MARKET UPDATE

Round Tomatoes: Spring has sprung in Florida and there is an abundance of beautiful new-crop fruit in the fields. However, due to the lack of demand, the state's overall harvest rate is down dramatically. Some growers have walked away from plantings while others are mostly picking to order. With limited harvest activity and great weather, quality is excellent as only the best-of-the-best is being picked. Likewise, West Mexico is beginning to curtail its tomato production and sizing options to meet the limited demand.

Roma Tomatoes: The roma situation is much the same as rounds, although there is a bit more demand for the nice-quality mature green Florida product in the East. Our farms are currently harvesting a Crimson roma variety at the Estero farm, which will continue (as market demands) for about 2 weeks until harvests move to the Palmetto/Ruskin area.

Grape Tomatoes: Both Florida and Mexico have more than adequate supply of grape tomatoes to cover the current lackluster demand. There is great quality out there, but there can be challenges as inventories get backed up, especially from Mexico.

Bell Peppers: Florida's east coast and other southern areas are working Spring crops and have all sizes available. As growers have gotten out of older fields, quality has perked up and is very nice. There's more product on the way as Plant City and other northern areas expect to scratch fields as early as next week. Mexico's Sinaloa area is finishing up quickly as some growers walk away from the smaller fruit from older crops but a few of the Sonora growers are up and running providing enough volume to meet demand. Supply numbers will remain status quo until the Coachella desert gets going in the April 15-20 time frame. Mexico's quality and shelf life vary by growing district.

Cucumbers: Spring crops have started in northern Mexico and Sinaloa continues to harvest, so there's a strong supply of good-quality cucumbers available in the West. Florida's Spring crops are also off to the races in both Plant City and southern growing areas. With demand at a minimum and stronger quality from new domestic crops, the Honduras deal is now out of the picture.

Green Beans: Green bean availability is very strong throughout Florida but the light demand has growers walking past fields and picking to order. On the bright side, quality is excellent as anything less than good is being left in the fields. Mexico's ideal growing weather has also brought an uptick in both supply and quality. We could see a few beans get started in the California desert as early as next week.

Summer Squash: After struggling with supply for a number of weeks in both Mexico and Florida, new crops and great weather have brought supply online. With demand curbed, there's currently an oversupply in Florida which has most growers picking to order and/or donating and some plowing under fields. Sonora is online in a strong way as well and expects increased yields to continue for at least the next few weeks.

Eggplant: Warmer weather in Sinaloa continues to bring on the eggplant. Volume will be solid for the next 10-14 days although quality can be varied. Florida's eggplant supply is consistent but light. Most farms are cutting to order which has upped quality.

Hard Squash: New crop hard squash is coming out of Mexico with a variety of sizing and quality by grower. Acorn still has the best availability, but there's more butternut and spaghetti on the way. Quality is variable on all varieties depending on the farm/field/grower. There are reports of scarring, mechanical/stem puncture, mold and misshape so shippers and lots must be chosen carefully. There are still a few Honduran butternuts around, but there won't be much in the way of hard squash in the East until Georgia gets up and running in May.

Chili Peppers: Southern Sinaloa is in good production on all varieties with very good quality. Sonora is now starting to produce decent numbers as well so supply is in a good position. Quality on fresh pepper is excellent.

Colored Bell Peppers: Canadian production is picking up as new crops start to roll. All 3 colors are available now, but sizing is jumbo/XXL with little or no smaller fruit available this week. Mexico's supply has lightened up and orange is limited but they have smaller fruit. As growers strive to keep the business in Nogales, they're pushing harvests which has resulted in some greening on arrivals. Quality is excellent from Canada and varied out of Mexico.

Persian Cucumbers: There are only a couple growers still going in Mainland Mexico and they'll wrap up in the next 2-3 weeks, leaving supply to Baja's year-round deal. Quality continues to be strong but high heat can affect these crops quickly.

Conventional Tomato-On-The-Vine: Product is available from Canada, Mexico, and some domestic deals. There is adequate supply to meet the demand for this item.

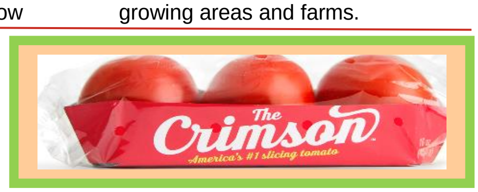
Organic Cucumbers: Organic cucumber numbers are finally shaping up as more crops come online. Pending a major weather disturbance, supply should be consistent for the immediate future.

