LIPMAN family farms

On The Horizon

MARKET UPDATE

Tomatoes: Tomato production volume has declined in South Florida, which is typical for this time of year. Expect volumes to remain adequate, but lighter until Spring crops begin in March. Quality is a bit less perfect than it has been in recent weeks, but is good overall.

Western Mainland Mexico continues to be in the thick of production on rounds and romas, with strong volumes expected to continue through the month. A minor weather event is forecasted, which could hamper things a bit, but overall quality and condition have been nice. Grape tomatoes are crossing in adequate numbers from Central and Western Mainland Mexico. Quality and condition are mostly okay, but there have been reports of mixed color, mixed sizing and splits in some lots.

Bell Peppers: With lighter acreage in production, bell pepper availability has tightened up in the East. The extended period of low prices, coupled with some quality issues, caused some farms to walk away from later picks that would normally carry us through until Spring crops begin. Expect volume to remain lighter for the next 2-3 weeks. In Mexico, Sonora-area growers are winding down, leaving it to shade house farms which are just beginning to ramp up. Availability should improve as these growers get further into crops. Quality has declined, as much of the fruit coming to market is from older fields.

Cucumbers: Eastern markets are seeing consistent supply and quality on cucumbers out of Honduras. Look for Florida to be back in production in mid to late March, Western Mainland Mexico growers are maintaining solid numbers and have nice quality on their cucumbers. Supply should remain consistent for the next few weeks, when Baja's farms are expected to be into Spring crops.

Summer Squash: Florida growers have experienced a slight increase in yellow and zucchini squash production although a wind event may slow things down for next week. Quality is average with more concerns on yellow squash, as is typical. Western markets are seeing squash supply lighten up as growing areas begin the transition from southern to northern areas in Mexico. Quality and condition remains nice.

Green Beans: Eastern green bean supply is consistent, with product coming from Southwest, Homestead and lake areas in Florida. There's a bit less bean volume coming to the border from Mexico this week, as some growers lost acreage due to disease and others transition between growing blocks.

Eggplant: Western Mainland Mexico farms continue to enjoy steady production on eggplant and are crossing fruit daily. Quality is strong and the fruit has legs to travel. In the East, eggplant volumes are lighter than they have been but adequate to meet demand. Quality is mostly good, although some fruit has weather-related issues.

Chili Peppers: Chili production from Northern Mainland Mexico is entering its seasonal decline. The majority of product is now coming out of Eastern Sinaloa, although there are several other areas in production. With a mixture of fruit from older and newer fields, quality varies by lot. All varieties are available, although serranos are on the short side.

Hard Squash: Sonora, Mexico is now in its second wave of hard squash production and expects consistent numbers for the immediate future. Acorn is a little short but should become more available in the coming weeks. Quality is reported as average.

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TRANSPORTATION FACTS

* The National Diesel Average eased $.01 higher this week, moving from $2.56 to $2.57 per gallon.

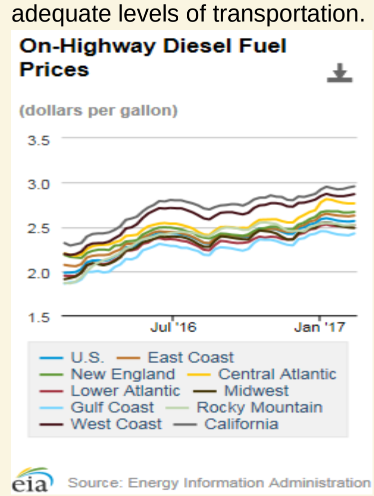
* The average price for a gallon of diesel fuel is $.59 higher than the same time last year.

* The Midwest held steady at $2.49 per gallon, but all other areas in the country reported price increases of up to $.02 per gallon.

*California remains the high-price leader for diesel fuel at $2.96 while the Gulf Coast region continues to offer the best bargain at $2.42 per gallon.

* The WTI Crude Oil price rose slightly this week (up 1.5%), moving from $52.34 to $53.11 per barrel.

* Western ship points have had a surplus of trucks available over the past seven days, while other areas in the country report adequate levels of transportation.



KEEP YOUR EYE ON THE CONSMER

Who Are Natural/Organic Shoppers, And What Motivates Them?

By: Kristen Cloud, www.theshelbyreport.com, February 8, 2017

In recent years, the natural and organics category has seen significant growth, but the profiles and motives of today's natural/organics shoppers are drastically different than they were less than a decade ago. That's according to Acosta, whose latest Hot Topic Report, "Back to Our Roots: The Rise of the Natural/Organic Shopper," explores modern-day natural/organic consumers, including what they're buying and from where, why they purchase these foods, and how they get information about the products' ingredients and processes.

"Not so long ago, shoppers interested in natural and organic food had to seek out specialty stores to find the items they wanted," said Acosta SVP Colin Stewart. "Now, not only has the growing popularity of non- or minimally processed food fed the rise of major specialty retailers, it is also transforming product development and grocery retail across various channels as the profiles of natural and organic shoppers evolve."

