



MARKET UPDATE

Tomatoes: Florida's Palmetto/Ruskin crops are now past their peak with production and quality declining slightly. Grape tomato production is also light, but quality remains good.

Although growers expect to ship through the end of the month, round and roma tomato production is winding down in Western Mainland Mexico. Size, volume and quality are slipping as farms work late plantings. In the early part of their season, Baja is harvesting light volumes of rounds, romas, and grapes. Rounds from this area are on larger end of the sizing spectrum. Expect volume on all varieties to increase as they get deeper into the season. Eastern Mexico is also beginning to add to the mix with limited volumes of rounds.

Bell Peppers: Bell peppers are snug in the East this week. Central Florida has light volumes to offer but is experiencing some quality concerns with reports of scarring, misshapen fruit, and some decay. Georgia will start in a light way next week, but won't have significant volumes for another 10-14 days. This has shifted some demand to the West where product is available from two areas: Mainland Mexico and the California desert. Mexico's fruit is sizing down significantly and quality has become a concern. But, larger fruit with nice quality is available from the desert. Production has been slow this week due to cool weather, but should increase next week.

Cucumbers: Western cucumbers are transitioning from Mainland Mexico to Baja where volumes will increase over the next few weeks as they move toward the season's peak. Quality has been great so far. Eastern supply is coming out of Central Florida and Georgia. Volumes have been light in both areas, but should improve from Georgia farms as weather warms

up. With plants having been through a lot of different weather conditions, quality is fair with sunken ends and scarring in some lots.

Summer Squash: Although cool weather slowed production in Georgia, there seems to be adequate volumes of yellow and zucchini squash in the East. Overall quality is good, although there is some of the usual scarring concerns on yellow squash. In the West, Hermosillo is past its peak of production and volume is dropping quickly. Harvests are transitioning to California where both Fresno and the desert have started with light volumes.

Green Beans: More beans are available from Georgia and North Florida this week as they get ramped up for the season. Quality has been very good thus far. With Mainland Mexico and the California desert finishing up over the next week, Western markets will be looking to Brentwood and Fresno, CA for supply.

Eggplant: Eggplant remains very short in the East. Central Florida is the primary shipping area now but acreage is very light and quality is just okay. Georgia will bring more fruit to market in a few weeks. In the West, Mexican farms continue to decline in both volume and quality. They are expected to wrap things up over the next 7-10 days. California desert farms have begun bringing fruit to market and have nice quality.

Chili Peppers: With Mainland Mexico chili pepper growers finishing up, we're moving into the time of year that logistics become challenging for chiles. Mexico has multiple areas in production with California growers adding gradually to the mix. However, no single area has all varieties so buyers must source from multiple areas. Central Florida farms have very minimal amounts of product available. Georgia is another 3-4 weeks from harvesting chili crops, so supply is expected to remain very snug in the East.

TRANSPORTATION FACTS

* The National Diesel Average continued its gradual decline this week, moving from \$2.58 to \$2.57 per gallon.

* The average price for a gallon of diesel fuel is \$.29 higher than the same time last year.

* All areas reported decreasing diesel prices with the most notable drop from the West Coast (down \$.028 per gallon).

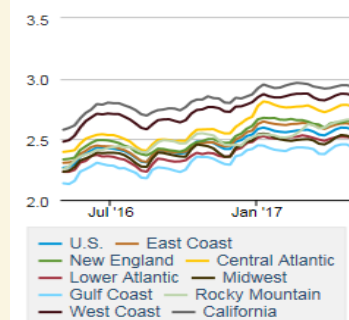
* California remains the high price leader for diesel fuel at \$2.93 while the Gulf Coast region continues to offer the best bargain at \$2.41 per gallon.

* The WTI Crude Oil price dropped 4.1% this week, moving from \$47.82 to \$45.88 per barrel.

* With vegetable production in transition, trucks are spread out and short in several areas including Mexico crossing points, California and Central Florida.

