MARKET UPDATE

Round Tomatoes: Eastern tomato production in SC and on the FL/GA line were on hold at the early part of this week due to rain, but nicer weather has allowed farms to get back into fields to harvest. SC fruit has a larger size profile than the Quincy-area's product, but the full spread is available. Recent and previous rains have affected quality and packouts in both areas, but sorting results in a nice case of tomatoes. Western supply is still mostly a vine-ripe deal with new crops coming along with good fruit in Eastern Mexico and Baja. Nogales shippers are still in business, but quality and sizing are declining as they near the end of the season. Mature greens have been available in the CA desert, but that short-lived deal with finish up over the weekend. The first of the Northern CA growers has started but the majority will begin mature green harvests around the 1st of July.

Roma Tomatoes: Eastern roma supply is limited to a few small producers in the Quincy area until TN, VA and NC get up and running in July. As with rounds, the West has the strongest volumes and quality on romas from Eastern Mexico and Baja this week. Northern CA has begun in a light way, as well, and should see more volume as additional growers get up and running.

Grape Tomatoes: Grape tomatoes are available in both FL/GA and SC this week, but the stronger volumes are in SC. Early harvests were producing a lot of big grapes, but sizing has normalized as farms move into 2nd and 3rd picks. Rain has affected packouts/quality but there is enough product to satisfy the market. East Mexico and Baja are finally into better production which is bringing improved supply and quality to the West.

Bell Peppers: Georgia still has pepper to go but heat and rain have impacted both quality and anticipated volumes on #1 product. A few larger deals are up and running in the Carolinas now with more availability next week. These areas will help bridge the gap until MI, NJ, and various local deals take over for the season. Western pepper supply is transitioning from the final days in Nogales and the CA desert to the Bakersfield area. Although there's some really large fruit coming out of Fresno, the full range of sizing is available during the transition and quality is good.

Cucumbers: Georgia's cucumber crops are beginning to wind down, as May's heat took a toll on production and quality of the later plantings. Strong volume has been available in NC where harvests will continue for a few weeks. However, starting next week, numbers will slack up as later plantings were also hurt by weather. Small pockets of local product are popping up in NJ, KY and VA which will provide a little help with supply. Quality is varied by area and grower. In the West, Nogales is slowing but expects to have product for another 10-14 days. Baja's volume has been slow to come due to cool weather, but crossings are improving as we move toward the weekend. Quality has been good from both areas.

Summer Squash: Eastern squash production is now scattered among several states (GA, NC, KY, VA, and NJ, to name a few) but there's no "volume center" this week. With many of the current growing areas experiencing weather this week, there's a variety of quality, particularly on yellow squash. Zucchini numbers are much better than yellow, but there's no overabundance of either. We'll see better availability as more areas and growers get up and running for the season. Western markets are looking to Baja, Santa Maria and Fresno for squash. All three areas are a bit shy on yellow, but there's plenty of good-quality zucchini available.

Eggplant: Eggplant, a vegetable that loves heat, is thriving in Georgia. There's an abundance of supply this week with mostly good quality. Mexico is finishing up this week, which will leave the deal to the CA desert, where supplies are finally starting to come on and quality is nice.

Chili Peppers: Hot peppers are winding down in Nogales and quality is a little sketchy on some items, especially jalapenos and poblanos. Nicer fruit is coming from Baja but not all varieties are available. In the East, GA has a decent amount and variety of items to keep Eastern customers at home. Look for a few local deals to pop up in a limited way between now and July 1st.

Organic Squash: Nogales' lone remaining grower is still crossing organic zucchini but will completely finish up in the next week. CA farms have are starting to see slight increases in zucchini numbers but are still struggling with volume and quality on yellow. Both Baja and the Northwest are expecting to start over the next week. In the East, there are a few local deals up and running, but volumes are minimal.

Organic Cucumbers: Organic cucumber harvests are transitioning from Mainland Mexico to Baja where things have started in a light way. Eastern supply is the same as organic squash- limited and in the hands of a few local deals.

Organic Green Bells: Coachella's season finished up a little faster than expected, but Bakersfield has started with light, but steady volume. Eastern programs are still looking at July start dates.

Tomato-on-the-Vine: Lipman/Huron's greenhouses in Nebraska and Canada are in full production with great fruit and strong volumes. Color and quality have been excellent.

Colored Bell Peppers: Colored bells are snug this week as cloudy weather in Canada and Mexico have slowed harvests. Mexico's inbounds have had some challenges as well, showing some green casting. The weather forecast looks promising for an uptick in fruit later this month.

Mini Sweet Peppers: Mainland Mexico's production will decrease next week as most growers finish up for the season. Baja is still a few weeks from starting with any volume so supply could get snug in the meantime.

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Look for Transportation Facts on Page 2 this week!

KEEP YOUR EYE ON THE CONSUMER

Millennials Under Greater Financial Pressure Than Generations Before

www.csnews.com , June 10, 2019

NEW YORK — While millennials are typically thought of as breaking the mold in terms of spending habits, the generation is under greater financial pressure than generations before it.

