



MARKET UPDATE

Tomatoes: Florida's overall tomato volume is relatively light for this time of year, as some growers have stepped out of the deal and others are transitioning from remaining Ruskin crops to the Homestead area. However, Naples/Immokalee round and grape production has been mostly steady, with farms packing some really nice fruit with excellent quality and size. Although most of the fruit is coming from crown picks, even 2nd picks have had good sizing and quality this week. Some of the older fruit out of Ruskin is reported to be a little challenged quality-wise but overall industry quality should sharpen up as new Homestead crops come to market. Roma volume continues to be very limited due to the minimal number of acres planted.

Cold weather has slowed volume increases that normally ramp up in Mainland Mexico during this time of the season. Warmer temperatures are in the forecast, so better volumes are expected on all varieties in the next 10-14 days. Although the Mainland's roma season is off to a slightly better start, there's a lot of product crossing with light color. Warmer weather should help to resolve this concern and boost volume.

Bell Peppers: South Florida's Fall pepper plantings have been picked over and have pretty much come to an end. Most of the product available this week is from newer, Winter crops and are crown picks. Sizing is on the larger end of the spectrum with little choice product available. Yields have been affected by bloom drop and fruit loss from prior weather, which intensifies the already light supply situation caused by a significant reduction in acreage. Mexico's volumes are coming out of Sonora and Sinaloa where cool weather has slowed production and limited availability on larger fruit this week. Quality is nice, despite some rain in the growing regions.

Cucumbers: Cucumber production in both Sonora and Sinaloa are on the

lighter side this week due to cool weather. Most Sonora growers will be winding down the season over the next few weeks, leaving supply to Sinaloa. Quality is fair from the older crops in Sonora, but much better out of Sinaloa. The primary concern is sizing as there are very few SS, select and large cucumbers crossing this week. In the East, Florida's crops are winding down with current harvests producing about 50% offgrades. Honduras imports have been steady with mostly good quality.

Summer Squash: With Plant City out of the picture now, Eastern squash production is limited to South Florida. As normal during the Winter season, production and yields are down, which means farms are not picking as frequently. They are picking every other day, which creates a larger percentage of medium fruit. Scarring and scuffing is evident on the fruit that's available (especially on fancy) as a byproduct of the Winter weather patterns that include wind. Mexico's squash supplies are also very limited this week. Many growers are very light due to older fields being hit by the cold and frost during the first week of January. The cooler weather has also affected the newer fields, slowing maturity. Yellow squash sizing and quality is an issue and will continue to be over the next 14 days.

Green Beans: Green beans are readily available in both Eastern and Western markets this week and quality is nice.

Eggplant: With cooler temps, Mainland Mexico's eggplant supply has lightened up this week. Quality is fair to good. Florida farms are also seeing lighter production this week as older crops finish up and new plantings have light yields so far.

Chili Peppers: Mexico's chili peppers continue to be in a critical supply position with jalapenos and serranos especially tight. Poblano supply is a little better than other varieties, as are tomatillos. However, there are quality concerns on tomatillos, with reports of yellow husks.

TRANSPORTATION FACTS

*The national diesel average dropped \$.035 this week, moving from \$3.05 to \$3.01 per gallon.

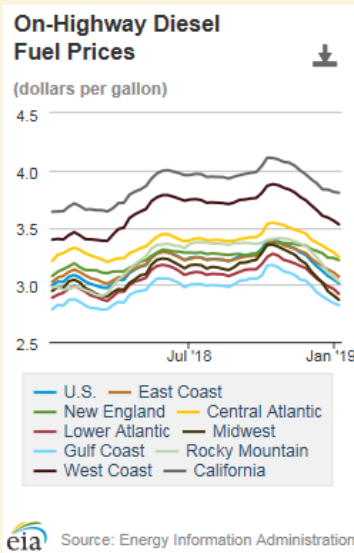
* The average price for a gallon of diesel is only \$.02 higher than the same time last year.

* All areas reported price declines, with the most significant coming from the West Coast where the price fell almost \$.07 per gallon.

