



MARKET UPDATE

Tomatoes: With excellent weather during much of the growing cycle, Ruskin/Palmetto tomato growers are seeing strong yields and great quality on the front end of the season. Since farms are working mostly crown picks this week, sizing is to the bigger side. Although light in comparison to round volumes, roma numbers are steady and quality is very nice also. Grape tomato availability and quality are also solid in the Sunshine State with production centered in Ruskin/Palmetto.

Despite the seasonal decline in Mainland Mexico's round tomato crops, they are still churning out enough product to meet market needs. Much of the volume is in 5x5 and 5x6's this week and quality is good overall. Look for the transition to Baja's Spring crops and then, to California, over the next few weeks. West Mexico's Spring roma crops are rolling along with no major hiccups. Farms expect to have consistent volumes through May, which should provide a smooth transition to Baja and California's seasons. Grape tomato supply is still on the light side as current growers work through the seasonal decline and Baja is a few weeks from volume. Quality is hit or miss on grapes, depending on the grower and area.

Bell Peppers: Florida's pepper supply has been very good this week. South Florida growers are starting to wind down though and will leave the Plant City area to cover until Georgia gets started in mid-May. Plant City has really nice quality and solid volume this week, but it's not a major growing area and acreage is limited. Although they will harvest in this area for a few more weeks, supply could become a little snug when South Florida is out of the picture. Quality out of South FL is varied, but there's some "fair" fruit from older fields that may not meet retail standards. Western markets are looking to Nogales and the California desert for bells this week. Although there are a few growers with new blocks, many of Mexico's producers

are inching toward the end of the season. Quality and sizing have been pretty good the last few weeks, but will start to decline as more growers finish up and plants tire. Thermal and Coachella's new crops are producing really nice fruit but volumes have lightened up a little at the end of the week. Look for numbers to rebound next week.

Cucumbers: With farms harvesting on the East Coast, at Plant City, and in South Florida, Eastern cucumber supply is strong this week. Quality is best in Plant City, but good from shippers in all areas. Georgia is expected to add to the mix in a light way over the next 7-14 days as first harvests begin. The West also has a plentiful supply available. Growers are going in Sonora and Baja, with both areas reporting nice quality.

Summer Squash: With the southern growing areas in Mainland Mexico out of the picture, the West is looking to Sonora for squash. Volume is solid on zucchini, but getting good quality, scar-free yellow squash is challenging. It's been very windy in Sonora, blowing plant leaves and sandy soil onto the fruit which creates scars and blemishes. The next area to come online with significant volume will be Santa Maria, CA in mid-May. Although Homestead still has a little acreage left, most production in South Florida is winding down. There's more zucchini available than yellow, as scarring and quality issues finished up some yellow crops sooner than expected. Fortunately, Plant City is in full swing, with steady volumes. Quality has been mostly good, but we are seeing effects of last week's rain event especially on the yellow. Scarring and scuffing are the main concerns...as usual. Georgia has begun in a very light way and should begin to provide stronger numbers next week.

Green Beans: Good weather brought plantings together right before Easter, and there has been

an oversupply of beans in Florida for several weeks. Things have changed a bit. There's only a few growers and light acreage left in the southern part of the state, as most have ended the season. The Lake area's volumes have lightened up significantly as well. Supply still seems to be adequate for the soft demand, but may be a little sporadic over the next 7-10 days. South Georgia/ North Florida farms should be up and running then. Quality varies this week. With older fields and crops in play and a significant rain event last week, there have been reports of russetting. Look for quality to become more consistent in a week or so, as the new areas get started. The West has multiple areas from which to source beans this week: Sonora, Sinaloa, and the California desert. Most have good quality, but some growers in Sinaloa are tapering off and have reports of quality concerns.

Eggplant: Florida's eggplant supply has been steady but light. Most growers in South Florida are in older fields and are seeing numbers and quality decline just a bit. Plant City is scheduled to start sometime in the next 7 days and expects nice quality. In the West, post-holiday supplies are limited. We expect minimal numbers out of Mainland Mexico as the seasonal decline sets in. The California desert will be the next district to get underway which is right around the corner.

Chili Peppers: With labor being out of the fields for a few extra days around Easter and demand picking up, chili supplies have become a little snug this week. The labor situation is back to normal and more product should be available in time for Cinco de Mayo demand. Quality is best from Sonora's growers, but Sinaloa's product may have some quality challenges. In the East, Plant City's production hit a soft spot, but there is more product on the way and quality is nice. Georgia will also join in on the fun in 3-4 weeks.

