



MARKET UPDATE

Tomatoes: Florida has plenty of all types of tomatoes to meet demand and promotional needs this week. South Florida crops continue to roll with good production and solid-quality fruit. Palmetto/Ruskin has enjoyed picture-perfect growing weather and is harvesting bumper crops. Sizing leans toward the large end of the spectrum. Growers expect to have abundant supply for at least the next three weeks.

With multiple growing areas in season, tomato supply remains steady in the West. Mainland Mexico's round crops are sizing down now, but there should be more size coming from Baja and the California desert as they get further into new crops. Romas continue to be available in abundant supply and good quality. Although grape tomatoes are transitioning from the Mainland to Baja, there's still plenty of volume available to meet demand. Baja's early grapes are struggling with consistency in color and sizing, but should level out as they get into later picks. Central Mexico forges on with steady supply and nice quality crossing into Texas.

Bell Peppers: Peppers are plentiful! Florida has all sizes available and expects consistent supply during the transition from South Florida to the Central part of the state. In the West, Mainland Mexico keeps hanging on with some late-season fruit although quality is beginning to show the crop's age. Depending on the market and weather, they could go for 2-3 more weeks. The best quality fruit and strongest volume is now coming out of the California desert, where they are in the peak of season.

Green Beans: From Homestead to Georgia, there are green beans to

ship! With so much fruit in the market, there is plenty of good quality available. We may begin to see some weather-related issues out of South Florida as Summer weather patterns get started and they wind down the season. In the West, green beans are transitioning from Mainland Mexico to the California desert. The desert's quality has just been okay so far, as they battle zipper scarring and other wind-related defects. It may be another week before they are able to work out the kinks of early production and handle the demand that the Mainland has been covering.

Cucumbers: Overall cucumber quality out of Mexico has improved as Southern growers end the season and stop picking from tired crops. All sizes are available daily and production is picking up in Baja. In the East, Central Florida got started last week and will add to what the remaining South Florida farms are bringing to market.

Summer Squash: Georgia has begun squash production, which adds to the supply from Central and South Florida. With bounteous amounts of product available, there is plenty of good quality to choose from. Hermosillo keep the ball rolling, shipping good quality and volumes of squashes to Western markets. Withstanding a major weather disturbance, their current production levels should persist through May.

Eggplant: South Florida's eggplant volume has finally increased. Despite the slow start, quality and volumes are good. The Western transition from Mexico to the California desert is a bit tedious. Limited volumes and smaller fruit are coming into Nogales while the desert is working through some quality problems with early fruit (liver spotting).

TRANSPORTATION FACTS

* The National Diesel Average continues its steady ascent, increasing \$.03 per gallon this week. The price now comes in in at \$2.20.

* The average price for a gallon of diesel fuel is \$.61 lower than the same time last year.

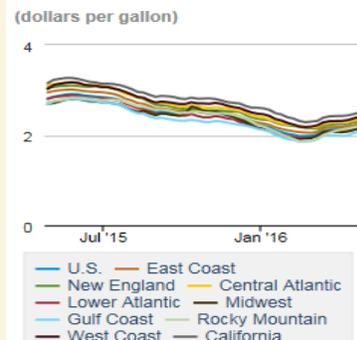
* Diesel prices rose throughout the country with the most notable increase coming from the Midwest (\$.04).

* California reports the highest-priced diesel fuel at \$2.51. The fuel bargain in the nation can be found in the Gulf Coast region where a gallon of fuel costs \$2.07.

* The WTI Crude Oil Price continues to rise this week, moving from \$42.63 to \$45.33 per barrel (up 6.3%).

* Central and South Florida report a slight shortage, but all other areas of the country have adequate levels of transportation this week.

On-Highway Diesel Fuel Prices



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RESTAURANT INDUSTRY NEWS

Millennials to Restaurants: Give Us More Tech

By: Bob Krummert, www.restaurant-hospitality.com, April 25, 2016

Restaurant marketers still struggle to reach customers in the ages 18-35 demographic. But the results of a massive new survey backed by database and enterprise software giant Oracle provide plenty of clues about how they can. Not only does "Millennials and Hospitality: The Redefinition of Service" help define ways restaurants can establish and maintain relationships with tech-savvy young consumers; it also suggests that restaurant employees can be leveraged to streamline the process.

"The power of mobile technology is radically altering consumer expectations," declares Oracle, which acquired hospitality software and hardware firm Micros in 2014. "Such change is requiring a redefinition of service—one that offers millennials choice, speed and personalization based on their individual preferences. Historically, service defined how technology was used in a particular operation. Today, mobile technology is requiring hospitality operators to reassess the service they offer—and redefine it."

