



MARKET UPDATE

Tomatoes: Eastern tomato production has begun to spread out with harvests in Ruskin/Palmetto, Labelle and the Immokalee/Naples area underway. Volumes on all varieties have been fairly consistent but are down overall due to lower yields. Round sizing came back up a little this week but will return to a smaller profile as growers move into early picks in new areas. Roma production continues to be light due to the amount of planned acreage but quality is nice on what's available. Grape numbers are also lighter than usual. Look for the Florida situation to continue in a similar fashion until the middle to end of December when South Florida's Winter crops get rolling.

Round, roma and grape tomato supplies remain snug out of both Eastern Mexico and Baja due to cool weather. Warmer temperatures would help, but significant change isn't expected until later in December when Mainland Mexico crops will get started.

Bell Peppers: Although some new crops have started on the eastern side of the state, bell pepper volumes are still light in Florida. Overall acreage is down this season, with some regular producers stepping out of the deal this year. However, we do look for production to strengthen somewhat in a few weeks as a few more major growers come online. In the West, California's product is in short supply. Quality is great; there's just not enough of them. Mexico is ramping up but is still a week away from any kind of significant volume. Quality and sizing are very nice so far.

Cucumbers: Production from Baja has begun its seasonal decline and will drop each week as we head into December. New crops from West Mexico's southern region have begun, adding to existing supply in the north. Eastern cucumbers are coming out of central and south Florida, where quality and volumes continue to be good. Honduras has started in a very light way but won't come with volume until mid-December.

Summer Squash: Yellow and zucchini squash volumes have rebounded this week with ample product in multiple areas in Florida to meet market demand. Mainland Mexico's production is migrating southward, which should bring steady increases in production once again.

Eggplant: Although the California desert continues to have a decent supply of eggplant, rain and cooler weather could bring the end of the season quickly. Fortunately, more Mainland Mexico growers are coming online and we should see steady increases over the next week or so. Florida's eggplant volume is light, but seems to be enough to meet market demand. Quality is very nice.

Green Beans: With improved weather and getting past the holiday push, green bean availability is improving in Florida. Supply remains limited in the West as we wait for more Mainland Mexico growers to crank up for the season.

Chili Peppers: Mainland Mexico's chili pepper production is strengthening but demand is keeping the market strong. Other areas in Mexico still have product to ship but quality can be hit or miss due to prior weather activity. California is also still in the game, but volumes are waning quickly. Eastern supply out of the Plant City, FL area has increased with most varieties available this week. South Florida is also in the mix now with mostly jalapenos.

Hard Squash: Despite lighter volumes from the East, Mexico and California have plenty of hard squash available for the whole country. All size are available with excellent quality. On the horizon- Honduran imports usually start showing up in late January.



TRANSPORTATION FACTS

*The national average diesel price fell again this week, moving from \$3.32 to \$3.28 per gallon.

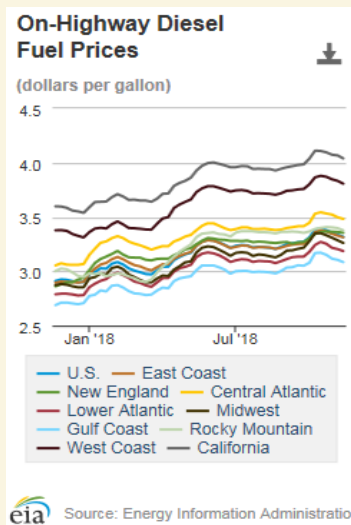
* The average price for a gallon of diesel is \$.37 higher than the same time last year.

* All areas reported price declines, with the most significant coming from the Midwest where the price fell \$.05 per gallon.

*California continues to have the highest diesel prices in the country at \$4.00 per gallon while the Gulf Coast is the low-price leader at \$3.05 per gallon.

*The WTI Crude Oil price dropped another 5% this week, moving from \$56.25 to \$53.43 per barrel.

*As usual, the holiday has transportation a little short this week. Look for better availability after Thanksgiving.



ON THE HORIZON CONTENTS

Keep Your Eye on the Consumer [page 2](#)
Turkey Talk- [page 3](#)
Merchandising Minute - [page 4](#)
News in the Grocery Trade- [page 5](#)

Produce Barometer-[page 3](#)
November Calendar- [page 3](#)
National Weather Spotlight- [page 4](#)
Pack Your Bags - [page 5](#)

KEEP YOUR EYE ON THE CONSUMER

Survey: Shoppers Overwhelmingly Prefer Grocery Stores to Buying Food Online

www.theshelbyreport.com, November 15, 2018

Despite an abundance of new options for buying groceries online, American consumers still overwhelmingly prefer to do their shopping in stores, according to a new survey sponsored by Vixxo, a facilities management company. The research also found that providing an exceptional in-store experience and high-quality food are key drivers for keeping supermarket customers happy and loyal.

