



MARKET UPDATE

Tomatoes: Florida's overall tomato volume is down slightly from previous weeks, mostly due to the prior weather. However, the full range of sizing is available on rounds as growers are picking enough crown, 2nd and 3rd picks to provide all sizing options. Some of the later picks are still showing scarring issues, but there's plenty of nice quality available after grade out. Roma volumes continue to be light but mostly steady this week. There are some mixed reports on roma quality, but most fruit is nice. Grape tomato yields have picked up this week as Florida has finally started seeing more consistent warm temperatures. Quality and packouts have been good on grapes.

Mainland Mexico's winter production is in full swing with good volumes of all varieties available. Rounds are still heavier to larger sizes with smaller fruit coming in a little short. Grape tomato supply is abundant this week with promotional volumes available. Overall quality is good despite a few mixed reviews on lots of romas and grapes.

Bell Peppers: Although there are no major volume increases expected until Spring, Florida's warmer weather forecast for the next week or so should bring a little more fruit and better quality to market. The majority of the country's peppers are coming out of Mexico where production and quality have improved with more favorable growing weather.

Cucumbers: The import numbers are down a little on the Honduran cucumber deal, mostly due to lackluster demand. Quality is good overall, but there have been a few issues from shippers that got caught with extra inventory before imports slowed to better match demand. Mexico's production has slowed down a little this week but is expected to pick back up over the weekend. Quality and condition continue to be nice, particularly out of Sinaloa.

Summer Squash: As new fields start

and weather improves, Mexico's squash numbers are becoming consistent and stronger. Quality has improved but there's still the ever-present issue of scarring on yellow squash. Florida's squash production has also improved somewhat as new blocks have gotten started. Eastern volume continues to be supplemented by some import product, but most of that is zucchini.

Green Beans: Both Florida and Mexico have good supply and quality available on beans this week.

Eggplant: Warmer weather has brought on better supply and improved quality on Mexico's eggplant. Florida farms have light but steady supply and quality is improving.

Chili Peppers: Mexico's chili pepper supply is improving on all varieties, but jalapeno and serrano harvests still have a way to go to reach normal levels. Quality is also improving but there's still some misshape, mixed sizing and weak fruit. There's not much to report out of Florida...just minimal volumes until Spring crops begin in late March/April.

Hard Squash: Mexico's hard squash numbers are mostly steady this week, but supply is not without some challenge. Several producers are gapping on acorn, making it snuggler than other varieties. Numbers are steady on butternut and spaghetti, but there are some quality issues on spaghetti. Eastern supply continues to come out of Honduras with steady supply on all but acorn.

Organic Grape Tomatoes: With good weather and strong yields, Mexico has plentiful volumes available on organic grape tomatoes in both Nogales and Olay.

Organic Squash: Mexico's squash volume is on the upswing, more so on zucchini than yellow. There are scarring concerns on yellow, but quality is nice on zucchini.

TRANSPORTATION FACTS

*For the third week in a row, the national diesel average is \$2.97 per gallon.

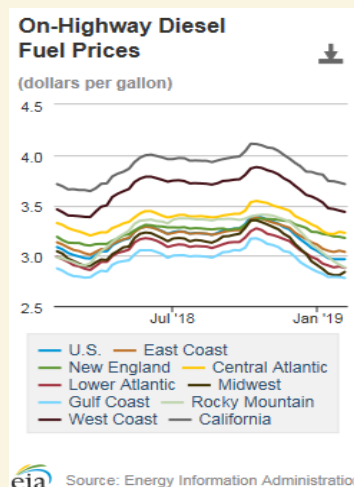
* The average price for a gallon of diesel is \$.12 LOWER than the same time last year.

* The only area reporting a price increase this week is the Midwest, where a gallon of diesel fuel is up \$.03. All other areas reported slight price declines.

*California continues to have the highest diesel prices in the country at \$3.71 per gallon while the Gulf Coast is the low-price leader at \$2.78 per gallon.

*The WTI Crude Oil price rose ever so slightly this week, moving from \$53.31 to \$53.66 per barrel.

*Transportation availability has shifted this week. Florida shippers are experiencing a slight shortage, but there's more than enough transportation available in most Western shipping areas.



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RESTAURANT NEWS AND VIEWS

How Millennials are Changing the Way We Think About Eating Out on Work Trips

By: Jeff Fromm, www.forbes.com, January 25, 2019

Whether we're traveling for work or leisure, one thing all trips have in common is that we have to eat! When it comes to business travel dining, the Global Business Travel Association teamed up with Dinoa for a research study diving into the psyche of the business travel diner. Business dining accounts for nearly 20 percent of annual travel and expense spend, so it certainly shouldn't be ignored by companies. I spoke with Colleen Gallagher, vice president of communications to learn more.

