## **MARKET UPDATE**

Tomatoes: South Florida round tomato growers are working through crown picks, yielding strong amounts of large fruit this week. Overall volume remains consistent despite the previous cool snap and quality is very nice. Although there's less acreage planted, the roma situation is similar, with steady production and this week's sizing on the large end of the spectrum. Grape tomato availability also remains steady...

Western Mainland Mexico continues to cross strong volumes of roma and round tomatoes. Larger sizes are more abundant, as the previous week's cool weather allowed the fruit on the vines to size up. With excellent growing conditions expected, supply should remain plentiful for the next few weeks. There's a little less volume on the grape tomato front this week, but numbers should be back to normal levels as the crops catch up to warmer temperatures. Quality and condition are good on all varieties, but there are some backed up inventories on romas and grapes that are showing their age.

Bell Peppers: Bell peppers remain plentiful throughout the country this week, as both Florida and Mexico have good volumes. Florida growers are heavy into crown picks, so larger sizes are more readily available in the East. Overall quality and condition are good in both markets, but there are still some bruising reports out of Florida lots.

**Cucumbers:** The Western market is pulling cucumbers from Sinaloa, Mexico daily, with consistently nice quality and condition available. Baja is on tap to start back into production in March. The Eastern deal continues to be an offshore program with fruit coming from Honduras daily. Quality and

volumes are status quo- steady as she goes.

Summer Squash: Florida farms continue to struggle with Summer squash volumes and quality. With this being the lightest production point of the season already and the added concerns of recent weather damage to fruit and plants, overall volume may not consistently improve until Spring crops begin in mid-March. Fortunately, squash growers in Mainland Mexico have finally gotten into new blocks and are seeing production increases. Quality has improved as well.

Green Beans: Florida's green bean availability remains mostly steady, although pricing and quality are mixed. Western markets anticipate steady production from Mexico for the next few weeks unless growers decide to walk away from crops due to depressed markets. Quality reports are mixed but there are nice beans available.

**Eggplant:** Western Mainland Mexico farms continue to enjoy steady production on eggplant and are crossing fruit daily. Quality is strong and the fruit has legs to travel. In the East, there seems to be a little more volume available this week. Quality varies by grower and location.

Chili Peppers: With more acreage planted and optimal growing conditions, there are plenty of chili peppers available out of Mainland Mexico. The only variety that seems to be a little snug this week is the tomatillo. Quality is very nice as long as the fruit is fresh.

Hard Squash: Honduras is bringing strong volumes of butternut into the US, but have yet to bring any substantial numbers of acorn or spaghetti squash. This is shifting much of the country's demand to Mexico, where growers continue to have all varieties available with improved quality.

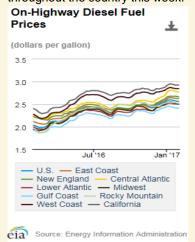
## **ON THE HORIZON CONTENTS**

Restaurant Industry News-page 2 Lipman in Pictures-page 3 An Apple a Day - page 4 Keep Your Eye on the Consumer-page 5

Produce Barometer-page 3 February Calendar-page 3 National Weather Spotlight- page 4 Pack Your Bags - page 5

#### TRANSPORTATION FACTS

- \* The National Diesel Average dropped slightly (less than \$.01 this week), moving from \$2.57 to \$2.56 per gallon.
- \* The average price for a gallon of diesel fuel is \$.53 higher than the same time last year.
- \* The Lower Atlantic and California reported minor price increases this week. All other areas in the country saw diesel fuel costs dip \$.014 or less.
- \*California remains the high-price leader for diesel fuel at \$2.93 while the Gulf Coast region continues to offer the best bargain at \$2.41 per gallon.
- \* The WTI Crude Oil price moved up ever so slightly this week, rising from \$52.75 to \$52.81 per barrel.
- \* Aside from shortages in onion and potato shipping states, there are adequate numbers of trucks to meet transportation needs throughout the country this week.



