

DECEMBER 27, 2024

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# ON THE H O R I Z O N

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weekly industry  
updates

# CROP & MARKET INDUSTRY INFO







# MARKET UPDATES

## ROMA TOMATOES

Although we're still another 10-14 days away from crops that were planted after the Fall's hurricane, roma volumes are starting to gradually increase in Florida. Weather has been mostly favorable, leading to some of the damaged crops growing back/out in both Palmetto/Ruskin and south Florida. This is the fruit we're seeing now. Quality is very nice on crown and 2nd picks and is still good on later harvests. The industry is projecting volumes to be restored to seasonal levels in about two weeks. Mexico's roma volumes are still on the light side as Central Mexico and Baja are winding down and only a few growers have started in Sinaloa. Stronger numbers are expected to start crossing after the 1st of the year when additional growers/areas get started. Quality is inconsistent on the fruit from older crops but what we're seeing from the new growing area is nice.

## ROUND TOMATOES

Round tomato production is also increasing in Florida. This week's harvests are still coming from crops that had storm impact, but weather conditions have allowed these plantings to fare better than expected. Quality has been good and the sizing is nearing its normal distribution. Lipman is about a week away from the start of new, healthy crops in Naples and other growers are in the same position. With Homestead on tap to start during the first full week of January as well, the state of Florida should have good supply levels available in the January 10th-15th range. Western round tomato continues to be relatively light as Central Mexico and Baja are nearing the end of the season and many of Culiacan's growers won't start until after the 1st of the year. Volumes should gradually pick up as more growers come online, reaching more significant levels by the 2nd week of January. Quality is just fair from the older crops, but is looking good on anything out of Sinaloa.

## GRAPE TOMATOES

Florida's grape tomato production has risen to moderate levels. Lipman is currently harvesting in both Labelle and Naples and others are working in central and south Florida. Quality has been good. We should see a boost to volume over the next few weeks as more new crops come online. Although Culiacan has been slow to get started this season, we are beginning to see fruit from this area. As we move past the 1st of the year, production levels are expected to pick up. There are also grapes available in Baja and Central Mexico.

## ORGANIC GRAPE TOMATOES

Western Mainland Mexico is just getting the organic grape tomato season underway with light volumes so far. Harvests are expected to pick up the pace over the next 10-14 days, bringing more seasonal supply by the 2nd week of January or sooner. Meanwhile, Baja has another 2-3 weeks to go before they finish up. Quality is good on the new Sinaloa crops but is waning on Baja's late-season fruit.

## ORGANIC ROMA TOMATOES

Organic roma availability continues to be light as we wait for new crops to get underway. Baja's nearing the end of the season and quality and color issues have become a concern. Central Mexico has much better fruit, but production levels are light. There are a few new-crop organic romas showing up in West Mexico now but production is still light and relatively inconsistent. Once West Mexico growers are fully in season, supply levels should lift to more accommodating levels.

## TOMATO ON THE VINE (TOV's)

Mexico's TOV supply is definitely on the snug side as lower light levels and shorter days impact production of current crops. Supply is anticipated to remain at lighter levels throughout least mid-February.

## BELL PEPPERS

New post-storm pepper crops have now gotten underway in Florida, adding more supply to the pipeline. We should see a little more pepper and approach normal Winter production levels in the next week or so as more plantings come online. Quality is looking good and there's been a nice variety of sizing available. In the West, farms in the Sinaloa area are bringing moderate volumes into Nogales. All sizes are available and quality is good. We expect to see a push of volume by the 2nd week of January as the growers who start later come online.

## GREEN BEANS

After a skippy harvest week, Florida's green bean supply has rebounded to moderate levels. Quality is good and we expect a similar situation for at least the next few weeks. In the West, Mexico has good supplies available out of the Sinaloa area. Quality has improved and is good from most growers and lots.

