



MARKET UPDATE

Tomatoes: Eastern tomato supply remains status quo this week- light supply with variable quality. As the Summertime deals wind down, acreage and volume have dropped, leaving current production on all varieties on the light side. Upcoming production areas (Virginia, South Carolina, and Quincy, FL) are seeing effects of significant weather events on plants and fruit, and are projecting reduced yields from Fall plantings. Tomatoes could remain snug until late October/early November when Palmetto/Ruskin come to the table with fruit.

Overall availability is better in the West, but Eastern demand is keeping markets elevated. California's mature green round and roma growers are moving toward the seasonal decline, with fruit sizing down and volumes expected to slowly decline over the next 3 weeks. Baja and Eastern Mexico are both moving forward into Fall plantings on vine-ripes and have mostly larger-sized fruit to ship. Overall quality and condition have been good, although romas are shipping with light color. Grape tomato availability is improving, with Central Mexico into Fall acreage and Baja transitioning between Summer and Fall crops.

Bell Peppers: Eastern bell pepper has gotten a bit tighter this week, as more and more local deals wind down or completely play out. As many growers are picking from older crops, quality can be questionable. South Carolina should begin Fall harvests in a light way next week and Georgia is on tap to start up in 10-14 days. Multiple growing areas are still rolling in California with excellent quality. Most of the current shippers should continue through mid-October when the California desert will start up. However, Eastern demand is keeping availability and pricing in check.

ON THE HORIZON CONTENTS

Keep Your Eye on the Consumer- [page 2](#)
Spotlight on Lipman- [page 3](#)
An Apple a Day- [page 4](#)
Restaurant Industry News- [page 5](#)

Cucumbers: Baja and Western Mexico farms are shipping cucumbers now and expect to have volume increases soon, as more growers get into Fall acreage. Quality reports on the new crops have been good. With Georgia and North Carolina having started Fall production, the East is seeing improvement in cucumber availability this week. There are still some cucs coming out of New York, New Jersey and Michigan, but the fruit isn't as strong as new crop product.

Summer Squash: Several Eastern areas continue to have squash available, with much better numbers on zucchini than yellow squash. Although there are reports of storm damage in the production areas, Georgia has begun with Fall crops, as has Eastern North Carolina. California's Central Coast area is in the peak of their Fall production, shipping good numbers and nice quality on both types of Summer squash. Fresno has just broken into Fall plantings and expects to see more production over the next 7-10 days. With Mexican growers also beginning to cross product at Nogales, the outlook for Western squash is good.

Eggplant: Eggplant volumes and quality are solid in both Eastern and Western markets this week.

Hard Squash: In the West, Fresno continues to ship hard squash from storage and quality is beginning to decline. However, Stockton is in peak production and has nice sizing, color, and skin available on all varieties. In the East, hard squash is readily available from multiple areas. However, there are some condition and size issues, which vary by growing area, as a result of weather.

Chili Peppers: Baja will continue to pick up the pace on chili pepper production as we move into Fall, providing fruit for much of the US.

TRANSPORTATION FACTS

* The National Diesel Average dropped slightly this week and now stands at \$2.40 per gallon.

* The average price for a gallon of diesel fuel is \$.12 less than the same time last year.

* Prices declined \$.01 or less in all reporting regions except the West Coast and California, where increases were also slight (\$.01 or less).

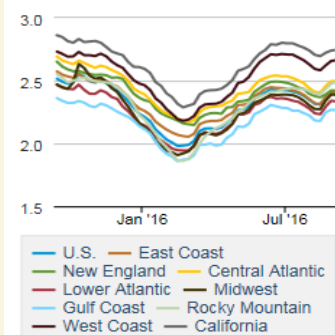
* California has the highest-priced diesel fuel at \$2.76 and the Gulf Coast region offers the best bargain at \$2.26 per gallon.

* The WTI Crude Oil price fell 4.3% this week, moving from \$45.50 to \$43.58 per barrel.

* Transportation remains readily available throughout the country, with a surplus supply reported at Texas-Mexico crossing points.