*California continues to have the highest diesel prices in the country at \$3.81 per gallon while the Gulf Coast is the low-price leader at \$2.82 per gallon.

*The WTI Crude Oil price took a 12% hike upward this week, moving from \$46.54 to \$52.36 per barrel.

*Transportation is available in adequate or surplus supply in all shipping areas this week.



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NEWS IN THE GROCERY TRADE

5 Ways Grocers Can Sell More in 2019

By: Barbara Sax, www.progressivegrocer.com, January 7, 2019

The retail landscape is more competitive than ever, and shopper loyalty continues to be elusive for many retailers. For supermarket operators to increase sales in the coming year and beyond, they'll need to focus on driving traffic, boosting basket size and building shopper loyalty in new ways. Following are five areas on which grocers can concentrate to up their store game:

Elevate the Customer Experience

"It is increasingly important for retailers to understand what is important to their core shoppers, as well as those shoppers that they are leaking to competitive outlets," says Colin Stewart, SVP, Center of Shared Business Intelligence at Jacksonville, Fla.-based sales, marketing and services company Acosta.

Notes Thom Blischok, chairman and CEO of The Dialogic Group LLC, in Phoenix: "With 40 percent of the center store going away by 2023, retailers will have to improve the in-store experience, which will include grocerants."

Diana Sheehan, director at Norwalk, Conn.-based Kantar Retail, agrees. "The retailers that are going to be successful in driving traffic to the stores will be those that have created compelling service offers to convince shoppers to come in even when they don't need to buy anything," she says.

While shoppers are laser-focused on value, Stewart notes that low price isn't the only way to deliver value to consumers. "Shoppers often associate convenience with value, so supermarkets win when they focus on areas that provide convenience like foodservice, prepared foods and high-quality meal kits that provide shoppers with convenient solutions," he points out.

Eric Richard, education coordinator at the Madison, Wis.-based International Dairy Deli Bakery Association, believes that consumers are looking for their retailers to be a source of information, and that supermarkets can differentiate themselves from other channels by becoming places where consumers can learn about food — or their overall health.

"Providing them with information they can't get elsewhere is becoming extremely important," he says. "That can mean boosting prepared food departments, providing consumers with ideas for preparing meals, offering samplings or cooking classes."

For other shoppers, value means in-store services, and health-and-wellness offerings, cooking classes, wine selection (and tastings), and nutritionists drive more trips and more time in store for shoppers.

Frictionless transactions at the front end of the store to expedite the checkout process are an important part of the overall experience and can be a deal-breaker for shoppers. Determining how technology will change the operating model in the store, from robots to cashless checkout, will figure into that strategy. According to Stewart, that includes options like self-checkout, scan and go, "or simply providing great customer service as shoppers complete their trip."

For his part, Blischok stresses the importance of the in-store human touch. "Retailers need to empower employees to do great things," he advises. "Helping employees realize localization and improve the shopping experience, then rewarding them for doing great things with shoppers, will drive real and profitable growth."

Hone the Assortment

The importance of the right assortment can't be overestimated. "Bringing in the right mix of product innovation and creating new category staples will be essential to driving traffic into the store," asserts Nicky Jackson, founder and CEO of San Francisco-based RangeMe. "Online channels will continue to expand, and social currency for brands will be part of sourcing decisions to offer more points of access for consumers."

That means paying attention to seasonal sales opportunities. Retailers often miss opportunities for incremental seasonal sales, because of gross-margin goals and concern about being over-SKU'd, so buyers become less willing to take risks by adding seasonal products with short availability windows, according to the Newark, Del.-based Produce Marketing Association (PMA).

Some of the most effective product promotions are short-term and spark customer excitement. Creating a themed pumpkin patch outside the store, rather than featuring a single bin of pumpkins in the produce department, will generate excitement in regard to purchasing. Jackson observes that some key trends to watch are products with clean and transparent food labels, offerings where taste is as important as health, and the continued focus on social responsibility, leading back to a strong founder story.