The company surveyed more than 1,260 U.S. consumers to assess attitudes and buying preferences in a time of growing online alternatives for purchasing food products. It found that 87 percent of consumers prefer to shop in person. This preference also spanned different age groups, with nearly all Baby Boomers (96 percent) and a vast majority of Millennials (81 percent) reporting that they prefer the in-store experience to online.

The key driver was selection. Most Americans (84 percent) like the advantages of being able to inspect and pick out their own products. Others (60 percent) said they simply favor the atmosphere and experience of shopping in brick-and-mortar stores. For example, more than one-third (34 percent) of respondents said they notice things like the lighting, temperature and other factors that

set the ambience when they first enter a supermarket.

“A key takeaway for grocery retailers is that effective facilities management impacts the customer experience. A well-maintained store can keep them coming back for more,” said Warren Weller, Vixxo’s chief client officer. “In other words, assets matter. Maintaining and optimizing assets like food production equipment, lighting, digital signage and refrigeration is essential to delivering an exceptional customer experience.”

Quality counts

Food quality emerged as the most important factor when selecting an item at the grocery store, according to 45 percent of shoppers. Freshness of the ingredients is also critical to the buying decision, with 43 percent of shoppers demanding that their prepared foods be freshly made. Approximately one-quarter of respondents buy prepared food from their grocery stores, including pizza (31 percent), pasta salad (29 percent), rotisserie chicken (28 percent), sandwiches (24 percent) and sushi (15 percent).

All these preferences underscore the importance of having well-maintained food

preparation, cold storage and food warming equipment, says Vixxo.

While consumers may have their favorite stores, few are exclusively loyal, the survey found. Only 14 percent said that they shopped at one store. Nearly half (45 percent) said they shopped at three or more stores in an average month. This pattern underscores the importance of delivering a superior in-store experience to attract and retain more customers in a highly competitive market.

When asked why they choose one store over another, shoppers said consistency of product quality was the top attraction (29 percent), followed by variety of options (25 percent) and store location (25 percent). The social aspect of shopping factors heavily in the shopping choice for some. Millennials, for example, are three times more likely than other age groups to say that they enjoy the social interactions they experience in grocery stores.



TURKEY TALK

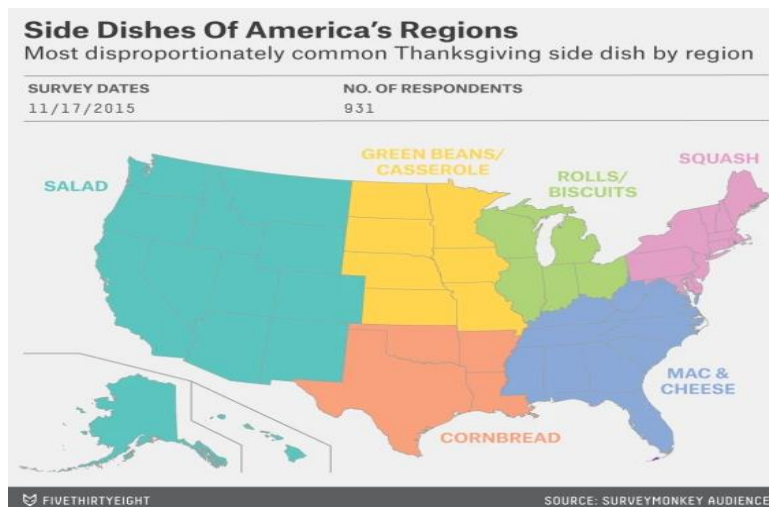
What's Your State's Favorite Thanksgiving Side?

By: Sonja Begamann, www.thepacker.com, November 20, 2018

Thanksgiving is one of my favorite holidays. It's an excuse to unabashedly eat as much as possible. Sides, main, dessert—I don't care, I want it all. Analytics company FiveThirtyEight recently surveyed Americans to find out what the most common Thanksgiving side dish is for their region. Of the nearly 1,000 responses six different sides rose to the top: salad, West; green beans/casserole, Midwest; cornbread, South; rolls/biscuits, Great Lakes Region; squash, Northeast; and mac and cheese, Southeast.