FEBRUARY 2, 2017 INDUSTRY NEWSLETTER

## RESTAURANT INDUSTRY NEWS

# 5 Ways to Show Your Customers Love on Valentine's Day By: Daniel Rubinstein, <a href="https://www.gsrmagazine.com">www.gsrmagazine.com</a>, February 2017

In 2016, consumers spent a record total of \$4.5 billion treating their dates for the special day.

Building brand loyalty is just like building a relationship. You need to learn everything about your partner's preferences. You need to be genuinely interested in them. You need to make them smile. Above all, you need to consistently show them a little (or a whole lot) of love.

Mobile is a channel that's great for getting up close and personal without overstepping the boundaries. A recent Arc Report by Applause explains that customers now expect "rich, location-based, transaction-aware apps" that offer great experiences and real benefits. The data, however, clearly demonstrates that restaurants are not aligned with those expectations just yet: for example, 45 out of the top 100 restaurant brands lack a native app. That's why everybody in the restaurant space is rushing to launch a mobile app and turning to mobile campaigns that show customers they are truly loved. Here are 5 campaigns that you can use all year round to have a relationship with your brand go from "like" to "love" to "loyal."

# 1. Encourage customers to spread the love

When your guests love spending time at your restaurant, chances are they'll want to bring their friends. Why not encourage them to spread the love even further? Use your mobile app and your social media accounts to offer your guests loyalty program points or a discount for any referrals. For example, a recent case study shows great results achieved by a fast food franchisee that encouraged users to post about their new mobile app on social media. For each link to the app that was posted on personal social media profiles, the existing app users and the new referred users received free points, which they could then spend towards their favorite menu items. Each referral led on average to 4 new app installations and at least one new restaurant quest. This referral program generated 34 percent of all of the franchise's app installations with new guests also fuelling stable revenue growth. Score some love

for your brand from your guests and their friends with a similar offer. It's a win-win for everyone.

# 2. Make their special evening even more memorable

Valentine's Day creates a great opportunity for marketers. In 2016 nearly 4 in 10 of those celebrating the holiday (38.3 percent) planned to treat their dates to a night out at a restaurant or another experience, spending a record total of \$4.5 billion—the highest since National Retail Federation began tracking spending on gifts in 2010. If you're organizing a special event or promotion at your restaurant, consider incentivizing quests to attend. Remember, there is a lot of competition out there, so make sure you stand out from the crowd with a highly tailored offer. For example, to make Valentine's Day truly special for your quests, consider running a romantic promotion: offer them a free bottle of wine or a dessert if they post a selfie of themselves and their significant other geotagged at your restaurant. Remember to also include those guests who choose to celebrate Galentine's and Palentine's on February 14.

# 3. Give them a delightful birthday surprise

As in every relationship, it's not just about that awesome first date. To keep the relationship going over time, you need to consistently show signs of attention. Thoughtful birthday surprises never hurt either. Use high Valentine's Day traffic at your restaurant to sign up as many of your customers to your mobile app and start gathering important demographic data like birthdays. Engage users that haven't been active for a while by offering a lovely birthday surprise. For example, you can send them a coupon for a free treat that they can claim on a visit one week before or after their birthday. This is a great example of a targeted one-to-one marketing initiative that gives an immediate payback. Guests will most definitely love the attention. For example, a casual dining franchisee was able to attract 12.5 percent of guests to celebrate their birthday at the restaurant in the course of a similar campaign and the average check for a birthday dinner was 2.5 times higher than usual.

4. Tell them how close you are Geographic targeting is all the rage right now. In fact, the number of location data beacon devices installed globally rose 90 percent year over year in 2016 with more than 3 million devices installed at food and dining locations according to Reveal Mobile. However, you need to be very careful about how you use the location so that you don't run the risk of being annoying. Offers that work best are highly targeted and highly personalizedtake notice of the consistent theme developing with personalization. Use the geofencing feature in your mobile app to target guests who are close by. You can then get creative with what you offer. For example, last year a burger & ice cream franchise ran a really successful promotion on Valentine's Day offering a free dessert to all singles without a date. Our guess? The promotion would be even more successful if they used location targeting for their offer as well.

