



## MARKET UPDATE

**Round Tomatoes:** Florida's round tomato numbers are still short as yields have been well below the seasonal average due to rain and cool temps. Size has definitely been on the smaller end of the spectrum since growers are picking and packing everything they can (2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup> and even 5<sup>th</sup> picks in some cases). We should see the size profile up a notch or two as more crown picks are expected to start next week. The volume increases will be slow but steady over the next few weeks as both weather and yields improve. Although we may not see numbers rise to "normal" levels, we'll be closer to that measure as we move into February. Western markets are still waiting for Culiacan farms to get rolling, as their starts were impacted by the late November storm. Look for gradual volume increases over the next two weeks as growers get back on track. Quality and packouts have been good on the FL fruit while much of the Mexican fruit is coming in with very light/no color.

**Roma Tomatoes:** Roma volumes out of Mexico are showing signs of improvement as more farms get into weather-delayed crops. Quality and sizing still present challenges, but should get better as more growers move into new crops. Florida's roma quality is better, but seasonal volume is light by design and there's not enough to go around.

**Grape Tomatoes:** Florida yields have picked up finally, as grapes are the first to recover from cold temps, rain, etc. We expect steady harvests, good quality and nice packouts for at least the next few weeks. Mexico growers are experiencing a similar situation, providing an overall positive outlook for any Superbowl promotions on grapes. Quality is nice from both areas.

**Bell Peppers:** Bell peppers are very snug in Florida, as production is down to just the East Coast and SW Florida which are both in the low-acreage winter mode now. Yields have been below average, mostly due to the prior weather. With rain and holidays keeping harvesters out of the fields, we've seen some mixed coloring recently where the fruit got

overmature. There's also some bruising and other issues, but overall quality is average. Sizing has been toward the jumbo side as growers went through crown picks. Now, fruit is sizing down with larger #'s coming in as XL and L. Mexico's new fields are slow at starting up after being affected by the rain, cool, and cloudy weather. Sizing is on the smaller side right now but quality has been strong on the light volume available. We should see more volume in a couple of weeks.

**Cucumbers:** Honduran cuc growers came in with a lot of product around the holidays. Unfortunately, transportation issues held up the flow and put age on product. As supply got backed up, quality became hit or miss with some decay, softness, and sunken areas. The backlog is cleaned up now and we're seeing lighter supply but there seems to be enough to go around. Mexico's production has slowed down from cooler weather at night. Growers are facing quality issues with the plants after the heavy rain they've gotten all season. Many growers will be finishing up their first stage and will come back in with new crop at the end of February so expect to see lighter volume until then. Quality of the cucumber is still good but we're starting to see more off grades.

**Green Beans:** Florida's bean production was a bit lighter at the beginning of the week due to some cool weather over the weekend. Harvests have been up and down, but overall yields have dropped off. Quality has been good, but growers are now getting into plantings that have seen a good amount of wind and there's some occasional scarring. Mexico's supply is on the lighter side this week and most growers are harvesting on an every other day schedule. With some nice weather in the forecast, we should see production increases over the next 10-14 days.

**Summer Squash:** Florida squash production is very limited this week. The Homestead area is the main spot for squash as the Immokalee and other south FL areas are working through a skip. Fruit from all FL growing areas has seen wind and rain, so there are significant quality challenges on both colors. Mexican farms are still dealing

with the repercussions of November's storm and have low yields and poor quality due to disease, wind and rain. New crops have been slow to come on due to a prior pattern of cooler weather but we expect to start seeing these crops in 2-3 more weeks.

**Hard Squash:** Hard squash is tightening up as quality and availability are just not there. On spaghetti we are seeing pale coloring, scarring, and stem end mold. Acorn supply is actually improving but there are lingering quality issues to come: soft walls, stem end mold, and breakdown. Butternut quality is the best of the three but there's just not enough.