Of course, California would call salad a Thanksgiving side—I can tell you my family would be less than thankful if salad took the honored place alongside turkey on Thursday. I live in Missouri where green beans reign king and green bean casserole is a must-have every year. Fortunately, it's pretty easy to make.

According to USA Today, the original recipe for green bean casserole was created in 1955 by the late Dorcas Reilly. She served as Campbell's kitchen supervisor where the recipe's fame skyrocketed it to the National Inventors Hall of Fame in 2002. Reilly died Oct. 15, 2018 of Alzheimer's disease at age 92.



PRODUCE BAROMETER

ITEM	QUALITY	PRICING
Bell Pepper	Mostly Good	Steady
Cucumber	Good	Lower
Eggplant	Good	Steady
Green Beans	Good	Lower
Jalapenos	Fair to Good	Steady
Onions	Good	Steady
Squash	Varied	Steady-Higher
Tomatoes	Good	Higher



NOVEMBER CALENDAR

November All Month

National Gratitude Month

November 24th

Small Business Saturday

November 25th

National Eat with a Friend Day

November 29th

Throw Out Your Leftovers Day

November 30th

Computer Security Day

Naples, FL Weather

Fri Nov 23	Sat Nov 24	Sun Nov 25	Mon Nov 26	Tue Nov 27
81° F	82° F	83° F	83° F	76° F
69° F	72° F	72° F	66° F	63° F
NE 7 MPH	SW 14 MPH	SW 10 MPH	WSW 11 MPH	NNE 10 MPH
Precip 30%	Precip 20%	Precip 20%	Precip 20%	Precip 20%

MERCHANDISING MINUTE

The Star of the Show

By: Armand Lobato, www.produceretailer.com, November 15, 2018

Point-zero-zero-seven-five. That's the figure when 300 is divided by 40,000. Forty thousand is what at least one consumer group estimates is the average number of stock-keeping units in a grocery store. In larger grocery stores, the average soars above 50,000 stock-keeping units.

The 300 figure? That's a conservative estimate of fresh produce items carried in a higher-end, well-stocked market. Either as a percentage or overall volume of items, produce doesn't account for much of what consumers choose from, does it?

And yet, produce is the star of the show.

Many years ago, studies showed that customers decided where to shop based on the meat department quality and selection. Today (and for as long as I can remember), produce is the focal point. As in, the better the quality of the produce department, the more likely shoppers will choose that location as "their" store to shop. Period.

Which is why it's so important for chains to put an extra emphasis on produce. It starts at the top. And if having a top-notch produce program is important to the CEO, you can bet that every management level cascading down in the ranks will ensure that all the tools will be in place to ensure produce success.

This means having an exceptionally engaged produce director. As well as seasoned buyers with not only an eye for shared, grower-shipper volume opportunities, but one that sticks to a consistent high-quality too. An exceptional produce program also fields enough supervisors to monitor and mentor produce managers.

Especially, a good produce management program places emphasis on store-level execution. This means developing and helping produce managers in specific ways. Providing incremental, documented training that starts with every part-time clerk, all the way to veteran-level management who aspire to grow beyond the department manager status (we need produce-savvy people running stores and companies too). A good produce operation recognizes its managers, allows for a certain amount of autonomy, adequate labor, and provides desirable things.

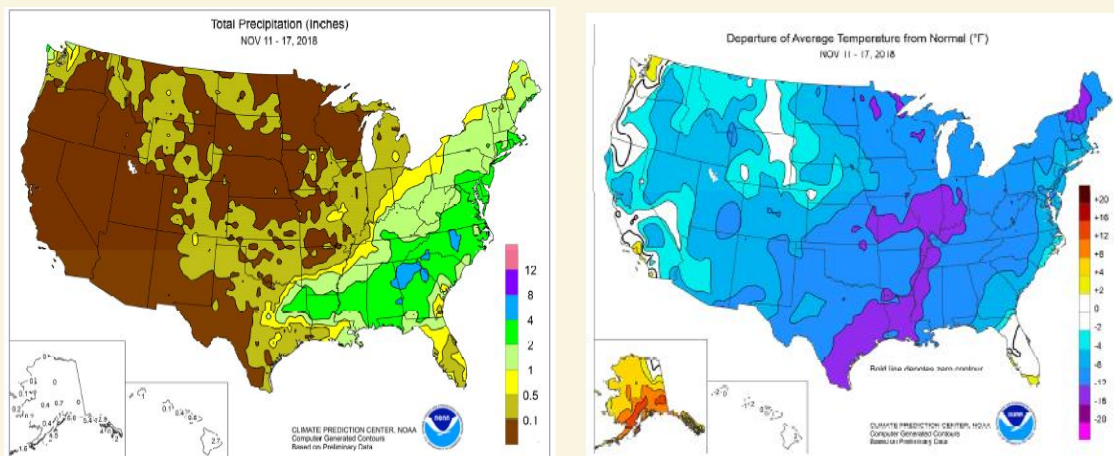
But let's not lose sight of the role of fresh produce. When a customer enters a store and the produce department, in the best sense they should be "wowed!"

