



MARKET UPDATE

Tomatoes: Tomato production remains strong in Florida on all types- rounds, romas, grapes and cherries. After a very dry period, growing areas received light rain this week, but quality and sizing options continue to be excellent. Pending a weather event, production and quality are expected to remain good throughout the month.

As Baja and Eastern Mexico continue in their seasonal declines, round and roma supplies have gotten snug in the West, particularly on larger fruit. Quality has been nice, although shippers are moving fruit on the green side to keep up with demand. Western Mainland Mexico has begun in a small way with romas and will add rounds in a few weeks. Until then, volumes will remain limited. Grape tomatoes are available in good volumes as growing regions overlap. Western Mainland has several growers in the mix now, but quality is varied with mixed color, splits and shrivel reports on early picks. Quality should improve as farms get deeper into crops.

Bell Peppers: A recent heavy rain event will wrap up Georgia's pepper crops quickly, moving the primary supply for the East to South Florida. Volumes are a little lighter after the post-holiday planting push, but there's plenty of good size and quality fruit available to the market. In the West, Mainland Mexico has seen cooler weather, which has slowed production somewhat. But, with more acreage planted than usual, there continues to be plenty of supply to meet market demand. Early picks have been light in color, but the pepper has strong walls and overall good quality.

Cucumbers: Mainland Mexico's production has dropped off a bit this week due to cooler weather and

growers transitioning between plantings. Quality and condition reports are good. In the East, Florida's cuc production is projected to remain good through December, then drop off as less acreage will remain in production. In the meantime, Honduran imports are beginning to pick up with more farms adding to the pie.

Summer Squash: Squash supplies in South Florida have been hit and miss this week as farms transition between plantings. Overall quality has been nice, despite some concerns on yellow squash. Supply should level out as growers move into new fields with more consistent production. Mexico's supply is somewhat lighter this week as the market works through the transition between Northern and Southern growing areas. Cool weather has slowed the start of crops in Guasave and Guaymas, but they should be moving toward seasonal production levels over the next week or so.

Green Beans: Florida's bean supply has lightened up after the Thanksgiving planting push, but there's still plenty of product to go around and quality is good. The West is seeing an increase in production out of Culiacan and Guasave, Mexico.

Eggplant: Eggplant is a very promotable item throughout the country, as both Eastern and Western sources have good supply and quality available.

Chili Peppers: Plant City, FL is at its Winter production peak on chili peppers and has good volumes on all but Anaheims available. Mainland Mexico has several areas in production and is seeing quality improve since early picks. All varieties are readily available except habaneros and fresnos, which are slow to start. Baja also continues to offer product, but it is from older crops and doesn't have legs to travel.

TRANSPORTATION FACTS

* The National Diesel Average jumped \$.06 this week, moving from \$2.42 to \$2.48 per gallon.

* For the first time in several months, the average price for a gallon of diesel fuel is significantly higher than the same time last year (up \$.10 per gallon).

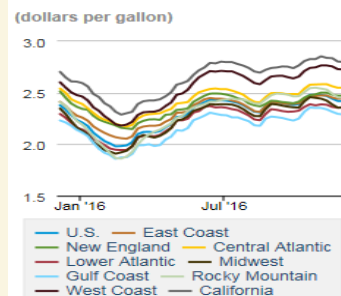
* All areas reported price increases this week, with the most significant hike coming from the Midwest (up \$.075 per gallon).

* California remains the high-price leader for diesel fuel at \$2.84 while the Gulf Coast region still offers the best bargain at \$2.36 per gallon.

* The WTI Crude Oil price climbed 10.1% this week, moving from \$45.23 to \$49.77 per barrel.

* Florida and Nogales report a surplus of available transportation. Aside from shortages in some storage onion and potato states, all remaining areas have adequate numbers of trucks available.

On-Highway Diesel Fuel Prices



Source: Energy Information Administration

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News in the Grocery Trade

5 Ways to Boost Fresh Sales in 2017

By: Bridget Goldschmidt, www.progressivegrocer.com, December 8, 2016

For the past few years, in response to rising consumer demand, retailers have introduced a plethora of “fresh-focused” store formats playing up the produce, meat/seafood, deli/prepared food and bakery departments, often at the expense of perceived lower-value sections such as center store and frozen foods.

But how long will this interest in fresh last, and how can retailers prevent it from growing stale?

