



MARKET UPDATE

Tomatoes: Production continues in the Palmetto/Ruskin area with nice quality and average yields for this time of year. The primary concern this week is size. Growers are reporting the % of 5x6 or larger fruit is down significantly from normal levels due to abnormally warm temperatures during the fruit set period. Although some cooler weather is moving through later this week, sizing may continue to be a challenge for a few more weeks. South Florida farms will begin to harvest after Thanksgiving. As for romas, there's not a lot of product in Florida yet, as only a few growers have shipped pallet type volumes so far. Overall plantings are much lighter than rounds as Florida cedes to Mexico's production for the Winter months. With the holiday approaching and Mexico's quality somewhat questionable, demand is very high for the lighter than normal volumes of grape tomatoes available in Florida. Farms anticipate an uptick in volume over the next 7-10 days.

CA's San Joaquin valley growers will wrap up the season this weekend, leaving tomato supply to Mexico for the Winter months. Baja has begun Fall crops and will see round and roma volumes increase as we move further into November. Eastern Mexico will work existing acreage through the rest of the month and Mainland growers are due to start in early December. Grape tomato volumes out of Mexico continue to be on the light side and recent quality has been questionable.

Bell Peppers: Bell peppers continue to be tight this week. GA is winding down, Plant City has limited acreage, and South FL isn't due to come online for a couple of weeks. Supply will be short in the East until South FL gets into volume in December. In the West, CA Valley green bells are winding down with only the Oxnard area remaining in the mix. The desert is producing light volumes but bigger fruit is snug. Desert quality has been good, with some shape concerns but strong walls. Mexico has started in a small way and should begin to cross more substantial volumes in 10-14 days.

Cucumbers: Baja's cuke production

is on the downhill slide and will go another 2-3 weeks. However, Sonora and Sinaloa farms are bringing strong volumes into Nogales. Quality and condition are good from each of the growing regions as long as product is fresh. In the East, GA farms continue to work fruit from new fields but are definitely winding down. Central FL has limited acreage with light volumes. Fortunately, South FL is up and running and will see volume increase over the next few weeks as more growers come online and farms get deeper into harvests. Also, look for Honduran imports to start showing up around December 1st. In general, quality is nice from all current production areas.

Summer Squash: With multiple areas in FL and GA still in production, there is no shortage of nice-quality squash in the East. Look for mostly steady production and availability for the next few weeks. Although Baja's numbers are limited, Western supply is also strong due to volume increases out of Mainland Mexico. Quality has been nice from all areas.

Eggplant: Although production is light in the East, GA's end-of-crop fruit and FL's new fields are providing enough product to meet market demand. FL's quality has been especially nice so far. The West has good supply available from the CA desert for a few more weeks which will be helpful as we wait for Mainland Mexico's supply to become more consistent.

Green Beans: Eastern supply has improved ever-so-slightly from last week, but beans continue to be extremely short as we near the holiday. There's now a little product coming from South GA, north FL, and the Lake area. Low yields are keeping harvest numbers down but we expect to see gradual improvements over the next few weeks. South FL will start picking next week in a small way but won't see "normal" volumes until after Thanksgiving. On a positive note, quality has improved from previous weeks. The West has limited supply from CA growing districts and is anxiously awaiting Mexico's light start, possibly next week.

TRANSPORTATION FACTS

*For the third week in a row, the national average diesel price dropped, moving from \$3.36 to \$3.34 per gallon.

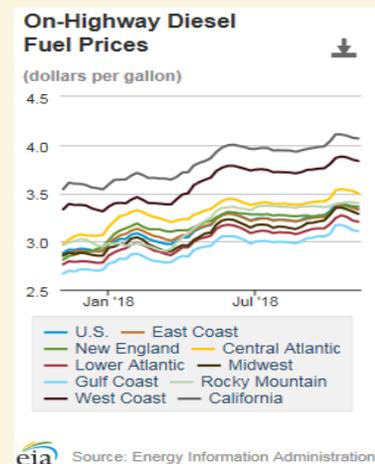
* The average price for a gallon of diesel is \$.46 higher than the same time last year.

* All areas reported price declines, with the most significant coming from the West Coast less California (down \$.03 per gallon).

*California maintains its role as the high-price leader at \$4.07 per gallon while the Gulf Coast continues its reign as the low price leader at \$3.11 per gallon.

*The WTI Crude Oil fell 5% this week, moving from \$66.18 to \$62.21 per barrel.

*There are a few transportation shortages reported in potato and onion shipping states, but all active tomato and vegetable shipping areas report adequate numbers of trucks to move product.