## CUCUMBERS

South Florida continues to have decent volumes of cucumbers. While things are normally winding down at this time, it seems that farms put in a few extra cucumbers during the post-hurricane replant period and that's what we are seeing now. Overall, quality is good, but there are a few issues here and there. Honduras is also bringing cucumbers into the East. Supply is at good levels now but should become even stronger after the 1st of the year, as another sizable grower gets started. Quality has improved but aged fruit is always something to monitor closely due to transit times. The West has strong volumes to offer this week with most coming from the Sinaloa area. Baja and Central Mexico also have fruit and some new fields, but their seasons are winding down. Quality is a notch better now as many have stopped harvesting from older crops.

## YELLOW AND ZUCCHINI SQUASH

Yellow squash and zucchini are plentiful this week. Florida has fruit in Plant City, the Immokalee area, and Homestead. Good quality is available, although there are some hit or miss issues. Looking to the West, Sinaloa farms are bringing strong volumes in Nogales. Quality is better on zucchini than yellows, but is good overall.

## EGGPLANT

Florida's eggplant production is a little lighter this week, but there's still an adequate supply available. Plant City's crops are winding down so quality isn't as sharp as it was. Once they finish up, Eastern eggplant production will be in the hands of south Florida for the Winter months. Volume usually slows some in January and February as the temperatures drop but there should be fruit available consistently. Mexico has strong supply and good quality crossing into Nogales daily. There's an excess of supply currently, so one should be on the lookout for aged, inventoried product.

## SALAD CUCUMBERS

Eastern salad cucumber supply is very minimal with small pockets of product in Florida. Mexico has good volumes and quality available from Sinaloa crops.

## CALABACITA

Sinaloa's calabacita production is moderate this week and quality is good.

## CHILI PEPPERS

Light volumes of chilies are available in Plant City and south Florida this week. Plant City will wind down its season over the next few weeks, which will lighten up supply to some degree. Fortunately, west and central Mexico have good volumes and quality on most of the chili items. Anaheim's are a little shy than the others, but should pick up in a few weeks.

## ORGANIC YELLOW AND ZUCCHINI SQUASH

The Sinaloa area continues to provide adequate supplies of organic yellow and zucchini squash. Quality has been good on zucchini and just fair on yellows as there have been reports of scarring, scuffing and stem discoloration on the lighter fruit.

## ORGANIC SLICER CUCUMBERS

Adequate volumes of organic cucumbers are available this week. Baja is still going, but the bulk of the fruit is coming from Western Mainland Mexico now. Quality has been good overall, but can vary by shipper and growing area. Baja's quality is declining as they work through the seasonal decline.

## ORGANIC GREEN BELL PEPPERS

Organic green bell pepper supplies are improving as Sinaloa-area growers get further into their crops. All sizing options are available and quality has been good.

## ORGANIC MINI SWEET PEPPERS

Organic mini sweet pepper volumes continue to improve as more growers come online in the Sinaloa area. There are still a few more to come online after the 1st of the year, which is when we expect to have adequate volumes to meet all demand. Quality has been nice and should continue to be as all the fruit is coming from new crops.

## ORGANIC MINI CUCUMBERS

Organic mini cucumbers are readily available out of Western Mainland Mexico this week as new crops are now underway. Quality is solid as long as there are no temperature issues during handling or transport. Baja still has some older-crop fruit available but less-than-desired quality has most looking to West Mexico for fruit.

## ORGANIC RED, YELLOW & ORANGE BELL PEPPERS

Availability is improving on organic colored bell peppers. A few more growers in Sinaloa have come online, and others will follow suite in the first two weeks of January. We have seen some greening, as is the norm when supply is snug, but the fruit is coloring up nicely after a few days.