Following are five key pieces of advice to retailers to maintain a booming fresh offering. Although some comments refer to one category in particular, many observations are applicable across departments.

1. Stay on Top of Health and Other Trends

Since fresh products are so closely connected with consumer perceptions of better health and nutrition, retailers need to strike the right balance in communicating these properties to customers, so that they'll be encouraged to incorporate more and varied fresh items into their diets.

Kathy Means, VP of industry relations at the Newark, Del.-based Produce Marketing Association (PMA), urges, “Use programs like [PMA/Sesame Workshop partnership] Eat Brighter! to attract attention and make it easy for kids to want produce — parents will thank you!”

Retailers must always bear in mind, however, that fresh isn't only about better-for-you items. “The holistic approach to produce will continue as consumers see produce as more than just a health solution, though health remains important,” Means points out. “It's family favorites and traditions. It's convenience and time saving. It's fresh and new, even adventuresome at times.”

“Stay current on trends,” similarly advises Means. “Fruits, vegetables, herbs, etc., are often the key to making a cuisine what it is, so highlight those opportunities to customers.”

2. Light It Up

Another sage recommendation is to make sure that the products look as good as possible by presenting them, quite literally, in the best light.

“When it comes to merchandising, different colors can convey different feelings and moods,” explains Margie Proctor, marketing and design specialist at Conyers, Ga.-based Hillphoenix. “Warm tones, perceived as more pink-red tones of light ... can impart a fresh, warm look to baked goods and a pleasing appearance to pink and red meat products.”

Meanwhile, she notes that temperatures “on the opposite end of the spectrum ... can help impart a cooling visual [that] emphasizes the white and green in fresh vegetables such as lettuce and green onions, as well as the shining scales of a freshly cut white-flesh fish. The lighting you choose may even affect food spoilage and nutrients.”

3. Borrow Ideas

When promoting fresh food, grocers shouldn't feel locked into marketing and merchandising strategies from their own retail channel — or even limit themselves to retail ideas at all. “Think of your own experiences at other retail outlets: You appreciate suggestions, whether from a display or an associate,” notes Means. “Make that work at your stores — it shows respect and understanding for your customers. People like to shop at a retailer that ‘gets’ them.”

One creative example: “Book-stores have ‘employee picks’; why shouldn't your stores have something like that?” she asks. “It could be favorite fruits or vegetables, their own recipes or prep tips.” Further, adds Means, “The impact of foodservice and food culture (cooking shows, new restaurants, etc.) does seep into retail — take advantage of it.”

4. Keep it Simple

As with many things, simpler is better when it comes to fresh. “Avoid vast assortments in prepared foods,” counsels Jill Tomeny, senior manager, category solutions at Stamford, Conn.-based Daymon. “Focused programs help drive turn and freshness. There are ways to sell the same item in multiple formats — such as in the hot bar, in the service case and prepacked in the cold case — that hit on all shoppers' needs but maintain streamlined offerings.”

Additionally, better organized departments will ensure that customers find what they're looking

for faster. This can mean rethinking traditional category management approaches.

Alan Hiebert, senior education coordinator at the Madison Wis.-based International Dairy-Deli-Bakery Association (IDDBA), notes that “we've seen at least one chain that has begun locating the specialty cheese department next to the dairy case, often next to the wine and craft beer. From a traditional category management and store layout perspective, some chains may not think it makes sense. IDDBA research, however, has shown that ... positioning the two together can help strengthen the relationship between the two, increasing sales of both and helping shoppers fill their needs efficiently.”

“Make it easy for consumers to shop your department and use these products, whether that's fast meals, understanding how to use new items, fresh takes on old favorites, whatever,” counsels Means. “Be the consumer's solution. They'll keep coming back.”

5. Create a Worthwhile Experience

Above all, retailers must strive to make their fresh departments as inviting as possible. This might include development of seasonal POS for shelves, in-store demos, and improved labeling information about product usages for different occasions. Recipe cards and coupons can also help boost engagement.”

Hiebert likewise believes that “stores should avoid being passive purveyors of fresh products. Engage shoppers through in-store associates, through digital and social media, and through signage. Though shoppers won't be looking for an immersive experience every time they're in the store, the more exciting and engaging the store is, the more likely they will be back.”

Finally, grocers have to realize that the fresh departments can work in concert. “Don't just put a fresh program out there and hope it will sell,” cautions Tomeny. “Retailers need to develop marketing programs that tie together all perishable departments, tell a story and ultimately become the obvious choice for customers.”



