



MARKET UPDATE

Transportation Alert: Transportation is very short this week and will likely remain snug until after the New Year's holiday. This applies to both Mexico and Florida lanes and has caused some disruption in product flow.

Round Tomatoes: Florida round tomato production is very limited this week as some growers work through low-yield plantings that were affected by prior weather and others are in the midst of the transition to the south. Harvests have been further hampered by a couple days of rain and the holiday. Most of this week's fruit has been 2nd and 3rd picks so the size profile is down a notch and packouts are less than desired. Lipman will move into some crown picks next week which will bring a little more size to the table but supply is expected to remain short for a few more weeks. Mexico is also struggling to provide the numbers to meet demand. Baja's subpar fruit will wind down over the next 5-7 days, leaving the Mainland, where new crops are still slow to come on, to provide supply. Early volumes are really light and quality is average. With another holiday and rain in the forecast for both Mexico and Florida, next week will likely look similar.

Roma Tomatoes: The Mexican roma situation is showing slight signs of improvement as a few more growers get started with light harvests. Once we move past the holidays and production gets back on track, expect volume to build gradually as we move deeper into the month of January. Current fruit quality is not stellar, as high market prices motivate growers to pack and ship everything they can. The puffiness, coloring and other weather-related issues should clean up by the 2nd or 3rd week of January. Florida's roma quality is better, but seasonal volume is light by design and there's not enough to go around.

Grape Tomatoes: Grape tomato availability is improving in both Florida and Mexico as new crops get rolling and farms are seeing more normal yields. Quality has been nice.

Bell Peppers: Due to rain and the holiday, there aren't as many bell peppers coming out of Florida this

week. There's product in the fields so supply should rebound after the holiday as long as rain doesn't impact quality too significantly. Mexico's situation is similar and they also expect more product to come after the New Year despite some growers walking away from rain-affected, field-grown fruit and moving into shadehouse production.

Cucumbers: Eastern markets are looking to the Honduran cucumber deal, where supply is building as a few more growers are up and running this week. Overall quality has been good. Despite the impact of Mexico's recent tropical storm, there is a little more product coming in at both Nogales and McAllen this week. Quality can be hit or miss, especially on the Texas crossings, as the impact of prior weather rears its ugly head.

Green Beans: Green bean quality and supply have been strong in Florida over the past week, but a couple days of rain are starting to affect quality from some areas. Mexico producers are back in normal volumes now, but rain and holidays are throwing an occasional kink in product flow.

Summer Squash: Florida has consistent supply of zucchini but yellow squash has become snug for quality reasons. Mexico now has better volume and quality on both colors as more growers get going in Sinaloa.

Eggplant: Eggplant is plentiful throughout the country this week. There are some hit and miss quality concerns from older production areas, but there's plenty of good-quality fruit to meet market demand.

Chili Peppers: Although jalapenos have tightened up at the end of this week, Florida continues to provide light to moderate supply of chilies for Eastern markets. Plant City's harvests will wind down over the next few weeks, but South FL will still have product available. Chili availability has been inconsistent in Nogales this week as some growers walked away from older crops that were damaged by weather. Look for more volume on most items next week. However,

husked tomatillos will likely remain challenging for a couple more weeks. The excessive rain from previous weather systems has caused discoloration and mold on husks. Peeled tomatillos may provide an acceptable alternative to some customers. Growers that cross product at McAllen are in a little better shape and have had steady volumes this week.

Hard Squash: Although hard squash crops have been hurt in Mexico, there is availability on all three varieties this week. Spaghetti is the most plentiful and quality is good despite the normal scarring concerns. Acorn is definitely the shortest variety and is breaking down quickly.

Organic Cucumbers: Organic cucumbers continue to be extremely snug as growers try to rebound from the rain a few weeks back. Although supply will improve some after the holiday, don't expect good volume until new fields break in about two weeks.

