MARKET UPDATE

Tomatoes: Florida's round tomato volume is expected to be light for the next few weeks as farms finish up late Winter crops and wait for Spring plantings to come online. Quality on this week's fruit is nice although there are still some concerns on product from the Homestead area from prior weather. The sizing profile has spread out with more small fruit available now. Roma availability is a little stronger this week with a variety of sizing and mostly good quality. As for grapes, production has lightened up but there's plenty available to meet market needs.

Mainland and West Mexico farms are also transitioning from Winter to Spring acreage on rounds and romas. Coupled with slightly cooler weather, the transition is expected to drop available volumes somewhat. Sizing is still on the large side with very little 5x6 and smaller rounds coming out of the fields. Grape tomatoes seem to be on a different track, as they keep coming in plentiful numbers this week.

Bell Peppers: New Spring fields are flushing in Florida, bringing a good amount of bells to market this week. By no means is there an oversupply, but availability is at the best point the East has seen in months. Although there's a lot of bigger fruit, the full range of sizing is available as older fields continue to be harvested. Quality is just okay, as there is some scarring, bruising, and mis-shape due to prior weather. Mexico's Spring bell crops are running a little behind schedule due to cooler weather. Once weather conditions improve, there should be a nice flush of product available. Quality has been excellent & all pack styles are available, just not in large quantities.

Cucumbers: Honduras continues to roll along with steady cucumber production, particularly on the SS size. Volumes are light on selects and very light on cartons, as current pricing is right at the break-even point for growers. Overall quality is mostly good, although we are beginning to see some scarring on fruit that is from older fields. There are a few FL growers saying they may start during the 1st week of March, but most are on tap to begin in the 2nd or 3rd week. Despite cool weather slowing cucumber production in some areas, overall, Mexico has a good supply of product with nice quality and condition.

Summer Squash: New fields and improving weather conditions have brought better supply and quality on squash from Mexico. Florida's squash production is steady, but there's definitely not an oversupply. Farms from Homestead up to Plant City are in action this week, all with light supply/plantings. There's a big variance in the quality available on yellow squash- some is great, some is poor. Zucchini quality is very nice though. The Honduran squash that was coming in is in a gap right now. They should come back in with fruit about the same time that Florida's Spring plantings do…in 2-3 weeks.

Green Beans: Warm weather has brought the beans on! There's plenty available and quality is good from the Lake, Homestead and other South Florida areas. Mainland Mexico also expects to have good supply and quality for at least the next few weeks, barring any weather issues.

Eggplant: Florida doesn't have a whole lot of eggplant as crops just never quite recovered from the previous cool and rain they experienced. Quality is decent, but there have been considerable reports of scarring. We don't expect much change in volume until the 2nd or 3rd week of March. Meanwhile, Mexico's eggplant harvests are ramping up with better volumes and quality this week.

Chili Peppers: Hot peppers, for the most part, are at normal levels for this time of year with the exception of jalapenos & serranos. While we expected improvements this month, it's now looking like it will be March before availability rebounds to more normal levels. Quality is all over the place as growers haven't fully recovered from past weather patterns. We're seeing internal decay, shoe polish, mixed sizes, and scarring on some crossings and nicer quality on others.

TRANSPORTATION FACTS

*After being stable for 3 weeks in a row, the national diesel average shot up $04 this week and now stands at $3.01 per gallon.

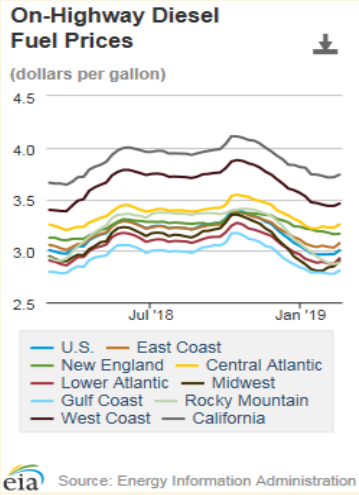
* The average price for a gallon of diesel is $.02 lower than the same time last year.