Acosta's report takes an in-depth look at these shopper profiles, highlighting:

Who are natural/organic shoppers?

It's not surprising that Millennials are helping to drive the natural/o rganic trend, but GenXers and families also play a large role.

• Millennials purchase natural/organic food most frequently, with on average 60 percent of their food baskets containing half or more natural/organic products.
• GenXers are second to Millennials with 34 percent of their purchases consisting of natural/organic products.
• Of consumers with baskets that contain 50 percent or more natural/organic items, 64 percent have children, compared to only 36 percent for households with no children.

What are natural/organic shoppers buying?

Shoppers are seeking natural/organic products in categories with an increased penetration rate, including dairy, cereal/oatmeal, snacks, pasta/grains and soup.

• "Must have" natural/organic items for families that are heavy purchasers of these items include produce (60 percent), dairy (50 percent), juice (47 percent), meat (46 percent) and snacks (44 percent).
• Natural/organic health and beauty care items and condiments are "must haves" for only 33 percent of families that are heavy purchasers of natural/organic items.
• Beyond their interest in natural/organic products, more than 70 percent of Millennials are willing to spend more on products like juices, oils and nut butters, demonstrating how the category can impact center store sales.

Where do natural/organic shoppers shop?

Each generation of natural/organic consumers has its own preference of where to shop for these items.

• Silents (55 percent), Boomers (54 percent) and GenXers (42 percent) most frequently shop for natural/organic products at traditional grocery stores, primarily due to the convenience factor.
• Approximately 20 percent of Millennials shop for natural/organic products at traditional grocery stores, too, but nearly 30 percent gravitate to the value channel for better pricing, product variety and "shopability."
• Thirty percent of shoppers with families purchase natural/organic products most often in the value channel, seeking lower price points.

Why are shoppers choosing or not choosing natural/organic products?

There are several factors that influence natural/organic shoppers' decisions to buy these products, but also several barriers that inhibit purchases.

• The three key triggers motivating consumers to fill their carts with natural/organic products include avoiding chemicals found in traditional food; a perceived improvement in food quality; and overall family health.
• For traditional retailer shoppers (74 percent), mass retailer shoppers (63 percent) and natural retailer shoppers (61 percent), price is the biggest barrier to purchasing natural/organic items.
• For 19 percent of natural retailer shoppers, there are no barriers for purchasing natural/organic products.

How are shoppers learning about the natural/organic products they buy?

While price is a primary barrier for natural/organic consumers, the runner-up across channels is "conflicting information or studies about products," as shoppers are confused about exactly what is good for them.

• Fifty-six to 63 percent of natural/organic shoppers report they read labels for product information.
• The top three sources of product information for natural/organic shoppers are product packaging, in-store signage and internet searches.
• Nearly 73 percent of Millennials claim spending time researching while in the midst of a spending decision.

"Motivated by a desire for better health and transparency, natural and organic shoppers are a powerful force that retailers and brand marketers must study and speak to carefully," said Stewart. "This category is one of the most important sales and marketing opportunities in retail grocery today, and all indications are strong growth will continue well into the future."

LIPMAN IN PICTURES

Here are some of the fantastic photos that were submitted for the January Lipman Photo Contest!

Kicking High for Grown True
Submitted By: Sarah Miller

Tomato Farming at its Cutest
Submitted By: Gracy Lopez

The Perfect Eggplant
Submitted By: Scott Rush

R&D Group Out in the Field
Submitted By: Jasmine Lopez

PRODUCE BAROMETER

ITEM	QUALITY	PRICING
Bell Pepper	Fair to Good	Higher
Cucumber	Good	Steady
Eggplant	Good	Steady
Green Beans	Good	Steady
Jalapenos	Varies	Steady
Onions	Good	Steady
Squash	Fair to Good	Steady
Tomatoes	Good to Excellent	Steady

FEBRUARY CALENDAR

All Month
American Heart Month
Fourth Week
National FFA Week
National Entrepreneurship Week
February 22nd
National Margarita Day
February 23rd
National Chili Day

Immokalee, FL Weather

Fri	Sat	Sun	Mon	Tue	Wed
Feb 17	Feb 18	Feb 19	Feb 20	Feb 21	Feb 22
79°F	82°F	84°F	84°F	84°F	82°F
54°F	64°F	61°F	61°F	61°F	66°F
NNE 6 MPH	ESE 10 MPH	SW 9 MPH	NE 8 MPH	ENE 9 MPH	E 11 MPH
	Precip 20%	Precip 20%			Precip 20%

RESTAURANT INDUSTRY NEWS

6 Facts Impacting Consumer Lunch Choices

By: Tara Fitzpatrick, www.restaurant-hospitality.com, February 7, 2017

What's for lunch? That's a question your customers ask themselves every day. Fooda, a Chicago-based provider of onsite lunches, has released new research on the factors driving those choices, and how they change through the week, the month and the season.

Winter Means Comfort
Cold, bleak days have customers rushing into the loving embrace of pizza (sales rise 36 percent in winter), barbecue (24 percent increase), spicy Thai food (57 percent increase) and Asian fusion (21 percent increase), according to Fooda data.