Jeff Fromm: What are typical dining behaviors on business trips and do generational gaps exist?

Colleen Gallagher: Dining is always on the mind of the road warrior, and the type of dining they do depends on the trip. The study found that in total, 64 percent of business travelers take their money to upscale casual restaurants, followed by fast casual (52 percent), fast food (34 percent) and finally, fine dining (29 percent).

Clear generational differences exist when it comes to eating out on the road as Millennials are most likely to dine on-the-go preferring a grab-and-go breakfast, a quick and easy lunch by themselves and delivery or take-out for dinner. The Gen X crowd typically likes to grab lunch and dinner out with their co-workers and Boomers are more likely to wine and dine with clients.

Fromm: Let's talk technology: what role does it play in the business dining experience?

Gallagher: In today's world, technology has become an essential part of how employees of all ages travel,

but as digital natives, Millennials especially embrace technology and not surprisingly, are more willing to use the tools and technology made available to them through their travel programs. The research found that 63 percent of business travelers research dining prior to leaving for their trip. Generationally, Millennials are much more likely to use Uber Eats while Boomers prefer to search for the best-reviewed restaurants in the area and use Yelp. In fact, 63 percent of business travelers have dining-related apps on their mobile phone. In the last year, they used their device to search for local places to eat (54 percent), to make a reservation (47 percent) and to search social media for information about a restaurant (33 percent).

Fromm: How important are healthy options while on the road for work?

Gallagher: Eating healthy on the road has become front and center for business travelers, which is why the vast majority (77 percent) of business travelers consider it to be important when traveling. Additionally, 64 percent prefer healthier menu options and 43 percent want to see published nutritional facts. While it could be a sign of the times, Millennials could also be a powerful driving force in this area. When ranking factors for choosing a restaurant on the road, three in 10 Millennials rank the nutritional value of the meal in their top two reasons—more so than any other group.

Fromm: What is a preferred dining program and what makes a road warrior want to use one?

Gallagher: Similar to how companies have preferred airline, hotel or car rental vendors, a preferred dining program provides a list of policy

approved restaurants for dining on official company business. Nearly 4 in 10 (38 percent) business travelers say their companies have a preferred dining program and a similar share (37 percent) are interested in having one. Additionally, 74 percent say they would be more motivated to use a preferred program if they earned rewards. Interestingly, 75 percent of Millennials would be more likely to become a member if rewards points could be redeemed toward their favorite charity, compared to 61 percent of Gen Xers and 42 percent of Baby Boomers.

Fromm: With business travel, a lot comes down to the bottom line, so what about the expense report?

Gallagher: When asked what diners can expense in their travel policies, 71 percent of respondents said client meals, 56 percent said group meals and 46 percent said alcoholic beverages. Additionally, 72 percent said they pay for meals with a corporate credit card. It turns out Millennials are incredibly responsible with company money. Contrary to popular views that Millennials are often entitled or difficult employees, they are much more likely to have reservations about ordering extras such as room service (66 percent) or coffee and snacks (70 percent) while traveling as opposed to their Gen X or Boomer colleagues—even when their travel policy permits it.



NEWS FROM THE CAPITOL

Marco Rubio and Ted Yoho Call to End Tomato Suspension Agreement with Mexico

www.andnowyouknow.com, February 5, 2019

WASHINGTON, DC - On February 1, 2019, U.S. Senator Marco Rubio (R-FL) and U.S. Representative Ted Yoho (R-FL), alongside bipartisan support from 46 Senate and House colleagues, urged Commerce Secretary Wilbur Ross to immediately terminate a suspension agreement between the Department of Commerce and Mexican tomato exporters that they say has allowed "unfair competition."

Terminating the current agreement would restart a U.S. antidumping investigation on fresh tomatoes from Mexico that has been on hold for more than 20 years. The two Florida Senators say the move would give Commerce more leverage to try and secure a new suspension agreement that is both effective and enforceable, according to a press release.

"Since the first tomato suspension agreement was enacted in 1996, hundreds of U.S. tomato growers across the country have been forced out of business," reads part of the letter issued to Secretary Ross. "Small family operations have been particularly hard hit, and the production losses reverberate beyond agriculture to deeply impact rural economies and land development patterns. The industry will continue to shrink if the status quo is maintained."

Calling the tomato suspension agreement between the Department of Commerce and Mexican tomato producers "ineffective," Yoho added in a press release that it places U.S. tomato farmers at an unfair disadvantage.

