LIPMAN family farms

On The Horizon

MARKET UPDATE

Tomatoes: Florida's overall volume is on par with last week's, but numbers are expected to pick up gradually as we move into April. With the Naples area is in the home stretch of its season, tomato production will meander around South Florida areas for the next few weeks until it migrates to the Palmetto/Ruskin area. The size profile has picked up as growers move into newer plantings that weren't stunted by previous cold weather. Smaller fruit (6x6 and 6x7) is very tough to come by this week. Roma volumes are "decent" in Florida with some new fields coming online. Most grape production is from newer plantings, so sizing is a little larger than usual. But, there's plenty of range to pack what each customer is looking for. Overall quality is good on all varieties with no real trouble spots reported.

Western Mexico/Culiacan continues to provide a steady supply of vine-ripe rounds. Growers expect to continue into April and taper off in May. With Spring production underway in more northern areas in Mexico, roma volumes are on the rise. Grape tomatoes are also readily available although there is a wide variety of color, volumes, and pricing by grower.

Bell Peppers: The Eastern side of Florida is into crown picks on new fields and is packing primarily jumbos this week. The West side of the state is working through old fields and has mostly choice and offgrades to offer. XL fruit, the in-between, is short. This should improve as we move into next week when Western Florida growers start new fields. Overall quality is good, but there are concerns with the fruit from the older fields on the West side. Mexico farms are about two weeks away from Spring sets and are struggling with quality and size from older fields. The California Coachella valley has started in a light way and could be helpful in filling the gap as they get ramped up.

Cucumbers: Honduras is hanging on for another week, but we are seeing cucumber quality and volumes decline as they wrap up the season. Florida farms are still relatively light but numbers are expected to rise as more players get going next week. Florida's quality has been good on early product, but this week's windy weather could show some effects on next week's harvests. With 3 growers starting spring crops and a couple more coming on soon, Mexico's cucumber supply is at strong levels and should continue to be for at least the next several weeks.

Summer Squash: South Florida is seeing more volume on squash but quality continues to be a challenge. This week's windy weather may show up as scarring in next week's harvests so it's not smooth sailing yet. Plant City has started in a light way but won't really get going full throttle until we move into April. Fortunately, Northern Mexico has come into good quality and volume on new crops.

Green Beans: Homestead, the Lake, and other South Florida production areas are still pumping out consistent bean volumes to meet Easter demand. Overall quality is good, but there is some less-than-perfect product in the market. Western supply will be steady for the next 10 days or so, but is expected to drop off as growers finish up for the season.

Eggplant: With a few more newer fields starting in South Florida, Eastern markets have good supply and quality on eggplant this week. Mexico's production is also steady at least for the next few weeks. Quality is very nice.

Chili Peppers: Sinaloa and Sonora continue to provide good volumes on all chili varieties except for habaneros- they are extremely short. Quality is challenged out of Sonora with thinner walls and discoloration. Sinaloa's product is much better with firm fruit and nice coloring.

ON THE HORIZON CONTENTS

TRANSPORTATION FACTS

*The National Diesel Average remained relatively stable this week (down $.004), coming in at $2.97 per gallon.

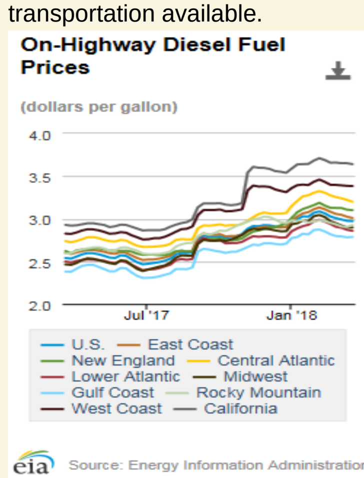
* The average price for a gallon of diesel fuel is $.43 higher than the same time last year.

* Three of the ten reporting zones saw price increases with the most significant change coming from the Rocky Mountains (up $.022 per gallon). The remaining zones reported slight to moderate price declines.

*California maintains its role as the high price leader for diesel at $3.64 per gallon while the Gulf Coast region offers the lowest price at $2.79 per gallon.

*The WTI Crude Oil price rose 4.0% this week, moving from $60.96 to $63.40 per barrel

* Mexico crossings at Texas and Nogales are slightly short on trucks, but all other production areas have adequate transportation available.