Organic Green Bells: Volume continues to be very light on organic bells, especially on retail sizes. There is, however, a decent amount of choice product available.

Organic Squash: Production has picked up on both yellow and zucchini organics and there's really good volume available. Some growers are backed up on inventory, so one must keep a close eye on quality.

Organic Romas: Supply is extremely limited as there's only one major grower still in play and fields are winding down. Unfortunately, we're about a month away from new growing areas and farms.

ON THE HORIZON CONTENTS



KEEP YOUR EYE ON THE CONSUMER

First Insights Find Coronavirus Impacting Shopping Decisions

www.theshelbyreport.com, April 1, 2020

As coronavirus continues to spread, a recent survey by First Insight found that news of the virus is impacting the shopping behavior of 75 percent of respondents, up from 45 percent (a 70 percent increase) when comparing to a survey fielded in late February. The survey by Warrendale, Pennsylvania-based First Insight Inc. also pointed to significant swings in behavior by women and Baby Boomers over the last three weeks.

Both groups had been slower to change behavior based on coronavirus fears than their gender and generational counterparts, but are now in greater alignment. For example, 71 percent of women now say that the virus is impacting where and how they shop, a 115 percent increase from late February, compared to 67 percent of men (a 76 percent increase). Similarly, while Millennials report the greatest impact on purchase decisions (80 percent, a 48 percent increase from the previous survey), Boomers have now aligned behavior more with their younger counterparts with 73 percent saying the same, a 121 percent increase from the prior survey.

Some significant generational and gender findings include:

-Women Surpass Men on Impact of Virus on Shopping Behavior: Fifty-nine percent of women surveyed said that the virus was impacting how much they spent on products, compared to 56 percent of men.

-More Men Stockpiling Groceries and Cutting Back on Spending: With 46 percent of all respondents buying more products in anticipation of coronavirus, 47 percent of men say they are stockpiling groceries in particular, compared to only 38 percent of women.

-Boomers Show Greatest Shift in Behavior Compared to Other Generations: Immobility has had a dramatic affect over the last three weeks, with 71 percent of Baby Boomers saying it has impacted where and how they shop, up 173 percent from the last survey.

-Baby Boomers Less Inclined to Cut Back on Spending than Other Generations: While 47 percent of respondents are cutting back on spending overall, only 38 percent of Boomers say they are reducing their spend in preparation for greater coronavirus spread.

-Baby Boomers Show Greatest Increase in Those Stockpiling Groceries: Similar to men, Baby Boomers are the generation showing the greatest increase over the last three weeks, with 34 percent now saying they are stocking up versus only 10 percent last survey, a 240 percent increase.

-Women Surpass Men on Impact of Virus on How Much they Spend: Fifty-nine percent of women surveyed (and 57 percent overall) said that the virus was impacting how much they spent on products, compared to 56 percent of men. This represents a significant shift in behavior since the last survey, when 32 percent of men and only 25 percent of women felt the same. Similarly, while an equal number of both men and women felt it was affecting the products they purchase, this was a 136 percent increase for women, compared to a 75 percent increase for men.

-More Men Stockpiling Groceries and Cutting Back on Spending: Forty-seven percent of men say they are stockpiling groceries compared to only 38 percent of women. This is a 114 percent and 111 percent increase over last time, respectively. Men also show greater shifts toward cutting spending, as reported by 54 percent of men versus only 42 percent of women who took the survey. This is a 54 percent versus 24 percent increase respectively compared to the last survey.

-Boomers Show Greatest Shift in Behavior Compared to Other Generations: Seventy-four percent of Baby Boomers (and 71 percent of respondents overall) report the coronavirus impacting how often they go out in public, a 164 percent increase from the last survey. This immobility has had a dramatic affect over the last three weeks, with 71 percent of Baby Boomers saying it has impacted where and how they shop, up 173 percent from the last survey. Other generations including Generation Z (65 percent), Millennials (72 percent) and Generation X (72 percent) show similar impact, but a much less dramatic increase from the last survey.

Baby Boomers also have shifted their shopping to online significantly over the last few weeks. While overall 34 percent of respondents are shopping more online, more Generation Z (37 percent), Millennials (42 percent) and Generation X (35 percent) ***Continued on page 5***

TRANSPORTATION FACTS

*Continuing its downward descent for the 12th week in a row, the National Diesel Average fell another $.07, which puts the price at $2.59 per gallon.