On-Highway Diesel Fuel Prices

(dollars per gallon)



Source: Energy Information Administration

Keep Your Eye on the Consumer

Hispannials: The Shopper Segment You're Missing Out On

By: Bill Sussman, www.progressivegrocer.com, September 12, 2016

It's important to remember there is no "one size fits all" when it comes to the Hispanic audience – their diversity goes well beyond the usual conversation around language and acculturation. This point was vividly reaffirmed in IRI's recently released **2016 HispanicLink study**, which uncovers some very unique insights into the Hispanic shopper.

"Hispannials" are the shopper segment you're missing out on. Everyone talks about millennials broadly, but did you know almost 60 percent of the 55 million Hispanics in the U.S. are millennials or younger? And if you're looking to grow grocery sales, these "Hispannials" are the segment you simply can't ignore. They account for 80 percent of the segment's growth, shop online more than non-Hispanics and are extremely open to trying new products. It's key to target them throughout the path-to-purchase with relevant content that reflects their adventurous and tech-savvy behaviors.

"Beyond seeking sales and deals, Hispanics also gather more information and research online prior to shopping, and this is especially true among "Hispannials", where we see that behavior averaging 15-20 points higher, especially when it comes to gathering information from social media or a blog when buying consumer packaged goods," said Staci Covkin, principal of Consumer and Shopper Marketing for IRI.

It's all about the experience for Hispanics

The study revealed that Hispanics often shop without a list. This means they enjoy the overall grocery shopping experience and are open to changing their mind about initial product choices to explore other brands. Findings from the survey show that Hispanics:

- Walk through the grocery store aisles to help them remember other items they wanted or needed.
- Enjoy looking at all the different product offerings on the shelf before making their final selection.
- Want to be able to read the package and specific labels on products before purchasing.

Since they also tend to shop with others and view shopping as a social occurrence, it's important that grocery stores cater to the overall experience. They don't want to just shop – they want to experience food, have fun and learn. Make your stores memorable with in-store events like product demonstrations and cooking classes. Include targeted displays that adapt to their biculturalism and enhance the experience.

"You must create an engaging store experience by designing visually interesting displays, providing opportunity to touch products and encouraging interaction with in-store personnel," added Covkin. "Take advantage of those opportunities by offering bilingual in-store signage and developing an environment that is inviting for Hispanics."

Hispanics resonate best with product reviews and influencer content

IRI found that there are six segments of general e-commerce shoppers: shopping enthusiasts, variety seekers, review seekers, selective e-shoppers, e-shopping resisters and e-shopping avoiders.

A large number of Hispanic shoppers fall into the e-shopping enthusiasts and review seeker categories. For the Hispanic review seekers segment, customer reviews are a critical part of their shopping journey for food and beverages. Compared to non-Hispanics, they are even more influenced by reviews and recommendations and gather more info online from social media and blogs prior to shopping. Ensure your brand name is where Hispanics are looking online by partnering with social influencers to craft social content, including reviews, recipes and videos about your products.

Content is the bridge for reaching these tech-centric shoppers

When you combine the density of Hispannials and their digital and social skills with their propensity to shop online you can quickly see the huge opportunity for CPG brands from beauty products and food to

household items, including online grocery shopping where Hispanic millennials are leading the way.

"Hispanics move between digital interfaces and often complete their online transactions in the store or compare prices in the store," continued Covkin. "So, it's very important to make the entire buying process seamless – both online and offline."

It is crucial that brands and retailers capitalize on these trends by providing digital-friendly coupons, relevant content and a wealth of product/service information. Digital offerings will cement the increasingly important connection with these savvy shoppers.

Final note: Overall, the number of shopping trips by Hispanics are declining, but dollars per trip are higher among them versus non-Hispanics. The key to making a cultural connection and capturing those dollars is creating a relevant and memorable experience for them both online and offline. If you give them the bicultural content and product information they're searching for online and the social endeavor they're craving while in-store, you'll have a winning strategy in no time.





SPOTLIGHT ON LIPMAN Team Lipman Shouts Out

James Baker
Procurement/ Sales Manager
Dallas, TX

Serving in both the buying and selling aspects of our business keeps James Baker from the Dallas facility very busy. He appreciates the company because "Lipman believes in positioning individuals and companies to succeed."