* All areas of the country reported price increases, with the most significant coming from the Midwest and Lower Atlantic where diesel is almost $.06 per gallon higher this week.

*California continues to have the highest diesel prices in the country at $3.74 per gallon while the Gulf Coast is the low-price leader at $2.81 per gallon.

*The WTI Crude Oil price rose 3% this week, moving from $54.41 to $56.09 per barrel.

*Trucks are available in adequate or slight surplus levels at all shipping points in the country this week.



ON THE HORIZON CONTENTS

KEEP YOUR EYE ON THE CONSUMER

How Agriculture is Growing in the Age of the Connected Consumer

By: Frank Giles, www.growingproduce.com, January 14, 2019

Cables, wires, and satellite signals have connected the world in ways that were unfathomable only a decade ago. People essentially have access to the world in the smartphones that fit neatly in their hands. Already, this connectivity has had far-reaching implications on how people learn about and make decisions on the food they purchase.
Rick Stein, Vice President of fresh food for the Food Marketing Institute, says growers should be aware of these changes because they will come with challenges and opportunities. He calls the phenomenon the "connected consumer," because consumers can now access so much information, so easily about their food-purchase decisions.

This is especially relevant to the specialty crop industry. The produce department came in second to price when consumers were asked about the primary drivers that make them choose one retail outlet over another. Because of this, FMI research indicates that 85% of retailers plan to allocate more space and resources to fresh foods. Stein says growers can be assured that consumers are searching for information on produce items and who grows them. "The next time you are in your local grocery store, walk around and observe how people are interacting with their devices when shopping," he says. "As an industry, we have to embrace this both from the grower and retail side."

Transparency and Convenience
With Millennials making up a larger and larger share of food purchases, retailers are catering to their demands and needs. One of their demands is transparency (with education) and the other is convenience. "Millennials, Gen Z, and even some Gen X age groups want to know where their food comes from," Stein says. "And this younger generation wants education on how to prepare healthy foods."

Stein points to a statistic that shows that frozen vegetables are really taking off with the younger generation. He says this is most likely tied to ease-of-use and education. "The bag of frozen vegetables says put it in the microwave and press two minutes, so it is easy and there is instruction on how to prepare it," he says. "These younger consumers also have learned that frozen vegetables have as much nutritional value as fresh produce. Right there you have an example of education and convenience. "There is no reason this can't be done in the produce department of stores," Stein continues. "If you take time to provide education to the consumer about these products, it might influence their purchase."

When it comes to transparency, 57% of consumers also are motivated by social and cultural factors in food production like sustainable growing practices (including organic), fair wages for workers, animal welfare, and less packaging.

Digital Footprint
Stein says small and larger farms should create a digital footprint, so these connected consumers can find them. This might include a website and social media presence. This communication can originate from in-store displays and on packaging via website URLs or scannable smartphone codes. "There are all kinds of ways growers can connect to the consumer and do it in a way that makes the retailer happy," he says. "Retailers are dealing with tight labor as well and don't want to have a bunch of people in the produce section to explain everything to the consumers. "Anything you can do as a grower to communicate and educate the consumer, the retailer is going to applaud it. It also will build loyalty with the retailer and consumer because you will become a trusted adviser on fresh foods."

Larger fruit and vegetable farms in Florida used to shy away from the media and public spotlight. But, as the connected consumer has become a force, these larger operations have invested in their digital footprint, providing robust websites and social media loaded with information about the items they grow and recipes using those items. They retain celebrity chefs and social media influencers to promote and educate consumers about the crops they are growing and selling to create demand. Smaller farms can make the connection as well. Stein notes playing up the "local" aspect of a small farm is a good hook with retailers and consumers.

"Just because you have a small farm doesn't mean you can't connect," he says. "Maybe it is making an in-store appearance to answer questions from shoppers about what you grow. But, you really have to have a mindset that this is something you want to do rather than why you can't. Maybe you don't have a website but ask what you can do [and create] a social media presence.

