



MARKET UPDATE

Tomatoes: Tomato supply continues to be light and spread out in the East. The Eastern shore has consistent volumes although roma production is on the light side. Quality has been very nice from this area despite persistent afternoon showers. Local deals in Tennessee and the Carolina mountains are also dealing with regular rain which has affected the ability to pick and is showing some light effects on the fruit. We expect Eastern production to remain fragmented for the next month or so, with light volumes from multiple growing areas.

In the West, California's gas green crops are experiencing lighter volume this week due to prior extreme heat and bloom drop. However, quality has been nice, as farms have worked through the early season concerns. Baja continues to transition from Southern to Northern growing areas on vine-ripes and romas and is seeing less volume through the process. Grape tomato numbers are increasing out of Baja. Quality is very nice on fresh fruit, but lots must be monitored carefully as demand has been low and coolers may get backed up.

Bell Peppers: New Jersey and Michigan have now begun shipping solid numbers on bell peppers which has significantly improved supply in the East. With more local deals in multiple states coming to the table with pepper, the supply outlook is good for at least the next several weeks. As for the West, at least four areas in California are in some stage of the season and should be able to cover orders and volume as they transition. Quality and condition have been very nice throughout the region.

Green Beans: With Tennessee, Michigan and Virginia enjoying good production, green beans are

plentiful in the East. Although there are several active areas of production in California, supply is expected to become more sporadic and inconsistent as we move toward and through August. Quality continues to be very nice this week.

Cucumbers: Eastern markets are in good shape on cucumber supply, as Michigan, New York, and New Jersey are all in solid production. The West is mostly a Baja deal at this point. Production is down as much as 30-40% due to heat bringing fruit on early, bloom drop, and overall less acreage being planted. Although quality and condition have improved somewhat, volume is likely to remain stalled until September.

Summer Squash: Despite some growers plowing fields under due to depressed markets, there is still an adequate volume of Summer squash available in the East. Michigan and New Jersey, as well as many local deals, have product to move. In the West, the largest production area is still Santa Maria. They will continue to see good volume for the next 7-10 days, then will drop off for a week or so, until growers get into their third blocks. Overall, supply is lighter and quality has been nice.

Eggplant: With North Carolina having only light production and New Jersey just getting started, the East is short on eggplant this week. In the West, temperate weather has slowed maturity and fruit development in the primary production area of Fresno.

Chili Peppers: Western chili pepper supply is very fragmented. Baja is only shipping some varieties and won't have the full line of chilies until August. There are multiple areas in California that are in active production but daily supply and varieties are sporadic. Overall quality has been nice out of California locations.

TRANSPORTATION FACTS

* The National Diesel Average dropped another \$.01 this week, moving from \$2.41 to \$2.40 per gallon.

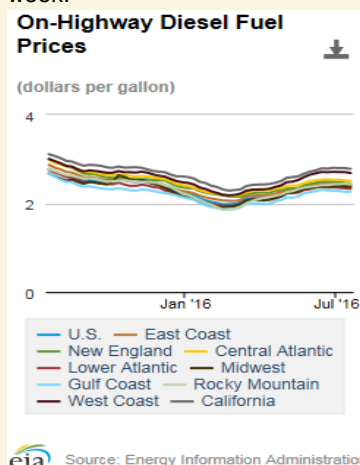
* The average price for a gallon of diesel fuel is \$.38 lower than the same time last year.

* Diesel prices dipped in all parts of the country except for the Gulf Coast, where the price rose ever so slightly (less than \$.01 per gallon).

* California continues to have the highest-priced diesel fuel at \$2.78. The Gulf Coast region keeps rolling with the best price in the nation (\$2.26 per gallon).

* The WTI Crude Oil Price dropped significantly this week (-4.0%), moving from \$46.80 to \$44.94.

* Transportation is available in adequate supply throughout the country's shipping regions this week.



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Restaurant Industry News

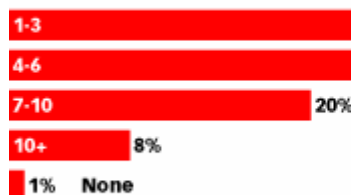
Why Your App Isn't Appealing to Your Customer Base

By: Kevin Nix, www.fastcasual.com, July 21, 2016

According to RetailMeNot, one in four U.S. consumers have at least one restaurant app on their phone, seeking loyalty perks, personalized recommendations, digital coupons and more. They also appreciate, even *expect*, the ability to order ahead and skip the line, as well as pay via their mobile phones. No longer a "nice to have," mobile apps are becoming an absolute necessity.