ON THE HORIZON CONTENTS

Industry Facts & Figures- [page 5](#)

Keep Your Eye on the Consumer- [page 2](#)

May Calendar- [page 3](#)

National Weather Spotlight- [page 4](#)

News in the Grocery Trade- [page 4](#)

Pack Your Bags - [page 5](#)

Produce Barometer-[page 3](#)

Restaurant Industry News- [page 3](#)

Transportation Facts- [page 2](#)

Look for
Transportation Facts
on Page 2 this week!



KEEP YOUR EYE ON THE CONSUMER

Study: The Most Loyal Generation is.....

By: Dan Berthiaume, www.chainstoreage.com, April 17, 2019

A new study reveals defining the “most loyal” generation of shoppers is not a clear-cut proposition.

According to “What do Americans think of loyalty programs” from online research platform YouGov, 64% of all U.S. adults belong to at least one loyalty program. But the rate of loyalty membership varies by generation.

The most loyal generation is 55-to-64-year-olds and the least loyal is age 18-24 (the youngest millennials and oldest Gen Z). However, when 18-to-24-year-olds do sign up for a loyalty program, they participate more frequently than their older peers.

Here is a more complete breakdown:

- Age 18-24 – 43%
- 25-34 – 57%
- 35-44 – 66%
- 45-54 – 69%
- 55-64 – 71%
- 65-plus – 65%

Looking at what percentage of loyalty members are “super-loyal” – consumers who tend to spend more with a brand, recommend that brand more, and feel more emotionally connected to a brand, generational results skew differently:

- Age 18-24 – 38%
- Age 25-34 – 34%
- Age 35-44 – 35%
- Age 45-54 – 30%
- Age 55-plus – 20%

Measuring by participation, including making crucial personal recommendations, the youngest consumers could be considered “most loyal.”

YouGov also measured several other data points relating to loyalty programs. For example, there are significant differences in loyalty membership by retail sector:

- Supermarkets – 65%
- Pharmacies – 56%
- Shops and online – 50%
- Restaurants/coffee shops – 32%
- Gas stations – 26%
- Movie theaters – 20%
- Beauty parlors/salons – 4%

When asked to select reasons they joined a loyalty program, one factor was the clear leader:

- In-store/online discounts and offers – 85%
- Discounts/rewards to other retailers/brands – 52%
- Free products/services/experiences – 48%
- Be among first to know about brand promotions/discounts/news 23%
- Better services, such as faster delivery – 20%

In addition, the study found that women are more likely to belong to a loyalty program than men. Sixty-eight percent of women and 59% of men are members of at least one loyalty program. Twenty-eight percent of men and 19% of women have never belonged to a loyalty program.

TRANSPORTATION FACTS



*The national diesel average price continues to climb, moving from \$3.12 to \$3.15 per gallon this week.

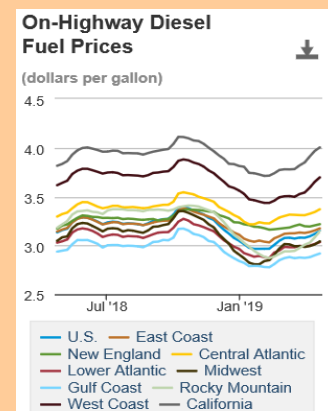
* The average price for a gallon of diesel is \$.01 higher than the same time last year.

* Prices rose from \$.01 to \$.06 per gallon in all reporting areas with the most notable increase coming from the Rocky Mountains (up \$.061).

*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 \$2.92 per gallon.

*The WTI Crude Oil price rose 3% this week, moving from \$63.76 to \$66.30 per barrel.

*Except for a slight shortage in Central and South Florida, transportation is available in adequate levels throughout the country this week.



Source: Energy Information Administration

RESTAURANT INDUSTRY NEWS

62% of Restaurants Feel Unprepared for a Mobile Future

www.pizzamarketplace.com, April 23, 2019

While a large percentage of restaurant operators were confident in their brand's use of mobile technology, only 48% felt prepared to capitalize on future innovations, according to a survey conducted by **Oracle Food and Beverage**. The study, which polled 279 leaders in the food and beverage industry who used mobile technology during the summer of 2018, found that 62% of the respondents expressed doubts over their ability to keep up with the speed of mobile technology changes. More than half (59%) agreed that their company faced the threat of disruption from their more mobile-enabled competitors. "In order to remain relevant to a rapidly evolving audience, restaurants must act quickly to modernize their mobile strategy and offerings," said Simon de Montfort Walker, senior vice president and general manager for Oracle Food and Beverage. "Today, the experience a customer has ordering online or from a kiosk can be just as essential as if they were ordering in the store."

The findings pointed to a need for restaurants to embrace mobile and back-end technology to drive higher ticket value, turn tables faster and enable upsell. It also found that brands should embrace mobile technology to avoid being outpaced by the competition, help cut labor costs and improve the guest experience.

