



MARKET UPDATE

Tomatoes: The east is looking to the Ruskin/Palmetto area for its tomato supply this week. With rain-free weather conditions, quality has been very nice so far. Sizing is on the small side due to hot weather during the growing cycle, but should increase as growers move into later plantings. Roma and grape tomatoes are also available in steady supply with good quality. Volumes are expected to become even stronger as we move toward Thanksgiving.

Although the California deal is, for all practical purposes, done for the season, the West has ample supply of fruit coming in from Mexico. Both Baja and Eastern Mexico continue with a consistent stream of rounds and romas with mostly good quality. With Mainland Mexico on tap to start in early-mid December, the supply outlook is favorable through the end of the year. Grape tomatoes are available from multiple growing areas, allowing options for transportation and supply.

Bell Peppers: Bell peppers are available in promotable volumes in both Eastern and Western markets this week. Favorable weather has provided Georgia with a bumper crop, while South Florida is up and running with new growers adding to the mix daily. In the West, the California desert is rocking along with solid production. As well, Mainland Mexico growers are beginning to harvest early, as optimal weather has brought fruit on ahead of schedule. Overall quality is nice from all growing areas.

Cucumbers: Despite a few less cucumbers crossing this week, there is still adequate supply to meet Western needs. Quality is good from Baja and improving out of Mainland Mexico, as they work through early crops. Eastern supply is strong out of Georgia where they expect to go

another 10-14 days. South Florida has also come to the table with light supply of cucs. Early quality reports are positive, although there is light wind scarring from some areas.

Summer Squash: Both Georgia and Florida are harvesting strong squash volumes, creating an oversupply in the Eastern market. Quality is mixed, with the best fruit coming from newer fields. Squash is less abundant in the West this week, as some growers have chosen to lay out of fields due to recent cheap markets. Production is also a little lighter as growers transition from older, less productive blocks to newer fields. Good quality is available, especially from newer fields.

Green Beans: Green bean production is picking up in both North and South Florida this week. Supply should remain steady and continue through December when production transitions to the lake area. In the West, the California desert continues with steady production and nice quality. High prices from the desert are actually shifting some demand to the East. However, a few Mexican growers are getting started now. With more on the way, the West should begin to see more competitive pricing in the next 7-10 days.

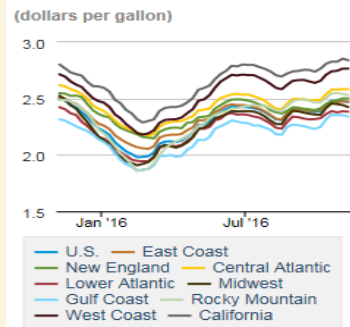
Eggplant: Mainland Mexico eggplant is coming on, with good volumes and excellent quality available daily. The California desert is also in production and is beginning to make deals to compete with the Mexican fruit. Eastern supply is also adequate to meet market needs with very nice quality, particularly out of South Florida.

Hard Squash: Consolidation is the word for hard squash in both the East and West. Growers with new crops don't have all varieties available yet and are supplementing with storage fruit from other areas to offer the full line of hard squash.

TRANSPORTATION FACTS

- * The National Diesel Average dipped slightly this week, moving from \$2.48 to \$2.47 per gallon.
- * The average price for a gallon of diesel fuel is \$.03 less than the same time last year.
- * Fuel prices fell in all areas of the country except the Central Atlantic and West Coast, where upward adjustments were minimal.
- * California has the highest-priced diesel fuel at \$2.84 and the Gulf Coast region offers the best bargain at \$2.34 per gallon.
- * The WTI Crude Oil price fell slightly (less than 1%) this week, moving from \$45.34 to \$44.98 per barrel.
- * Transportation continues to be available in adequate supply throughout the country with a slight surplus of trucks in Central and South Florida.

On-Highway Diesel Fuel Prices



Source: Energy Information Administration

ON THE HORIZON CONTENTS

- News in the Grocery Trade- page 2
- Spotlight on Lipman- page 3
- Keep Your Eye on the Consumer - page 4
- An Apple a Day - page 5

- Produce Barometer-page 3
- November Calendar- page 3
- National Weather Spotlight- page 4
- Pack Your Bags - page 5

News in the Grocery Trade

Retail View: Produce Sale are On the Rise- Part 2

By: Tim Linden, www.producenews.com, October 28, 2016

While the supermarket still captures the vast majority of produce sales, Stein urged retailers to add a digital platform to make sure they don't lose sales. He noted that quite a few supermarkets have adopted a click-and-collect program to stem the erosion of sales.