Stein does caution that access to all this information can present challenges for growers. When it comes to things like sustainability and fair wages for workers, who defines what is right or wrong? For consumers with no connection to the realities of growing food, their definition of these standards could be unrealistic and unsustainable for growers. Here again education plays a role. If growers and agriculture in general choose not to be a part of these conversations, definitions will still be applied, good or bad. There are millions of conversations occurring daily related to food. Scanning popular social media platforms bear that out.

The baseline of consumer expectations for transparency is being established. They include the product origin/farm, growing practices, opportunity to provide feedback, and animal welfare. With recent foodborne illness outbreaks tied to produce, the product origin is a no-brainer, but areas like growing practices and feedback are still in the more formative stages. Growers who lead in these areas will have a competitive edge.

Stein says whether you are big or small, tell a story about your farm and be authentic. The GMO debate is a good example of how consumer perception can drive the discussion. The agriculture industry has fought the negative perception of GMOs with scientific facts for years, but the proliferation of non-GMO labels on food items in stores illustrates those arguments have lost out at least from a marketing perspective. "Another thing about this younger generation of consumers is they know when they are being played and they understand the value they have as a consumer," Stein says. "That means authenticity is important in how you position and market what you grow."

Looking Ahead
Stein says the successful grower will need to be ready for change and be able to adapt. The connected consumer's access to information will only grow and will become even faster, which means change will come faster. "One trend we see developing is the idea of how fresh is fresh," he says. "Consumers are seeing broccoli on the store shelf and they now want to know when it was picked. That can cause a little conundrum for growers, because consumers don't understand the relationship between harvest, the cold chain, and freshness. Here again is an education opportunity."

Retailers are adapting to these new consumers and changing how grocery stores and other outlets look. Stein says there are fewer and fewer people who are "pantry loaders" and many of the younger generation shop for what they need in the moment. That means stores are making larger delis with more fresh prepared foods and larger space for fresh fruits and vegetables.

**This article has been edited for content to fit the available space.*

AN APPLE A DAY

Survey Shows Ready-To-Eat Food Purchases Increase

By: Tom Karst, www.thepacker.com, February 19, 2019

Consumers have reported increased purchases of ready-to-eat convenience foods over the last decade, a new survey reports.

The U.S. Department of Agriculture's Flexible Consumer Behavior Survey reported consumers in 2015-16 reported purchases of 2.4 ready-to-eat foods in the past 30 days, up more than 25% from 2007-08, when consumers reported consuming 1.9 ready-to-eat foods in the same period.

Eating out

For 2015-16, the USDA survey found about 89% of adults bought food from a fast-food restaurant and 90% of adults ate at a sit-down restaurant in the past 12 months.

The 2015-16 survey found that consumers reported eating 3.6 food away from home meals in the last week, down slightly from 4 food-away-from-home meals reported in the same period in 2007-08.
For both 2007-08 and 2015-16, less than half of food-away-from-home meals were from a fast-food restaurant, according to the USDA.

The survey said the percentage of adults who saw nutrition information on a fast-food restaurant menu increased from 20% in 2007-08 to 42% in 2015-16. The percentage of adults who saw nutrition information on a sit-down restaurant menu increased from 16% to 27%.

However, the percentage of adults who used nutrition information on a fast-food restaurant menu was 41% in 2015-16, up only 1% from 2007-08. The number of adults who used nutrition information on a sit-down restaurant menu actually declined, from 53% in 2007-08 to 43% in 2015-16.

MyPlate awareness low

The survey found that the MyPlate guide to support healthy eating is not widely known by consumers.

The survey found 24% of adults reported that they had heard of MyPlate in 2015-16, up from 20% in 2013-14. Among those who heard of MyPlate, the survey found the percentage of adults who had tried to follow the recommendations in the MyPlate plan remained stable at 35% over these two time periods.