Oracle went big on this project. Early in 2016, the firm surveyed 9,779 millennials in eight countries. Questions were designed to gain feedback on how they use technology to interact with restaurants and hotels. Roughly 3,700 of the respondents had worked in one of these two hospitality industries during the previous five years. Members of this subset were also quizzed on how effectively their employers had used technology.

The survey first sketched the lay of the technological land. In the U.S. 89 percent of millennial respondents said they used their smartphone every day; 39.8 percent were daily iPad or other tablet users; 37.9 percent put in time on a desktop computer; 73 percent fired up a laptop; and 7.8 percent wore an Apple watch or other smart watch. Just one-half of one percent of respondents did not use at least one of these devices daily. If you were wondering how pervasive personal technology has become within the millennial demographic, here's your

answer.

Then the survey looked at how millennials use these devices as it relates to hospitality. It identified three disconnects between what restaurants offer and what customers want.

One discovery was a wide gap between the percentage of respondents who already manage hospitality loyalty programs via mobile device—23.2 percent in the U.S.— and the much-larger number who wished they could—51.68 percent. Oracle thinks operators are missing the boat on this one. "This represents a huge opportunity for food and beverage operators," the company declares. "Millennials are willing to share data in return for personalization and acknowledgment. This means that you can gather invaluable information on behavior, target promotions to increase average order value, and deliver special guest experiences that fuel repeat business."

A second finding showed a similar gap exists for ordering food and beverage via a mobile device. In the U.S. 38.5 percent of millennials have already placed a delivery/takeaway food and drink order using a mobile device. Fifty-six percent want to.

"This shows that the expectation for mobile ordering exists, and when smartphone ordering is available, consumers will use it," Oracle explains. "The other takeaway here is that demand for ordering via smartphone is not universal among millennials. There are plenty that want to give their orders in person and expect stellar service in the process."

A third gap involves payment. 28.7 percent of U.S. millennials have already used a mobile device to pay for food and drink purchases; 43.6 percent want to pay that way. If operators equip their restaurants with the necessary tech capabilities to meet millennial desires, will millennials actually use them? The numbers indicate they will. The survey found that only five percent of U.S. millennials said they would

not use a mobile device in a restaurant.

However, Oracle cautions that traditional modes of interpersonal hospitality still matter.

"Millennials' engagement with mobile devices is clearly evident, but it is by no means universal," the company reports. "In other words, a large proportion of millennials still prefer the 'human touch' and want personal service when visiting restaurants, bars, coffee shops and hotels. Striking a balance to suit the needs of all guests will be critical."

A restaurant's current employees might be able to tell its operator how that balance might best be struck. When asked by the survey to evaluate their company's use of technology, 32.5 percent of U.S. employees agreed with the statement "I thought they made bad use of technology."

That might be because most restaurants and hotels don't bother to solicit feedback on technology from their front line millennial-aged employees. In the U.S., just 18.1 percent of hospitality businesses welcome this kind of input.

"Tapping the knowledge of millennial employees to better understand millennial guests is a no-brainer," Oracle suggests. "Engage your staff and reap a host of other benefits, too: improved operations, better morale and less staff turnover. Everyone wants their voice to be heard, and millennials are no exception."



SPOTLIGHT ON LIPMAN Brian Faseler- Lipman Arizona



Position at Lipman: Sales and Business Development, specializing in melons.

How many years have you been at Lipman? 1.5 years but worked for Legend Distributing for 7 years prior to the Lipman acquisition.

What is your favorite aspect of working for Lipman? The ability to pick up the phone and connect with the entire country through other Lipman divisions.

What are your favorite vegetables? Broccoli, spinach, squash

Tell us about your family. I was raised in San Antonio, Texas by Milton and Peggy Faseler. I have 1 brother, Marc, and we are all very close. I have a very family-oriented lifestyle. Their personal and moral support has helped me be successful.

What do you like to do when you aren't working? Hiking, mountain biking, snowboarding, fishing, and working out.

Ideal vacation spot? Cabo San Lucas or Playa Del Carmen Mexico

Favorite movie of all time? Why? Major League. I played baseball my entire life all the way through college and it's a classic guy movie makes you want to get there and play again.

Favorite book of all time? Why? Miracle on the 17th Green. It's a short read but no matter where you're at in Life there is always hope for something amazing to happen.

What are your favorite sports teams? San Antonio Spurs

If you were stranded on a deserted island, what 3 things would you take with you? Water, water, and water.

Do you collect anything? I have several autographed baseballs from great baseball players. I also have a knife collection.

