



## MARKET UPDATE

**Tomatoes:** With Palmetto/Ruskin still shipping solid numbers and other areas starting in 10-14 days, the East can expect to have an abundant supply of round tomatoes for the next 6 weeks or more. Central Florida's wet and humid weather may begin to show on the fruit, but as of now, quality is very nice. Grape tomato crops are on the downhill slide in Florida but will be up and going in South Carolina next week.

Round, roma and grape tomatoes are coming from three main areas this week- the Western Mainland, Central Mexico, and Baja. Mainland shippers are winding down, with growers dropping out weekly and volumes and size diminishing on the rounds and romas. Aside from a few hothouse growers, they're all but done with grapes. However, Torreon and Baja are picking up the pace with solid volumes and quality on all three items.

**Bell Peppers:** With both Mainland Mexico and the California desert winding down the season, pepper production is on the light side this week. Supply could remain short for the next 2-3 weeks, as we wait for the Bakersfield area to get running and into volume. Quality has been mixed, with most of the concerns reported from Nogales crossings. In the East, the majority of volume is coming from Central Florida and, now, Georgia. Quality has been good from both areas.

**Green Beans:** Florida is wrapping up the bean season, just as Georgia has come into strong volumes and quality. Expect to see production transition to Tennessee in early June. Western markets are looking to Fresno and Brentwood for fresh, new crop beans. They've just gotten started but should begin to ramp up volumes next week.

**Cucumbers:** Although there are cucumbers remaining in Central Florida, the fruit is tired and there are quality concerns. This shifts Eastern demand to Georgia and South Carolina where fruit quality reports are very nice. Production is also transitioning in Mexico, where Mainland growers will try to extend their season through June. However, quality is varied by shipper and volume is definitely dropping off. Baja is well into the season now and is the place to look for good volumes on all sizes.

**Summer Squash:** Squash is plentiful in the East as Central Florida, Georgia, and South Carolina are all shipping fruit. Although some Florida growers are expected to drop out due to depressed markets and rain-affected crops, North Carolina will be in the mix next week keeping the numbers steady. Western supply should also be good for the next few weeks. Fresno and Santa Maria are well into crops now, harvesting solid volumes. As well, Baja is on tap to start in 10-14 days.

**Eggplant:** South Florida is finally flushing with eggplant, bringing lots of nice fruit to market. In the West, Mainland Mexico keeps hanging on, but should finish up next week. The California desert finally has better quality eggs, but has now begun the seasonal volume decline. Things could be a little bumpy until Fresno gets up and running in the 2<sup>nd</sup> week of June.

**Hard Squash:** Mainland Mexico continues to churn out adequate numbers of hard squash to meet market demands on all three varieties. They expect to go through June, when Central California will take over. The East is seeing light volumes out of Florida along with a few import stragglers. Quality is good on all but some of the Eastern spaghetti which has the usual scarring concerns.

## TRANSPORTATION FACTS

\* The National Diesel Average is on the rise this week, moving from \$2.27 to \$2.30 per gallon.

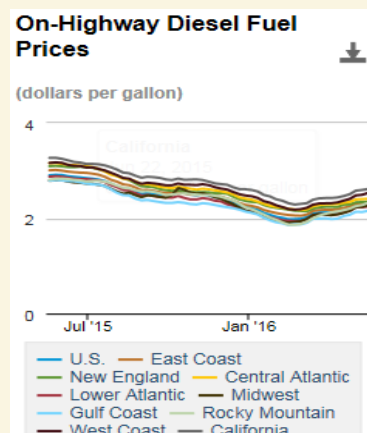
\* The average price for a gallon of diesel fuel is \$.61 lower than the same time last year.

\* Diesel prices increased throughout the country, with the largest hike coming from the West Coast (+\$.06 per gallon).

\* On again, California has the highest-priced diesel fuel at \$2.62. The fuel bargain in the nation can be found in the Gulf Coast region where a gallon of fuel costs \$2.16.

\* The WTI Crude Oil Price increased for the second week in a row, moving from \$46.23 to \$48.31 per barrel.

\* Transportation is in good shape this week, with all shipping areas reporting adequate numbers of trucks available.