While meal kit sales (such as Blue Apron or Munchery) still comprise only a small percentage, Wyatt said growth has been steady and called them "a life saver" for working moms, who still want to prepare a meal for their family but want convenience.

She agreed that online food shopping still represents only a sliver of traffic, but she said it is experiencing significant growth and getting close to the tipping point. She said it takes a trend a while to go from 1 percent to 5 percent, but then it typically doubles in very short order. She predicted online sales of food will be around the 10 percent level in two to three years.

Specifically talking about consumer perception of produce sales, Roerink said the category is different than most. Most food product sales are determined by price, but produce is different with quality, condition and other factors playing an important role.

"Execution is crucially important to drive impulse sales," she said.

She said retailers need to adopt strategies to keep the customer in the department. She called that "dwelling and selling," meaning the longer the customer stays in the produce department, the more they buy.

Again noting that millennials want information, Yerecic advocated using more point-of-purchase material to satisfy that need. Wyatt said personal customer engagement is always a great way to increase in-store sales.

Roerink said one challenge for the produce industry is the perception by consumers that produce is more expensive than other food categories. She urged produce marketers to engage consumers and tell them how to use fresh produce to solve their own challenges, such as to satisfy additional eating occasions such as snacking.

Speaking of solutions, she called value-added produce products a "definite winner" when it comes to solving the consumers' need for convenience. There is still the perception that value-added items are expensive, but she suggested that sampling is a great way to increase sales of these items. Wyatt said retailers should capitalize on what she calls "demand moments."

Consumers come to the store looking to fill a specific need, such as what to eat for dinner that night. The IRi executive advised retailers to adopt that mindset and the ideas will flow as to how to address that need.

With regard to improving produce departments, Roerink said variety is the spice of life. When asked that question, 62 percent of consumer want more choices in their produce department. That compared to only 41 percent who asked for better pricing.

"Variety sticks way, way out there," Roerink said, adding that doesn't just mean different produce varieties but more organic, ethnic and local options.



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SPOTLIGHT ON LIPMAN Team Lipman Shouts Out

Brian Faseler Sales & Business Development South Carolina/Florida

Brian's Faseler's focus is on the melon side of the business. During the 4-month season, he specializes in cantaloupes and watermelons from the Phil Sandifer and Sons Farm in Blackville South Carolina. As the weather turns cooler and season finishes up, he heads down to Florida, where his is based out of the brokerage office in Boca Raton.

At the Sandifer Farm, Brian's work is very hands on. He is able to evaluate the fruit coming in from the field and determine which product best meets specific customer needs. While in Florida, he is focused on expanding melon farming/sourcing and, of course, year-round sales.

Why does Brian like being a part of Team Lipman? "Lipman is all about hard work. The more hard work you put in, the more you will be rewarded. Through my hard work Lipman has provided me with numerous opportunities to grow my business and help the company's bottom line."



Want to learn more about Lipman and the products we grow? Follow us on Facebook, Twitter, and Instagram!



PRODUCE BAROMETER

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



NOVEMBER CALENDAR

All Month
Military Family Appreciation Month
November 12th
Pizza with Everything Day
November 14th
National Pickle Day
National Spicy Guacamole Day
November 16th
National Fast Food Day

Palmetto, FL Weather

Fri Nov 11	Sat Nov 12	Sun Nov 13	Mon Nov 14	Tue Nov 15
79° F	79° F	79° F	79° F	75° F
61° F	63° F	64° F	64° F	63° F
VNW 9 MPH	NE 8 MPH	ENE 11 MPH	ENE 8 MPH	ENE 6 MPH
Precip 30%				

Keep Your Eye on the Consumer

What Will Generation Alpha's Trends Be?

By: Torrey Kim, www.smartbrief.com, October 31, 2016

Although most food and beverage businesses are focused firmly on today's trends, such as millennials' taste preferences and the shopping habits of baby boomers, these companies should also be aware of what Generation Alpha—the consumer group that follows Generation Z—will be seeking. The terminology may be new to some, but the reality is that members of Generation Alpha are already food and beverage consumers.