PRODUCE BAROMETER

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

FEBRUARY CALENDAR

February All Month
National Heart Month
February 17th-23rd
Random Acts of Kindness Week
February 23rd
National Chili Day
February 24th
National Tortilla Chip Day
World Bartender Day
February 26th
National Personal Chef's Day

Immokalee, FL Weather

Fri	Sat	Sun	Mon	Tue
Feb 22	Feb 23	Feb 24	Feb 25	Feb 26
89°F	88°F	88°F	85°F	86°F
67°F	68°F	65°F	65°F	68°F
E 6 MPH	E 8 MPH	SSE 7 MPH	E 2 MPH	E 8 MPH
	Precip 30%	Precip 10%	Precip 30%	

RESTAURANT NEWS AND VIEWS

Why You Need to Pay Attention to Organic Consumers

By: Nicole Duncan, www.qsrmagazine.com, January 2019

A decade ago, organic was a burgeoning buzzword among consumers and the restaurants and grocers they frequented. Today, the descriptor carries less weight, partly due to the proliferation of organic options, but also because of the rise in other health-connoting terminology (think functional, all-natural, or farm-fresh). But in the nearly 20 years since the USDA established the National Organic Program, organic has left an indelible mark on consumer behavior. In fact, organic shoppers and diners have become their own substantial consumer subset. And while "organic" has its nuances—for example, some foods are 100 percent organic, while others use organic ingredients—the overarching definition connotes a product that was grown or raised free of synthetic fertilizers and pesticides.

WHO ARE THEY?

Organic shoppers are, essentially, the vast majority of consumers. According to the Hartman Group, 85 percent of U.S. adults have purchased organic foods and beverages in the last three months. Because this group is assembled by behavior rather than constants such as age and ethnicity, it is fluid and capable of expanding—or contracting—depending on external factors. As of now, organic users are by and large middle-income, white, married, urban dwellers, per Hartman. More than half (54 percent) are women, and 59 percent have either an undergraduate or graduate degree.

It's important to bear in mind that these characteristics reflect consumer purchases, not preferences. After all, organic may be more common than it was two decades ago, but it still fetches a higher price, meaning that lower-income customers are less likely to buy organic goods at the grocery store—or visit organic-centered restaurants.

COMPETING PRIORITIES

Even consumers who can afford organic may choose to prioritize other attributes. In a survey by the International Food Information Council (IFIC) Foundation, respondents were more likely to rank foods that were high in healthy components and nutrients, minimally processed, or natural as their top concern in eating healthy over organic foods. Obviously, these healthy features can coalesce for consumers; a diner who cares about nutrient density is also likely to pay attention to whether a product is organic or free of GMOs. Nevertheless, restaurants should not expect the addition of "organic" to their menus to result in slam-dunk sales.

THE FOOD PYRAMID

When deciding when and where to call attention to organic offerings, operators might consider which foods shoppers are most likely to seek in organic form. As it turns out, produce is the top food group for customers when buying organic. According to Mintel, half of consumers are likely to purchase organic fruits and vegetables. Forty-one percent buy organic meats, poultry, and seafood, and 38 percent purchase organic dairy products like cheese, yogurt, and milk. As for juice, only 39 percent of consumers are most likely to purchase it in organic form, which is something of a paradox given that the vast majority of limited-service juice concepts make their organic nature a brand cornerstone.