Neal Sword
Sales Manager
Hendersonville, NC

As Sales Manager for the North Carolina facility, Neal's job responsibilities include new customer acquisitions, customer relations, sales building and teamwork. He manages approximately 50 accounts with great assistance from Cheryl Wright.

According to Neal, "Working in the North Carolina division is action-packed and nonstop. There are always many balls in the air to juggle and it never gets boring! We have great team members on every level which makes working here a pleasure."



PRODUCE BAROMETER

ITEM	QUALITY	PRICING
Bell Pepper	Fair to Good	Higher
Cucumber	Good	Lower
Eggplant	Good	Steady
Green Beans	Varies	Higher
Lettuce-Iceberg	Good	Steady
Jalapenos	Good	Steady
Onions	Good	Steady
Tomatoes	Fair to Good	Higher



SEPTEMBER CALENDAR

September 15-October 15
Hispanic Heritage Month
September 18th
National Cheeseburger Day
Wife Appreciation Day
September 20th
National IT Professionals Day
September 23rd
Hug a Vegetarian Day

Exmore, VA Weather

Fri Sep 16	Sat Sep 17	Sun Sep 18	Mon Sep 19	Tue Sep 20	Wed Sep 21
75° F	81° F	82° F	82° F	81° F	81° F
66° F	75° F	73° F	72° F	70° F	66° F
E 14 MPH	ESE 10 MPH	S 10 MPH	WSW 7 MPH	NNE 7 MPH	E 7 MPH
Averages 80° F/62° F	Averages 80° F/62° F	Averages 79° F/61° F	Averages 79° F/61° F	Averages 79° F/61° F	Averages 79° F/60° F

AN APPLE DAY

Survey Shows How Generations Differ in Food Thoughts

www.meatpoultry.com, September 9, 2016

Baby boomers and the millennial generation are different in many ways, including their eating habits. In the 2016 Food and Health Survey, the International Food Information Council (IFIC) addressed how the perception and consumption patterns between the two generations differ.

The survey found that boomers are looking carefully at the health benefits of food compared to other generations. Millennials are more likely to be interested in benefits such as mental health, muscle health and immunity associated with foods.

"IFIC's consumer research continues to provide valuable insights into consumer perceptions on a number of issues related to food and nutrition," said Joseph Clayton, CEO of the IFIC Foundation. "These results further show how diet is not 'one size fits all.' This is especially apparent across the generations."

According to the study, boomers are more likely than millennials to rate certain foods as healthy – whole grains (80 percent vs. 70 percent), protein from plant sources (75 percent vs. 63 percent), and omega-3 fatty acids (71 percent vs. 59 percent).

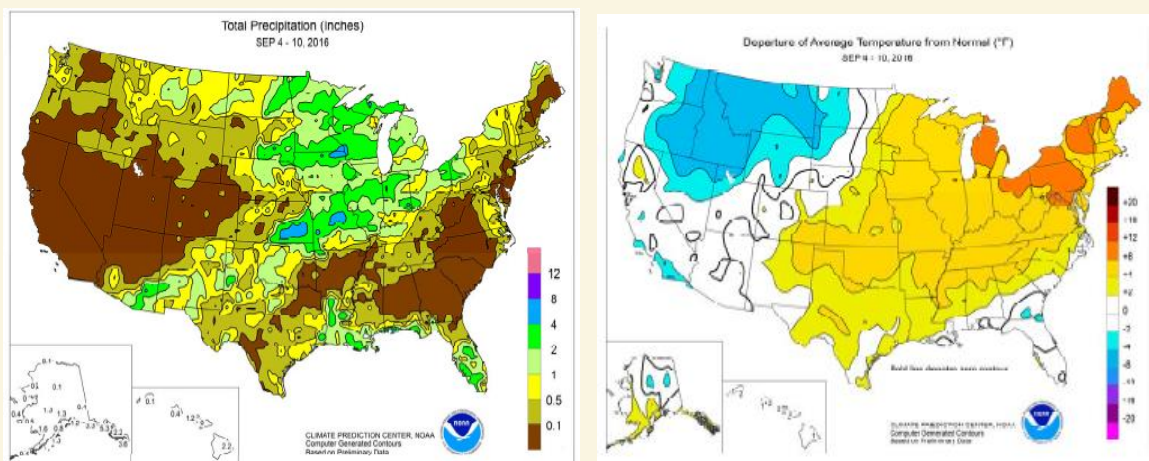
The survey also showed differences in the credibility of the sources of information about healthy food. Boomers are more likely to trust their personal healthcare professionals (HCP) for information on the types of food to eat, compared to other generations.