“Generation Alpha represents those born after 2011, or those five years of age and younger,” says Dan Schawbel, research director at Future Workplace and author of *Promote Yourself*. “They are the children of millennials and they are predicted to be 35 million large in the next twenty or so years.”

Know these Gen. Alpha trends

The biggest trend among Generation Alpha's members will be their uninterrupted use of technology to perform tasks, maintain relationships and seek entertainment sources. “They won't know a world without virtual reality, smartphones, electronic readers, the internet of things and wearables,” Schawbel says. “Using these technologies will feel very natural to them, and their behavior will influence older generations, as we've seen in the past with millennials and Gen. Z.”

Although the overwhelming use of technology could present new opportunities for businesses who seek to capture Gen Alpha's attention, it could also have a downside. “We believe their tech adoption, and the advancements in technology, will make them lonely, detached and have less direct human contact,” Schawbel says. This means that retailers must have a virtual presence rather than relying solely on brick-and-mortar stores, he says.

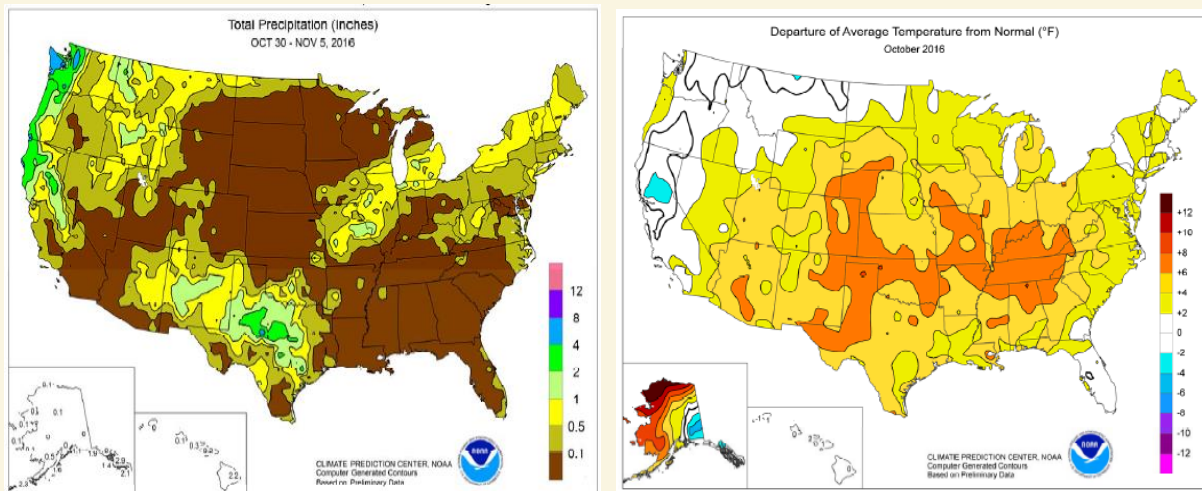
This trend could already be in motion, as the cost of maintaining stores has grown for retailers who have seen more shopping shift to online. As this adjustment continues, retailers will have to balance the need to cater to aging customers who like to see products in person against Generation Alpha's interest in shopping online.

Start now to court these customers

Although shoppers from Generation Alpha don't have their own credit cards just yet, food and beverage companies shouldn't wait too long to develop strategies to court these consumers. “We know that they will adopt similar patterns to their parents, the millennials,” Schawbel says. “When you think about eventually serving this group, part of your marketing and sales strategy will be to engage their parents as their key decision makers. Virtual retail stores will become more abundant and companies will have to focus on the consumer experience, which will include virtual reality. The question your company will need to answer is, ‘how do I immerse this generation in our products before they even buy them?’”

NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation



AN APPLE A DAY

The Psychology of Food Choices

By: Bonnie Taub-Dix, www.usnews.com, November 2, 2016

Why did you choose the foods you ate yesterday? Let's take a look at your breakfast: Did you scramble some eggs, put a slice or two of whole-grain bread in the toaster and brew a steamy mug of tea? Perhaps you shoved down a few bites of your kid's lunch while standing at the kitchen counter before shoveling him into the carpool. Maybe you skipped breakfast altogether. Whatever your reason (or excuse) was, you actually had to think about what you were going to do before making that breakfast choice. And that was only the beginning of the more than 200 food decisions you likely made throughout the day, according to research by Cornell Food and Brand Lab director Brian Wansink.