KEEP YOUR EYE ON THE CONSUMER

How the Age of Influence is Changing What We Eat

By: David Donnan, www.progressivegrocer.com, March 16, 2018

Within 24 hours, and 43,000 signatures after her petition went online, blogger Vani Hari, a.k.a. the "Food Babe," had convinced Anheuser-Busch to publicly reveal the list of ingredients for its beers, as reported in *Salon* in June 2014. With the power of social media, Vani Hari accomplished in one day what the Center for Science in the Public Interest had been lobbying the government to do for three decades.

We are seeing a shift in consumption from value to values, from affluence to influence across a broad spectrum of consumer purchases. For the food industry the impact is more dramatic as consumers of all generations are changing their diets – looking for food that not only tastes good, but also has a more enlightened purpose through its ingredients, where it came from and how it was made.

The A.T. Kearney Global Future Consumer Study examined demographic, economic and technological trends, and surveyed more than 7,000 consumers across seven countries to project trends over the next decade. By 2027, for the first time, there will be six generations of active consumers. The four high commercial impact generations: Baby Boomers (1946-1964), Gen X (1965-1980), Millennials (1981-1997), and Gen Z (1998-2016) will represent 6.5 billion consumers globally.

Our research uncovered some startling facts that will shape the next decade.

3 Principles Will Drive Consumers

Consumers are passionate about the food they eat, and their appetites are creating shifts in the marketplace. Viewpoints and products that were once outliers have gone mainstream. Consumers now view food – in particular, food with benefits – as a key to good health. They're embracing free-from segments, fresher food, and greater transparency from food brands and retailers. The old-market-structure of affluence, advertising and scale is giving way to three driving principles of **trust, influence and personalization**.

A Brand is Simply Trust

A brand, as Steve Jobs said, is simply trust. As Gen Z and Millennials press big brands for more information and accountability about food sourcing, production and labeling, levels of trust have shifted. In the past five years, trust has waned in large food corporations and brands. In the western markets surveyed, more than 50 percent of consumers had little or no confidence in large corporations and brands. This loss of confidence will be a principal challenge for brands in the future. Erosion of trust is not inevitable, yet building and maintaining trust becomes of paramount importance for brands and retailers.

On the one hand, CPG companies and retailers have leveraged "free-from" brands to build trust. Free-from food, or food made with the goal of transparency, has grown significantly in recent years. Transparency around ingredients (both included and excluded in food products) inspires trust in customers for food brands.

On the other hand, food safety concerns reported in the media are amplified through social media and erode trust in big companies and entire industries. In 2012, public outrage was ignited by "pink slime," a lean, finely textured beef found in most ground beef products. When McDonald's and many major grocery chains bowed to pressure and vowed to stop using it, sales plummeted, and the supply industry collapsed. The same consumer pressure has been seen with cage-free eggs, animal antibiotics and GMOs.

The Internet is the True Catalyst of Influence

Just as some consumers have more affluence than others, some have more influence. Jeff Bezos, the founder and CEO of Amazon, once said: "If you make customers unhappy in the physical world, they might each tell six friends. If you make customers unhappy on the internet, they can each tell 6,000." The internet, especially social media and its 1000x influence factor, is a true catalyst of influence.

As a result, these consumers have strong feelings about the impact of their purchase decisions and are open to the opinions garnered through social media. The food industry is already shifting toward "open source" influencer relationships. With no commonly agreed-upon experts, everyone, or anyone with a platform, can be perceived as an expert on any given issue.

Personalization Creates Consumer Engagement

Big Data allow marketers to pinpoint attitudes, opinions, and other implicit, personality-based interests, lifestyles and values. Although Big Data can be valuable in understanding influence, they have even more value in unlocking personalization. Personalization means to design or produce something to meet someone's individual requirements. To enable a truly personalized customer experience, mastering Big Data will play a central role for companies around the world.

Brands and retailers must adjust to the realities of this new hyper-connected, digital world. They need to go beyond adjusting marketing budgets or adding new flavors to existing unhealthy products. They must bridge the gap between the affluence-based profitability and the influence-based model by building trust with sharper value propositions, engage the influencers with transparency and authenticity, and learn to leverage Big Data to personalize customer engagements and experiences.

Welcome to the world of influence, where products have purpose and stores share stories.