Concentrate on Fresh and Natural/Organic

Fresh is an area in which supermarkets have a natural advantage over other channels — especially online. "People want to see, feel and smell fresh products," says Richard. "Fresh is outpacing center stores in sales, so focusing on that area and finding ways to further engage consumers — like a bakery window that lets customers see and smell fresh bread being baked — is a place [with which] online retail can't compete."

Retailers should also continue to focus on natural and organic products. "Sales of these products will continue to grow across many categories, and shopper expectations and demand continue to increase, especially amongst younger shoppers," observes Stewart. "Merchandising natural and organic products helps to enhance shopper perception of the retailer's focus on health and wellness while trading shoppers up to higher quality and usually higher-priced products."

He recommends leveraging differentiated shelf tags or signage to signal a commitment to natural/organic and other good-for-you products.

Boost Omnichannel Reach

Blischok believes that the No. 1 issue facing retailers is rationalizing how they're going to implement omnichannel. "There's a lot of investments being made in shopper engagement, in online data and product information, but we're in the age of experimentation," he says. "When Nielsen and FMI did the readiness assessment for omnichannel, only 10 percent of retailers said they were ready, so that's a huge play. The ability to have a profitable omnichannel strategy is critical."

The second part of that is understanding fulfillment. "How will they make bricks and mortar, clicks and mortar, home delivery, clicks and lockers profitable without having to incur a huge amount of costs and a fundamental shift in the picking model?" muses Blischok. "Being able to think through the issue of cost-effective fulfillment is key."

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NEWS IN THE GROCERY TRADE (Continued)

5 Ways Grocers Can Sell More in 2019

By: Barbara Sax, www.progressivegrocer.com, January 7, 2019

"Basket size increases by 36 percent, from an average of \$64 to \$87, when the consumer has been digitally influenced," points out Andrea Bell, principal at Deloitte Consulting, in New York, citing research undertaken by her company. "Retailers need to capture that by determining how to digitally influence their consumers along the path to purchase. This requires creating an emotional connection with the consumer around their experience. Emotional connection is the most important attribute [of] driving satisfaction with a retailer. This likely will require teaming with consumer products manufacturers to create the emotional connection across both the retailer and the brands the consumer is purchasing."

According to Stewart, digital can be integrated into the shopping experience in several ways:

Education: Leverage mobile apps to inform shoppers and educate them on everything from where to find products in the store, to nutritional information, to solutions such as recipes.

Shopping: Whether via click-and-collect or home delivery, offer an extended assortment of products that aren't on the shelf. Digital should provide shoppers with options on how they can interact with the brick-and-mortar store or have products delivered to their homes.

Motivation: Consumers can be motivated through loyalty programs, especially in customized ways that provide a personalized experience that's relevant to shoppers.

Partnerships: To expedite digital activation, consider teaming with third parties to move quickly into these new digital capabilities. With online penetration set to increase in the United States, Jackson says that exciting new meal solutions and savvy online delivery options will be at the forefront of convenience solutions. And with consumers becoming more confident about purchasing fresh fruits and vegetables online, PMA notes that supermarkets have an opportunity to improve their digital services and boost customer satisfaction with more fresh offerings. "Consumers are consistently shopping in a channel-less environment," observes Bell. "The same consumer is shopping in store [and] using click-and-collect and home delivery. The key is to understand what your consumers are looking for, focus the value proposition there and identify channels where [there's] a willingness to pay. We are seeing that one size does not fit all."

Reduce Shrink

Many retailers are focused on improving losses in departmental shrink. As comparable sales are trending up and greater competition is resulting in retail price pressures, retailers can develop efficiencies in how product moves through the supply chain and into their stores, according to PMA, which adds that this can be accomplished through efficient data-based ordering. As there's often a gap in store-level staff knowledge regarding storage and handling, retailers can improve shrink rates through proper best practices, staff education and efficient ordering, thereby creating more consistent on-shelf product-level conditions without adversely affecting sales.