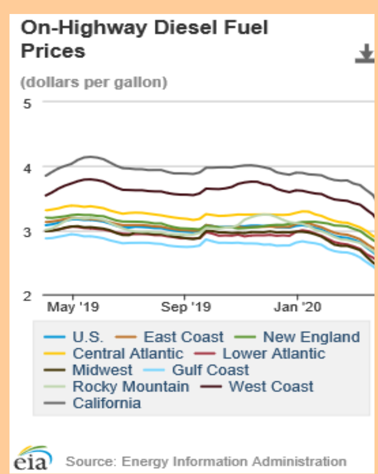
*The average price for a gallon of diesel is $.49 lower than the same time last year.

*All regions of the country reported price declines ranging from $.04-$.16 per gallon. California's fuel price dropped the most, and is down $.16.

*California still tops the charts at $3.40 per gallon while the Gulf Coast remains the low-price leader at $2.36 per gallon.

*The WTI Crude Oil price continues to drop sharply. This week's price is down 17.1%, moving from $24.49 to $20.31 per barrel.

*There is a shortage of transportation for fresh produce in Central & South Florida and a slight shortage in potato and onion shipping areas, but most of the country reports adequate or surplus levels of transportation.



CHEF'S CORNER

Contributed By: Wil Wilbur
Lipman's Manager of Culinary Development

SEPC Recap

In February, the South East Produce Council hosted their annual Southern Exposure event in Tampa, Florida. This was my first time to attend this show, as well as my first ever produce show.

The 2020 theme was "Produce on Parade" and some of the major highlights I found were: bright packaging to draw the eye (no longer just a brown box!), companies getting really creative with neat artwork being done with fruit, some humorous marketing on "vegetables for president" and overall a very busy/full expo floor the entire show.

Although the booths were a little hard to find at this show (no booth markers, only row markers on the floor at the end of each row), I feel that a lot of our customers found us and I was able to introduce myself as the company's new corporate chef.

I was surprised that very few booths were actually cooking or showing a finished product in-application for customers to see and taste. This is something we'll be doing at future shows where we are exhibiting. We want everyone to taste how great our products are, see how easily they fit into application and personally experience our high quality and consistency standards.

The energy of the show was high, something you don't find in every food show. People were excited to see what everyone had at their booths and great conversations were happening on every row. Our booth was on the main strip down the middle of the show, and as people would come by there was a great feeling of excitement that Lipman now has a chef (or it might have been the beer stand nearby)!

PRODUCE BAROMETER

ITEM	QUALITY	PRICING
Bell Pepper	Good	Lower
Cucumber	Good	Lower
Eggplant	Good	Lower
Green Beans	Good	Lower
Jalapenos	Good	Lower
Onions	Good	Lower
Squash	Good	Lower
Tomatoes	Good	Lower

APRIL CALENDAR

All Month
Fresh Florida Tomato Month
Celebrate Diversity Month
April 5th-11th
National Public Health Week
April 5th
National Deep-Dish Pizza Day
April 8th
Passover
April 10th
Good Friday

Estero, FL Weather

Sat Apr 4	Sun Apr 5	Mon Apr 6	Tue Apr 7	Wed Apr 8
84°F	84°F	85°F	87°F	88°F
69°F	69°F	70°F	72°F	74°F
E 7 MPH	E 6 MPH	E 6 MPH	ESE 9 MPH	SW 10 MPH

NEWS IN THE GROCERY TRADE

Fresh Produce Sales Up 33.9% Amid Increase in Covid-19 Cases

By: Anne-Marie Roerink, www.theshelbyreport.com, March 31, 2020

As coranavirus social distancing measures are tightening and the number of confirmed cases are growing, retail sales are surging. Shoppers are stocking up on staples and fresh foods. 210 Analytics analyzed the sales results, provided by IRI. Total store sales increased 62.5 percent over the week ending March 15, with edibles increasing 77.8 percent. Whereas at the onset of the Covid-19 crisis in the U.S. shoppers stocked up on paper goods, hand sanitizers and cleaning supplies, shoppers were in the mindset to stock up on food the week of March 15. Boosted by an increase of 76.9 percent in meat, the total perimeter increased 44.9 percent, whereas total produce sales increased by more than one-third. Vegetables were up nearly 41 percent over 2019 and added $242.2 million versus the comparable week in 2019. Fruits gained 27 percent over the week of March 15, which translated into an additional $150.2 million.