## CONVENTIONAL RED, YELLOW & ORANGE BELL PEPPERS

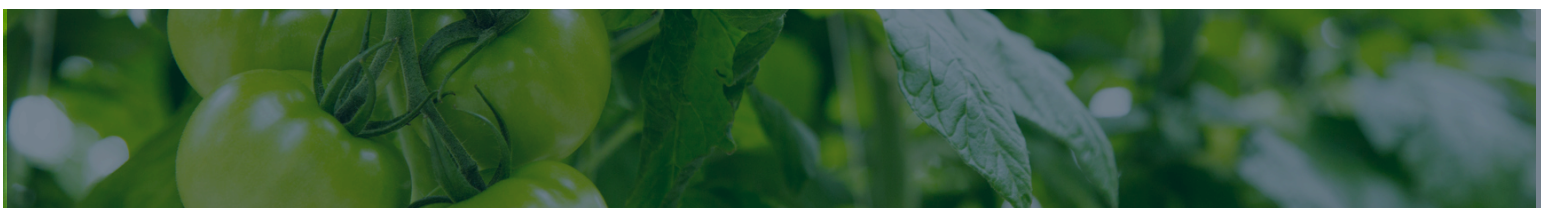
Red, yellow and orange bell pepper supply remains short this week and will likely remain so through the first week of new year. Central Mexico's production is at low levels and we haven't really seen significant volumes from new crops in West Mexico yet. By the 2nd week of January supply should pick up as more new crops get underway. In the meantime, greening will be a concern as growers stretch supply.

## CONVENTIONAL MINI SWEET PEPPERS

Mini sweet pepper availability continues to improve in a gradual way. Volumes will build until the 2nd or 3rd week of January, when we should see production at seasonal levels. Quality has been nice on the new crops.

## ENGLISH CUCUMBERS

English cucumber volumes have picked up in Mexico this week. Most of the volume is coming from the western region of Mexico and crossing at Nogales now. Quality is average to good.



# 2025 RESTAURANT OUTLOOK: A RECIPE FOR SUCCESS WITH RISK MANAGEMENT

MODERNRESTAURANTMANAGEMENT.COM

DECEMBER 26, 2024

In 2025, the restaurant and broader hospitality industry finds itself at a critical juncture. After weathering years of pandemic-related challenges, the sector continues to rebound with optimism. However, new uncertainties—from economic pressures to labor shortages—underline the importance of robust risk management strategies as the linchpin for future success. The year ahead promises a blend of opportunity and complexity for the restaurant industry. While corporate travel is expected to pick up, helping offset a predicted slowdown in leisure spending, the broader hospitality sector must grapple with economic and operational risks. By adopting forward-thinking approaches, restaurants can thrive amid this challenging landscape.

## Navigating Emerging Challenges in Profitability

In 2024, U.S. restaurants broke records with projected sales of \$1.1 trillion, a testament to the industry's resilience. Growth was supported by an improving economy, declining inflation and a tempered interest rate environment. Yet, the road ahead is not without its bumps.

Consumer spending in 2025 is expected to tighten as households grapple with rising credit card debt, which hit a staggering \$1.14 trillion in 2024. This financial strain could dampen discretionary dining expenditures.

Additionally, labor shortages remain a critical pain point, driving up wages across the industry. By mid-2024, 82 percent of food and beverage operators were still actively recruiting, with chefs and cooks comprising 30 percent of open roles. Outsourcing high-risk services, such as delivery, can alleviate exposure to rising auto insurance costs, which are projected to climb in 2025.

Considering the inflationary and labor strains, proactive risk management and operational adjustments will be crucial to sustaining profitability in the year ahead.

## Resiliency through Integrated Risk Management

Uncertainty is the only certainty for 2025. Economic shifts including inflation-driven cost increases in food, utilities and supplies; regulatory changes and climate-related disruptions will continue to challenge restaurant operators.

Creative problem-solving will define the most successful restaurant operations in 2025. To remain resilient, businesses must prioritize enterprise risk management (ERM) strategies that integrate risk management, HR and insurance planning. Proactive steps—such as maintaining facilities and demonstrating sound risk management practices—can significantly improve a restaurant's insurability and financial outlook. Investing in robust safety measures, such as hurricane-resistant infrastructure or water-detection systems, demonstrates a commitment to risk reduction and can make businesses more attractive to insurers.

## Technology: The Double-Edged Sword

Technological innovation continues to redefine the restaurant industry, offering tools to enhance efficiency and improve the customer experience. Self-ordering kiosks, for instance, have gained traction in quick-service establishments, driving sales and streamlining labor demands. Meanwhile, AI is being deployed to personalize guest experiences, handle reviews and even follow up with patrons to encourage repeat visits.