According to the survey, 75 percent of boomers are more likely to trust registered dietitians and nutritionists (RDNs) and personal HCPs (73 percent) than are millennials (65 percent trust RDN, 58 percent trust HCP) and the general population (67 percent trust RDN, 61 percent trust HCP).

Boomers are less likely to trust fitness professionals (16 percent), farmers (11 percent), and bloggers (8 percent). Millennials put more trust in those same sources (27 percent for fitness professionals, 21 percent for farmers and 18 percent for bloggers). And the general population fall somewhere in between the two generations (26 percent trust fitness professionals, 9 percent trust farmers, 15 percent trust bloggers).

NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation



RESTAURANT INDUSTRY NEWS

How Cleanliness Slips Drive Customers Away

By: Bob Krummert, www.restaurant-hospitality.com, September 8, 2016

The constant threat of a surprise visit from the health inspector compels operators to enforce strict hygiene standards in the back of the house. But it's a different story out front, where lax standards and cleanliness breakdowns become turnoffs for customers. A spotless facility won't necessarily bring in more patrons, but a new Harris Poll tells operators a dirty one will cause the patrons a restaurant already has to never come back. Harris found that restaurant cleanliness is a bigger issue than some operators might assume. The polling firm surveyed 2,034 adults this past June, and 97 percent of respondents said they would be influenced to not return to a restaurant if they found even part of the facility to be unclean.

The five cleanliness issues customers deem most repellent are:

- Dirty surfaces (e.g., tables, chairs, booths, dust on decor, dust bunnies on floors) — 86 percent would not return to the restaurant
- General bad odor — 85 percent
- Dirty restrooms (e.g., floors, stalls, mirrors, odor) — 80 percent
- Dirty/slippy floors (e.g., wetness, dirt/dust) — 72 percent
- Entryway cleanliness (e.g., cigarette butts, overflowing trash cans, unkempt appearance) — 70 percent

Survey respondents mentioned many other facility-related issues that would keep them from visiting a restaurant again:

- Plumbing issues (e.g., toilets and/or sinks not working) — 68 percent would stay away from that restaurant in the future
- Broken or cracked glass (e.g., counters, windows) — 53 percent
- Noise (e.g., loud music, loud employees, phones ringing) — 47 percent
- Dirty or discolored ceiling tiles — 47 percent
- Poor outdoor patio conditions — 37 percent
- Lighting issues (e.g. light fixtures out, not working properly, poor lighting) — 36 percent

Female survey respondents were slightly more likely to nix future visits to restaurants that have cleanliness problems than were men. For example, 75 percent of women would veto a return trip to a restaurant that had a dirty entryway, compared to 64 percent of men. Consumers aged 65 and up were much more offended by dirty/slippy floors (88 percent) than were those in the 18-34 demographic (61 percent).

"Even with a master chef in the kitchen, a dirty restroom or unattractive entryway can leave a bad taste in a diner's mouth," says John Engel, a senior marketing manager for Cincinnati-based Cintas, which commissioned this Harris Poll survey. "Repeat business is vital to the success of any restaurant. Restaurant managers must ensure that their employees are ready to address facility flaws to keep diners returning." Many restaurants rely on manager checklists — opening, mid-day and closing — to help ensure that facility issues are addressed several times each day. Since most of the issues that customers find gross tend to arise in the middle of busy service periods, it's probably smart to heighten facility monitoring efforts during those times to be safe.

MARK YOUR CALENDAR & PACK YOUR BAGS

October 14-16, 2016

PMA's Fresh Summit Convention & Expo
Orange County Convention Center
Orlando, FL

www.pma.com/events/freshsummit

Come see what Lipman's up to at booth 2155!

November 13-15, 2016

2016 International Hotel, Motel & Restaurant Show
Jacob K. Javits Convention Center
New York, NY

www.thehotelexperience.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@lipmanproduce.com