But not all apps are created equal, and consumers don't have the patience to wait while you to get it right.

Average Number of Apps Used by US Smartphone Owners, Aug % of respondents



Note: ages 18+
Source: Millward Brown Digital, "The New 1980s"

A Millward Brown Digital survey last year reported 43 percent of US smartphone owners used an average of 4-6 apps a day out of the 40-70 apps they have installed. And 72 percent of smartphone owners deleted a rarely used app.

How do you cut through the clutter and maintain your consumer's attention? What makes true "app appeal?" We recommend the following restaurant app essentials as you design, refine and continue to innovate your app:

The three components to successful "app appeal" are a sleek design, speed and stability. Your app has to appeal to your primary audience. Look, feel, ease of use, features vs. form – all your design decisions should be based on understanding, testing and

validating within your target demographic.

All consumers expect speed and stability. Your app must be fast and reliable. User reviews and comments are keys to a quicker and broader adoption of your app. Negative feedback also goes viral, so testing and quality assurance are essential to your app's success. The end goal: a frictionless experience that enables customers to do what they want quickly, easily and in a pleasurable way.

Interactive games, trivia questions, selfies, social challenges and augmented reality can turn mundane transactions into fun experiences. They are also very important in engaging your consumers in between their visits to your establishment. Entertainment will give your consumers additional reasons to keep returning to your app, especially if you are motivating your consumers with gamification and new content.

Entertaining experiences will create positive brand association, guest engagement and even user-generated content for further marketing and branded experiences. When done right, mobile engagement can turn a wait time into a memorable experience.

Consumers today want a personalized experience focused on meeting their needs anytime, anywhere. Does your app push coupons and incentives to your customers when they are within a certain proximity to your restaurant? Do you know when a valued customer walks in your door and do you know that their favorite order is? Can you give them recommendations that have worked in the past or with similar customers? With location-aware services, the

options to create relevant and valuable experiences are endless. Imagine how much more satisfied a loyal lunch customer can be when they're added to a VIP wait list as they park outside your restaurant.

Location-based services create an opportunity to provide customers with a unique experience that is relevant, timely and personalized.

Your mobile app offers a unique opportunity to build a loyalty and engagement relationship with each and every one of your consumers. You can demonstrate your appreciation for your loyal customers, reward them, and learn more about them. From simple surveys on preferences to soliciting input on favorite menu items, ingredients they want, to suggestions for future app enhancements.

Your mobile app is a gateway to learn more about what your customers like and don't like — and for you to build advocates. By asking customers to rank your new mobile app, feature or offer, you can instantly identify areas for improvement or repeat what's working. They can also be motivated with special offers or rewards to share their sentiments with friends. It creates a virtuous circle by which your loyalty program is made stronger and your best customers more engaged.

With more than two-thirds of Americans and 85 percent of millennials owning a smartphone, restaurants cannot afford to treat mobile as an afterthought. Your mobile app can help you create more valuable customer interactions, which will increase engagement, loyalty and advocacy, and ultimately, greater share of wallet.



SPOTLIGHT ON LIPMAN

Team Lipman Shouts Out

Scott Rush
Director of Lipman Local
Based out of Immokalee, FL

Scott works with growers around the country to provide a year-round network of locally-sourced produce for Lipman.

“One of the most rewarding parts of my job is seeing the dedication our company has to farmers. Working with our local growing partners is very rewarding. Farmers are the best!”



Jessica Kerstein
Marketing & Business Development
Immokalee, FL

Although she wears many hats, some of the things Jessica does for the Lipman team include: developing & facilitating strategic marketing plans, building customer contacts and relationships, and developing new products and packaging.

When asked why she enjoys being a part of the Lipman team: “From the very first day I toured the Florida facilities, I fell in love. It was apparent that the people from every corner of the organization were so passionate about what they do. I am humbled to work with such a talented group of hard-working individuals every day. I guess you could say I have drank the Lipman Kool-Aide! I love that we provide healthy food to people all over the country and that we were sustainable before sustainable was cool...”