Organic Bell Peppers: Although volume has dropped off a bit, organic bell pepper availability has been consistent with no serious quality issues.

Organic Squash: Organic squash numbers are starting to pick up and oddly enough, there is more yellow than zucchini available this week. New fields are scheduled to start in two weeks which should provide further improvements in quantity and quality.

Organic Roma Tomatoes: With Baja winding down and Mainland Mexico farms still slow to start, organic romas remain short. Quality is marginal, at best, and won't make retail spec in many cases. Look for volume and quality to improve after the first of the year as more crops come to maturity.

Organic Grape Tomatoes: Although Baja is winding down, shippers that bring fruit to Nogales are starting to see new crop fruit. Our Grown True farms expect to have consistent volume through the season.

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AN APPLE A DAY

Increased Chili Pepper Consumption Leads to Lower Mortality Risk

By: Brooke Park, www.thepacker.com, December 17, 2019

“A new study claims adults who have a healthy appetite for chili peppers have a lower mortality risk than those who don’t.

The study, released by The Journal of American College of Cardiology studied Chili Pepper Consumption and Mortality in Italian Adults, found that individuals who ate chili peppers 4 or more times per week, along with a Mediterranean diet, were at a 23% lower risk of mortality.

The study was performed on 22,811 Italian men and women. Chili pepper intake was estimated by the EPIC (European Prospective Investigation Into Cancer) Food Frequency Questionnaire and categorized as none/rare consumption, up to 2 times/week, >2 to ≤4 times/week, and >4 times/week.”

“Regular consumption of chili pepper is associated with a lower risk of total and CVD death independent of CVD risk factors or adherence to a Mediterranean diet.” according to the study.

According to the Centers for Disease Control and Prevention, heart disease is the leading cause of deaths in the United States. When considering all-causes for cardiovascular disease participants that consumed chili peppers >4 times/week were at a 23% lower risk of mortality comparing to none/rare consumption of chili peppers were at a 34% risk of mortality.



Did you know that jalapenos were the first peppers that traveled into space on a NASA shuttle?



TRANSPORTATION FACTS

*The National Diesel Average dipped a penny this week, moving from \$3.05 to \$3.04 per gallon.

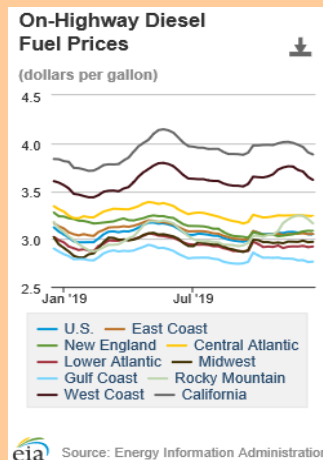
* The average price for a gallon of diesel is \$.04 less than the same time last year.

* The majority of the nation's fuel zones reported price decreases ranging from less than \$.01 to \$.03 per gallon. The exceptions were New England (up \$.02), the Central Atlantic (up \$.01) and the Gulf Coast (no change).

*California's fuel price tops the charts at \$3.87 per gallon while the Gulf Coast remains the low-price leader at \$2.76 per gallon.

*The WTI Crude Oil price rose 0.3% this week, moving from \$60.94 to \$61.11 per barrel.

*Trucks are extremely short in both Nogales and Florida this week due to the holiday. Next week will likely be more of the same as we ring in the New Year.





FRESH CUT FOCUS

Holiday Entertaining

Contributed By: Johnathan Maldonado, Manager of Innovation/Product Development- Lipman Dallas, TX

Lipman's fresh cut product line provides you with the best of nature, cut fresh and packed for convenience year round. Our product-specific processing and patented packaging drives optimal shelf life – meaning you'll receive only the best product, every time. And this produce not only tastes good... it helps customers save valuable time in the kitchen, and the convenient packaging also reduces the risk of foodborne illness, by decreasing the opportunity for cross-contamination.