**Mini Sweet Peppers:** Baja farms are winding down quickly and have less fruit to pick and pack. Meanwhile, the Mainland Mexico crops are slow to get rolling as farms have dealt with the after effects of the late-November storm. There has been some crop loss (estimated at 10-15%) but the inconsistent weather with a lot of cool and cloudy days has slowed maturity. The volume that is usually available at this point in the season has not come yet and looks to be another 10 days away if the weather cooperates. Any time supply is on the short side, growers tend to pick and pack on the green and small sides in an effort to fulfill obligations.

**Organic Cucumbers:** November rain had a huge impact on crops as all growers either lost fields or saw a drastic drop in production. New crops are slowly starting up but consistent volume is still 2 weeks out.

**Organic Bell Peppers:** Organic bells were also affected by the November weather, although we did not initially see the effects. Farms are now experiencing very light production as a result of rain-induced bloom drop which will likely last another few weeks.

**Organic Squash:** Bloom drop is also the culprit in this week's shortage of organic squash. We expect to see recovery on these items a little sooner than bells.

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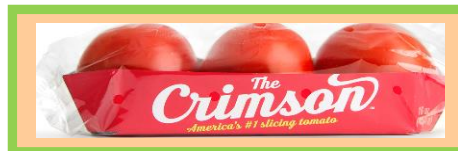
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## NEWS IN THE GROCERY TRADE

### The In-Store Shopping Experience Always Wins, Right?

By: Brian Numainville, [www.winsightgrocerybusiness.com](http://www.winsightgrocerybusiness.com), January 3, 2020

Retailers that can figure out how to successfully integrate the best of online shopping and the in-store experience are best poised to survive and thrive.

I have spent the vast majority of my career in the food industry with a nearly 20-year stint with a wholesaler/retailer followed by another eight years as a consultant. As many of my peers in the industry have likely experienced over the years, I remember often being told that the in-store experience would always trump the online shopping experience. After all, how could shoppers feel truly fulfilled shopping online? They can't pick their own produce, taste a cheese sample or see the quality of the meat firsthand.

The results of the Retail Feedback Group's 2019 U.S. Online Grocery Shopper study, compiled from a national base of 1,000 shoppers, indicate that at least for some people today, online shopping and the in-store experience may not be perceived as all that different.

Let's start with what endures, at least at this point, as most unique to each type of shopping experience. Perhaps not surprisingly, convenience and efficient use of time remain the two strongest points for online shopping. On the flip side, providing products that best meet shopper standards for quality and freshness persists as the most robust point for in-store shopping, with one-third of shoppers indicating so (although a majority, 56% of shoppers, indicate that this is equal for both types of shopping experience).

But once you get past these few attributes, it appears the differences between online and in-store food shopping are quickly moving to more equivalence in the minds of shoppers. For seven of the 12 factors measured, 50% or more of shoppers find the factors are equal for both types of shopping.

What perhaps might be most alarming for food retailers focused solely on the in-store experience is that about 7 in 10 shoppers indicated that showing a company knows and cares about food is equal for both online ordering and shopping in-store. Other areas where both online and online grocery shopping are viewed by at least 50% of shoppers as equal include things such as providing more value for money spent, offering a better selection of products, making customers feel valued, providing better customer service, taking better care of securing payment/personal information and providing products best meeting shopper standards for quality and freshness, as mentioned earlier.

Clearly, these results show the growth and maturation of online grocery shopping continues to erode the advantage once held by the shopping experience at a physical store. For a large number of shoppers, those qualities that retailers once prided themselves as providing in-store with the belief that they couldn't be replicated online simply are no longer an exclusive advantage.

This doesn't, however, mean that there aren't certain challenges inherent to one type of shopping or the other. For example, despite the fact that all of the fresh categories are now purchased in double-digit percentages online, produce remains a department with opportunity for improvement from an online ordering perspective. Forty-five percent of shoppers (specifically those who didn't give the highest quality rating on a five-point scale) report produce as falling short of their quality standards.