# 5. Let them know that you miss them

What's the deal with this customer? Why has he gone silent on us? Is he not that into our brand? Just like some people do after the first date, customers can often completely disappear from your radar and leave you guessing about the reasons. Treat this as an opportunity for your marketers to reach out with a special offer to encourage them to visit you again. Here's an idea: use push notifications in your mobile app to target users whose activity has plummeted in the last month. Send them some love in the form of, say, their favorite mouthwatering menu item free of charge if they visit your restaurant within a week of receiving the offer. This gesture will surely make them swoon and remember they have you in their life.

Remember, personal relationships are really key for your business, and you can't really buy them. They have to be lovingly built over weeks and months. Start building committed customer relationships this Valentine's Day through highly targeted and personalized mobile campaigns that deliver incremental value to your business, and you'll have a great foundation to build on in the year to come.

FEBRUARY 2, 2017 INDUSTRY NEWSLETTER



# **LIPMAN IN PICTURES**

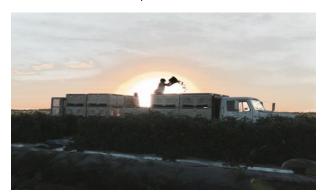
Here are some of the fantastic photos that have been submitted for the January Lipman Photo Contest!



Tailgate Meeting in North Carolina Submitted By: Jeff Bennett



Value-Added Processing Team at Lipman NC Submitted By: Paul Peek



Topping It Off Submitted By: Jesus Gutierrez



Immokalee Green Bean Harvest Submitted By: Scott Rush

# PRODUCE BAROMETER

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

### **FEBRUARY CALENDAR**

### **All Month**

National Snack Food Month National Time Management Month **Second Week** 

International Networking Week February 9th

National Pizza Day February 11th

Stress Awareness Day

## Naples, FL Weather

Fri	Sat	Sun	Mon	Tue
Feb 3	Feb 4	Feb 5	Feb 6	Feb 7
***	**	***	**	***
77°F	77°F	77°F	77°F	77°F
63°F	63°F	63°F	63°F	66°F
ENE 8 MPH	NNE 9 MPH	ENE 8 MPH	ENE 9 MPH	E 13 MPH

FEBRUARY 2, 2017 INDUSTRY NEWSLETTER

## AN APPLE A DAY

# Four Trends Fueling the New Health and Wellness Lifestyle

By: Rebekah Schouten, www.foodbusinessnews.net, January 31, 2017

Consumers are shunning cookie-cutter diets in favor of personalized health and wellness plans, according to The NPD Group. While dieting is declining, "my own diet" is ascending as the most common way consumers take control of their intake, according to NPD's tracking of consumers' eating attitudes and behaviors. "Consumer attitudes toward health today have evolved beyond diet, exercise, and the specific attributes (presence or absence) of food items," said Darren Seifer, food and beverage industry analyst for The NPD Group. "Now they're looking for personal plans that meet their own specific interests, and more importantly, their lifestyles."

#### Looking the part

The new customized health and wellness lifestyle is less about actually living a healthy, active lifestyle and more about appearing to live one, NPD said. These consumers aren't typically losing weight or incorporating exercise into their routines, but they are embracing the appearance of a lifestyle centered on wellness. From an eating behavior standpoint, this includes eating "wholesome" food, such as fresh, organic or non-G.M.O. items. "Concern for and avoidance of traditional health-related attributes, like fat or cholesterol, is waning," NPD said, "although sugar is still a concern."

#### **Tech support**

The rising popularity of technology that tracks footsteps and calories, such as wearable devices and apps, has enabled consumers to develop their own personal plans to meet their needs rather than relying on health plans based on averages, NPD said. Additionally, technology is becoming an avenue to acquire healthful food and beverage. In the coming years, NPD said it expects more people to use retailers' web sites or third-party sites, such as InstaCart.

#### Fresh meets fast

As consumers seek fresher, more healthful meals without all the prep time, they are making meals at home while also using dishes sourced from restaurants, NPD said. The purchased components are more likely to be appetizers or side dishes to help round out or complete meals. "It's yet another sign people want freshly prepared items in the home without having to spend a great deal of time in the kitchen." NPD said.

