



MARKET UPDATE

Tomatoes: The Ruskin/Palmetto, FL area has lighter tomato supply this week but is still producing ample rounds, romas, and grapes to meet market demand. Quality continues to be very nice. Larger-sized fruit (3x4 and 4x4) is on the shy side, as warm night time temps have advanced maturity before the fruit has had time to size up to these levels. Sizing and volumes are expected to pick up next week. Quincy is winding down quickly, but has also been adding light volumes of fruit to the mix.

In the West, both Baja and Eastern Mexico are working from existing acreage on vine-ripe rounds and romas with steady supply and nice quality and condition. However, fruit will begin to size down over the next few weeks. Grape tomatoes are shipping from three growing areas in Mexico and should continue to have good availability through the holiday.

Bell Peppers: With Georgia still in production and newer players in North and South Florida picking up the pace, bell pepper availability is strong in the East. Overall quality is good although you may see occasional concerns from older fields. Bell peppers numbers are also strong in the West. The California desert will continue to offer good quality and color for another three weeks, while the Culiacan area has just gotten started. Mainland Mexico, which began the season a full two weeks early, has nice quality but is short on size and somewhat lighter on color.

Cucumbers: With Baja finishing up and Hermosillo in a short production spot for another 7-10 days, cucumber crossings have been lighter this week. Sinaloa is on tap to start in two weeks, which should improve volumes. In the East, Georgia is wrapping things up and Florida growers are waiting for new

fields. So, supply is adequate, but lighter this week. More volume is on the way next week when Florida farms venture into new blocks and Honduran imports begin to land.

Summer Squash: Georgia is on the tail end of season, shifting the majority of squash production to North and South Florida. Yields are a little less than desired in South Florida but both yellow and zucchini are available. Quality is varied, with some scarring and scuffing reports. Western production is concentrated in Hermosillo, Mexico, where yields have lightened up on older fields. There's ample supply of zucchini available, but yellow is a bit tighter, mostly due to quality concerns.

Green Beans: North Florida and Homestead are in the midst of good green bean production. Weather has been favorable for both yields and quality. In the West, the California desert will continue with beans for another 7-10 days, while Hermosillo and Guasave are beginning to add to the mix. Look for volumes to pick up from Mexican growing areas, as they get further into harvests.

Eggplant: With the California desert expected to harvest another week and Sinaloa, Mexico going full force, the outlook for eggplant supply and quality is very good in the West. Eastern supply is adequate to meet market needs, with product coming from Georgia and Florida.

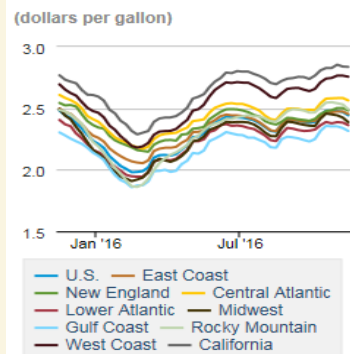
Hard Squash: Georgia is now offering acorn, butternut, and spaghetti with good quality to Eastern markets. Mainland Mexico, which has had spotty availability so far, will come to the table with all varieties next week. Quality and color have been very nice thus far.

Chili Peppers: Mainland Mexico is now crossing all chili varieties and expects increases over the next week.

TRANSPORTATION FACTS

- * The National Diesel Average dropped \$.03 this week, moving from \$2.47 to \$2.44 per gallon.
- * The average price for a gallon of diesel fuel is \$.04 less than the same time last year.
- * Fuel prices fell in all areas of the country with the largest decline coming from the Rocky Mountain zone (-\$.04).
- * California remained steady with the highest-priced diesel fuel at \$2.84 while the Gulf Coast region still offers the best bargain at \$2.32 per gallon.
- * The WTI Crude Oil price increased 2% this week, moving from \$44.98 to \$45.81 per barrel.
- * Transportation demand is high at Nogales, where slight shortages have been reported. Aside from potato production areas, all other regions of the country report adequate levels of truck availability.

On-Highway Diesel Fuel Prices



Source: Energy Information Administration

ON THE HORIZON CONTENTS

- News in the Grocery Trade- page 2
- Lipman Product Spotlight- page 3
- An Apple a Day - page 4
- Restaurant Industry News - 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

Supermarket Satisfaction Remains High: RFG Study

www.progressivegrocer.com, November 1, 2016

While supermarkets continue to generate high satisfaction among shoppers, room for improvement exists in key areas, particularly associate availability, friendliness/attitude and checkout speed/efficiency, according to the Retail Feedback Group's 2016 U.S. Supermarket Experience Study.