This month's focus is on holiday entertaining with our fresh-cut products. For more information, please reach out to your usual Lipman contact or one of our fresh cut specialists: Johnathan Maldonado at 214.907.0695, Chris Daulerio- East at 215.870.8956 or Brian Arbini- West at 209.402.5184.



Chicken kabobs with coin-cut zucchini, and 1x1 red onions, red pepper, and yellow pepper



Fajita cut peppers and coin-cut squash and zucchini with garlic and rosemary



Bacon jalapeno cheese ball with diced and sliced jalapenos with sliced cucumber for dipping



Grilled kabob antipasto platter with cut onion and sliced zucchini and yellow squash

Taste the Rainbow

LIPMAN INGREDIENTS:

- Coin-Cut Yellow Squash and Zucchini
- Fajita-Cut Bell Pepper
- Diced Jalapenos

KIT VERSATILITY:

- Foodservice items
- Behind the glass deli
- National accounts
- Salad Bars
- Kits sold for repack at store level



PRODUCE BAROMETER

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



JANUARY CALENDAR

All Month

National Soup Month
Get Organized Month

First Week

Diet Resolution Week

January 1st

New Year's Day

January 2nd

National Buffet Day

January 4th

National Spaghetti Day

Estero, FL Weather

Fri Dec 27	Sat Dec 28	Sun Dec 29	Mon Dec 30	Tue Dec 31
82°F	82°F	80°F	80°F	76°F
66°F	67°F	68°F	63°F	61°F
E 10 MPH	E 6 MPH	SE 10 MPH	S 6 MPH	NNE 6 MPH
Precip 40%	Precip 20%			

RESTAURANT INDUSTRY NEWS

Getting Diners to Visit Your Restaurant, Not a Delivery App

By: Tom Buiochi, www.qsrmagazine.com, December 2019

The number of people visiting restaurants has continued to decline and sales are flat at best. Some blame it on a saturated market, which has likely played a role; the U.S. now has a million restaurants, and 10,000 more are being added each year. Restaurants are also finding it harder than ever to fill positions, leaving many understaffed. But perhaps more than anything, the biggest challenge these days is from home delivery apps. The question facing restaurants: Why should I eat out when Uber Eats, DoorDash and GrubHub will deliver straight to my door? Restaurant-to-consumer deliveries are projected to increase 33 percent by 2023, while platform-to-consumer deliveries (think Postmates and Seamless, which also deliver food) will increase by 50 percent. On top of that, "ghost kitchens" are being set up solely to fulfill deliveries for digital platforms.

Restaurants have always been good at dishing up great meals, but to recapture the momentum they had just a few years ago they need to serve a flawless experience to a generation that has more choices than ever. The results of this recent survey of more than 1,500 diners across fast food, casual, coffee houses, and fine dining shed light on the challenges and opportunities during this tumultuous time. Here are some key findings, along with lessons to help restaurant managers understand what multiple generations are looking for in their dining experience.

Do better on cleanliness and service

First the good news: 70 percent of consumers said restaurants provide a great experience overall and 62% think restaurants know what they're looking for in a dining experience. But there's room for improvement. One in four consumers still want restaurants to improve their cleanliness or their service. Cleanliness is especially critical because it ensures repeat customers: Our respondents said clean tables and eating areas were the most important factors in getting them to return for another meal.

While it's no mystery that cleanliness and service are important, take note of just how much a bad experience will keep diners away: 60 percent of respondents said they read reviews before eating out, and a whopping three-quarters will avoid a restaurant with negative reviews about cleanliness. It only takes one diner and one bad experience to create a bad review, which can take a huge bite out of your foot traffic and profits. So do all you can to ensure every customer has a flawless experience.