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## RESTAURANT INDUSTRY NEWS

### Three Ways to Evolve With Consumers

By: Monica Watrous, [www.foodbusinessnews.net](http://www.foodbusinessnews.net), May 10, 2016

Thirty years ago, only about 40% of food industry sales occurred in food service outlets. Today, food service accounts for more than half of food industry sales, surpassing grocery retail by 1.2 percentage points, according to a new report from Acosta, Inc., Jacksonville, and Technomic, Inc., Chicago.

"There have been a variety of factors affecting the food landscape over the past 30 years," said Colin Stewart, senior vice-president at Acosta. "Consumers' desire for more convenient options in today's fast-paced world is driving new technologies like mobile apps that can be used to track nutrition, find restaurant and retailer promotions and offers, or order food service and groceries for home delivery. Coupled with the local ingredient food movement gaining momentum, food service operators must continue to adapt within the evolving food consumption space by embracing digital and mobile tools, and being transparent about ingredients."

The second edition of The Why? Behind the Dine report, published by Acosta and Technomic, analyzes the findings from a survey of 1,500 U.S. consumers to explore how dining behaviors and preferences have evolved.

"Consumers' choices are no longer limited to preparing a meal at home or going out to eat," the report said. "Today, consumers can leverage more than a dozen approaches to purchasing, preparing and consuming a meal. As meal solutions continue to expand, food service and retail operators need to deliver innovative choices that address consumers' needs."

The number of food service and retail grocery outlets has nearly

tripled to 1.4 million total outlets from about 500,000 in 1985, and total food sales have grown to almost \$1.4 trillion from \$434 billion in that period. To remain competitive in this increasingly complex landscape, food service operators, distributors and manufacturers must find innovative ways to deliver convenience, adapt menus to meet the growing demand for ingredient transparency, and engage with consumers through digital tools and social media.

"We can expect to see a proliferation of chains in 2016, limited- and full-service alike, making sweeping menu changes to accommodate consumers' concerns, from additive-free to animal-welfare claims," said Darren Tristano, president of Technomic. "To maximize operators' business and meet these shifting consumer demands, suppliers should invest in modernizing their manufacturing and distribution systems."

#### **Deliver on convenience**

Consumers have more options for meal solutions than ever before, some of which didn't exist 5 or 10 years ago.

"When asked about their behaviors during the three months prior to the survey, diners reported purchasing food across a wide range of options," the report noted.

Sales of prepared foods in grocery stores have more than doubled since 2006 to \$27.5 billion, outpacing overall grocery and food service growth and underscoring consumer demand for convenient options. What's more, 62% of supermarkets now offer made-to-order stations along the store perimeter, and some even have limited- or full-service restaurants on site. Younger diners, families with children and those with a household income of \$45,000 or

more are more likely to opt for convenient meal solutions, such as buying prepared foods from a grocery store, ordering restaurant delivery or subscribing to a meal kit service, according to the report.

#### **Be transparent**

Nearly two-thirds of diners agree it's important to feel good about the food they eat, and about half say they seek out nutritious foods. About 90% of consumers say they would like restaurants to be more transparent.

Among top menu trends cited in a National Restaurant Association survey of 1,600 professional chefs are locally sourced meat and seafood (80%), locally grown produce (77%), and natural ingredients or minimally processed food (76%).

"Based on our research, more diners indicated buying healthy foods at the grocery store compared to those ordering them in a restaurant," the report said. "In this rapidly changing food landscape, food service operators need to help diners solve the healthy eating dilemma by delivering great tasting meals made with nutritious ingredients."

#### **Time to get digital**

Consumers increasingly are using digital tools to decide where, when and what to eat. Four in 10 diners check the web for restaurant deals, and 60% of millennials and 40% of Generation X consumers frequently read restaurant menus on-line prior to dining out.

"Gone are the simpler days of making dining decisions based on location and budget," the report said. "Say hello to leveraging digital and social tools, and loyalty cards when making decisions on how, what, where and when to eat."

## SPOTLIGHT ON LIPMAN DL& B Farms- Clinton, NC



Doug Wilson and his wife, Linda, own and operate DL&B Enterprises Inc in Clinton, NC. They grow approximately 1,250 acres of cucumbers, eggplants, pepper (including jalapeno), and squash...all with plasticulture. DL&B is considered the largest pepper grower in North Carolina.