The annual research study, now in its ninth year, found that supermarkets scored an average of 4.39 on a five-point scale where five is highest. Supermarkets also scored high in the area of generating a strong referral rate, with an average likelihood to recommend score of 4.48.

Despite the generally high satisfaction and referral scores, which are obviously critical in today's highly competitive environment, Doug Madenberg, principal of the Lake Success, N.Y.-based RFG, said: "Not one of the service attributes scored at the top of the core experience factors, yet it is imperative to find ways to strengthen customer service."

Examining key supermarket retailing fundamentals of this year's study – which was based on a nationally representative survey of 1,200 supermarket shoppers and was prepared in conjunction with 210 Analytics, LLC – illustrates that supermarkets performed well in some of these critical areas yet show room for improvement in others:

Quality/Cleanliness: Supermarket shoppers rated quality/freshness of the food and groceries (4.51) followed by cleanliness of the store (4.45) as the two highest-rated core experience factors.

Variety: Also a higher-scoring factor, item variety and selection registered at 4.43.

Service: Associate availability scored lowest among all the core experience factors (4.20). The other service factors – associate friendliness/attitude (4.36), associate helpfulness/knowledge (4.27), and checkout speed/efficiency (4.32) – only showed moderate ratings.

Associate availability scored lowest among all the core experience factors (4.20). The other service factors – associate friendliness/attitude (4.36), associate helpfulness/knowledge (4.27), and checkout speed/efficiency (4.32) – only showed moderate ratings

"Our research shows that when service receives high scores, the average trip satisfaction is significantly higher along with spending in the short-term and loyalty in the long-term," Madenberg noted. As a result, "We can't stress strongly enough the impact that store employees have on the shopping experience – whether it is fostering a pleasant interaction, providing service above and beyond expectations, or simply being available to help."

Shopper Satisfaction Declines Throughout the Day

Considering overall satisfaction with the trip, as well as on all of the core experience factors, the research found that satisfaction declines as the day progresses. Highest scores registered before 11 a.m. with lowest scores found after 7 p.m. This finding illustrates an opportunity to evaluate channel readiness during peak evening shopping hours.

Item Availability Greatly Impacts Trip Satisfaction

If shoppers could not find all items they came in to purchase, their satisfaction was significantly lower (3.92) compared to those who did find all items (4.43). This finding is a recurring theme in supermarket experience research. In-stock position must consistently be high for retailers to ensure shopper satisfaction.

Value: Value for the money spent on this visit received the second lowest rating at 4.27. Drilling down deeper into prices, the results show meat (4.01), produce (4.06) and everyday prices (4.07) all generated low scores in the supermarket channel, while advertised sales items scored much higher (4.41).

Advertising Vehicles Straddle Traditional, Social, Mobile and Digital Media

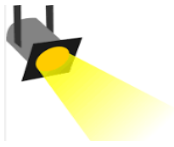
Supermarket shoppers continue to use money-saving measures but the mix of these measures is evolving. Overall, 77 percent of shoppers referred to one or more advertising or sales vehicles before or during the store visit. The top money-saving measure, used by 56 percent of shoppers, was reviewing the traditional paper circular at home.

An additional 31 percent reviewed the circular in the store and 26 percent examined the circular digitally. Clipping paper coupons (obtained from newspapers or other printed sources) registered at 38 percent, while downloading digital coupons was at 27 percent and in-store promotions at 22 percent. Money-saving measures used less frequently were loyalty card offers (19 percent), smartphone research (12 percent) and social media specials (7 percent).

Millennials Migrating to Digital Faster

Examining the use of money-saving measures by generation, the research shows that Boomers reviewed the circular at home (64 percent) and clipped paper coupons (45 percent) at much higher rates than Millennials (46 percent and 31 percent, respectively). Millennials, on the other hand, utilized smartphone research (22 percent) and social media specials (13 percent) at higher percentages than Boomers (6 percent and 4 percent, respectively).

"As younger generations, specifically Millennials and Generation Z, continue to grow in their spending influence over the coming years, supermarket advertising will need to increasingly blend traditional vehicles with social, mobile and digital," explained RFG principal Brian Numainville. "Retailers should carefully evaluate their markets and shopper base on an ongoing basis to ensure the right mix."



LIPMAN PRODUCT SPOTLIGHT The Crimson Queen

► We Are...The Crimson Tomato People!

- Lipman's Crimson Queen variety has become so popular due to its unique Crimson features and benefits, we have decided to implement the characteristics across all Lipman tomato varieties.
- Our growing process begins before the seeds are even planted - with research. It's because of our R & D team that we're able to take feedback from our customers, and develop a product that meets their needs.