This article has been edited for content due to space constraints. To access the entire article, please go to: https://progressivegrocer.com/5-ways-grocers-can-sell-more-2019?ajs_uid=0684I9252156H7E&oly_enc_id=0684I9252156H7E&ajs_trait_oebid=5235H5701912B70

PRODUCE BAROMETER

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



JANUARY CALENDAR

January All Month

National Soup Month

January 14th

Clean Off Your Desk Day

January 16th

Hot and Spicy Food Day

January 17th

Get to Know Your Customers Day

January 18th

Bean Day

Immokalee, FL Weather

Fri Jan 11	Sat Jan 12	Sun Jan 13	Mon Jan 14	Tue Jan 15
74°F	80°F	82°F	75°F	69°F
53°F	58°F	56°F	47°F	46°F
N 7 MPH	ENE 8 MPH	SE 5 MPH	N 8 MPH	N 10 MPH
Precip 10%				

RESTAURANT NEWS & VIEWS

You're Wasting Food, But Do You Know How Much?

By: Ryan Yost, www.qsrmagazine.com, January 2019

With slim profit margins, restaurant operators would like to think their inventory is so carefully ordered, there's little to no waste. The statistics tell a different story.

The Food Waste Reduction Alliance in 2014 found that nearly 85 percent of unused food in American restaurants was thrown away, 14 percent recycled and only 1.4 percent donated. The anecdote? Take the guesswork out of ordering with a tracking system for food waste and donation.

Tackle food waste by charting several components: Why is food wasted—are you cooking a lot more than you sell on a regular basis? Did a cooking mishap mean tossing some food? (It happens). Every week, employees enter the amount of food that's not used. The numbers show seasonal demands (what sells when), as well as peak times during the day and days of the week. Employees document times when food is over- or under-cooked and needs to be tossed. The data will help you order more accurately, provide training where needed in the kitchen, and promote where—and how often—you're donating food to charitable causes.

It might surprise you that less than 1.5 percent of restaurant food is donated annually, but the logistics of food donation are complicated, including transporting it (or arranging for pick-up) and ensuring food is held properly so it doesn't spoil after it leaves your restaurant. Sometimes food that's past its hold time doesn't reheat well or taste very good; that's something to consider as well.

Food waste translates to between 25,000 and 75,000 pounds of food tossed every year by the average American restaurant (just one), according to the Green Restaurant Association. Its time operators got serious about food waste—donating what they can. It's not only the right thing to do, but it will save you annually on food costs and tighten inventory.

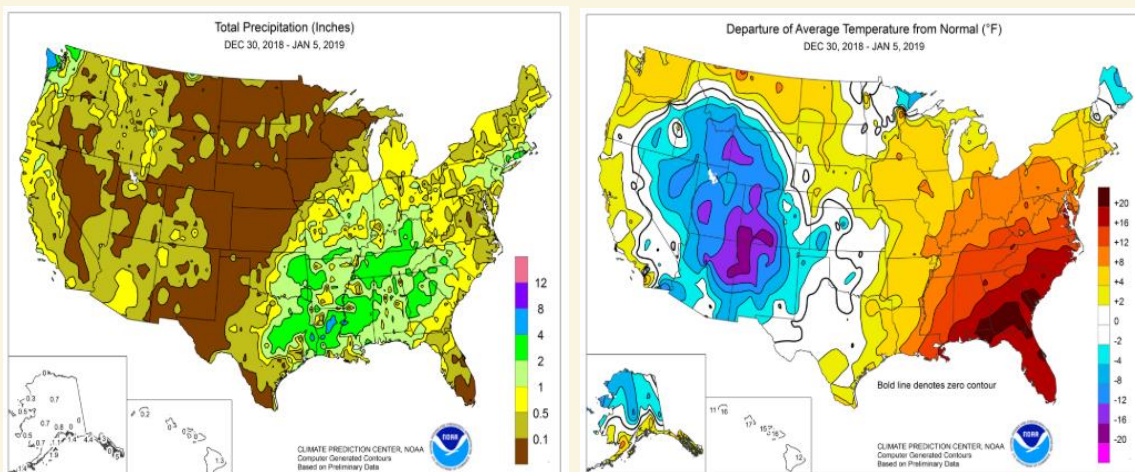
First, take charge of your inventory and track what you're using—and what you're throwing away or donating. Then, take the steps to tamp down inventory, be smarter with what you're buying (and when) and, finally, connect with food pantries and food shuttles in your area who will gladly pick up food. It may seem daunting, but ask around; once you get it set up, you'll wish you had a donation system earlier.