All the talk about increasing fresh consumption should engage consumers' thoughts as they walk a produce department. Following all the directives (that again begin at the top), an ideal produce department will be clean and inviting, well-merchandised with lots of samples, color breaks and displays that are well-stocked, level, signed properly and staffed with friendly, knowledgeable people.

That is how a chain escorts the produce "star" onto the stage.

NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation



AN APPLE A DAY

Plant Based Eating Makes Consumers Feel Healthier, Study Says

By: Cathy Siegner, www.fooddive.com, November 14, 2018

Dive Brief:

- A recent study from DuPont Nutrition & Health found that 52% of U.S. consumers are eating more plant-based foods and they believe it makes them feel healthier. Roughly 60% of respondents said switching to plant-based food was permanent, or they hoped it was, and taste is the main reason why more people don't consume plant-based foods.
- The research, conducted with HealthFocus International, studied the eating habits of more than 1,000 U.S. consumers. It used standard demographic data and divided consumer groups into six areas based on a proprietary health and wellness segmentation model.
- "There is a bright immediate future for this megatrend," Greg Paul, beverage industry marketing leader at DuPont Nutrition & Health, said in a release. "There is a seismic shift occurring in eating habits globally, creating a significant market opportunity. Most important, our research reveals that for most consumers, this has moved beyond experimentation into a permanent change brought on by health, lifestyle and social factors."

Dive Insight:

These findings aren't surprising given the increasing number of consumers joining the plant-based trend, but it does show the trend is continuing to grow at a fast pace. As consumers increasingly seek out plant-based foods, more companies will likely invest in those products. According to HealthFocus data, 17% of U.S. consumers eat a predominately plant-based diet, and 60% claim to be reducing their consumption of meat-based products.

Although the study found more than half of U.S. consumers are eating more plant-based foods and beverages — and that number jumps to 65% globally — DuPont said it's important to distinguish between people who are limiting their consumption of animal protein and those who are keeping it the same. Of those consumers cutting down on their intake of animal proteins, 55% say the change is permanent.

People reduce or eliminate animal products from their diet for a variety of reasons. Some want to cut back on cholesterol, others may be concerned about animal welfare, and some tend to worry about the effect of animal agriculture on the environment. Whatever the reason, more people are shifting to a vegetarian diet — or a vegan one that includes no animal-sourced products at all. According to a recent Top Trends in Prepared Foods in 2017 report, 6% of the U.S. population identifies as vegan, up from just 1% in 2014.

This evolving consumer mindset is making major financial waves as well. In 2016, total plant-based meat sales topped \$606 million. And from June 2017 to June 2018, retail sales of plant-based foods jumped up 20% to \$3.3 billion, according to Nielsen data reported by Food Navigator.

<p>MARK YOUR CALENDAR PACK YOUR BAGS!</p> <p>December 6-7, 2018 United Fresh Produce Industry Sales Training Sheraton Gateway Los Angeles Hotel (LAX) Los Angeles, CA www.unitedfresh.org/produce-sales-training</p> <p>March 7-9, 2019 Southeast Produce Council's Southern Exposure Walt Disney World Swan & Dolphin Resort Orlando, FL www.seproducecouncil.com Come join #TeamLipman at Booth #1125!</p>	<p>CREATED BY LIPMAN FOR OUR VALUABLE CUSTOMERS</p> <p>www.lipmanfamilyfarms.com</p> <p>See what we're all about here: https://www.dropbox.com/s/xk5zxttw3tco23a/Lipman_2018_11_09_1.mp4?dl=1</p> <p>Follow us on social media</p> <div> </div> <p>Questions or comments about the newsletter? Contact: joanna.hazel@lipmanfamilyfarms.com</p>