Focus on millennials—but know that the stakes are high

We found that millennials (those aged 25-39) eat out more than any other age group. This should perk up your ears because millennials pump \$600 billion into the U.S. economy each year and allocate the highest percentage of their income to food and beverage. And for better or worse, half of millennials spend more on restaurants than they save for retirement. It's also the play you need to make for the future: in 10 years, millennials will replace Boomers and Gen X as the biggest spenders on food. So what do millennials look for in a restaurant experience? Other research shows they want "unique" experiences that go beyond dining, like an Instagram-friendly decor, live entertainment or even painting classes. Millennials also care more about organic food, plant-based foods and other healthy alternatives, so be sure your menu has these options. Our research also found that millennials are most likely to post on social media and tell friends when they have a bad experience in a restaurant. The bottom line: failing to meet their expectations could lead to harmful word-of-mouth. Restaurant owners need to be sure they attract and keep millennial diners happy if they want a successful future.

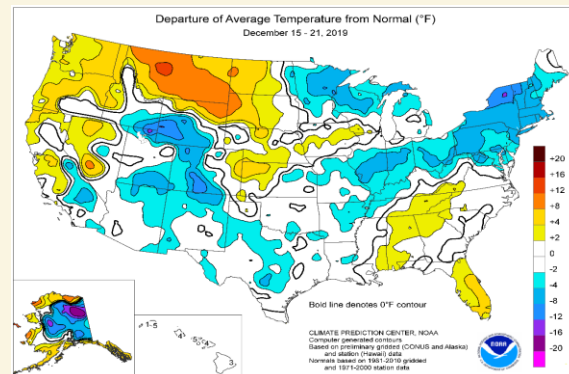
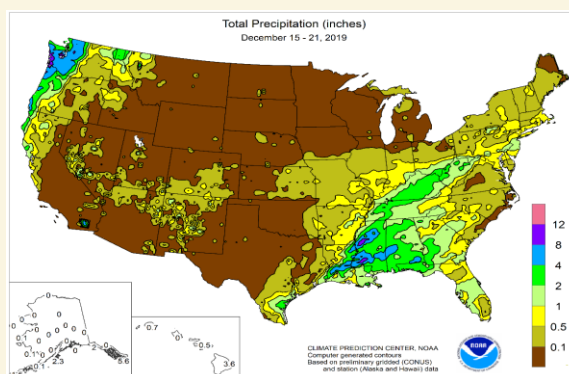
But don't forget your most valuable customers

Millennials still have a bit of growing up to do. In the meantime, Boomers (55-75) are still the wealthiest cohort in the U.S., and although millennials eat out more, Gen Xers (35+) spend the most on restaurants and takeout. While these older generations don't have the same expectations about unique experiences, they do have higher expectations in general. Our research shows that 83 percent of diners 40 and older are more likely to dine at a competitor if they have a bad experience — only 68 percent of Gen Z and millennials said the same. Similarly, 84 percent of the 40-plus crowd are less likely to return to a restaurant after a bad experience, compared to 76 percent of Gen Z and Millennials. So the older crowd is the less forgiving crowd, but once again, providing a good experience is the underlying tenet. Get it right each time or risk losing the cohort with the deepest pockets.

Despite the challenges, restaurants can thrive if they understand what each generation is looking for and nail the experience. The basics still matter regardless of age, meaning restaurants need to balance sterling service and cleanliness with creative approaches to dining. Find the right balance on this tightrope and you'll ensure a healthy future for your brand.

NATIONAL WEATHER SPOTLIGHT

Last Week's Precipitation Totals and Average Temperature Deviations



NEWS IN THE GROCERY TRADE

3 Trends Impacting Grocers in 2020

By: Matthias Woggon, www.progressivegrocer.com, December 20, 2019

In almost every sector, the rapid transition to online shopping is remaking the retail experience, bringing people out of brick-and-mortar shops and into online stores where outlets reach a global audience with ease. In this regard, the grocery industry is bucking the trend. Even as food delivery services try to carve out a niche, logistical concerns and customer demands keep people coming into food stores, supermarkets and grocers of all kinds. Indeed, while online sales account for nearly one-third of total sales in many industries, only about 3% of grocery sales happen over the internet.