On-Highway Diesel Fuel Prices

(dollars per gallon)



Source: Energy Information Administration

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NEWS IN THE GROCERY TRADE

Time to Address the Omnichannel Disconnect

By: Randy Hofbauer, www.progressivegrocer.com, May 8, 2017

Grocers must address the disconnect between their omnichannel capabilities and those that consumers expect from them. Omnichannel is a new norm in retail. Consumers today expect to be able to find and get the products they need when, where and however they want — and have a satisfying experience, regardless of the platform.

But while many retailers have invested in some level of omnichannel capabilities, their operations often aren't on par with their customers' growing expectations, creating a false state of "omnichannel comfort," according to a March 2014 report from Chicago-based technology services company Accenture. "Features that only yesterday seemed game-changing are rapidly becoming the commonplace," the report notes.

It's tough for customers to find consistency across the different ways they interact with a retailer when omnichannel operations are fragmented to begin with, however. For instance, grocers often operate their ecommerce arm today as if it were a separate business, making it a disjointed experience from both the shopper's perspective and the back-office perspective, asserts Randy Evins, senior principal for food, drug and convenience with Newton Square, Pa.-based SAP Retail, which provides omnichannel software.

Take ordering online as an example: Grocery ecommerce sites tend to have a lack of integration across the store, website and mobile app, according to Graeme McVie, GM and VP of Precima, a Toronto-based provider of customer analytics solutions. Some grocers outsource their ecommerce site to third parties and manage their ecommerce offering in a separate department.

Further, a number of consumers expect a grocer's mobile app to have ordering capabilities. However, all too often, this isn't an option. "There are instances of grocers having an app that is

not enabled for ecommerce, so the customer cannot edit or place their orders from their mobile app," McVie points out.

But even if apps and websites are fully functional for ordering, incorrect or insufficient information can still make for a bad experience. One out of every 10 items on a grocery list typically will be out of stock on shelves, says Jack Record, CEO of ShopperKit, an Atlanta-based provider of in-store grocery fulfillment software. What's more, Americans are fine with this — it's part of the shopping experience.

What isn't acceptable, however, is when a grocer's online portal doesn't communicate a product's unavailability. If an order is made with a product, but delivered without it or with a substitute, shoppers have every reason to get upset. This creates two different shopping experiences between in-store and online: one where a replacement is easily substituted by the shopper herself, and another where the product and a potential replacement are left out completely.

"Consumers want a positive user experience similar to the experience they have when on a more typical ecommerce site..." McVie says. "For the most part, grocery ecommerce sites will sometimes have limited search capabilities, incomplete product descriptions, few customer reviews and limited abilities to suggest other products that may be of interest or value."

This isn't limited to strict ordering, either, but also in communicating recommendations, thus hurting incremental sales potential. The products are there — so why aren't the promotions? "Many grocery ecommerce sites have a limited ability to communicate relevant offers across all channels," McVie explains. Some grocers have yet to incorporate this type of data intelligence into their ecommerce offerings. "This kind of communication offers shoppers exactly what they want from omnichannel — and exactly what omnichannel is supposed to provide: a personalized experience."

Three Tips

There are many ways grocers miss the mark when attempting to deliver a

seamless omnichannel experience that customers expect. But there also are many ways they can close the gap between capabilities and expectations. Sy Fahimi, SVP of product at Palo Alto, Calif.-based analytics solutions provider Symphony EYC, offers a few areas where grocers should focus and adopt solutions:

Personalized marketing messages and offers:

Grocers should create a single view of the customer that includes shopping preferences, buying behaviors, order history, contact details, loyalty rewards and other interactions. They can leverage a sophisticated context-marketing engine to deliver timely, personalized offers and messages to consumers.

Omnichannel fulfillment:

It's critical for grocers to work more effectively across functions and channels. For instance, click-and-collect requires coordination and quick decisions across online, the supply chain and brick-and-mortar locations, not to mention planning, merchandising and marketing functions, among others. Additionally, the online channel needs to know that inventory is available in the local store. Stores must be able to receive the order, reserve it and provide top-notch service on pickup. Moreover, the supply chain needs to have visibility into the movement of inventory, while marketing must be involved to effectively showcase the offering to shoppers.