► The Redder The Better!

- This field grown, vine-ripened variety will bring people back to your produce aisles over and over again, asking for it by name.
- Taste the difference of homegrown flavor year-round.



- Excellent vine-ripened or as a mature green
- Pretty to look at...better to taste
 - Signature bright red color
 - Signature homegrown flavor
- Let the tomato do the talking
 - Cut them open
 - Sample them
 - Consumer satisfaction turns into repeat sales, driven by both flavor and appearance
 - Proven success due to color and size

PRODUCE BAROMETER

ITEM	QUALITY	PRICING
Bell Pepper	Good	Steady
Cucumber	Good	Steady
Eggplant	Good	Steady
Green Beans	Good	Lower
Jalapenos	Good	Steady
Onions	Excellent	Steady
Squash	Varied	Steady
Tomatoes	Good	Steady



NOVEMBER CALENDAR

All Month
National Gratitude Month
3rd Week
National Family Week
November 19th
International Men's Day
Family Volunteer Day
November 24th
Thanksgiving Day

Ruskin, FL Weather

Fri	Sat	Sun	Mon	Tue
Nov 18	Nov 19	Nov 20	Nov 21	Nov 22
81° F	79° F	66° F	68° F	75° F
61° F	52° F	46° F	50° F	64° F
ENE 9 MPH	NV 8 MPH	N 14 MPH	N 9 MPH	ENE 8 MPH

An Apple a Day

Younger Consumers Drive Growth of Vegetable Consumption; Boomers Not so Much

By: The NPD Group, www.perishablenews.com, November 16, 2016

The continual parental reminder to “eat your vegetables” stuck with Millennials and Gen Zs because they are driving the growth in fresh and frozen vegetable consumption, but many of the parents who offered the reminder are not eating theirs, reports The NPD Group, a leading global information company. Younger consumers, those under age 40, have increased the annual eatings per capita of fresh vegetables by 52 percent and frozen vegetables by 59 percent over the last decade. Boomers, ages 60 and up, on the other hand, decreased their consumption of fresh vegetables by 30 percent and frozen vegetables by 4 percent over the same period.

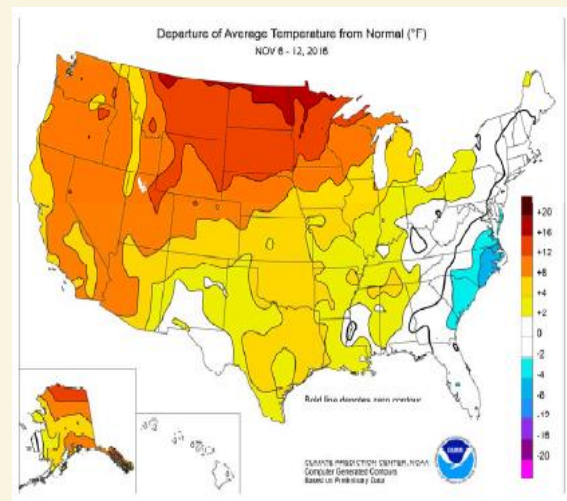
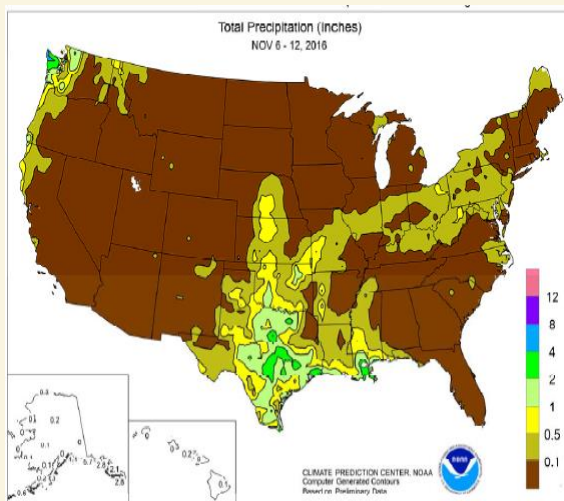
Increased consumption of fresh vegetables is an outcome of the shift to fresh foods among young consumers over the last decade. Generational change is partly responsible for the move to fresh as younger consumers are adopting fresh at a much earlier age than the generations before them. Millennials and Gen Zs will sustain the growth of fresh vegetable consumption as they age into their heaviest consumption years. Over the next several years fresh vegetable consumption is forecast to increase by 10 percent, an increase that will be tempered by the lower eating rates of Boomers, according to NPD Group’s

Frozen vegetable consumption, which was declining earlier this decade, is now on the rise due to the interest of more health-conscious Millennials and Gen Zs. Just as they did with fresh vegetable consumption, these younger consumers are eating more frozen vegetables than previous generations did at their ages. Although the category’s growth forecast is not as strong as fresh vegetables, consumption of frozen vegetables is forecast to increase by 3 percent through 2024.

