrive, O'Brien urged his audience to consider six critical factors that, when answered, will flesh out the reasons their brand not only exists, but is distinguished from others vying for customers. Those six factors include:

1. **Food:** Is it proprietary and unique?
2. **Service:** Is it stellar, and are employees empowered with the tools needed to do their jobs well?
3. **Experience:** Can you clearly define what kind of experience you give customers?
4. **Location:** Why is this restaurant in this location and how does that help customers?
5. **Environment:** Does your restaurant's environment reflect both your brand and customers?
6. **Price:** Are your prices not only clear and well defined, but do they present clear value to the customer?





LIPMAN IN PICTURES

Check out the five finalists from the November Lipman Employee Photo Contest! Congratulations to Brianne Lee, who won first place and will receive this month's prize!



Eggplant in the Cravo
Submitted By: Scott Rush



The Red Zone Girls (Brianne Lee, Jovita Canales, & Patricia Williams) Submitted By: Brianne Lee



Tomato Cuteness
Submitted By: Papa James Baker



Tomatoes Waiting for a Ride at Farm 15
Submitted By: Larry Moss



Lipman is Big!
Submitted By: David Beaver

PRODUCE BAROMETER

ITEM	QUALITY	PRICING
Bell Pepper	Good	Steady
Cucumber	Good	Lower
Eggplant	Good	Steady
Green Beans	Good	Lower
Jalapenos	Good	Steady
Onions	Good	Steady
Squash	Good	Lower
Tomatoes	Good to Excellent	Steady



DECEMBER CALENDAR

All Month

Stress-Free Family Holiday Month

December 4th-10th

Handwashing Awareness Week

December 2nd

National Salesperson Day

December 5th

National Comfort Food Day

International Volunteer Day

Estero, FL Weather

Fri Dec 2	Sat Dec 3	Sun Dec 4	Mon Dec 5	Tue Dec 6	Wed Dec 7
81°F	81°F	81°F	84°F	82°F	82°F
63°F	63°F	66°F	68°F	70°F	59°F
NNE 10 MPH	NE 13 MPH	E 9 MPH	ESE 9 MPH	SE 10 MPH	SSE 7 MPH
Precip 20%			Precip 20%	Precip 20%	Precip 30%

An Apple a Day

Diet Quality Low but Steadily Improving Among US Kids

Source: Brown University, www.sciencedaily.com, November 23, 2016

On the whole, the diet of U.S. children improved markedly between 1999 and 2012 but it remains poor, said the authors of a new study that examined diet quality data from more than 38,000 kids. Moreover, disparities remain among key subgroups. The bottom-line measure in the study, published in the *American Journal of Clinical Nutrition* is the standard, 100-point Healthy Eating Index (HEI-2010) score. Over the study period the average HEI-2010 rose to 50.9 from 42.5 as children ate more healthy foods, such as whole fruit, and became increasingly likely to avoid "empty calories," such as sugary drinks. The latter improvement explained about a third of the total improvement.

"I am encouraged by the gains," said study lead author Xiao Gu, a master's student in epidemiology in the Brown University School of Public Health. He collaborated with corresponding author Katherine Tucker of the University of Massachusetts Lowell on the study, which analyzed data gathered from 38,487 children aged 2 to 18 in the National Health and Nutrition Examination Survey (NHANES). "Although we showed several components still need to be improved ... our paper provides evidence that we are on the correct track," Gu added.

Indeed, many of the components that make up the overall HEI-2010 score improved significantly: empty calories; whole grains; dairy; whole fruit; total fruit; seafood and plant proteins, greens and beans, and fatty acids; total protein foods; and refined grains. Sodium consumption, however, got a bit worse and in many cases the component scores improved from poor levels, suggesting that nutrition among U.S. children needs to improve further. "The average score for whole grains is only 2, which is far below its maximum of 10, even though we observed a significant increasing trend," Gu said. "For whole fruit the optimal is 5 but the average we observed is 2.1. I think the increasing trend is encouraging but the current dietary quality level is disappointing."

NHANES gathered the data by surveying thousands of different participating children (or their caregivers) every two years, asking each member of that nationally representative sample to recall what food they ate the prior day. Gu and Tucker used that nutrition intake data to calculate the HEI scores.

Demographic disparities

Every demographic subgroup of children shared in the gains, but the pace varied and disparities remain. The score among non-Hispanic black children improved to 48.4 in 2012 from 39.6 in 1999, but over the same period the score for non-Hispanic whites rose to 50.2 from 42.1. While the gap narrowed somewhat, a clear disparity persists.

Gu and Tucker also looked at economic correlates of nutrition. They found that as household wealth increased, so did the degree of gains. HEI-2010 scores rose 23.8 percent among the wealthiest third of the sample, 19.2 percent among the middle third, and 18.2 percent among the least wealthy third.