According to Jonna Parker, team lead of fresh for IRI, the sales increases are near universal across all fresh produce, both fixed and random weight. “We’re seeing big gains for nearly all fresh fruits and vegetables with incredible acceleration for items such as potatoes, yams, oranges and mandarins,” she said. “Additionally, shoppers’ stock-up mindset is driving a huge surge in demand for frozen and shelf-stable fruits and vegetables that have longer shelf-life.”

Whereas fresh produce gained nearly 34 percent, IRI found that sales for frozen fruits and vegetables were up more than 100 percent and shelf-stable vegetables were up more than 200 percent, for the week ending March 15. In absolute dollars, the biggest produce winners for the week of March 15 were potatoes that gained $44.2 million, or +71.6 percent. Lettuce gained $42.8 million and was up 29.1 percent. The top five was closed out by berries (up $37.4 million, or 31.8 percent), apples (up $29.4 million, or 36.9 percent) and tomatoes (up $27.6 million, or 43.2 percent).

Fresh vegetables
On the fresh vegetable side, shoppers are stocking up on items with longer shelf life, in particular. One of the most impressive categories were potatoes. Potatoes are the second largest vegetable seller with the highest growth, at +71.6 percent. The same is true for onions that generated more than $53 million in the week of March 15 and gained 59.2 percent.

Top 10 in weekly sales	Sales increase for the week ending 3/1/2020	Sales increase for the week ending 3/8/2020	Sales increase for the week ending 3/15/2020	Weekly sales for week ending 3/15/2020
Fresh vegetables	1.2%	4.7%	40.6%	$838.4M
Lettuce	3.1%	5.2%	29.1%	$189.8M
Potatoes	0.3%	6.4%	71.6%	$105.0M
Tomatoes	9.5%	15.4%	43.2%	$91.5M
Onions	-1.5%	3.1%	59.2%	$64.0M
Peppers	-3.1%	1.5%	37.3%	$53.5M
Carrots	-2.8%	-0.8%	40.6%	$40.3M
Mushrooms	3.0%	6.4%	35.0%	$29.5M
Broccoli	-2.3%	2.0%	33.5%	$26.5M
Cucumber	5.7%	11.3%	32.4%	$26.0M
Squash	-3.5%	1.3%	43.5%	$22.5M

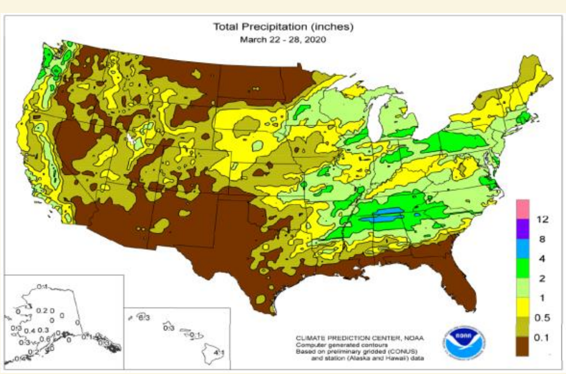
Source: IRI, Total US, MULO, week ending 3/15/2020

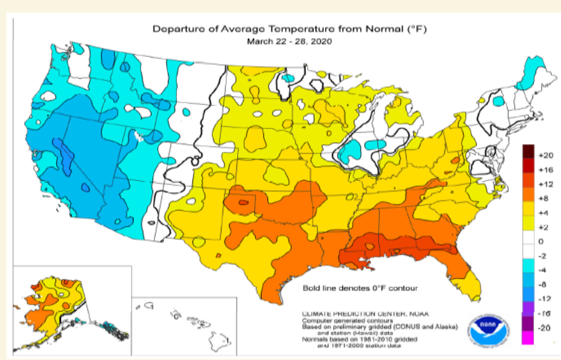
It is important to remember that these kinds of sales surges are only possible thanks to the work of the entire produce supply chain, from farm to retailer. As Covid-19 related measures continued to sharpen during the subsequent week, it is highly likely we’ll continue to see produce sales surge. 210 Analytics and IRI will provide weekly updates, every Tuesday.