LIPMAN IN PICTURES

Here are some of the great entries from the November Lipman Photo Contest!



Zucchini on Farm 2
Submitted By: Kevin Yue



Taking VOC Readings Before Planting
Submitted By: Elizabeth Malek



Grape Tomato Harvest at Farm 7
Submitted By: Linda Garcia



Pedro Campos- Newly-Promoted Manager at Farm 8
Submitted By: Scott Rush



Ric Crispo teaching Shamrock University
Submitted By: Suzie Cerezo

PRODUCE BAROMETER

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



DECEMBER CALENDAR

All Month

Worldwide Food Service Safety Month

December 9th

Christmas Card Day

December 14th

National Biscuits & Gravy Day

December 15th

National Cupcake Day

Naples, FL Weather

Fri Dec 9	Sat Dec 10	Sun Dec 11	Mon Dec 12	Tue Dec 13	Wed Dec 14
68°F	75°F	81°F	81°F	81°F	81°F
57°F	63°F	66°F	68°F	70°F	72°F
NNE 15 MPH	NNE 15 MPH	E 13 MPH	E 8 MPH	ENE 8 MPH	E 9 MPH
Precip 30%			Precip 20%		Precip 20%

Keep Your Eye on the Consumer

FMI and Nielsen Examine Consumer Perspective on Fresh Prepared/Deli

By: Lindsey Wojcik, www.groceryheadquarters.com, December 6, 2016

The Food Marketing Institute (FMI) has released its inaugural analysis, *The Power of Fresh Prepared/Deli*, which explores fresh prepared and deli foods through the eyes of the consumer. Grounded in Nielsen data, the research outlines how the supermarket industry will continue to identify improved ways to track consumer dynamics, convenience, and household trends that have had a profound impact on meal preparation and shopping behaviors regarding fresh prepared foods.

The Power of Fresh Prepared/Deli uncovers insights on consumer buying behaviors for fresh prepared food choices to better identify what choices consumers are making and how they are determining where and what they will eat. Key opportunities and strategies for retailers and their suppliers are identified in the fresh/deli space. "Understanding the choices consumers make in the grocery store are vital in helping retailers drive image, reputation, and trips to the fresh prepared and deli section," says Sarah Schmansky, director of Nielsen Fresh. "Improvements to drive increased fresh-prepared purchases can be approached in many different ways, including meal solution type, operational improvements, and aligning specific food items and featured cuisines most closely to the intended store audience."

"The research shows that an increasing number of consumers are only buying a portion of the meal that's already prepared and taking it home to combine it with 'from scratch' ingredients from their kitchen, which offers retailers valuable insight as they begin to think of connecting the consumer who buys the whole rotisserie chicken with other areas of the store," says Rick Stein, FMI vice president of Fresh Foods. "Aligning these meal and recipe solutions with ambiance, atmosphere and experiential factors suggest evolving expectations among grocery customers."

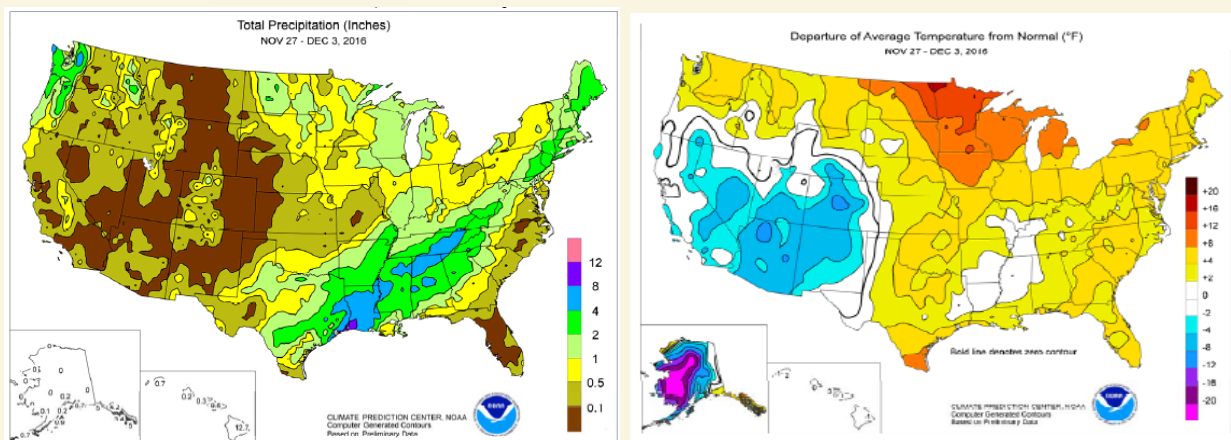
Highlights from the report include:

- Driving image, reputation and trips is important to grow deli/fresh prepared, particularly as store/deli visits are declining. Fresh/deli prepared had 96 percent penetration yet only 12 percent of shoppers visit the deli with regularity across channels and banners. Making deli/fresh prepared a true point of differentiation can pay huge dividends for the department and total store.
- Tying into mega trends and touting health and wellness claims may accelerate sales growth in deli/fresh prepared. Shoppers are interested in seeing deli/fresh prepared featuring organic, locally-sourced, non-GMO, gluten free and other mega trend- inspired foods that are aggressively growing sales in other parts of the store.
- Focus on convenience as the overarching advantage of deli/fresh prepared versus home-cooked meals. Extensive variety helps suit different preferences among household members. Other advantages include saving money on potentially discarded food and offering more convenient options for those who do not or cannot cook on a given occasion.
- Elevate the profile of the food itself: driving food theater, ambiance, customization, professional chefs and meal inspiration. When compared with restaurants, shoppers see the ability to combine errands and time savings as the top two advantages of deli/fresh prepared.
- Offer variety across all types of meal options, including number of options, cuisines and regular rotation of offerings. Constant innovation is required to stay on top of flavors, ingredients and customizable options, primarily around mainstream, premium and value options.

The Power of Fresh Prepared/Deli was commissioned by the FMI Fresh Foods Leadership Council, supported by FMI, Nielsen, Hussmann Corporation and The Shelby Report, and prepared by 210 Analytics, LLC.

NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation



RESTAURANT INDUSTRY NEWS

5 Ways to Attract the Under-Tapped Teen Consumer

By: Sean Baker, www.fastcasual.com, December 7, 2016

Teenagers are becoming foodies faster than they can tie the laces on their designer sneakers, according to Piper Jaffrey's annual Taking Stock with Teens survey. It found that restaurants represent 22 percent of overall spending for upper-income teens. And when making their selections, they're choosing limited-service concepts at a 50 percent greater rate than full-service concepts. And, not necessarily surprising, food is only one of two categories outpacing athletic wear with all male teens, according to the report.

When thinking about when teens are spending, it's certainly the off-campus lunch hour, but it's also late afternoon — after school and before practice — historically a slow day-part. As you solidify your restaurant marketing plans, consider the following five opportunities to reach the heads and hearts of the typically finicky teenaged consumer:

1. Don't try to beat them, join them.

A dining room full of teenagers can be a bit overwhelming for other diners, but don't deter teens from visiting, especially during dayparts that are otherwise slow. Smart restaurant marketing includes developing relationships with schools, giving out swag or running a teen-focused promotion to encourage brand affinity between the hours of 2 and 4 p.m.

2. Be relevant, but don't try too hard.

No one can spot an inauthentic attempt to capitalize on a trend or current event like a teenager. If it makes sense for your brand, create a tie, but if it feels like a stretch, it probably is. It will likely do more harm than good.

3. Be friendly.

Everyone likes to feel welcome, and teens are no exception. Be gracious and treat teens with respect. Because they are accustomed to being belittled, a little courtesy will go a long way.

4. Put them to the test.

Teens love to try new things. If you're interested in testing a new menu item or line extension, conduct events or run promotions when teens are most available and allow them to provide feedback — it'll be candid.

5. Don't be afraid to embrace the teen consumer.

This is the most important point. After all, their money is just as good as anyone's.

As the restaurant industry faces among the lowest annual revenues since 2008, the teen market represents a bright spot in future spending. For the restaurant that does it right, there's a gold mine waiting to be discovered.

MARK YOUR CALENDAR & PACK YOUR BAGS!

January 10-12, 2017

United Fresh Midwinter Leadership Forum
Royal Sonesta New Orleans
New Orleans, LA
www.unitedfresh.org/events

April 5-6, 2017

PMA Fresh Connections
Philadelphia Airport Marriott
Philadelphia, PA
www.pma.com/events

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