The letter, signed by representatives in 12 different states and territories, noted that Mexico's share of the U.S. tomato market has increased from 32 to 54 percent, while the share for U.S. growers has fallen from 65 to 40 percent. Since 2002, imports of Mexican tomatoes have skyrocketed 125 percent, and U.S. production has declined 34 percent.

"Fairly traded imports can and do enrich Americans' lives, but unfair trade practices can eviscerate the jobs and production that define dignified livelihoods and sustain our communities," Rubio said in the release. "The U.S. tomato industry has been the canary in the coal mine for domestic fruit and vegetable production over the last three decades. Immediately terminating the suspension agreement will reinvigorate the antidumping investigation on fresh tomatoes from Mexico and send the message that the U.S. will ensure vigilant enforcement of our existing trade laws and trade agreements."

PRODUCE BAROMETER

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



FEBRUARY CALENDAR

February All Month

Return Shopping Carts to the Supermarket Month

February 11th

Clean Out Your Computer Day

February 13th

National Eat Italian Food Day

February 14th

Valentine's Day

February 15th

Singles Awareness Day

Immokalee, FL Weather

Fri Feb 8	Sat Feb 9	Sun Feb 10	Mon Feb 11	Tue Feb 12
81°F	79°F	81°F	82°F	83°F
70°F	61°F	61°F	61°F	68°F
NE 5 MPH	ENE 13 MPH	E 13 MPH	E 8 MPH	ESE 7 MPH
	Precip 20%	Precip 20%	Precip 20%	Precip 40%

NEWS IN THE GROCERY TRADE

Light and Moderate Users Will Fuel Organic Growth in Years Ahead

By: Tom Karst, www.thepacker.com, February 4, 2019

HOLLYWOOD, Fla. — Consumers who have taken organic produce to its elevated importance today won't be the same consumers who will take it to the next level. That is the view of Steve Lutz, vice president of U.S. and Canada West for the Produce Marketing Association. Lutz spoke Feb. 1 at The Packer's 2019 Global Organic Produce Expo on the topic of "Understanding the Organic Consumer Opportunity."

"My conclusion is that the opportunity for organic, the sales gains that we will see will going forward, will be generated by consumers that are different than the people who got us here," he said. Heavy users of organic, who helped to build the category, can buy more, of course, he said, with expansion of assortment and availability. However, light consumers of organic is where the greatest opportunity exists, Lutz believes. "And I don't think we have to convince them that organic is better," he said. "I think that's the wrong argument; I think we have to show them (organic produce options) are available, that are high quality, and that they have a reasonable price premium that's worth buying."

Changing consumers

Lutz said statistics from the Organic Trade Association now show about 82% of consumers have purchased some organic products in the past year. Looking at sales in 2018 compared with 2015, Lutz said that dollar share of organic produce sales reached nearly 10% of all produce sales in 2018, compared with less than 8% in 2015.

The percentage growth of organic produce from 2015 to 2018 totaled 28% in sales and 29% in volume, Lutz said. That compares with just 2% growth in total produce sales and a 1% decline in total produce volume in that period. If current growth rates continue, Lutz said organic produce sales could be expected to double in the next ten years.

In his data-rich presentation, Lutz considered the behaviors of different types of organic consumers, characterized as trial, transitional, regular and committed. In 2009, 80% of consumers were only generating 20% of sales. In contrast, 3% of consumers were driving 45% of sales, and 20% of consumers were driving 80% of sales. By 2018, organic sales broadened, with 33% of consumers driving 56% of sales.

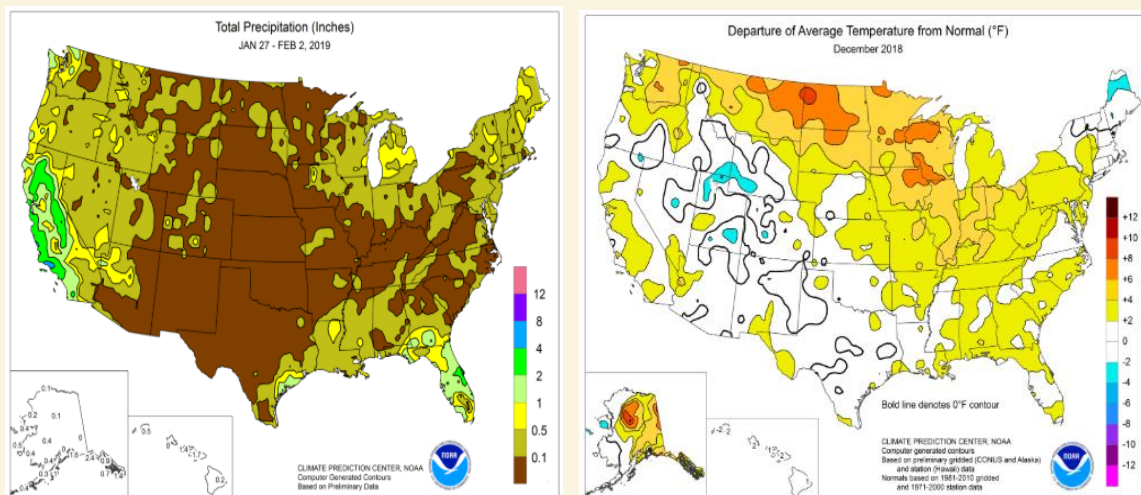
"The base has gotten a lot bigger and that's a pretty good indication to us of the expansion of our market," he said. "Those medium and light users buying a lot more products than they were just a few years ago."