Are you a member of any community or charity organizations? I have coached little league baseball in Scottsdale, AZ. I have also volunteered at several Phoenix charity events that help to promote the community.

Anything else that you are passionate about and would like to share? I am passionate about my professional career and value the opportunities that are coming my way and am grateful for that

PRODUCE BAROMETER

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



MAY CALENDAR

All Month
National Salsa Month

First Week
National Small Business Week

May 1
World Laughter Day

May 4
National Hoagie Day

May 5
Cinco de Mayo

Estero, FL Weather

Fri Apr 29	Sat Apr 30	Sun May 1	Mon May 2	Tue May 3	Wed May 4
FOG					
90° F	88° F	86° F	86° F	86° F	86° F
72° F	72° F	73° F	73° F	73° F	70° F
W 13 MPH	SE 6 MPH	S 7 MPH	W 6 MPH	WSW 7 MPH	SW 11 MPH
Averages 87° F/64° F	Averages 87° F/64° F	Averages 87° F/64° F	Averages 87° F/64° F	Averages 87° F/65° F	Averages 87° F/65° F

KEEP YOUR EYE ON THE CONSUMER

Hispanics Continue to Grow Restaurant Visits

By: Gina LaVecchia Ragone, www.restaurant-hospitality.com, April 26, 2016

Data recently released by market researchers The NPD Group found that Hispanic consumers increased their visits to restaurants and foodservice outlets last year (10.5 billion visits total), even while total restaurant traffic was flat.

Differences, however, turned up along language and acculturation lines within the demographic. "English-oriented Hispanics increased visits by 2 percent in 2015 over year ago, making up for a loss in visits by Spanish-oriented Hispanics," reports NPD. The firm's ongoing CREST Hispanic foodservice market research revealed more information about this audience. Quick-service restaurants remain the outlet of choice for the average Hispanic consumer. They are also more likely to choose chains over independents. U.S. Hispanics "visit chains 74 percent of the time compared to the 60 percent of visits non-Hispanics do," NPD says.

But Hispanics are open to full-service and fast-casual chain restaurants and independent restaurant experiences. Why, then are some operators missing out? "Hispanics still under-index in terms of visits to full-service restaurants and often cite cost and language barriers as the reason," write the NPD researchers.

Family-friendliness is another key to unlocking this demographic. Hispanics bring along their children on 42 percent of their restaurant visits. By contrast, non-Hispanics do so only 30 percent of the time. The ability to host a large group and welcoming kids can raise a restaurant's profile among Hispanics.

The NPD data dovetails with information from Hispanic media company Univision, which found that U.S. Hispanics favored restaurants that were familiar to them. Fifty percent of 1,250 Hispanic consumers questioned in the Univision study said the biggest barrier preventing them from visiting a restaurant was unfamiliarity with the brand. Like the NPD data, the Univision report showed that family-friendliness and good service go a long way to making Hispanic consumers loyal customers. Peter Filiaci, Univision's v.p. of strategy and insights told the National Restaurant Association: "It's less about price and convenience on the Hispanic side and much more about knowing that family is welcome and that [the restaurant] can accommodate larger parties."

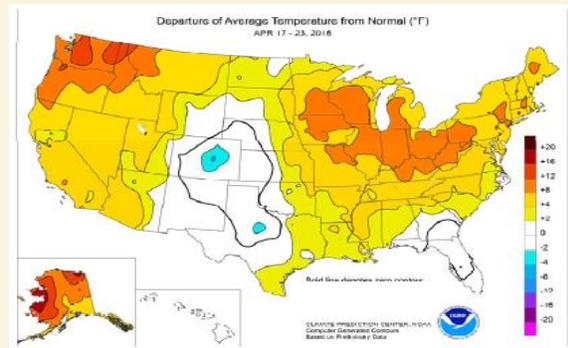
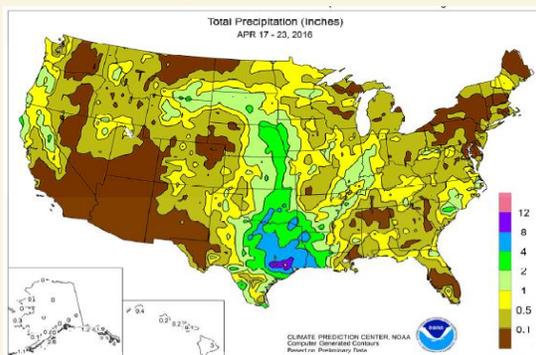
While quick-service and casual chains have been the restaurants of choice for Hispanic consumers, the fast-casual niche is gaining popularity, especially among more affluent and millennial-aged Hispanics. According to a February study from Mintel, Hispanic spending at fast-casual restaurants grew by 41 percent from 2010 to 2015 to \$38.1 billion. A key finding of the study was that increasingly, Hispanics are placing more importance on the freshness and healthfulness of menu offerings. Also, social recommendations and word-of-mouth factor heavily into restaurant decision making among Hispanics, so engaging young Hispanics via social media and encouraging them to share their restaurant experiences could pay off big.