Don't forget to promote your food donations on social media. Customers love to know which businesses value sustainability and community involvement.

Americans in general throw away \$165 billion worth of food annually, reports the Natural Resources Defense Council. Reducing waste by ordering only what you need—and donating the rest—is the right thing to do.

NATIONAL WEATHER SPOTLIGHT

Last Week's Precipitation Totals and Average Temperature Deviations



AN APPLE A DAY

These Will be the Hottest Food Trends in 2019, According to Dietitians

By: Joan Saige Blake, www.usnews.com, December 20, 2018

2018 was the year of keto, cauliflower and apple cider vinegar. What will 2019 bring? I asked my registered dietitian nutritionist colleagues to weigh in on what will be hot – and whether those trends are worth following. Here's what they said:

1. The Keto Diet

"The popularity of the keto diet continues to rise and will do so. In 2018, we saw the introduction of keto foods and products in order to help people snack and eat 'the keto way.' We will continue to see a rise in keto-friendly products. Because keto is not easy for most people to adhere to, we will also be seeing a modified keto in 2019. In other words, you can eat keto-like without being as strict."

– Toby Amidor, award-winning dietitian and Wall Street Journal best-selling cookbook author

2. Less Sugar

"Consumers are concerned about sugars in general due to the relationship between added sugars and diet-related chronic diseases like obesity. Companies will continue to reformulate products using new technologies to reduce sugar using fewer and more natural ingredients. However, since sugars play a variety of roles in processed foods other than simply adding sweetness, the task to reduce sugars will be challenging."

– Kathleen Zelman, registered dietitian nutritionist and director of nutrition at WebMD

3. Non-Dairy Milk

"The hot trend of plant-based milks, especially almond milk, will continue in 2019. Not all almond milks are alike though, so be sure to check labels carefully to choose those that are excellent sources of calcium and vitamins D and E. Almond milk is more versatile than you may realize and can be incorporated into smoothies, soups, stews and muffins."

– Bonnie Taub-Dix, registered dietitian nutritionist, creator of BetterThanDieting.com and author of "Read It Before You Eat It: Taking You from Label to Table"

4. Digital Food Shopping Carts

"Online grocery shopping will be making it big in 2019 by improving the organization of food shopping and making mealtime less of a hassle. With the convenience of your smartphone or computer, you will be able to click on the items you need and swing by to pick them up or have them delivered directly to you."

– Jessica Crandall, registered dietitian nutritionist and spokesperson for the Academy of Nutrition and Dietetics

5. Foods Cooked in Foil

"I love fast, flavorful food trends that the average person can get excited about. I'm seeing more creative ways to get good-tasting food on the table, such as more sheet pan meals or 'food in a foil,' which really allows busy folks to redefine fast food and cleanup. These foiled meals allow for an infusion of flavor minus the fuss. As a dietitian who specializes in families and has one of my own, this is the zone of America."

– Angela Lemond, registered dietitian nutritionist and spokesperson for the Academy of Nutrition and Dietetics

6. Plant-Based Eating

"I see plant-based eating getting even bigger in the New Year. We have so many more options that allow people to adopt a flexitarian diet. These options include everything from baking ingredients like cassava flour to healthier snacks, such as dark chocolate-covered chickpeas. You'll also see new types of nut butters, such as pumpkin seed butter, as well as alternative oils like pomegranate seed oil and algae oil."

– Amy Gorin, registered dietitian nutritionist and owner of Amy Gorin Nutrition in the New York City area

FRESH
TOMATOES


the best
of nature™

MARK YOUR CALENDAR
PACK YOUR BAGS!

March 3-5, 2019

International Restaurant & Foodservice Show of
New York
Javits Center
New York, NY
www.internationalrestaurantny.com

March 7-9, 2019

Southeast Produce Council's Southern Exposure
Walt Disney World Swan & Dolphin Resort
Orlando, FL
www.seproducecouncil.com
Come join #TeamLipman at Booth #1125!

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