It would also be a mistake to conclude that it is just the younger set that are driving the transformation of the food shopping experience. In fact, research findings from this study also show that boomers award online grocery shopping the highest satisfaction marks. So older shoppers aren't just patronizing the physical store but are present online too—and giving high marks.

It's time to change the thought process that the in-store experience will always prevail. Clearly the data illustrates both shopping types are moving toward more parity in significant ways. In the end, those retailers that can figure out how to successfully integrate the best of both online shopping and the in-store experience will win into the future.



#### TRANSPORTATION FACTS

\*The National Diesel Average increased by an even penny this week, moving from \$3.07 to \$3.08 per gallon.

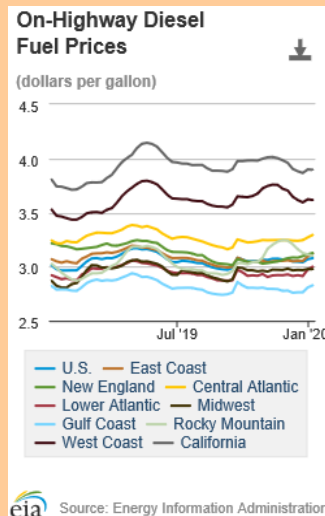
\* The average price for a gallon of diesel is \$.07 higher than the same time last year.

\* Half the reporting areas saw price increases ranging from \$.01-\$.03 while the other half came in with pricing declines of \$.01 or less.

\*California's fuel price tops the charts at \$3.90 per gallon while the Gulf Coast remains the low-price leader at \$2.83 per gallon.

\*The WTI Crude Oil price fell 2.5% this week, moving from \$61.06 to \$59.56 per barrel.

\*Truck availability is working its way back to normal this week with slight or no shortages at Mexico crossing points and a slight surplus in Florida.





## FRESH CUT FOCUS

### Super Bowl Concepts

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

This month's Fresh Cut Focus will feature snack and appetizer ideas that are perfect for your Super Bowl parties or other gatherings! 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.

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.



Roasted cauliflower tacos with sliced jalapenos



Bruschetta stuffed cremini mushrooms

### Eat More Veggies

*The Chick-fil-a cow can concur – plant based alternatives are here to stay for 2020 health trends. Get creative with your vegetarian options and see how you can incorporate them into game day snacks.*

#### LIPMAN INGREDIENTS:

- Coin-cut jalapenos
- Diced tomatoes
- Sliced Crimson™ tomatoes
- Coin-cut squash
- Fajita blend (bell peppers and onion)

#### KIT VERSATILITY:

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



Four cheese pizza with sliced zucchini, yellow squash, and fajita cut bell peppers and red onion



Caprese sliders with balsamic glaze, mozzarella, and Crimson tomatoes on Hawaiian buns



## PRODUCE BAROMETER

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



## JANUARY CALENDAR

### All Month

National Soup Month

**January 12<sup>th</sup> -17<sup>th</sup>**

National Pizza Week

**January 13<sup>th</sup>**

National Gluten-Free Day

**January 15<sup>th</sup>**

National Fresh Squeezed Juice Day

**January 16<sup>th</sup>**

Hot & Spicy Food Day

### Estero, FL Weather

Sat Jan 11	Sun Jan 12	Mon Jan 13	Tue Jan 14	Wed Jan 15	Thu Jan 16
86° F	86° F	86° F	86° F	86° F	84° F
68° F	66° F	65° F	64° F	62° F	65° F
ESE 19 MPH	SE 11 MPH	ESE 10 MPH	E 9 MPH	E 6 MPH	E 6 MPH
Precip 20%					



## RESTAURANT INDUSTRY NEWS

### Can Fast Casual Get Any Faster?

By: Nancy A. Shenker, [www.fastcasual.com](http://www.fastcasual.com), December 30, 2019

Although 95% of people polled in a new study said patience was a virtue, most people will move on if they have to wait in line more than 30 seconds. That goes for food, too, considering that one-third of consumers choose take-out or delivery twice a week and often make decisions based on arrival speed — not just food quality. They expect instant gratification on the road, too. This year, for example, national media published a study ranking the speed of drive-thrus — measuring in seconds.