According to a new study from Deloitte, millennials are spending the same percentage of their income on categories as similar-age cohorts did 30 years ago. However, the generation's net worth has fallen by 34 percent since 1996.

Examining consumer data over a 30-year period, results show relatively consistent spending patterns across most categories: food, alcohol, furniture, food away from home, and housing all constitute roughly the same percentage of the consumer's wallet today as they did three decades ago. Even entertainment, a category where one might expect to see an increase in experience-driven spending, was basically flat.

The real differences show up in several nondiscretionary expenses, such as health care. In fact, today, a growing share of the millennial's wallet is going toward health care, housing and education. Since 2004, the cost of student debt has soared by 160 percent.

"Deloitte's findings debunked many conventional wisdoms about the new-age consumer," said Kasey Lobaugh, principal and chief retail innovation officer, Deloitte Consulting LLP. "In many ways, the consumer hasn't fundamentally changed. Instead, their behaviors have been triggered by a rise in nondiscretionary expenses and the growing bifurcation between high and low income groups."

Other findings from Deloitte's Center for Consumer Insights include:

-More than three-quarters of survey respondents (76 percent) reported having less or the same amount of free time than just a year before. While the total hours worked in the U.S. has risen by 43 percent since 1980, the increase has been driven by the growth of the workforce.

-Discretionary time is up overall, with time spent on leisure and sports increasing 5 percent between 2007 and 2017, or an additional 14 minutes daily.

-In 2018, consumers traveled to more stores, more often, when compared to the previous year. Consumer-oriented traffic in retail, convenience and hospitality/travel increased by 6 percent. Brick-and-mortar also saw a 2-percent increase in traffic.

-The biggest gains were seen in grocery-related trips, which grew 7.7 percent in 2018, with a notable decrease in visits to traditional retail locations, such as apparel stores, slipping 1.7 percent, and department stores falling 10.3 percent.

-The 15 fastest-declining markets largely center around West Coast urban centers, and the 15 fastest-gaining markets appear in the Southeast and Texas, where traffic is up 29 percent.

TRANSPORTATION FACTS

*The national diesel average fell $.03 this week, moving from $3.13 to $3.10 per gallon.

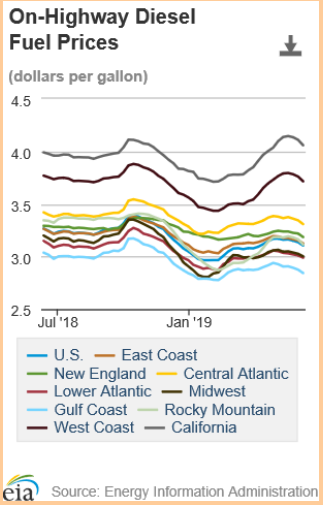
* The average price for a gallon of diesel is $.16 less than the same time last year.

* Prices dropped in in all reporting areas with the most significant decline coming from California (down $.05).

*California continues to have the highest diesel prices in the country at $4.06 per gallon while the Gulf Coast is the low-price leader at $2.84 per gallon.

*The WTI Crude Oil price continued its journey downward again this week (down 4.4%). Pricing moved from $53.48 to $51.14 per barrel.

* With production transitions underway, trucks are short at Nogales and coming up a little shy in the Carolinas. All other areas report adequate transportation availability.



FRESH CUT FOCUS

Coin-Cut Cucumbers

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.

Because our fresh cut products are so versatile in both foodservice and retail applications, we'd like to share some of our ideas on how they can be incorporated into your operation. This week, we're featuring our coin-cut cucumbers!

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.

PRODUCE BAROMETER

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

JUNE CALENDAR

June All Month
National Soul Food Month
National Safety Month
June 17th-23rd
National Pollinator Week
June 16th
Father's Day
June 17th
Eat All Your Veggies Day
June 18th
International Picnic Day

Clinton, NC Weather

Fri	Sat	Sun	Mon	Tue
Jun 14	Jun 15	Jun 16	Jun 17	Jun 18
79°F	84°F	88°F	90°F	90°F
56°F	67°F	74°F	75°F	75°F
NW 11 MPH	S 8 MPH	SSW 9 MPH	SW 11 MPH	SW 9 MPH
			Precip 20%	Precip 20%

RESTAURANT INDUSTRY NEWS

Here's Why Business-Traveling Millennials are Choosing Quick-Service Restaurants

By: Erin McPherson, www.qsrmagazine.com , June 13, 2019

Business dining—including travel meals, private dining events, and catering—represents $100 billion in annual U.S. restaurant sales. With millennials projected to make up 75 percent of the workforce by 2025, quick-service restaurants in particular should ensure they're taking the necessary steps to attract this lucrative set of business diners.

According to research conducted last year by the Global Business Travel Association and Dinova, millennials choose quick-service restaurants (51 percent) and fast-casual concepts (63 percent) for on-the-road business meals—far exceeding the preferences of their Baby Boomer and Gen X counterparts for business travel meals in the quick-service space.