Inventory assortment and visibility:

Food retailers must ensure three things: First, building the right assortment across channels in a way that makes the most of each channel; second, ensuring that back-end functionality is in line with what shoppers see in-store or on digital storefronts; and third, ensuring that demand-driven, suggestive ordering is the foundation for keeping up with customer service levels and ensuring that merchandise is always available for purchase at the right place and time.

This article has been edited for space purposes. To access the entire article, please go to www.progressivegrocer.com



LIPMAN IN PICTURES



Lipman's own Noel Rodriguez and Dr. Elizabeth Malek participated in the UF/IFAS Entomology and Water Field Day in Immokalee, FL recently.



Dusty McQueen and Ryan Walden of Lipman-TN are working some Crimson Queen magic at a food show.



Wes Roan, Jamie Williams, & Larry Moss discuss food safety with a customer consultant at our Ruskin Farm.



Bob Poklemba of Lipman's Redit Plants division is scoping out some baby watermelon plants.

PRODUCE BAROMETER

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



MAY CALENDAR

All Month

National Hamburger Month

May 13th

Stamp Out Hunger Food Drive Day

May 14th

Mother's Day

May 16th

National Barbecue Day

May 19th

National Pizza Party Day

Ruskin, FL Weather

Fri May 12	Sat May 13	Sun May 14	Mon May 15	Tue May 16
88°F	86°F	88°F	88°F	90°F
73°F	72°F	72°F	73°F	72°F
WSW 11 MPH	SW 14 MPH	WNW 9 MPH	NE 7 MPH	NNW 8 MPH
			Precip 10%	

RESTAURANT INDUSTRY NEWS

Increase in Tourism Good for Restaurants

www.restaurant.org , May 8, 2017

Growth in international tourism is on the menu this year and that's good for the restaurant industry, our latest research indicates. Increased visitors represent more diners in restaurants, especially fine-dining establishments.

"Tourism remains an important driver of restaurant industry sales," said Hudson Riehle, our senior vice president of research. "Culinary experiences can add value to any trip, whether stopping at a roadside café or seeking out food-centric destinations around the country."

According to data from the U.S. Department of Commerce's National Travel and Tourism Office (NTTO):

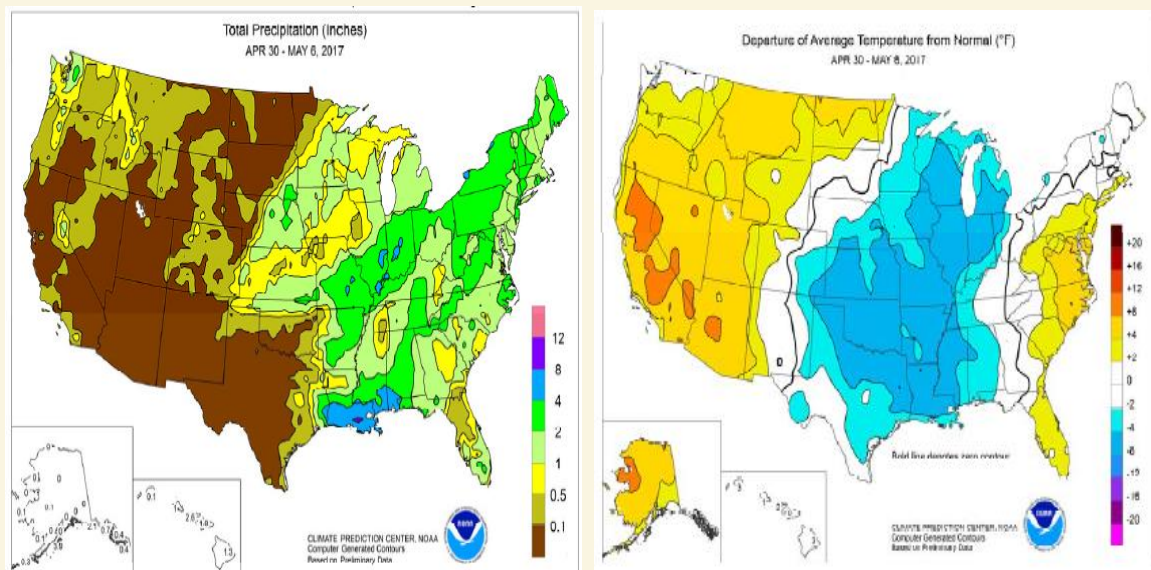
- This year, a record high 78.6 million international visitors are expected to come to the United States.
- Steady growth is expected to continue for the next several years, resulting in more than 94 million international travelers to the United States by 2021.
- The number of overseas visitors is projected to increase 28 percent between 2015 and 2021, with a 23 percent increase in travelers from Mexico and a 9 percent gain in visitors from Canada.