Veggie of the Week- Squash

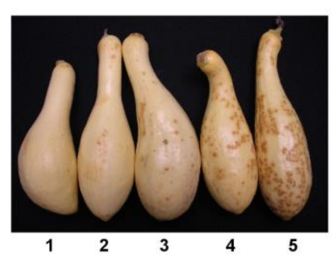
Maturity Indices
Summer squashes (soft-rind) are consumed at a range of physiological maturities but are defined as immature fruits of the diverse Cucurbitaceae family. Depending on cultivar and temperature, the time from flowering to harvest may be 45 to 60 days for zucchini, yellow straightneck or crookneck, and scallop (Patty Pan-type) squash and 75 days or more for many of the Sponge squash (immature gourds) such as Luffa. Fruit may be harvested at a very immature stage, at the desired fruit size, before seeds begin to enlarge and harden. A thin, soft external rind and external glossiness are also indicators of a pre-maturity condition. The entire fruit is edible, either raw or cooked, without removal of seeds and seed cavity tissue. Small, young fruit are tender and generally have a slightly sweet taste.

Quality Indices
Summer squash quality is based on uniform shape, tenderness of rind and internal tissue, overall firmness, a glossy skin color, and an intact well-trimmed stem portion. Uniformity of shape is an important quality factor and is defined to be characteristic of the type or variety, and free of twisting, groves, or other disproportionate growth defects. Size is not part of the United States Standard for grades but may be contractually specified as minimum or maximum diameter or length or both. Additional quality indices are freedom from growth or handling defects (discoloration, cuts bruises, abrasions, pitting) freedom from decay, and an absence of yellowing on dark green varieties.

Optimum Temperature-5°C-10°C (41°F-50°F)
Summer squashes are not stored, ideally, for longer than 10 days. Zucchini squash has been stored at 5°C with acceptable market quality for up to two weeks. Storage at below 5°C for more than 3-4 days will generally result in chilling injury. Visual and sensory quality deteriorate and surface pitting and discoloration or browning progress rapidly following chilling injury . Shriveling, yellowing, and decay are likely to increase following storage beyond two weeks, especially upon removal to typical retail conditions.

.

Summer squash discoloration rating scale



Cantwell, M. and Suslow T., 1997.Squash: Recommendations for Maintaining Postharvest Quality.
http://postharvest.ucdavis.edu/Commodity_Resources/Fact_Sheets/Datastores/Vegetables_English/?uid=&ds=799

PRODUCE BAROMETER

ITEM	QUALITY	PRICING
Bell Pepper	Varied	Higher
Cucumber	Good	Lower
Eggplant	Good	Lower
Green Beans	Good	Steady
Jalapenos	Mostly Good	Steady
Onions	Good	Steady
Squash	Wide Variety	Lower
Tomatoes	Good	Steady

MARCH CALENDAR

March-All Month
International Listening Awareness Month
March 25th-31st
National Cleaning Week
March 28th
Something on a Stick Day
March 29th
National Mom & Pop Business Owners' Day

Estero, FL Weather

Fri Mar 23	Sat Mar 24	Sun Mar 25	Mon Mar 26	Tue Mar 27
74°F	78°F	81°F	82°F	81°F
54°F	61°F	64°F	65°F	62°F
NNE 10 MPH	ENE 6 MPH	SE 8 MPH	NE 8 MPH	ENE 13 MPH

NEWS IN THE GROCERY TRADE

Survey: 60% of First-Time Online Shoppers Willing to Try a New Grocer

By: Alissa Marchat, www.theshelbyreportr.com, March 19, 2018

RichRelevance, a provider of personalized shopping experiences, today released key findings from a new study that looks at consumer preferences and behavior around digital grocery. The study identifies consumers' appetite for digital grocery and picks out early leaders, as well as the features and capabilities that shoppers want.

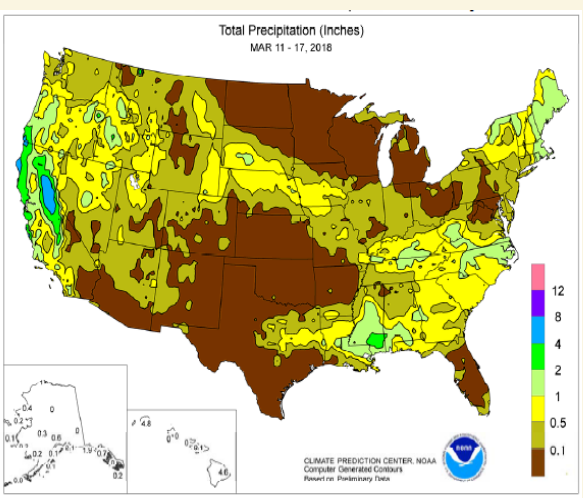
The survey of 1,500 U.S. shoppers finds that nearly half of Americans (45 percent) have shopped for some type of groceries online. Additional findings from the survey include:

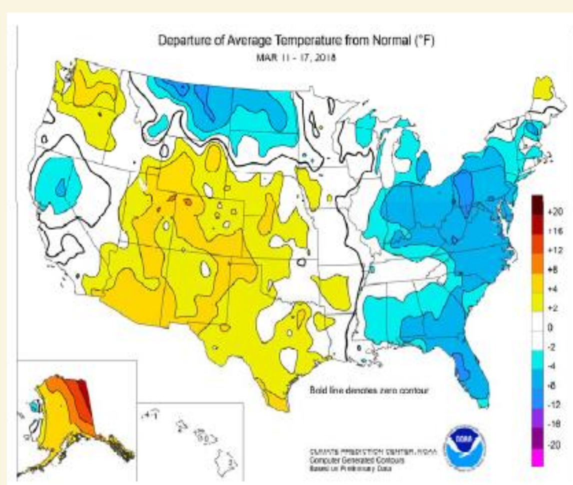
Digital sales offer a significant opportunity today: Online grocery shoppers have not settled on a grocer of choice, with four of 10 (36 percent) stating they currently shop at more than one online grocery store. And more than 60 percent of Americans who don't yet shop online are willing to explore a new grocer when they do.
Digital grocery is far from a mature category: A majority (56 percent) of Americans have yet to shop online for any type of grocery. And, of those who do, six of 10 (60 percent admit they only rarely shop online.
Beware of basket size: Six out of 10 (62 percent) consumers report spending less when they shop online, and 4 in 10 (39 percent) report that fewer impulse buys is one of the biggest advantages of shopping online.
Shoppers want relevant content: The top features that would push consumers to shop more online range from presenting frequently bought items (56 percent), favorites (56 percent) and alternatives (50 percent) to suggestions to complete a meal (26 percent) and personalized apps/pages (37 percent). Linking to a connected fridge ranked last (8 percent).

"As the fight for category leadership in digital grocery heats up, experience personalization will take center stage in 2018," said Michael Ni, CMO of RichRelevance. "Grocery buying is increasingly becoming a lifestyle choice beyond produce. This is creating opportunities for new grocers to engage consumers with new and fresh ideas, gather key customer browsing and buying behavior and personalize their various brands, creating a virtuous cycle of loyalty. Grocers need to learn from the early mistakes of traditional retailers and not simply try to compete with Amazon on convenience, but focus on the new opportunity that online shopping provides."

NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation





RESTAURANT INDUSTRY NEWS

What are the Best and Worst Sales Days for Indies?

By: Heather Lalley, www.restaurantbusinessonline.com, March 20, 2018

Saturdays in December are the busiest for independent restaurants around the country, while Christmas and Thanksgiving are the two worst-performing days on the calendar.

And diners in Washington, D.C. spend significantly more at local restaurants each month than anywhere else in the U.S.

That’s according to a massive survey of indies from software provider Womply, which analyzed credit card transaction data for 25,893 independent restaurants in 50 states and Washington, D.C. for each day in 2017.

Many of Womply’s most-interesting findings center on restaurant spending on holidays:

- Mother’s Day is the top sales day of the year for two in five independent restaurants
- July 4 is nearly as dismal as those winter holidays; it was the 20th worst day for the surveyed restaurants in 2017
- Though often cited as the second-busiest day for the restaurant industry, Valentine’s Day is just the 107th highest-revenue day for indies
- Cinco de Mayo can be a money-maker, coming in as the 36th highest-sales day
- The boost from spring break made March the best month for independent operators in Arkansas, Arizona, Georgia and Nevada

This was first state-of-the industry survey for Womply, which works with credit card processors to collect data for 4 million small businesses across the country.

FRESH TOMATOES the best of nature™

MARK YOUR CALENDAR
PACK YOUR BAGS!

April 5-7, 2018
Viva Fresh Expo
JW Marriott Hill Country Resort and Spa
San Antonio, TX
www.vivafreshexpo.com
Come join Team Lipman at Booth 96!

May 19-22, 2018
National Restaurant Association Show 2018
McCormick Place
Chicago, IL
www.show.restaurant.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