“Vegetable consumption among younger consumers is a reflection of their more health-conscious eating behaviors,” says David Portalatin, vice president, food industry analyst at NPD Group and author of the recently published *Eating Patterns in America*. “Our research shows that their attitudes about eating vegetables will not shift as they age and go through their life stages. Their parents and grandparents, on the other hand, may need a reminder from the younger generations to eat their vegetables.”

NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation



RESTAURANT INDUSTRY NEWS

Brand Loyalty is Far from Dead

By: Bruce Horovitz, www.qsr magazine.com, November 2016

Brand loyalty is alive, well, and living in the hearts of many millennials. Two recent surveys—one by Facebook IQ, the research arm of Facebook, and the other by Buzz Marketing Group, a social media research and marketing specialist—indicate that millennials are hardly the brand snobs they're made out to be. Millennials, in fact, are just as likely as Baby Boomers to be brand loyalists, according to a survey of 14,700 adults in the U.S. by Facebook IQ. "Loyalty is far from dead," says Marinn Jackson, head of industry, restaurants, and global marketing services at Facebook IQ. "Millennials want to be loyal to your brand—but you need to give them a reason to do so."

But in order to reach millennials, consumer brands must target more multicultural audiences in advertising and social campaigns, according to the Buzz Marketing Group online survey of 400 men and women ages 21 to 36. "When it comes to loyalty, multicultural millennials give as much as they get," says Buzz Marketing CEO and founder Tina Wells. "They know what they like, and aren't shy about sharing that information with their friends and contacts."

The most effective way to nudge millennials to remain brand loyal: via some sort of personalized and meaningful actions. That can be exceptional service. It can be great grub. It can be a super price. Or it can be a message or marketing platform that touches them personally. In almost every case, when it comes to millennials, it's about a great brand experience.

"The study shows us that millennials shouldn't be dismissed as unloyal," Jackson says. "We've seen that they are actually as likely as Boomers to be brand loyalists." But, she says, millennials are less loyal in so-called vertical markets, where price often plays a bigger factor, like airlines or hotels.

Just how does a restaurant get a customer—particularly a millennial customer—to be more brand loyal?

Appeal to the senses. Taste is the top reason given by brand loyalists, when asked why they are loyal to a restaurant brand, says Jackson.

Appeal to the emotions. Loyal customers also focus on service, which can be a big part of the customer experience.

Give them options. Millennials are twice as likely as boomers to cite a lack of healthy options as a barrier for restaurant loyalty, says Jackson.

Coddle kids. Some 42 percent of new parents describe themselves as loyal vs. 36 percent of non-parents. New parents suddenly worry about everything from stroller access to crayons at the table.

Think mobile. To get millennials in the door in the first place—and get them to return—a brand must have a savvy, mobile marketing strategy. A restaurant that serves breakfast, for example, should be thinking about serving up a mobile breakfast ad during that timeframe, says Jackson. "Your diners are spending more and more time staring down at their phones. So your opportunity sits in the palm of your diners' hands," she says.

Effective mobile strategy with millennials, in particular, she says, is to provide extremely personal and useful information." The typical millennials spends about 50 minutes per day across Facebook, Instagram, and Messenger. The key, she says, is to tap into these platforms with exciting and engaging brand loyal experiences. For example, earlier this year Domino's introduced its first Messenger Bot—allowing pizza lovers to re-order via a Bot experience. Such personalized fun gives millennials a strong reason to remain brand loyal, says Jackson.

Millennials say they actually want to be loyal to brands. As a group, millennials are 1.75 times more likely than Boomers to say that they would "like" to be brand-loyal, the survey says. "Your customer needs to be at the center of everything you do," Jackson says.

MARK YOUR CALENDAR & PACK YOUR BAGS!

March 9-11, 2017

Southeast Produce Council's Southern Exposure
Walt Disney World Dolphin Resort
Orlando, FL

<http://southernexposure.seproducecouncil.com>

April 9-12, 2017

2017 Restaurant Leadership Conference
JW Marriott Desert Ridge Resort & Spa
Scottsdale, AZ

<https://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