Cutting costs, saving time equals increased revenues

Restaurateurs are investing in mobile technology to cut costs and save time in areas such as hiring fewer serving staff but more runners, keeping a close eye on stock levels to avoid over-ordering and waste and the ability to quickly change the menu and offer specials when there is an over-stock of inventory.

- 84% of food and beverage executives said the adoption of guest-facing apps drives down labor costs.
- 96% agreed, with 40% strongly agreeing, that expanded mobile inventory management will drive time and money savings. Improving loyalty and the dining experience.

Today's foodies are satiated with choices. In addition to great food, what drives their loyalty is easy ordering and delivery, fast, seamless payments, and a personalized experience.

- 86% of operators said branded mobile apps increased their speed of service and therefore revenue
- 93% said guest-facing apps enhanced the guest experience, promoted loyalty and drove repeat business

Perceived future benefits of mobile technology

Restaurants are already using mobile devices for table reservations, taking orders and processing payments, but what value do restaurateurs believe will come from future mobile innovations?

- 82% said partnerships with third-party delivery services like Uber Eats and GrubHub would help grow their business.
- 89% believed check averages would increase thanks to in-app recommendations.
- 95% said the guest experience and customer loyalty would continue to improve.

While most organizations rated themselves as highly able to meet new consumer demands, an undercurrent of anxiety about the future was also apparent with only 48 percent of respondents reporting that they had the tools needed to meet the mobile demands of tomorrow.

PRODUCE BAROMETER

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



MAY CALENDAR

May All Month

National Barbecue Month

First Week of May

Small Business Week

May 4th

National Orange Juice Day

National Fitness Day

May 5th

National Enchiladas Day

Cinco de Mayo

National Hoagie Day

Ruskin, FL Weather

Fri Apr 26	Sat Apr 27	Sun Apr 28	Mon Apr 29	Tue Apr 30
83°F	87°F	86°F	88°F	90°F
69°F	70°F	70°F	69°F	72°F
S 18 MPH	NE 5 MPH	E 5 MPH	E 9 MPH	E 10 MPH
Precip 60%				

NEWS IN THE GROCERY TRADE

Merchandising Cues Critical in Shaping Consumer Perception of Freshness

www.csnews.com, April 17, 2019

A new study from Culinary Visions finds that retailers can get a product's freshness across to customers with a few merchandising tips.

"Freshness is affected by a long list of different factors beyond the food itself. These factors include packaging, store perceptions and service style," said Sharon Olson, executive director of Culinary Visions. "Consumers gravitate towards fresh merchandising cues such as clean and fully stocked display cases. Uncluttered shopping, dining and ordering spaces are also important aspects to consumers' perceptions on freshness."

According to the Culinary Visions *Fresh Perspectives Study*, 76 percent of consumers surveyed reported that a fully stocked shelf or display case is important to determining freshness.

The cleanliness of merchandising displays is also important to more than 90 percent of consumers. In addition, roughly two-thirds of consumers surveyed said that a clean display case was extremely important to consider food as fresh while 28 percent of consumers described that factor as a moderately important.

Clutter is also counterproductive to perception of freshness. According to the study, 90 percent of consumers surveyed said it was important to have a clear and uncluttered shopping, dining or ordering space when buying fresh food. Further, nearly half of consumers surveyed said it was extremely important while 41 percent of consumers said it was moderately important.

Looking specifically at on-site foodservice, consumers indicated cleanliness and presentation of a service counter, salad bar or an action station is significant, transparency also plays an important role in defining freshness.

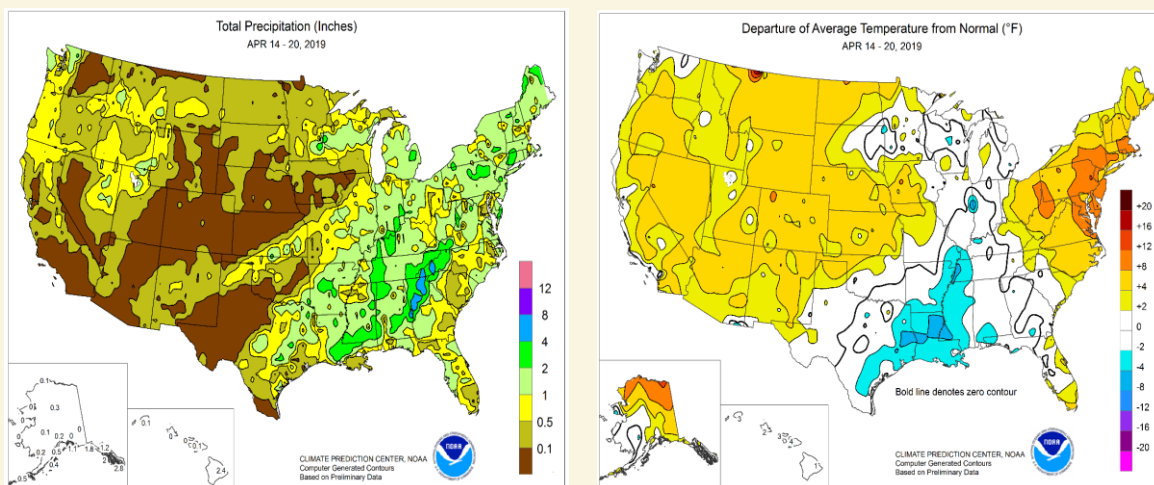
Eighty-five percent of those surveyed said that transparent packaging was "moderately important" or "extremely important" to them when considering freshness of food. In addition, 88 percent agreed that a label stating when the food was prepared was an important factor in their consideration of the freshness of food.