However, the rise of technology introduces new vulnerabilities, particularly in cybersecurity. QR codes and other digital tools, while convenient, can be exploited by cybercriminals, leading to costly data breaches. In 2023, the average cost of a hospitality-related breach surged 14 percent to \$3.36 million. Restaurants must prioritize cybersecurity protocols and consult with brokers to ensure their insurance policies address these emerging risks.

## Retaining Talent through Flexibility and Support

Labor challenges have plagued the restaurant industry for years, but the solutions are evolving. Offering competitive pay is no longer sufficient; a comprehensive focus on employee satisfaction and well-being is essential. Toxic workplace cultures and a lack of managerial support remain significant barriers to employee retention. For instance, 37 percent of restaurant workers cite poor management as a primary reason for leaving their jobs.

To counteract this, businesses should invest in training programs that emphasize leadership development and workplace harmony. Additionally, anti-violence initiatives and de-escalation training are becoming critical, given the prevalence of workplace aggression.

Flexibility has become a key driver of job satisfaction. According to recent surveys, over half of hotels have adopted flexible scheduling, and restaurants are beginning to follow suit. Meanwhile, personalized benefits, such as childcare assistance and mental health programs, can create a more engaged workforce.

## Actionable Steps for Restaurants in 2025

To navigate the complexities of 2025 successfully, restaurants should focus on the following strategies:

- \*Invest in infrastructure: A proactive maintenance plan can safeguard your property, reduce long-term costs and improve your risk profile with insurers.
- \*Strengthen cybersecurity: Collaborate with brokers to address potential vulnerabilities before implementing new technologies. Align cyber insurance coverage with industry-specific risks to protect your business.
- \*Enhance managerial training: Equip managers with tools to foster a positive workplace culture. Addressing issues such as workplace aggression and harassment can significantly improve employee morale and retention.
- \*Focus on workforce engagement: Develop benefits strategies tailored to employee needs. Personalized offerings and a focus on quality employee experiences will improve retention and lower recruitment costs.
- \*Embrace comprehensive risk management: Evaluate and update your risk management and insurance policies to reflect current challenges. Explore alternative insurance solutions, such as captives, to balance cost and coverage effectively.

## Building a Resilient Future

The restaurant industry has proven its ability to adapt and thrive in the face of adversity. By embracing innovation, prioritizing workforce well-being and adopting integrated risk management strategies, businesses can position themselves for long-term success.

In 2025, the key to winning will be more than just serving great food—it will be about creating a resilient, forward-thinking operation that is prepared for whatever challenges lie ahead.



# POPULOUS WEST HOME TO DYNAMIC, DIVERSE GROCERY MARKET

THESHELBYREPORT.COM

DECEMBER 12, 2024

The grocery retail landscape in the western United States is as diverse and dynamic as the region itself. Across states, we find one of the most varied geographic landscapes in the country. The region presents a diverse range of climates and terrains, from deserts throughout Arizona, Nevada and California to rainforests in Washington and Alaska.

This diversity plays a crucial role in influencing food production, logistics and, ultimately, what ends up on grocery store shelves.

With nearly 71 million residents, according to the U.S. Census Bureau, the West is highly populated. In fact, it accounts for 21 percent of the nation's total population. While its most populous state, California, has seen a minor decline in residents, it still accounts for 56 percent of the region's total – 39 million people.

The region has seen steady growth in eight of its 11 states, led by population gains in Arizona, Utah, Washington and Idaho. With four of 10 of the largest cities in the U.S. – Los Angeles, Phoenix, San Diego and San Jose – the region has a strong urban population. However, growth is also occurring in smaller rural and suburban areas. In fact, more than half of the top 15 fastest-growing large cities in 2021 were in Arizona and Idaho. Each of the cities listed had populations less than 150,000, but growth of 5 percent or higher.

Demographically, the West is a fusion of cultures and ethnicities. The Hispanic and Asian populations, which already are a significant force, continue to grow rapidly, driving demand for unique ingredients and brands.