The couple has been operating the farm for the past 47 years. Prior to that, Doug's parents worked the land. DL&B grows, harvests and packs all of its own produce. Sales under the "Kwik Cooled" label are exclusive to Six L's Packing Inc (Lipman).

Doug and Linda have 3 daughters and 4 grandchildren. As this is a family business, their daughter and son-in-law, Peter & Christy Bustabad, are both involved with the operations of DL&B. Pete is a 25-year veteran of the farm, and is in charge of the crops on a daily basis, managing the fertigation and chemigation. Christy works with Linda in the DL&B office and also manages Mobile FarmWare LLC.

Doug, Linda and Christy were looking for a more efficient method of collecting payroll data in the fields. As a result, Mobile FarmWare was started over 10 years ago. Mobile FarmWare now provides accounting, data collection and pesticide software applications to more than 200 customers across the United States, Canada and Mexico.

### PRODUCE BAROMETER

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



### MAY CALENDAR

#### All Month

National Salad Month

#### Fourth Week

National Volunteer Week

#### May 21

National Wait Staff Day

#### May 25

National Brown Bag It Day

Senior Health & Fitness Day

### Ruskin, FL Weather

Thu May 19	Fri May 20	Sat May 21	Sun May 22	Mon May 23	Tue May 24
88°F	90°F	84°F	84°F	84°F	86°F
73°F	77°F	77°F	72°F	72°F	72°F
W 9 MPH	VNW 4 MPH	VSW 12 MPH	VNW 12 MPH	NNE 7 MPH	E 6 MPH
Precip 30%	Precip 40%	Precip 20%	Precip 20%	Averages	Averages
Averages	Averages	Averages	Averages	Averages	Averages
88°F/66°F	88°F/67°F	88°F/67°F	88°F/67°F	88°F/67°F	89°F/67°F



## KEEP YOUR EYE ON THE CONSUMER

### It's a New Day for Packaged Goods

By: Karla Fernandez Parker, [www.mediapost.com](http://www.mediapost.com), May 6, 2016

Cooking and what we eat has changed significantly in the U.S., especially for Millennials. The stereotype of the grab-and-go, prepackaged ramen noodle-eating, Millennial is falling by the wayside. Over the past 10 years, consumption of fresh foods grew 20% to more than 100 billion "consumptions" per year. The NPD Group (2014) projects fresh consumption will exceed 120 billion per year by 2018. Fresh food consumption by Millennials and Gen Z consumers will increase 11.1% and 7.5%, respectively, by 2018.

As we work to unveil our Hispanic Millennial Grocery Shopper model, we are seeing a movement that confirms that there are Hispanic Millennial sub-segments gravitating to organic and even calling themselves foodies. They remember the foods they may have eaten growing up, prepared lovingly by hand all day in their *abuela's* kitchen. To replicate those traditional recipes, would require chopping the various ingredients and grinding all the right spices. But now there are amazing ready-made sauces that taste so great no one would know the difference ... except, maybe your *abuelita*.

Hispanic Millennials want to recreate those recipes without going through as much effort. This new wave of ready-to-serve offerings without preservatives, just all-natural ingredients, is changing the way we all cook and eat. You can get your mole, adobo, curry and other exotic flavorings without all the effort.