ON THE HORIZON CONTENTS

- Keep Your Eye on the Consumer- page 2
- Restaurant Industry News- page 3
- Sustainability Scoop- page 4
- Merchandising Minute- 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

The Need for Speed: Americans Spend Less Time Eating Now than 10 Years Ago

By: Jessi Devenyns, www.fooddive.com, November 6, 2018

Dive Brief:

-According to the Economic Research Service's Adult Eating & Health Module report funded by the USDA, during the last 10 years, Americans have spent less time eating meals. At the same time, the study found that prepared food purchases have also increased.

-Time spent eating as a secondary activity — defined as eating while doing something else — did not change much between the two time periods and is at an average of 17 minutes per day. However, the amount of time spent eating as a primary activity decreased by 5% to an average of 65 minutes per day.

-The data for this study was based on 36,000 interviews with adults aged 18 and older, and was collected over two 3-year periods: 2006-2008 and 2014-2016.

Dive Insight:

It seems official that convenience is now the key to grabbing a larger share of the average household food budget. A report by the U.S. Department of Agriculture already revealed that 50% of consumers' food budgets were spent on convenience, and this report is again underscoring the importance of time when it comes to meals. According to this report, 58.2% of adult Americans purchased prepared meals in the previous week — and it's not just

millennials who are driving these statistics.

The USDA-funded report found that households without children are driving the time spent at a meal downward. The exception to this is individuals who are 65 and older, who spend 20% more time eating and drinking than other groups. Unsurprisingly, single-parent headed households spend the least amount of time eating than any other demographic.

Even though people are spending less time eating, it doesn't mean that they're eating less. In fact, the study found that during a one week period, American adults are purchasing prepared food 2.8 times. Although millennials are purchasing more prepared options than older individuals, the increase in prepared food purchases during the last 10 years is across the board.

However, prepared food isn't the only solution. The study found that 68.6% of individuals get the majority of their food through traditional grocery shopping. So what are they buying? The answer may be found in the abundance of grab-and-go bars and the resurgence of frozen foods. This year, the frozen food category volume growth grew for the first time in five years, according to a report from RBC Capital Markets covered by Market Watch. Most of this increase came from frozen meals and appetizers.

Meal kits are another solution to which companies are turning. And they should. Internal research by a major grocer this year revealed that 80% of its customers say they want meal kits in stores. In response to this trend, Quaker announced it is making its way into the breakfast meal-kit business through the refrigerator section and even Tyson Foods, Campbell Soup and Hershey are also working to enter the industry. According to Nielsen, in-store meal kits currently account for \$154.6 million in sales and are continuing to grow at a rapid pace — three times as fast as other channels.

The need for speed when it comes to eating seems to have graduated from a trend.

While there is still room for traditional ingredients and recipes, as life becomes more demanding, more time is spent elsewhere. While there may be only so far companies can pare down their offerings and still pack in all the nutrients that customers are demanding, if the study's trends hold true, time spent eating while doing other activities will only grow. If that's the case, food manufacturers may want to begin experimenting with hand-held, mess-free sustenance options.



Restaurant Industry News

What Does the Restaurant of the Future Look Like?

By: Steve Harwood, www.qsrmagazine.com, October 2018

In an increasingly interconnected world, technology is rapidly changing every aspect of our lives—and the hospitality industry could be no exception. What will the restaurant of the future look like? Online reservation systems, drones delivering food, and robots taking part in preparing meals will probably be on the menu.

Is the Future Already Here?

Smartphones are already ubiquitous in our daily routine and we no longer have to drop in or call a restaurant to make a reservation. While many restaurants have their own apps for securing a table, it seems that the future belongs to third parties who will provide a comprehensive service, like Resy. In 2017 alone, some 28 million people used the Resy app to book tables across 125 U.S. cities—while also taking advantage of other features like online reviews, offers, notifications on whether a table has suddenly become available on a Michelin-starred restaurant, and suggestions on nearby venues depending on budget and cuisine.

The trend of outsourcing reservations and relevant customer service is growing across the industry, especially ever since online reviews took off through providers like TripAdvisor and Yelp, and will most likely determine how we approach the process of deciding where to dine out and reserving a table in the future. The big question is: will humans still be around in the restaurant of the future? In production and prep, maybe. A California startup, Momentum Machines, has managed to develop a hamburger-making robot that can create roughly 4,000 burgers within an hour, and they have already secured \$18 million in funding. Yet it seems that provision of services will remain a mostly human affair: 80 percent of consumers have stated that they prefer to deal with humans.