However...
The study points to a hiccup in the winter trend, when New Year's resolutions create a spike in healthful food sales, which go up 37 percent from December to January.

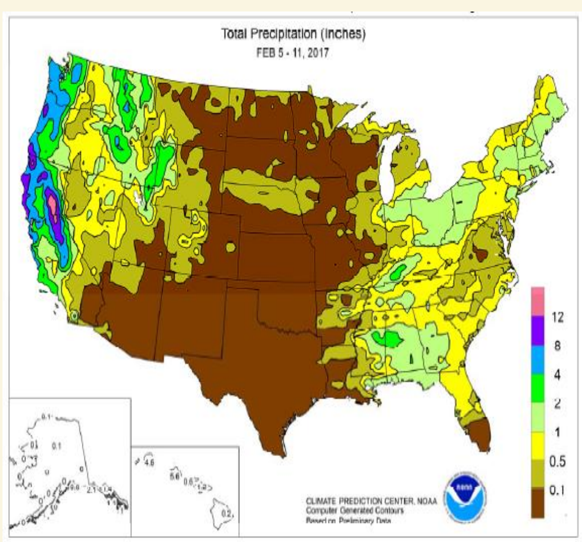
Summertime Flavors
Bright and flavorful food sales rise with the temperatures. Come summer, sales of Mediterranean food go up 13 percent, and Mexican food gets a 15-percent boost.

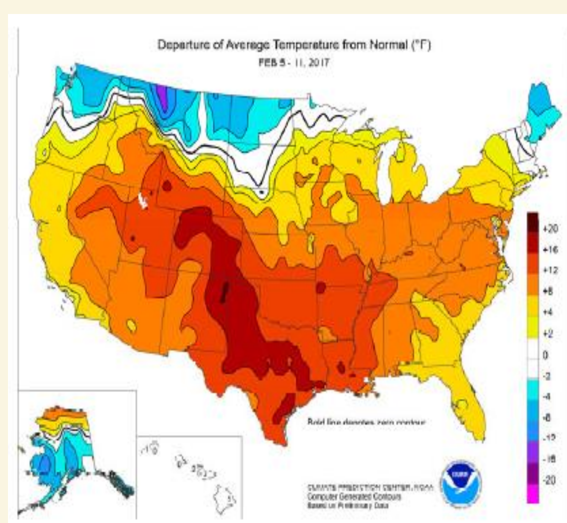
Everybody's Workin' for the Weekend
Consumers start the week with the best intentions. On Monday, sales of healthful food are 18 percent higher, according to Fooda's report. But by the time Friday rolls around, a pulled pork sammie just sounds so right, with barbecue sales going up 33 percent.

Depending on Where You Are
The most popular lunches in major cities might surprise you: In Boston, Mediterranean lunches are tops; New Yorkers go for the Cuban sandwich; Philly lunches aren't cheesesteak, but sushi, Caribbean or Mediterranean instead; Atlanta and Nashville both go for barbecue; and in Los Angeles, Chinese food is the lunch of choice.

NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation





NEWS IN THE GROCERY TRADE

5 Trends We Learned at FMI

By: Becky Schilling, www.supermarketnews.com, February 8, 2017

Two major themes that emerged from FMI's Midwinter conference last month were prioritizing and marketing local, fresh products and dealing with the digital future. Here are five things we learned to help drive your business.

1. Seventy percent of all sales are influenced by information consumers find on the web. Even though they might purchase the item in a physical store, they are likely to find that info online first and do research online first. That means retailers and manufactures alike need to make sure information is easily and readily available. And that product shots, particularly those of packaging online, are easily recognizable.

2. Alternative foods are hot. Almost all fresh foods are somewhere in this group, including those defined by the presence or absence of a characteristic (gluten-free, organic, free-from, for example). These alternative foods are going to drive fresh. "Good" food is defined by perception and opinion, not fact and/or science, and this movement is only growing.

3. Forty percent of center store and nonfood purchase are projected to be made digitally by 2025. Are you ready for those customers?

4. Holistic health is hot. It's no longer just about your physical wellbeing but your emotional and spiritual as well. And it's difficult to know where one part of your wellbeing ends and another begins. As healthcare premiums get higher for both employers and employees, this all-encompassing healthcare notion is only going to grow. That means everything from drinking more water to eating more fruits and vegetables will be big consumer trends.

5. Other industries (apparel, footwear, for example) are changing the way shoppers are influenced. So how my shoes are delivered to me will affect the way I want my milk shipped to me and will impact how our consumers expect to interact with retailers. Do you have a game plan to meet these shifting expectations?

MARK YOUR CALENDAR & PACK YOUR BAGS!

March 9-11, 2017
Southeast Produce Council's Southern Exposure 2017
Walt Disney World's Dolphin Resort
Orlando, FL
www.southernexposure.seproducecouncil.com
Join Lipman at Booth 1400!

April 3-6, 2017
Women's Foodservice Forum
2017 Annual Leadership Conference
Orlando World Center Marriott
Orlando, FL
www.womensfoodserviceforum.com

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