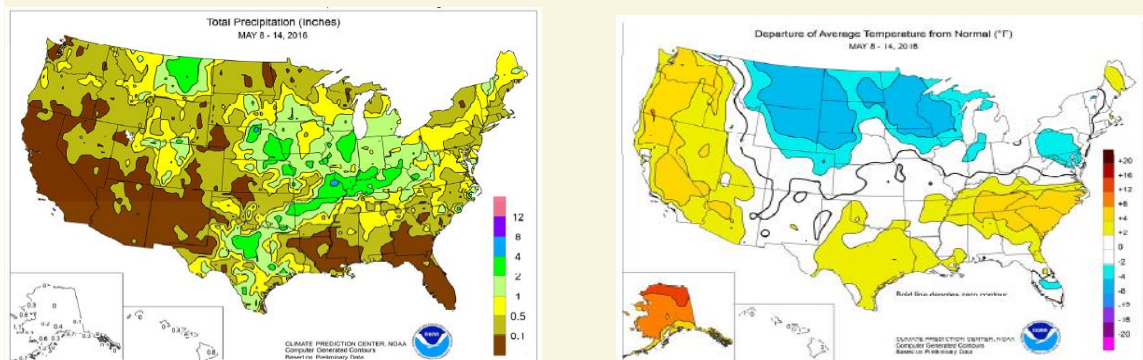
Nielsen says in 2014, dollar sales of fresh global/exotic items grew by 9%. The same report reveals that fresh convenient is up by 7%, healthy fresh is also up by 7%, and fresh premium/indulgent, is up by 4%. This entire category is exploding, with fresh prepared foods projected to outpace retail and foodservice food/beverage sales through 2017 with sales up 6% – 7%. This trend is also hitting the deli department where sales of fresh prepared foods sold there rose 7.2% for the year ending March 29, 2014.

A Mintel study confirms the same trends. According to Mintel (2014), when it comes to sauces/marinades, spicy/hot flavors are preferred by 52% of consumers. In addition, 49% are fans of authentic U.S. regional flavors, and 40% go for international/ethnic. What does this mean? Companies like Campbell Foods, McCormick and Knorr are either off to the races with their own "ready to eat" offerings or they will surely be left behind. They will also have to figure out a way to make the offerings preservative free and more natural. Not an easy feat for these multi-nationals.

In the meantime, don't be ashamed to let your friends keep thinking everything you make comes from scratch.

## NATIONAL WEATHER SPOTLIGHT

### Weekly Precipitation and Temperature Deviation



## AN APPLE A DAY

### Healthy Eating in Flux

By: RH Editors, [www.restaurant-hospitality.com](http://www.restaurant-hospitality.com), May 12, 2016

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The term “healthy eating” means many things to many people. Once it was used to describe foods low in calories, fat and carbs; later it referred to natural, organic, sustainable and local products; today, it’s likely to include functional foods and ingredients associated with energy, protein and superfoods.

Research firm Datassential delved into this evolution, the consumer preferences and attitudes that have fueled it and its implications for restaurants, suppliers and retailers. The result is the firm’s “MenuTrends Keynote Report: The New Healthy.”

The report combines comprehensive detail from the MenuTrends database with 1,000+ consumer interviews. Among the findings:

- While only 7 percent of consumers say they follow a strict diet, 58 percent believe they need to adopt healthier eating habits. With that in mind, 41 percent said that though they are not on a specific diet, they watch carefully what they eat.
- Consumers say they want healthy options, but their lifestyle choices don’t always jibe with that. One in five never exercise and an additional 27 percent exercise only once or twice a week. Restaurant operators maintain that healthy menu items like salads just don’t sell.
- Restaurant guests aren’t always thrilled about the healthy choices offered. “Consumers told us that healthy options are not always the most appealing,” says Datassential managing director Brian Darr. “Eighty-four percent said they would buy healthy products more often if they tasted better, and a significant percentage noted that they would be more likely to eat healthy if there were a greater variety of healthy offerings. Building healthy positioning around taste and versatility would be a winning strategy.”
- Most operators believe that it is important to call attention to health and wellness options on their menus. Only 17 percent don’t. But doing so is probably in their best interest, as long as the message is clear.

“We found that consumers are not always confident navigating healthy terminology such as organic, sustainable or superfood,” Darr adds. “On the other hand, they understood descriptive terms like charred, slow-braised or flame-grilled not only add flavor, but also are a healthier preparation method.”

## MARK YOUR CALENDAR & PACK YOUR BAGS

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### July 29-31, 2016

PMA Foodservice Conference & Expo  
Hyatt Regency Monterey Hotel & Spa  
Monterey, CA  
[www.pma.com/events/foodservice](http://www.pma.com/events/foodservice)  
Come visit Lipman at Booth #122!

### July 26, 2016

NEPC Annual Golf Tournament  
Charter Oak Country Club  
Hudson, MA  
[www.newenglandproducecouncil.com](http://www.newenglandproducecouncil.com)

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