PRODUCE BAROMETER

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



JULY CALENDAR

All Month
 National Pickle Month
Fourth Week
 National Salad Week
July 24th
 National Drive Thru Day
July 28th
 National Hamburger Day

Hendersonville, NC Weather

Fri Jul 22	Sat Jul 23	Sun Jul 24	Mon Jul 25	Tue Jul 26	Wed Jul 27	Thu Jul 28
FOG	Sun	Sun	Sun	Sun	Sun	Sun
88°F	90°F	90°F	90°F	86°F	86°F	82°F
70°F	72°F	72°F	72°F	72°F	68°F	70°F
SW 6 MPH	WNW 4 MPH	NW 4 MPH	W 4 MPH	W 4 MPH	WSW 4 MPH	WSW 6 MPH
Precip 20%	Precip 20%	Precip 40%	Precip 20%	Precip 20%	Precip 40%	Precip 20%
Averages	Averages	Averages	Averages	Averages	Averages	Averages
84°F/66°F	84°F/66°F	84°F/66°F	84°F/66°F	84°F/66°F	84°F/66°F	84°F/66°F

KEEP YOUR EYE ON THE CONSUMER

Dissecting the Stereotypical Household Shopping Patterns

By: Phil Dance, www.progressivegrocer.com, July 1, 2016

A few years ago the title of The Clash's 1979 hit song, "Lost in the Supermarket," may have directly applied to the growing number of males doing the primary grocery shopping for themselves and their families, but these men aren't lost. Not anymore.

Dual income households are now the norm, and the traditional roles of mothers and fathers have significantly changed. According to Pew Research Center, in 1965 only 25 percent of households with children under 18 were dual income households. In contrast, today 60 percent of households with children under 18 are dual income and with this shift comes shared responsibility for household management. This trend is combined with the fact that men are putting off marriage until much later: in 1965 the median age for men to get married was age 23, today it is age 29. These shifts have drastically increased the number of men doing the grocery shopping.

Looking more closely at these male grocery shoppers, we begin to see some drastic differences between how men and women shop. Our **Shopper STAT** syndicated research, which tracks primary grocery shoppers who have shopped in the past 24 hours, confirms some of these key differences:

- Men are significantly more likely than women to head to the grocery store with little preparation. In fact, 40 percent of men only start thinking about the shopping the day of the grocery trip, compared to 32 percent of women.
- Men are significantly less likely to prepare a list compared to females (69% vs. 78%) and they are significantly less likely to clip coupons (41% vs. 48%).
- They also shop more frequently than females - 48 percent report going shopping more than once a week compared to only 42 percent of females.
- Male grocery shoppers are considerably more likely to report they do not have children. 61 percent vs. 43 percent of females.
- The majority of males spend under 40 minutes per trip (68% vs. 60% of females).

The diversification of primary shoppers and the proliferation of shopping channels are real challenges to the traditional brick and mortar stores. It is a must for these retailers to grasp and interpret the changing shopper and their needs and habits for continued growth.

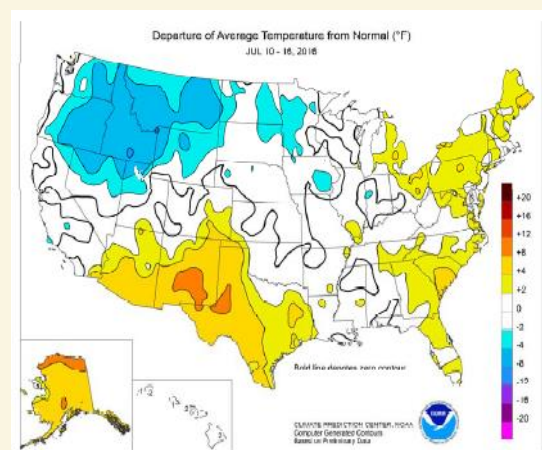
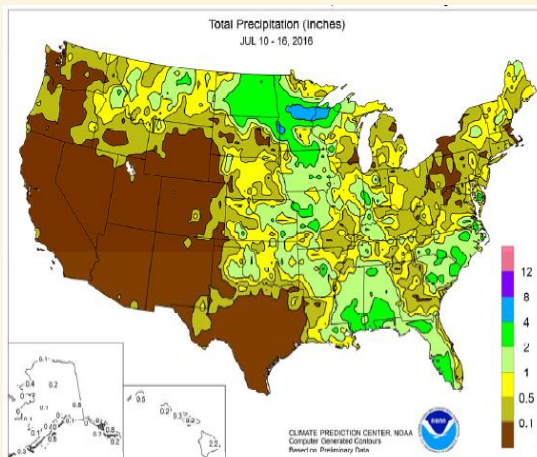
While both males and females generally frequent the same types of stores, male shoppers do gravitate toward different shopping channels than their female counterparts. According to our research, in the past 24 hours, males are more likely to have grocery shopped online (9% vs. 5%), shopped at a Warehouse Club store (6% vs. 3%), but are less likely to have shopped at a mass merchant (31% vs. 35%).