However, online shopping has completely changed customer expectations when they enter the grocery store, and supermarkets looking to attract customers and boost revenue need to be ready to adapt to these shifting sentiments. Today, shoppers have more options than ever to complete their grocery lists, and catering to their needs and desires helps ensure a competitive advantage. Here are three trends driving the in-store grocery experience that will matter most now and in the years ahead:

1. Deep Analytics

Online retailers benefit from the deluge of data created by every view, click, purchase and return. Now, that quality data is defining the in-store experience as well. Grocers have many avenues for acquiring this information. From customers using curbside pickup options to integrating scan-and-shop technology throughout stores, in-store data has never been more available. Having hard data also allows retailers to adequately price and market their slotting fees, a secondary revenue stream that can help make up the notoriously small margins on the food items for sale.

2. TouchScreens

Touchscreen technology is a normative part of our everyday lives. With nearly half of the world carrying them around in their pockets, this technology is both familiar, diversified and customizable. Now, interactive digital signage is playing a prominent role in the in-store retail experience, something that grocers can capitalize on to craft a more compelling shopping opportunity for their customers. For example, interactive digital signage can provide:

Entertainment. Compelling product videos, cooking demonstrations and other digital content can engage shoppers in new ways, marketing products along the way.

Access. In the information age, customers want to know more about the products they purchase. Interactive digital signage allows customers to access product details, customer reviews or even cooking information, all of which is a hallmark of online shopping and which define the in-store experience today.

Engagement. Touchscreen technology can be used to provide custom consultations, buying advice, product demos, cooking guidelines and other helpful advice that engages customers while providing an opportunity to market new products and increase sales.






3. Interactive Apps

Although large, interactive touchscreens remain relatively novel, they are becoming more affordable and more ubiquitous every year. As more grocers turn to this technology to enhance their in-store experience, supermarkets will need to differentiate the content to continue engaging customers. However, creating custom software and continually fresh content can quickly become cost-prohibitive. Rather than building the content initiatives from scratch, grocers will need to rely on customizable, interactive apps that can quickly be downloaded, crafted and deployed. In the same way that Squarespace and other platforms have made it easy for anyone to create a website quickly, grocers will rely on software tools to generate customized content without the high overhead and specialized employee acquisitions that typically accompany these priorities.

Closing Thoughts

Ultimately, each of these trends is driving toward a single goal: personalization. Trained by the indelible personal experience offered on the internet, today's customers expect this level of customization everywhere they go. For many, it's a built-in expectation, and, according to a 2019 survey of customer expectations, 63% view it as a baseline standard of service. Therefore, whether exploring deep analytics, adopting interactive signage or developing unique content, these efforts should all support the goal of increased personalization. Unlike retailers in most other sectors, supermarkets still have extensive foot traffic. The trick is engaging the latest trends to convert in-store appearances into increased sales.

This article has been edited for content and space. To read in its entirety, please go to www.progressivegrocer.com

	
<p>FRESH TOMATOES</p> <p>MARK YOUR CALENDAR & PACK YOUR BAGS!</p> <p>January 14-16, 2020 4th Annual Precision Ag VISION Conference Hyatt Regency Waterfront Hotel at Seattle's Southport Seattle, WA www.thevisionconference.com</p> <p>February 27-29, 2020 SEPC's Southern Exposure 2020 Tampa Convention Center Tampa, FL www.seproducecouncil.com</p> <p>Come see the Lipman team at booth #436!</p>	<p>CREATED BY LIPMAN FOR OUR VALUED CUSTOMERS</p> <p>Learn more about us @ www.lipmanfamilyfarms.com www.suntasticfresh.com</p> <p>Follow us on social media</p> <div>     </div> <p>Questions or comments about the newsletter? Contact: joanna.hazel@lipmanfamilyfarms.com</p>