Future sales growth will come from supermarkets, including value retailers, he said. "To me, that's good news, because it says those retail organizations are going to do a better job and sell more of organic produce than they have in the past."

Organic produce is an entry point to the broader organic market, and Lutz said that puts produce marketers in a strong position. "The place where consumers discover organic foods is the stuff that we grow," he said. "We're the entry point, we're the introduction piece — it's a really powerful message for produce."

NATIONAL WEATHER SPOTLIGHT

Last Week's Precipitation Totals and Average Temperature Deviations





SUNTASTIC SPOTLIGHT

Huron Produce and its SunTastic brand of greenhouse-grown tomatoes and vegetables have now been part of the Lipman family for almost one year! As we near the anniversary of this transformative expansion of capabilities and distribution, On the Horizon will highlight the products, people, and practices of Huron in a weekly series. Here's to the sun!



WHEN WE GROW! GROWING CHART

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LOCATION	PRODUCT	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
EXETER, ONTARIO, CANADA	TOMATOES ON THE VINE - MAR 1 - DEC 1												
	BEEFSTEAK - MAR 15 - DEC 15												
	PEPPERS - MAR 1 - DEC 1												
	CUCUMBERS - MAR 1 - DEC 1												
	SPECIALTY TOMATOES - APR 1 - DEC 1												
	MINI PEPPERS - APR 1 - DEC 1												
O'NEILL, NEBRASKA	TOMATOES ON THE VINE - YEAR ROUND												
	BEEFSTEAK - YEAR ROUND												
	SPECIALTY TOMATOES - YEAR ROUND												
	PEPPERS - YEAR ROUND												
	CUCUMBERS - YEAR ROUND												
	SPECIALTY TOMATOES - YEAR ROUND												
FREDERICK & BRIGHTON, COLORADO	TOMATOES ON THE VINE - YEAR ROUND												
	BEEFSTEAK - YEAR ROUND												
	PEPPERS - YEAR ROUND												
	CUCUMBERS - YEAR ROUND												
	SPECIALTY TOMATOES - YEAR ROUND												
	MINI PEPPERS - YEAR ROUND												
MEXICO & EDINBURG, TEXAS	TOMATOES ON THE VINE - YEAR ROUND												
	BEEFSTEAK - YEAR ROUND												
	PEPPERS - YEAR ROUND												
	CUCUMBERS - YEAR ROUND												
	SPECIALTY TOMATOES - YEAR ROUND												
	MINI PEPPERS - YEAR ROUND												

LOCATIONS

- Exeter, Ontario
- Strathroy, Ontario
- Edinburg, Texas
- O'Neill, Nebraska
- Frederick, Colorado
- Brighton, Colorado
- Mexico

We Follow The Sun. With greenhouses in Canada, USA and Mexico, we follow the sun, bringing our best practices wherever we grow to produce the highest quality freshness and flavor. For family, by family. SunTastic has over 50 years of family-owned business experience producing fresh, nutritious produce for you and your loved ones. Wherever you are in North America, we're local. With distribution centers across the continent, our 400+ acres grow year-round.

We're Brighter than Ever. Brighter and better for the environment. We are about people and the planet. We care about the planet. We use 40% less packaging than traditional clamshells and bags.

Fans of Sustainability. SunTastic is committed to being an environmentally conscious grower and to always run our business with honesty and integrity. We heat our facilities with locally sourced biomass materials, use electronic forklifts at all facilities, and ensure our trucks are always full to maximize freight. Maximizing freshness and lowering emissions from trucks.

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!

April 7-10, 2019

Restaurant Leadership Conference
JW Marriott Desert Ridge Resort & Spa
Phoenix, AZ

www.restaurantleadership.com

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