"Because fewer brands are communicating with this customer, [Hispanic consumers] tend to stick with ones they've had great experiences with, who appreciate their business," said Univision's Filiaci. "They look at that as a cue that they're welcome and their business is respected."

Businesses would be smart to pay attention to this corner of the market, adds Bonnie Riggs, NPD's restaurant industry analyst. "This is an important and large audience and their influence on the foodservice industry will continue to grow over the coming years."

NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation



TURN THE CHANNEL

Retail View: Push to Up the Fresh Game at Convenience Stores Continues

By: Tom Linden, www.producenews.com, April 20, 2016

Walk into your local convenience store and look for yogurt. If the store is selling that product, it almost certainly has the capacity, traffic, demographics and trained personnel to sell fresh produce. And if industry experts are right, convenience stores soon will be another outlet for fresh produce sales, which are almost certainly additional sales as opposed to cannibalizing from some other sales venue. The convenience store buyer who walks off with a fresh-cut salad would have purchased something else that day from that same store if the produce was not there as an option. Considering there are 100,000 convenience stores in the United States, the potential for added fresh produce sales is incredible.

Since a couple of trade associations launched an initiative to increase the sale of fresh produce at convenience stores, there have been some successes. But the past year has been more about laying the foundation, and exploring the opportunities and challenges. It was a concept of shared benefit that brought the United Fresh Produce Association and the National Association of Convenience Stores together to look at convenience stores as potential fresh destinations for the shoppers that they serve.

United Fresh, of course, sees the opportunity to increase sales of produce by giving convenience store shoppers alternatives to the items that typically catch their attention when they frequent these locations, such as donuts, candy, beer and soda.

NACS sees the trends toward healthy eating and believes its members are better served by adding options that millennials and nutrition-conscious consumers seek.

Jeff Oberman, vice president of trade relations at United Fresh, said the opportunity for growth appears to be with the convenience store groups that have 20 to 80 locations. Larger groups, he said, are typically already involved with fresh. So the immediate goal of United Fresh and NACS was to create deliverables for those smaller groups. Initially, a detailed presentation was created and distributed. But it was too long, so a two-page handout called Are you Fit for Fresh? was developed. This handout takes the convenience store operator through a list of considerations to determine if a fresh produce program could be successful at one or more of their stores.

Jeff Lenard, vice president of strategic industry Initiatives at NACS, said a store operator should consider such things as customer base, existing product line, location and available equipment when determining its fitness for fresh. For example, millennials and women tend to seek out fresh product to a greater extent than other demographics. Existing product and the equipment available on site — specifically, a refrigerated case — are very important factors in determining the potential for success. Strong sales of yogurt, health bars and nuts also are good indicators that a store's customers would support a fresh produce program.

Jacob of Pro*Act said location is very important. If a convenience store is in the same shopping center as a supermarket, the chances of success are far less than a store located near a hospital or a university with no supermarket nearby. She added that convenience stores in food deserts could also do quite well and greatly increase fresh sales. Kuncil said the most important attribute that a convenience store must have before embarking on a fresh food program is cleanliness. "It has to be a place you would consider buying food from," she said, noting that many convenience stores just don't pass that test.

Lenard of NACS said the products that convenience store operators traditionally sell — including the top seller, gasoline — have small margins. These store owners need to add products to survive and also to differentiate themselves from other retailers. Lenard said selling more produce is good for the reputation of convenience store operators, who, as a group, want to be noted for having more healthy options. "We are continuing to add more nutritious food," he said. "We are three years into our nutrition initiative. It's going to be a 10-year overnight success [in that] all of a sudden it's going to catch on. Fresh-cut is a great opportunity. It adds to our healthy portfolio."

MARK YOUR CALENDAR & PACK YOUR BAGS

May 21-24, 2016

National Restaurant Association Show
McCormick Place
Chicago, IL
<http://show.restaurant.org>

September 21-23, 2016

New England Produce Council's Produce, Floral & Foodservice Expo
Ocean Edge Resort & Golf Club
Brewster, MA
www.newenglandproduceCouncil.com

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