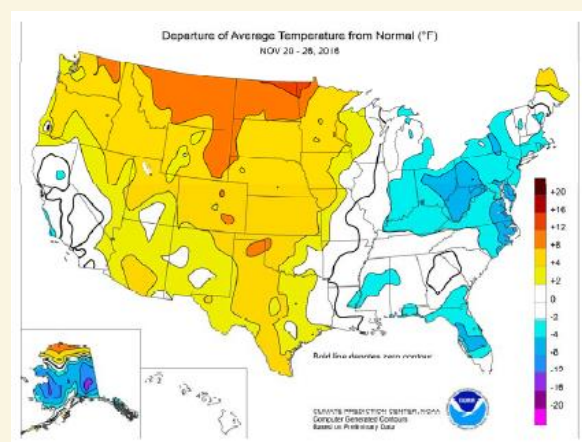
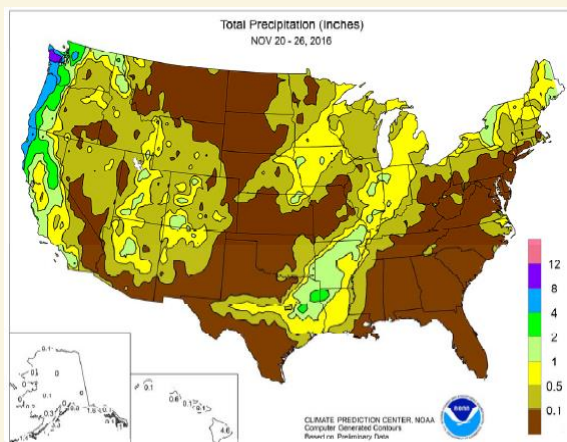
The authors also analyzed diet quality among children in federal nutrition assistance programs. Over the course of the study period, the HEI-2010 scores of children in families receiving Supplemental Nutrition Assistance Program (SNAP) benefits began to lag those of children not receiving such benefits, while children benefitting from the Women Infants and Children (WIC) program pulled further ahead of children not receiving that assistance. That difference might in part relate to how the two programs are structured, Gu said. In SNAP, because consumers can buy almost any food they might buy less healthy ones if they are less expensive. WIC, on the other hand, limits food choices to ones that adhere to dietary guidelines.

An overall policy success?

The broad-based quality gains evident in the average American child's diet so far this century may stem from sound policymaking, Gu said. Over the same period researchers, policymakers and non-governmental organizations have worked well together, for example, to improve nutritional guidelines. Ballot initiatives may have helped further, Gu said, by passing soda taxes in several cities that could further discourage empty calorie consumption. "We should continue improving our policies and programs along with doing more research because that has really made Americans healthier," Gu said.

NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation



NEWS IN THE GROCERY TRADE

Getting Romantic with Customers

By: Pan Demetrakakes, www.retailleader.com, November 2016

Consumers' interactions with retailers can be understood in terms usually associated with romantic relationships, like intimacy, passion and commitment, according to a new study by marketing agency ICLP.

Based on a survey of 1,009 U.S. consumers, the study concludes that most are in "less committed relationships with their favorite retailers," and as many as 86 percent are liable to "cheat." The survey examined the psychological parallels between human relationships and relationships with retail brands, as interpreted by specialists in relationship dynamics.

According to the study, both human and customer-retailer relationships can be classified, in increasing intensity, as empty, liking, casual, romantic, companionate or devoted. It found that only 14 percent of consumers report feeling "devoted" to a retailer. One of the biggest consequences, from the retailers' point of view, has to do with how likely shoppers in each category are to recommend a retailer to others. Roughly speaking, as the relationship intensifies, so does the likelihood of positive word of mouth, from only 7 percent in a "liking" relationship to 96 percent in the "devoted" category.

The study posits a customer-retailer relationship model based on the Triangular Theory of Love of Robert Sternberg, a professor at Cornell University. Sternberg's theory focuses on intimacy, passion and commitment as the three key components of a relationship. Applied to a retailer, intimacy denotes willingness to share personal information; passion signifies enthusiasm for the retailer's brand, and commitment equals brand loyalty.

In practical terms, "intimacy" with a retailer means allowing the use of personal information beyond simple identification, whether through a loyalty program or other means, says Phil Seward, ICLP's regional director of the Americas. This can present a special challenge for retailers of food and other consumable goods, Seward says.

"The challenge for those selling consumable goods is even more time sensitive as, by definition, these products are 'fast-moving' and the preferences and emotions of those buying them will change quickly," he says. "Brands need to be communicating regularly with their consumers to ensure they continue to understand their preferences, maintain a relevant dialogue, and are able to act upon opportunities to maintain the intimacy required for a devoted relationship as they arise."

The report recommends several steps to retailers to foster more advantageous relationships. Creating stronger rewards programs is one; 74 percent of consumers say they would buy more if they were better rewarded. Another is better understanding customers' needs, something that 59 percent said would make them buy more. In addition, 60 percent would buy more if retailers treated them with more respect, and 53 percent would buy more if they trusted brands more.

Seward says that food retailers can take advantage of the unique emotional attachments that food often fosters. "A food retailer could absolutely utilize the unique emotional connotations associated with their product in order to build customer relationships. This stems from the concept of truly understanding the behaviors of your customer base," he says. "Understanding 1) what ways to best reach customers and 2) their past purchase patterns is answered through analyzing Big Data and then turning those insights into meaningful actions."

"For instance, if data shows that someone always buys a special type of cake during Thanksgiving, a retailer could send them a proactive offer for repurchasing that product, plus providing recommendations for complementary food or drink products to cross-sell and increase basket value."

MARK YOUR CALENDAR & PACK YOUR BAGS!

March 20-22, 2017

Audit Safety Asset Protection Conference (ASAP)
Rosen Shingle Creek
Orlando, FL
www.fmi.org/conferences

April 23-25, 2017

Women's Fresh Perspectives Conference
TBA
Miami, FL
www.growingtalentbypma.org

CREATED BY LIPMAN
FOR OUR VALUABLE
CUSTOMERS



Visit our website...

www.lipmanfamilyfarms.com

Follow us



Questions or comments about the newsletter?

Contact: joanna.hazel@lipmanproduce.com