As this pattern continues to grow, grocery-shopping channels will continually need to change to meet the needs of their male shopper base. Keeping in mind that men shop more frequently, spend less time in the store, and are less prepared, retailers need to think about how these trends can be leveraged to enhance the shopping experience.

According to Laurie Demeritt, president and COO of The Hartman Group, "Don't mistake their lack of planning for lack of caring or think they are willing to accept items of lesser quality with higher price tags," says Demeritt, "To engage with male shoppers, brands and retailers should offer tools and services to help them quickly and effortlessly locate and buy items."

NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation



AN APPLE A DAY

Could Fruit and Veg Boost Happiness?

By: Linda Thrasybule, www.reuters.com, July 15, 2016

The reasons experts usually give for eating more fruit and vegetables tend to be about long-term health benefits, but piling on the produce may also improve wellbeing in the shorter term, researchers say. Based on national surveys in Australia, the study team linked increases in fruit and vegetable servings per day to rising happiness over two years.

With the addition of eight portions of fruit and veg daily, the change in wellbeing was about equivalent to going from unemployment to a job, researchers report in American Journal of Public Health. "I found the apparent power of fruits and vegetables extremely surprising," said co-author Andrew Oswald, who studies economics and behavioral sciences at the University of Warwick in Coventry, UK. Since working on the study, he's added about three extra portions of produce a day to his own diet. "I'm up to about 7 portions now," he told Reuters Health by email.

He and his colleagues speculate that people might be motivated to eat more plants if they believe there's a short-term reward, in addition to the long-term benefits.

To explore the relationship between eating fruits and vegetables and overall wellbeing, the researchers analyzed data on more than 12,000 adult survey participants from Australian households. Participants had kept food diaries between 2007 and 2013 and answered survey questions about their lives and their mental and emotional health.

Within a two year period, the study team found, participants who changed from eating almost no fruits and vegetables a day to eight portions a day reported feeling happier and more satisfied than those who didn't add more portions.

Those who increased their fruit and vegetable portions from zero per day to eight scored an increase on a complex point scale in "life-satisfaction" that was the emotional equivalent to finding a new job. While those who didn't increase their fruit and vegetable portions experienced a drop in happiness score over the same period that was about equivalent to losing a job. "Of course, very few people would ever go from eating zero fruits and vegetables to 8 portions a day," Oswald said. However, adding even two portions a day would give you a quarter of the happiness effect, so that would still be a large gain in happiness, he added. Happiness benefits were detected for each extra daily portion of fruits and vegetables up to eight portions a day.

The researchers adjusted for changes in employment status and other life circumstances that could also affect happiness, as well as dietary intake. Still, the study cannot prove that boosting produce in the diet improved wellbeing.

Mary Jo Kreitzer, who was not involved with the study, urged caution in interpreting the findings. "It's not only fruits and vegetables that can give you short-term health benefits," said Kreitzer, director of the University of Minnesota's Center for Spirituality and Healing in Minneapolis. "Changing your salt or sugar intake in your diet can have short and long-term benefits, not only in emotional health, but in physical too," she said.

For Kreitzer, providing research evidence on this topic is great, but it's not enough. "To get people to change what they eat, we need to provide them with more access to healthy foods and information on how to cook and prepare healthy foods," she said.

Still, the study is a reminder that it's important to pay attention to what you eat. "Be more present when you're eating so you can taste and enjoy your food, particularly fruits and vegetables, which can be very tasteful," she said. "To me, if people are more mindful when they eat, that actually could produce more happiness and satisfaction."

MARK YOUR CALENDAR & PACK YOUR BAGS

July 29-31, 2016

PMA Foodservice Convention & Expo
Hyatt Regency Monterrey Hotel & Spa
Monterey, CA
www.pma.com/events/foodservice
Come see the Lipman team at Booth #122!

August 10-12, 2016

2016 TPA Sustainability Summit
New Orleans Marriott
New Orleans, LA
www.fmi.org/sustainability2016

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