For context, Latinos account for 30 percent of the West's population (more than 21 million) and 73 percent of them live in California. In addition, more than 8 million Asians live in the region, accounting for over one-third of the nation's entire Asian population.

These factors create a dynamic market where traditional American grocery stores must compete with specialty stores catering to specific ethnicities and dietary preferences.

Consumer trends in the grocery space tend to be similar throughout the country.

Shoppers continue to lean into natural and organic brands and products. Value is a function of convenience, price and the "X" factor, which is tied specifically to a retailer's ancillary offers and customer support.

Private label demand is strong across categories and states. The role of digital engagement drives loyalty for shoppers regardless of where they go. And technology – both shopper-facing and behind the scenes to improve

operational efficiency – continues to differentiate independent and national retailers.

However, some variations exist from region to region as we look at emerging themes that translate to retailer and brand preferences and consumer preferences. Age, income, race and ethnicity – and access to specialty retailers versus national players across channels – will impact what matters most to consumers.

When looking at the West, consumers prioritize similar things to the average U.S. consumer. When considering where to shop for groceries, factors that influence their decision include pricing and promotional strategy, the quality and freshness of products and the broader product assortment. However, West consumers do seem to be more focused on price as a value driver.

According to an August 2024 survey by PDG Insights, consumers within the region were more likely than their counterparts elsewhere to say they shop where they get the best prices, even if it's not the best shopping experience. And more than half (58 percent) say they tend to buy lower quality products, provided they work. Yet, 57 percent also are willing to spend more on products that reflect their values.

Private label is a critical piece of U.S. consumers' product portfolio today, and shoppers in the West are no different. Nine of 10 say they purchase private label products at least occasionally. In addition, 68 percent say they always or often buy private label products, second only to shoppers in the Southwest.

Three out of four shoppers report buying private label at least several times a month, higher than any other region. More than half of consumers in the West believe that private label is innovative, while 52 percent will choose one grocery store over another based on private label assortment.

It also is important for retailers and brands to understand that shoppers in the West are significantly more likely to be shopping with specific dietary parameters in mind, including for high protein or organic products, as well as lactose-free alternatives. In fact, 67 percent of consumers in the region report that at least some type of special dietary component is important to them, compared to 58 percent elsewhere.



# UPCOMING EVENTS:

**JANUARY 13-14, 2025**

**GLOBAL ORGANIC PRODUCE EXPO**

**JW MARRIOTT MIAMI TURNBERRY RESORT  
& SPA**

**ADVENTURA, FL**

**[www.events.farmjournal.com /gopex2025](http://www.events.farmjournal.com/gopex2025)**

**MARCH 6-8, 2025**

**SEPC'S SOUTHERN EXPOSURE**

**ORLANDO WORLD CENTER MARRIOTT  
ORLANDO, FL**

**[www.seproducecouncil.com/events-networking/southern-exposure/](http://www.seproducecouncil.com/events-networking/southern-exposure/)**



**Saturday, March 29, 2025 at 7 AM CDT**

## **Lipman's 5K Run/Walk for Backpacks**

**Ave Maria, FL**

The Lipman 5K is a race the whole family can participate in. All of the proceeds will go towards purchasing backpacks and school supplies for Lipman's Annual Backpack Giveaway, hosted in Immokalee every August. This will be the 15th year that Lipman has hosted its backpack giveaway and this is a great way for you to participate. School supplies are more essential than ever, help us take the burden off of families during an especially burdensome back-to-school season by registering for the Lipman 5K Run For Backpacks.

The event will take place on March 29th, 2025 in beautiful Ave Maria.

We invite the serious runner, the weekend jogger, and families with children to come enjoy this beautiful course around the lakes at Ave Maria.

There will also be a 1 Mile walking course and a free Junior Fun Run for kids 10 and under.

Trophies will be awarded for the male and female winners in a number of age categories.

## **TO REGISTER:**

**[RUNSIGNUP.COM/RACE/FL/AVEMARIA/LIPMAN5KRUNFORBACKPACKS](http://RUNSIGNUP.COM/RACE/FL/AVEMARIA/LIPMAN5KRUNFORBACKPACKS)**