So how do we make those decisions? Surveys have consistently shown that the main drivers of our food choices are taste, convenience and price, but new factors may be dictating what goes on our plates. According to a study from Deloitte, Food Marketing Institute and Grocery Manufacturers Association, factors including health and wellness, safety, social impact, experience and transparency are all influencing purchasing decisions. Here's what else may come into play – and how you can use them to make healthier decisions:

1. Hidden Persuaders We often have good intentions about curbing our intake until temptation takes over, whether that's in the form of jelly beans in a glass jar on the countertop or free samples at the supermarket. Wansink calls these "hidden persuaders." Supermarkets know them well; in fact, they are set up to influence how you shop. By placing appealing items such as freshly cut flowers or baked loaves of bread at the entrance of the store, for instance, you may be more drawn to buying those products. That's why 60 to 70 percent of what ends up in our shopping carts is unplanned.

2. A (Seeming) Lack of Choice If you're at an all-day meeting that includes lunch or are a dinner guest at a friend's house, you may not have much of a say when it comes to what foods you're deciding between. Other times, however, you may blame poor food decisions on the fight you had with your husband, the kids who made you crazy or the boss who didn't give you a raise. In reality, the person who made you dig your fork into that food and lift it to your lips was no one but you.

3. What's in a Name When products are given descriptive names, such as "freshly baked," "homemade," "natural" or "wholesome," they appear more attractive. Restaurants are well aware of this phenomenon. Wansink has shown on numerous occasions that certain glasses, plates and menu descriptions can unknowingly cause us to eat too much. He found that when descriptive names – think "black forest double chocolate cake" as opposed to "chocolate cake" – are used on menus, people rate the foods as tasting better. Further results showed that descriptive menu labels – such as "grandma's zucchini cookies" or "succulent Italian seafood fillet" – increased sales by 27 percent, improved attitudes toward the food and restaurant, and made people more likely to say they'd return to that establishment. Respondents even indicated that they would be willing to pay almost 10 percent more for each descriptive menu item. Making foods more alluring via descriptive names is not limited to restaurants. Manufacturers love to attract shoppers in supermarkets with eye-catching displays, fancy packaging and striking names for basic foods.

4. Food Labels Even boring-sounding food labels can influence you. When faced with food labels declaring products' "fat-free" or "sugar-free" status, consumers in Wansink's research acted as if they received an invitation to indulge and ended up eating large portions sizes. This is a common mistake. While such terms on food labels provide helpful information to consumers concerned about meeting their dietary recommendations – particularly if they have special requirements like needing to watch their blood sugar – they don't automatically mean that the food is calorie-free. In fact, overeating these "free-from" foods could be costly. Make sure you check the calories and serving sizes listed on the nutrition facts panel and pay close attention to how many servings are contained within one package.

5. The Company You Keep Although many studies have shown that your genes play an important role in whether your jeans fit, other research has shown that your life at home, or your environment, also has a significant effect on what you're putting in your grocery cart. The people around you may also influence you more than you realize about, say, whether to have fries or a salad with your sandwich. External influences can be powerful, and they can work for or against you.

I'm not suggesting that you choose your partner, friends or social contacts in accordance with their eating style, but if you're trying to watch your weight, it may help to become more aware of how the people in your life affect the choices you make at the table. Stick to your guns: Choose food because you need it (you're hungry) or because you want it (perhaps it's caloric, but you've decided it's worthwhile). If you're dining in a restaurant, try to think about what will be on the menu ahead of time and, if you're going food shopping, be sure to bring your list with you and don't shop hungry.

Don't eat because of anyone else, because no one else has your body. Perhaps the bottom line is to listen to what your mother told you: Choose your friends – and your food – wisely.

MARK YOUR CALENDAR & PACK YOUR BAGS!

November 28-30, 2016

31st Annual Southeast Vegetable & Fruit Expo
Kingston Plantation Embassy Suites
Myrtle Beach, SC
www.ncvga.com/expo_reg.php

May 19-21, 2017

West Coast Produce Expo
JW Marriott Desert Springs Resort & Spa
Palm Desert, CA
www.westcoastproduceexpo.com

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