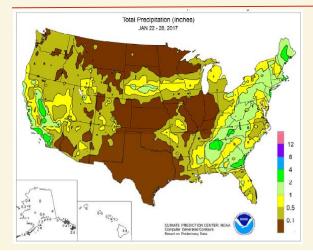
This demand for quick, fresh options signals a generational shift; younger consumers eat fresh foods at rates higher than older adults did when they were the same age. "As these younger consumers age," NPD said, "their demand for freshness in a hurry will only increase."

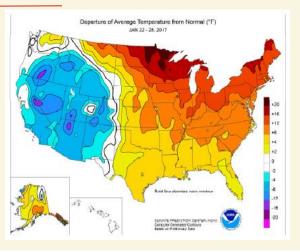
## "Good" food

While consumers want to feel good about the food they buy, they also want to feel good about the company that makes the products and about how the food got to their tables. "Increasingly consumers are looking to support brands and companies that do more than manufacture a product — they want to support causes and actions aligned with their values," NPD said. "People feel they're doing right when they support companies that are connected to locally sourced ingredients, donations to charities, sustainable environmental practices, and animal welfare practices."

# NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation





FEBRUARY 2, 2017 INDUSTRY NEWSLETTER

## KEEP YOUR EYE ON THE CONSUMER

Generation X More Addicted to Social Media than Millennials, Report Finds By: Jonah Engel Bromwich, <a href="https://www.nytimes.com">www.nytimes.com</a>, January 27, 2017

We all know the stereotype: silly millennials, tethered to their phones, unable to accomplish the simplest tasks without scrolling their Instagram feeds, snapping their friends and/or tweeting inanely. But a Nielsen report released last week shows that Americans from 18 to 34 are less obsessed with social media than some of their older peers are.

Adults 35 to 49 were found to spend an average of 6 hours 58 minutes a week on social media networks, compared with 6 hours 19 minutes for the younger group. More predictably, adults 50 and over spent significantly less time on the networks: an average of 4 hours 9 minutes a week. Sean Casey, the president of Nielsen's social division, said the finding initially surprised him because "the going thought is that social is vastly owned by the younger generation."

"It's kind of synonymous," said Mr. Casey, who wrote the foreword to the report. "When you think of millennials, you think of social."

Mr. Casey, 46, said that eventually, the finding started to make more sense to him. "At a time when we wanted to be connected, it came out right when we were at the top of our media consumption," he said. "It's become second nature to our generation."

The finding underscores how ubiquitous the smartphone has become. The report, released on Jan. 17, found that in the United States, 97 percent of people 18 to 34, and 94 percent of people 35 to 49, had access to smartphones. Seventy-seven percent of those 50 and older used smartphones, the report found.

The 29-page report was based on data from 9,000 smartphone users and 1,300 tablet users across the country from July through September. The data was not self-reported. The report also broke out which social networks were most popular on smartphones, finding that Facebook still dominated on mobile, with about 178.2 million unique users in September. It was followed by Instagram, with 91.5 million unique users; Twitter, with 82.2 million unique users; and Pinterest, with 69.6 million users. Snapchat, a favorite of younger users, was sixth on the list, behind the professional networking site LinkedIn.

Finally, the report looked at second-screen activity on social media, measuring how many times Facebook and Twitter users employed those sites to post about programs they were watching or to interact with others' posts. Again, in this category, it was Generation X that could not look away from its devices: On an average day, the report found, 42 percent of those interacting with television on Facebook were from 35 to 49; only 40 percent were millennials.

# MARK YOUR CALENDAR & PACK YOUR BAGS!

#### March 9-11, 2017

Southeast Produce Council's Southern Exposure 2017 Walt Disney World's Dolphin Resort Orlando. FL

www.southernexposure.seproducecouncil.com Join Lipman at Booth 1400!

#### May 19-21, 2017

West Coast Produce Expo JW Marriott Desert Springs Resort & Spa Palm Desert, CA www.westcoastproduceexpo.com CREATED BY LIPMAN FOR OUR VALUABLE CUSTOMERS



Visit our website... www.lipmanfamilyfarms.com

Follow us









Questions or comments about the newsletter? Contact: <u>joanna.hazel@lipmanproduce.com</u>