Despite a decline in international arrivals in 2016, spending on food and beverage services continued to trend higher at an inflation-adjusted 3.4 percent rate on a year-to-date basis through the third quarter of the year, according to data from the U.S. Department of Commerce. If the trend continues, 2017 would represent the seventh consecutive year of real growth in food and beverage purchases by international travelers.

For their part, several restaurant operators stated their tourism business was relatively static in 2016. Among the five major restaurant segments, only fine dining operators reported a net increase in travelers and tourists as a proportion of their business.

NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation



KEEP YOUR EYE ON THE CONSUMER

Households Purchase More Produce at Supermarkets, Supercenters and Warehouse Club Stores

By: Annemarie Kuhns, www.perishablenews.com, May 9, 2017

Over the past 20 years, some store formats—including supercenters, dollar stores, and warehouse club stores—have increased their share of Americans' spending on "at-home food"—food and beverages purchased from retail stores, as opposed to away-from-home eateries. In 1994, conventional supermarkets accounted for 75.9 percent of at-home food sales, whereas supercenters and warehouse club stores, which both include a wide assortment of foods, accounted for 3 percent. By 2014, supermarkets' share of at-home food sales had fallen to 64.9 percent, while supercenters' and warehouse club stores' share had risen to 16.5 percent.

A recent ERS study used household purchase data to compute "healthy basket" scores for the foods and beverages purchased each month by a household. Scores were highest for warehouse club stores (8.3), supermarkets (8.2), and supercenters (8.0). Healthful foods recommended for increased consumption, such as dark green vegetables, whole fruits, and low-fat dairy products, were a larger share of total food purchases from these store formats than from other formats. Mass merchandisers—which sell primarily general merchandise and nonperishables but also carry a limited assortment of foods—followed, with a score of 6.2.

The higher the score, the closer the household's purchases aligned with healthy-diet expenditure shares informed by the food categories and recommendations outlined in USDA's Low-Cost, Moderate-Cost, and Liberal Food Plans, which represent a nutritious diet at three different cost levels. Monthly food shopping baskets were categorized by the dominant store format—the format accounting for the household's largest share of food expenditures. Household food baskets dominated by purchases from drug stores, convenience stores, and dollar stores had the least healthful purchases. Drug stores, convenience stores, and dollar stores accounted for the largest shares of the least healthful foods, such as soft drinks and sugar, sweets, and candies, purchased by consumers. The average score for convenience store baskets was half that for warehouse club store baskets.

<p>MARK YOUR CALENDAR & PACK YOUR BAGS!</p> <p>August 14-16, 2017 The Packer's Midwest Produce Expo Sheraton Kansas City Hotel at Crown Center Kansas City, MO www.midwestproduceexpo.com</p> <p>August 21-22, 2017 North Carolina Restaurant & Lodging Expo Raleigh Convention Center Raleigh, NC www.ncrl-expo.com</p>	<p>CREATED BY LIPMAN FOR OUR VALUABLE CUSTOMERS</p> <p>Visit our website... www.lipmanfamilyfarms.com</p> <p>Follow us</p> <div> </div> <p>Questions or comments about the newsletter? Contact: joanna.hazel@lipmanproduce.com</p>