According to Forrester, 66% of consumers believed that valuing their time is the most important thing a company can do for them to deliver a great customer experience.

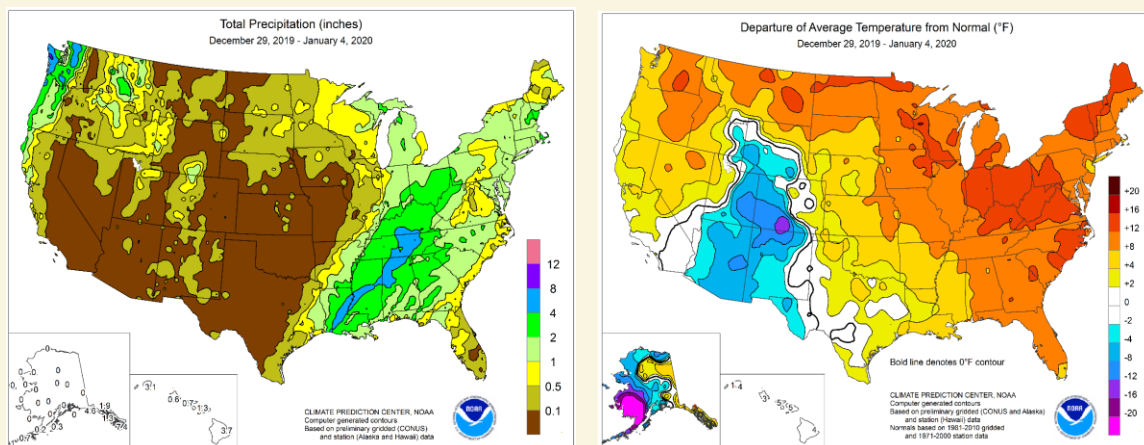
The need for speed doesn't just have an impact on how quickly you can deliver a great meal. Newer workers who have grown up with technologies that offer immediate gratification are looking for faster advancement and opportunities. The load time of your mobile site can have a significant impact on whether people choose your locations or go to a competitor.

Although impatience and stress are related and can result in health problems, according to Thrive Global, our industry shows no sign of slowing down. So how do you deliver speed without compromising quality?

1. Automation is, of course, the first possible solution. As robots, kiosks, and more sophisticated POS systems become commonplace, measuring task performance between people and machine (or, ideally, a combination of both) will be vital. When utilizing new technologies, train your staff on how to troubleshoot and respond in case of systems failure.
2. If you expect your employees to move fast, walk (or run) the talk. Invest in technologies for hiring that enable you to find, screen, interview, onboard, train, and even pay individuals and teams quickly without compromising quality or accuracy. Speed doesn't just apply to customer service. It applies to problem-solving as well. Make sure you're hiring people who are calm and efficient under pressure.
3. Take a close look at your mobile sites and load times. View the small screen through the eyes of the consumer. Google also enables you to test your mobile site's speed and compare it to others. Speed became a ranking factor in searches in 2018, and if you want consumers to find your brand easily, you need to move quickly to fix any issues.
4. Manage consumer expectations. Just as fine-dining restaurants tell consumers that they may need to wait a little longer for that amazing dessert, time can be positioned as a distinguishing factor in fast casual restaurants provided you're offering something special after the wait.
5. Check and respond to reviews that mention speed and address any issues rapidly. You don't want to leave customers and their stomachs grumbling. Set goals for service speed and reward individuals and teams that deliver great service quickly. The customer of the future will want what they want within minutes.

## NATIONAL WEATHER SPOTLIGHT

### Last Week's Precipitation Totals and Average Temperature Deviations



## MERCHANDISING MINUTE

### Pinpointing Practical Causes of Organic Produce Shrink

By: Ron Pelger, [www.organicproducenetwork.com](http://www.organicproducenetwork.com), January 2, 2020

An employee was working in the organic produce section stocking a few cases of various items. I watched the process for a few minutes and observed the clerk toss bunches of beets into a box. Glancing in the box, I spotted several wilted, damaged and off-conditioned organic items.