Food Delivery Will Take Off—Literally

Ordering food will also be different in the restaurant of the future: restaurants are already letting customers pre-order food for collection or delivery through apps, cutting back on employee costs. According to Deloitte, 40 percent of diners prefer to order online, while when they are able to do so, they spend 26 percent more within a quick-serve and visit frequency goes up by 6 percent. Yet implementing online ordering systems also demand attention to detail in other sectors, like ensuring that the system is secure. Online servers that process log-ins of customers placing orders need safeguards like a WAF or Web Application Firewall, a cybersecurity tool that prevents hackers from accessing sensitive data like banking and credit card information by filtering out malicious requests, in order to protect users.

As for the delivery system, drone tech is really taking off and seeks to consolidate itself as the leader in food and package deliveries in the future. According to a survey by Statista, 38 percent of American consumers would trust Amazon’s drones for deliveries, 23 percent would prefer the U.S. Postal Service, and a further 20 percent would rather see Google deliver their order, with Walmart in last place with 19 percent. Meanwhile, POS systems in restaurants are turning to fingerprint scanning to increase the security of their POS software.

While they may have seemed the product of a wild imagination a couple of decades ago, many of these changes are already in the works, giving us a rough idea of what dining out will look in 10 years from now.

PRODUCE BAROMETER

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



NOVEMBER CALENDAR

November All Month
 Military Family Appreciation Month
November 11th
 Veterans Day
November 14th
 National Guacamole Day
 National Pickle Appreciation Day
November 15th
 National Clean Out Your Refrigerator Day
 Use Less Stuff Day

Ruskin, FL Weather

Fri	Sat	Sun	Mon	Tue
Nov 9	Nov 10	Nov 11	Nov 12	Nov 13
86° F	83° F	83° F	84° F	79° F
69° F	64° F	67° F	67° F	56° F
E 6 MPH	N 9 MPH	NE 9 MPH	E 7 MPH	SV 15 MPH
	Precip 10%		Precip 20%	Precip 40%

SUSTAINABILITY SCOOP

Lipman Sustainability Pillar: Energy Use

By: Kevin Yue, Lipman's Environmental Compliance Engineer, November 5, 2018

Lipman Family Farms and our peers in the agricultural sector, like in many other industries, cannot survive without the input of energy into production. Unlike the sun, many of the fuels we consume are not renewable and can be a source of environmental impacts. Lipman's operations work towards reducing energy consumption where possible in each of our operations, be it open field or controlled environment farming, bulk packing, custom packing, or processing. Energy, like water, is a key pillar of our Sustainability Program to ensuring that our operations continue growth while minimizing impacts to our resources. It is part of the way we "do more with less".

In our farming operations, we are powered primarily by diesel and gasoline, non-renewable fossil fuels. The costs of both of these fuels continue to increase over the years and farmers are not shielded from these increases. In order to maximize efficiency of our farming operations, we evaluate where we use these petroleum products and address simple ways to reduce unnecessary waste. For example, if there are crews that are on hold while we are in production tasks, our equipment operators have been trained to turn off the equipment to prevent idling of engines, which burns fuel unnecessarily. This has helped us save over 20% in diesel and over 11% in gasoline consumption since 2005. These fuels also create greenhouse gas (GHG) emissions as they are burned, and so by reducing the consumption, we are also cutting down a large quantity of GHG from entering the atmosphere.

A properly maintained piece of equipment will reduce the impact and use of fossil fuels. On both the farm and in our packing and processing facilities, we strive to ensure the maintenance of each piece of equipment is up to date. Proper maintenance of equipment reduces friction of internal components and thereby requiring less energy to operate. A few examples:

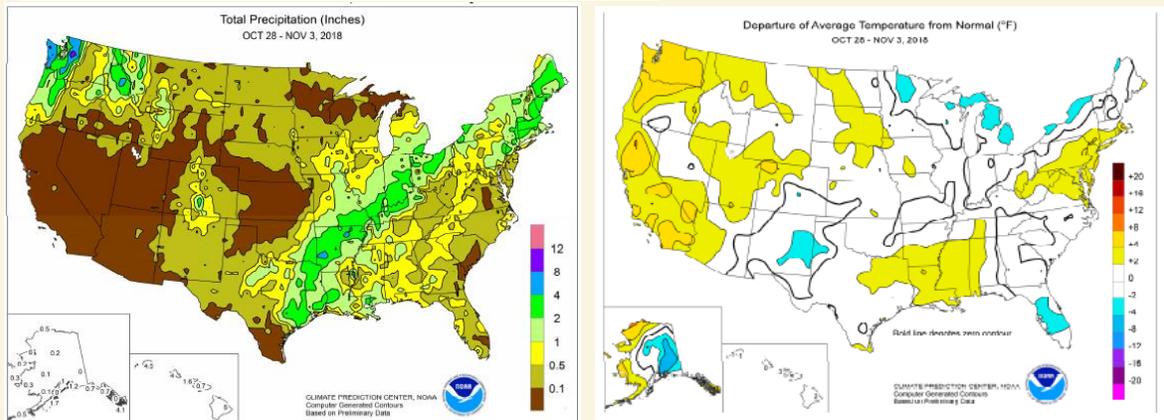
- At the packing houses and processing facilities, we continually evaluate ways to optimize equipment operations, such as using proximity sensors to turn lights on when there is motion detected, and to turn off after a certain time, thereby reducing the burn time of our lights.
- We look at our process and wire equipment to operate only when necessary, so equipment that is not to be used does not activate.
- In our Roma/Cherry packing house, we use air-operated solenoids rather than a belt system, which helps increase the efficiency of the packing process while reducing energy costs.
- Cooling units within each facility are evaluated for their insulation integrity, and updated as necessary to maintain a cold atmosphere for our products before they are shipped out.

Lipman continues looking at projects to help decrease the draw of energy off the grid and is currently reviewing proposals for using micro-generation systems which include renewable energy sources such as solar. As Lipman continues to move forward, we will evaluate the possibility to integrate more energy efficient methods and power sources into our practices, and reduce our energy footprint.

In our installment, we will introduce the final pillar of our Sustainability Program: People. People are what makes all of what we do at Lipman possible, and we take pride in developing strong and considerate leaders who take care of the company with the passion of our founders and owners.

NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation



MERCHANDISING MINUTE

Shopper Perception-Reception

By: Armand Lobato, www.produce-retailer.com, November 5, 2018

How is your produce department perceived?

I'm talking, of course, about your customers. If they're in your store they must be satisfied, right? Especially if they're regular customers. The ones you see week-in and week-out.

Sometimes however, you see less and less of one or another. There are lots of reasons that customers leave. Some simply move away, and others — well, some others quietly “vote with their feet,” as some like to say — find someplace else to shop.

This is the kind of business that any grocer can ill afford to lose.

The average produce department can help retain customers. By keeping a clean, neat and organized produce department, customers are far more likely to remain loyal shoppers. Strive for the freshest appeal, and (at corporate level) stay competitive with variety, selection and pricing.

And customer service. Don't forget this part of the retention-equation.

That's why I thought about a few, um, service annoyances that customers have conveyed in one way or another over the years. Here are just a few examples:

The aisle-blocker: Everyone knows you must pull out carts or pallets of product to keep the shelves full. Just be aware that during business hours, allow shoppers easy access to aisles and displays. If your cart is in the way, it's in the way of a frustrated shopper trying to make a purchase.

The chit-chat team: Yeah, your clerks are pals. When they get overly-engaged in conversation or at a loud level, it can be an uncomfortable distraction. Strive to coach your clerks to keep the camaraderie to a tolerable and polite decibel level, and work separately so customers feel free to ask questions or request help.

The ignorer: Ever stand in a service line where the clerk doesn't even look at you? Even if a clerk is tied up in a task, they should at minimum acknowledge and greet customers. A smile and “Good morning, I'll be right with you,” is usually enough to let a shopper know that you're aware of their presence and that their business is important.

The super-busy employee: You know this clerk. They're so busy stocking or engaged in whatever task that they look past customers or pretend they aren't even there. The Tasmanian-devil employee is one that customers look at and think, “I have a question but they're so busy, I don't want to bother them,” or even worse, the shopper thinks the worst — that the employee thinks so little of the customer that they don't even make eye contact.

Customer service level. A perception worth working on, and constantly improving upon.

FRESH

TOMATOES



the best
of nature™

MARK YOUR CALENDAR
PACK YOUR BAGS!

January 15-17, 2019

United Freshstart 2019
LaQuinta Resort & Club
Palm Springs, CA
www.unitedfreshstart.org

March 7-9, 2019

Southeast Produce Council's Southern Exposure
Walt Disney World Swan & Dolphin Resort
Orlando, FL
www.seproducecouncil.com

CREATED BY LIPMAN
FOR OUR VALUABLE
CUSTOMERS



Visit our website... www.lipmanfamilyfarms.com

Follow us






Questions or comments about the newsletter?
Contact: joanna.hazel@lipmanfamilyfarms.com