This article had been edited for space and content. Please visit www.theshelbyreport.com for more information.

NATIONAL WEATHER SPOTLIGHT

Last Week’s Precipitation Totals and Average Temperature Deviations





KEEP YOUR EYE ON THE CONSUMER…Continued

First Insights Find Coronavirus Impacting Shopping Decisions

www.theshelbyreport.com, **April 1, 2020**

have increased their shopping online compared to Baby Boomers (23 percent). Only 8 percent of Baby Boomers reported shifting to online in the first survey; the growth to 34 percent represents a 187 percent increase.

Similarly, while 49 percent of overall respondents are shopping less frequently in-store, Baby Boomers show the greatest percentage increase for shopping less frequently in-store (48 percent), bringing this generation on par with younger generations including Millennials (50 percent) and Gen Z (51 percent). The number of Baby Boomers shopping less in-store increased 118 percent over the last three weeks, a significantly larger jump than other generations.

-So Far, Baby Boomers Less Inclined to Cut Back on Spending than Other Generations: Fewer Baby Boomers are cutting back on spending compared to other generations, even since the time of the last survey. Only 38 percent of Boomers say they are reducing their spend in preparation for greater coronavirus spread, compared to 54 percent of Generation X, 49 percent of Millennials and 51 percent of Generation Z.

-Baby Boomers Show Greatest Increase in Those Stockpiling Groceries: While 42 percent of respondents overall admit to stocking up on groceries, more Millennials (47 percent) and Gen Z (49 percent) are doing so than other generations. That said, Baby Boomers have shown the greatest increase over the last three weeks, with 34 percent now saying they are stocking up versus only 10 percent last survey (240 percent increase).

Similarly, Baby Boomers show the greatest percentage increase in the outbreak's impact on spending on products as well as services. More than half of Baby Boomers (52 percent, compared to 66 percent overall) reported an impact on how much they are spending on products (a 174 percent increase over last time). While Generation Z (51 percent), Millennials (65 percent) and Generation X (64 percent) said the same, Baby Boomers showed the greatest shift overall. However, when considering impact on services such as restaurants, entertainment and travel (64 percent overall reported an impact), Baby Boomers showed the greatest percentage increase with 64 percent (a 112 percent increase) versus 62 percent of Generation Z (100 percent increase), 65 percent of Millennials (48 percent increase), and 70 percent of Generation X (53 percent increase).

-Product Availability and Shortages Driving People to Shop Online: According to the survey, the vast majority of respondents reported an impact on not only product availability (84 percent) but shortages (72 percent) and a growing number of consumers are shopping more frequently online, with a 62 percent increase (34 percent versus 21 percent). Similarly, the number of consumers shopping less frequently in-store showed a 63 percent increase (49 percent versus 30 percent).

-Nearly All Respondents Feel Coronavirus Will Impact Global Economy: Ninety-eight percent of respondents feel that the coronavirus will impact the global economy, up slightly from 93 percent at the time of the previous survey. Responses were split near equally across gender and generation. Further, 71 percent of respondents said they were "worried about the Coronavirus," up from 66 percent at the time of the previous survey. Worth noting, Baby Boomers are now the most worried generation at 81 percent, up from 72 percent last time, with 68 percent of Generation X, 72 percent of Millennials and 64 percent of Generation Z saying the same.

First Insight's findings are based on the results of two U.S. consumer studies of targeted samples of more than 500 respondents each, fielded on Feb. 28 and March 17. The study was completed through proprietary sample sources among panels who participate in online surveys.

First Insight is a digital product testing and decision-making platform that empowers retailers and brands to incorporate the voice of the customer into the design, pricing, planning and marketing of new products. Through the use of online consumer engagement, the First Insight solution gathers real-time consumer data and applies predictive analytic models powered by machine learning and AI to create actionable insights, which drive measurable value. Retailers, manufacturers and brands use the First Insight solution to design, select, price, plan and market the most profitable new products for reduced markdown rates and improved sales, margins and inventory turnover.

FRESH TOMATOES the best of nature™

MARK YOUR CALENDAR & PACK YOUR BAGS?

June 15-19, 2020
United Fresh Live!
Convention and show rescheduled as online event
www.unitedfreshshow.org

July 24-25, 2020
PMA's Foodservice Conference & Expo
Monterey Conference Center & Portola Hotel
Monterey, CA
www.pma.com/events/foodservice

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