However, looks aren't everything. As Culinary Visions found, consumers also allow online and word-of-mouth assessments of stores and restaurants to influence their decision to purchase fresh foods. Specifically, 88 percent said the reputation of a retail store is important when buying fresh foods and 84 percent of consumers reported that a restaurant's reviews and ratings were important when making dining decisions to eat fresh foods.

The Culinary Visions *Fresh Perspectives Study* surveyed 1,500 U.S. consumers to gather comparable data about the key influencing factors impacting fresh food purchasing decisions at home and away from home. This comprehensive report explores fresh perception between age demographics, as well as topics such as merchandising, flavor preferences, customization and convenience.

NATIONAL WEATHER SPOTLIGHT

Last Week's Precipitation Totals and Average Temperature Deviations



INDUSTRY FACTS & FIGURES

Spending on Fruits and Vegetables Up in 2017, but Less than Total Food Increase

By: Tom Karst, www.thepacker.com, April 24, 2019

Consumer expenditures on fruit and vegetables took a jump in 2017, but not as much as the percentage hike in overall spending on food.

The U.S. Department of Labor's Bureau of Labor Statistics has released its 2017 Consumer Expenditures report. The big-picture narrative is that total consumer spending increased 4.8% in 2017, following an increase of 2.4% in 2016. The report said the average annual expenditures by consumer units increased from \$57,311 in 2016 to \$60,060 in 2017.

The data showed that spending on fruits and vegetables totaled \$837 in 2017, an increase of 6.9% compared with 2016. That compares a 7.3% increase in spending on all food, according to the report. Food-at-home spending rose 7.3% to \$4,363 while food-away-from-home spending rose 6.7% to \$3,365, according to the CE report. The percentage of total expenditures on food was reported at 13% in 2017, the same share as the previous three years.

The spreadsheets in the report also isolate spending on fresh fruits and vegetables across a number of demographics. The mean average spending across all consumer units was \$274 for fresh vegetables and \$314 for fresh fruit. The share of fresh produce purchases compared to all consumer expenditures was 0.5% for fresh vegetables and 0.5% for fresh fruit.

By the age of consumers, for example, top spending consumers for fresh fruit were in the 45 to 54 age bracket, with mean expenditures of \$378 or 2017. That compares with just \$176 spend on fresh fruit for consumers aged under 25. For fresh vegetables, the 35 to 44-year-old age group was top rated, with 2017 mean expenditures of \$329 compared with \$138 for consumers under age 25.

Not surprisingly, the report said that top spenders on fresh produce were top earners. Consumers making more than \$200,000 per year spent an average of \$529 on fresh vegetables, compared with \$140 for those making less than \$15,000. But consider the consumer making less than \$15,000 was spending 0.6% of income on fresh vegetables, compared with 0.3% for the consumer making more than \$200,000.

There is more micro-analysis where that came from. The report shows spreadsheets for spending by income before taxes by quintile, decile, and range; age of the reference person; size of the consumer unit; composition of the consumer unit; number of earners; housing tenure (homeowner or renter) and type of area (urban or rural); region of residence; occupation; highest education level of any consumer unit member; race; Hispanic or Latino origin; and generation of reference person.

Perhaps more data than can be absorbed, true. Yet the Consumer Expenditures report is another set of market data the industry can gain insights from, and it reminds me of a conversation last night here at the Produce for Better Health Consumer Connections Conference in Scottsdale.

One industry leader said consumer research that has been sponsored by PBH over the years and available for review on their website is an absolute treasure trove of information for produce marketers who pay attention. Inquiring minds, you know, get the worm.

FRESH
TOMATOES

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MARK YOUR CALENDAR
PACK YOUR BAGS!

April 25-27, 2019

Viva Fresh Expo
JW Marriott
San Antonio, TX
www.vivafreshexpo.com
Come see #TeamLipman at booth #64!

June 10-12, 2019

United Fresh 2019 Convention & Expo
McCormick Place Convention Center
Chicago, IL
www.unitedfreshshow.org

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