I asked about the box of distressed produce. The clerk said, "The organic produce doesn't seem to hold up too well and we have to pull it. We lose a lot of the items. The district manager is always getting on us about keeping only fresh produce on displays. He also comes down a lot on the produce manager about the shrink."

As I started to turn away, I saw rough mishandling of several delicate organic items by the clerk's awry stocking practice. Sensitive types of organic produce items deteriorate faster by mishandling them, starting the "shrink process." The stocking mistreatment I witnessed was only one of several reasons as to how and why a greater shrink can occur. The best way, however, to learn about causes and solutions is to get out into the stores and talk to the people.






I met discussed shrink and food waste with produce managers from several supermarkets, covering a wide area of their experiences in ordering, receiving, preparing, displaying, and selling organic produce items. After a few weeks of research, it appears the majority of causes for shrink are very similar to conventional produce, with some predominant areas found to be leading causes in magnifying the shrink of organic produce — *handling, temperature, cashier identification, shelf life, and pricing.*

One of the challenges of organic produce is shelf life--- which begins within the first few days of harvesting, packing and shipping. The amount of shrink depends on the perishability of items like leafy greens, lettuce, herbs, berries, peppers, etc. Shelf life is a critical "timing" process within the cold chain, with rapid turnover highly imperative.

Below are the five vital areas that contribute to additional shrink of organic produce:

- 1) **Handling** — Rough handling of sensitive organic items can easily cause bruising and damage to the product. Tossing boxes of organics on carts and the floor or rough handling while stocking it onto displays is a component of shrink.
- 2) **Temperature** — Most produce requires suitable temperatures to maintain freshness and avert wilting. Abnormal refrigeration conditions will raise the chances of shrink.
- 3) **Cashier Identification** — There are still a lot of item identification problems at front end checkouts, with organic items are being rung up as conventional. This simple mistake shows up as shrink on paper.
- 4) **Shelf Life** — Many organic items are more perishable than others, which lowers its shelf life. The journey from harvest to stores is considerably lengthened. The cold chain is vital during this period. Shrink can occur at any critical level.
- 5) **Pricing** — Organic produce is commonly price-enhanced. As a rule, the higher the retails, the less purchasing is made by consumers. When organic item movement becomes sluggish due to higher retail pricing, the product sits and winds up in shrink. Turnover is the key to prevent that shrink.

In the end, there must be more teaching and training of employees about organic produce. Educating the work force to the sensitivity of organic product will go a long way in savings to both product and the bottom line. Organic produce training is imperative in order to combat prolonged shrink losses, and in preventing product damage.

	
<p><b>MARK YOUR CALENDAR &amp; PACK YOUR BAGS!</b></p> <p><b>February 23-26, 2020</b> National Grocers Association Show San Diego Convention Center San Diego, CA <a href="http://www.thengashow.com">www.thengashow.com</a></p> <p><b>February 27-29, 2020</b> SEPC's Southern Exposure 2020 Tampa Convention Center Tampa, FL <a href="http://www.seproducecouncil.com">www.seproducecouncil.com</a></p> <p><b>Come see the Lipman team at booth #436!</b></p>	<p><b>CREATED BY LIPMAN FOR OUR VALUED CUSTOMERS</b></p> <p>Learn more about us @ <a href="http://www.lipmanfamilyfarms.com">www.lipmanfamilyfarms.com</a> <a href="http://www.suntasticfresh.com">www.suntasticfresh.com</a></p> <p>Follow us on social media</p> <div style="display: flex; align-items: center;">     </div> <p>Questions or comments about the newsletter? Contact: <a href="mailto:joanna.hazel@lipmanfamilyfarms.com">joanna.hazel@lipmanfamilyfarms.com</a></p>