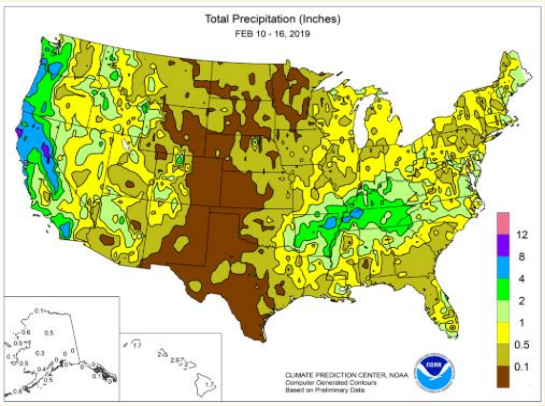
ON THE OUTS WITH ORGANIC

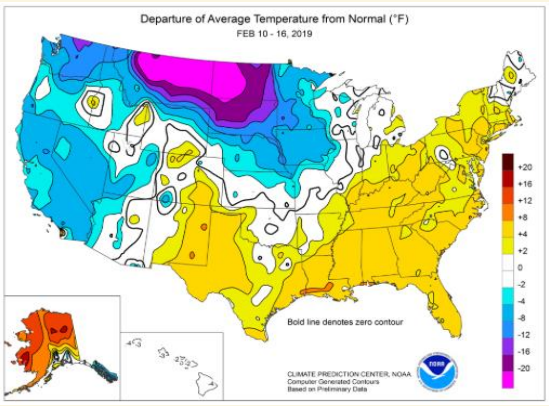
As with all trends, the pendulum is bound to swing back. Organic may be one of the few health-driven terms to garner a USDA certification, but it is not a guarantee of nutrition or general wellbeing; after all, processed food with high sugar content can be organic. In the early days of organics, consumers may have conflated the two, but today the general public is better informed and understands the distinction. They are also wary of health claims. Per Mintel, a mere 26 percent of consumers trust organic food labels; worse yet, only 13 percent believe organic foods are highly regulated.

Finally, organic has less sway over consumers in the restaurant than it does in the grocery aisles. Close to 30 percent of consumers report they are influenced by organic labels when shopping for food and beverage, per IFIC. That figure drops to 20 percent for eating away from home. To that end, restaurants must change tack in winning these customers. Organic dishes perform better when used in tandem with other classifications like locally sourced and functional foods. Aligning those foods with newer, splashier descriptors could drum up more attention.

NATIONAL WEATHER SPOTLIGHT

Last Week's Precipitation Totals and Average Temperature Deviations





MERCHANDISING MINUTE

In the Produce Aisle, It's All About the Details

By: Armand Lobato, www.thepacker.com, February 21, 2019

The itty-bitty things.

When I think of how things were when I was a produce manager, the memories usually center around how we used to manage so many details every day. Things such as writing accurate orders, assessing the day's needs, and making it on time to (yet another) meeting used to preoccupy so much of my time. So much so that it was easy to forget about produce department fundamentals.

Dan Reeves, former Denver Broncos' coach, used to refer to such details as the "itty-bitty things." He usually said it when referring to a player who was reluctant to work on the small yet important details that ultimately make all the difference. Every business, be it football or produce, is a game of inches. The fundamentals. The details.

Sometimes a produce manager must do the same and expect a little bit more sharpness from his or her crew. Especially because people tend to fall into ruts. The crew eventually lets up a little bit here, a little there ... And before long the little shortcuts turn the produce department into something that just looks, well, blah.

Fresh is where it's at. Fresh and full and appealing always saves the day. That's why I would take this opportunity to center on a handful of points with my crew, and get into their business a bit, so to speak, with a few points:

Trimming. Such simple thing, right? However, there's a right and wrong way to trim. I'd help a clerk prepare a case or two and observe their work. "Hey, slow down there cowboy," I'd say. "Look at that trim job. You don't need to cut the cabbage in half. Trim off just a thin amount from the butt-end and remove only discolored leaves. Over-trimming is weight, and weight is money. Besides, look how much fresher a properly trimmed head looks." Same goes for everything you trim. Easy does it.

Then I'd do the same for clerks trying to skip the crisping program. I'd make sure they knew how to prepare the leafy greens, and why it was important to follow through. Again, fresh sells.

I might inspect the setup clerk's display upon completion. How was the culling? If I had to cull more than a few items, that person would get a quick and sharp rebuke. Clerks must be mindful to cull poor product, so that only fresh is left on the stand.

Fresh produce is all about proper rotation. I'd make it a point to see the back room was rotated daily and the front-end displays rotated, every time they were stocked. Or else? Or else the clerk had to re-stock. Itty-bitty things? Sure. But with fresh produce, it defines what we do.

FRESH TOMATOES the best of nature™

MARK YOUR CALENDAR PACK YOUR BAGS!

March 7-9, 2019
Southeast Produce Council's Southern Exposure
Walt Disney World Swan & Dolphin Resort
Orlando, FL
www.seproducecouncil.com
Come join #TeamLipman at Booth #1125!

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