"For this generation, it's often about making the most of their work day," says Shannon Delaney, vice president of marketing for Dinova, whose total business dining solution includes a company-endorsed preferred restaurant network. "Millennials are making choices that keep them productive, efficient, and focused on their hustle."

Operators who want to attract millennial business diners into their restaurants must ensure they are discoverable—through social media, mobile apps, and any company-supplied dining resources—and also that they're promoting the messages that millennials care about most.

"Rather than aging into the traditional, seated dining habits of their predecessors, younger business diners are setting new trends," Delaney says. "Millennials are choosing restaurants that accommodate their preferences and support their mealtime goals." For example, while a majority of business diners say that healthy business dining options are either "very important" or "somewhat important," millennials are more likely than older demographics to have special dietary needs—40 percent report health-related or cause-based restrictions, such as being gluten-free or vegetarian.

"Millennials place a high priority on their food in relation to how they self-identify," Delaney says. "Operators definitely need to highlight their healthy options and practices, as well as any causes they support. The more restaurants can market this information, the more they can tap into millennials' personal and professional values, enabling their influencer tendencies to drive even more traffic to your business."

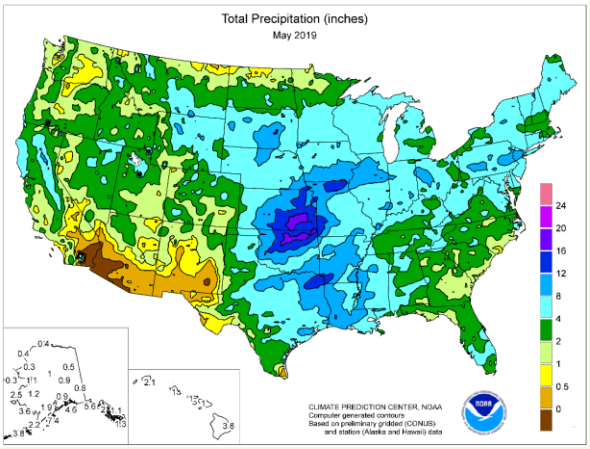
In addition to health requirements and preferences, traveling millennial business diners are also interested in dining at restaurants that offer unique environments for business opportunities, are popular with the locals, or offer foods that are specific to the travel destination—such as pierogies in Chicago or cheesesteaks in Philadelphia.

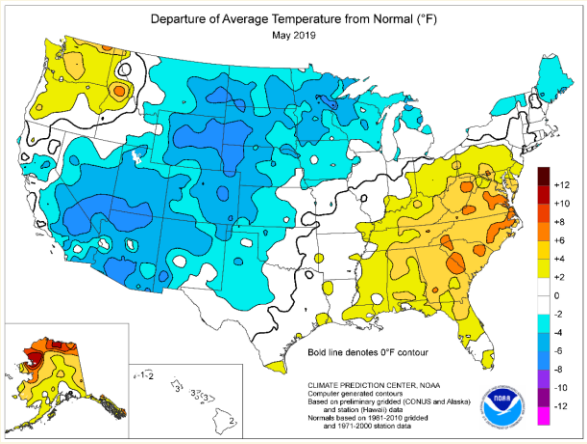
"The value that social media plays to a millennial business diner cannot be understated," Delaney says. "They're professional, but they're also on the lookout for opportunities to combine business and leisure. There's a tremendous amount of pre-trip research being done using social media, and this generation uses their mobile devices to share information and crowd-source decision-making."

Making sure that social content and restaurant reviews include business dining-related appeal can only help boost restaurants' ability to be found online by this robust group of business diners – leading to a bump in traffic and higher average tickets.

NATIONAL WEATHER SPOTLIGHT

May's Precipitation Totals and Average Temperature Deviations





NEWS IN THE GROCERY TRADE

A Look at Today's New and Evolving Gen Z Grocery Shopper

By: Mark Evans, www.daisyintelligence.com , April 30, 2019

It's hard to summarize the future of the grocery sector in a single sentence, but this one sounds about right: *"I'll probably go to the store fewer times a week (in 5-10 years), and try to get as much variety as I can as quickly and cheaply as I can."* The quote is anonymous, but it comes from one of nearly 800 people aged 18-22 who were surveyed for a report recently published by Field Agent, a retail auditing and mystery-shopping firm. The research looked at how Generation Z (or simply Gen Z) is shopping for food today, and how they expect their habits to evolve over the next decade.

In stark contrast to the days when the majority of grocery shopping for a typical family was assumed to be a mother's responsibility, the data shows that Gen Z isn't necessarily stocking their cupboards alone, and are doing so in myriad ways. More than half of those surveyed (51%), for example, said they share grocery-shopping duties with someone else, although 30% said they were the primary buyer in their household.

While 95% of Gen Z said they shop in stores today, 32% said they expect to use online grocery options with in-store pickup and 15% expected to be using online delivery services.

Healthier eating, cooking more fresh foods, expecting faster in-store shopping supported by technology, and saving money through promotions and coupons were some of the other trends captured by the survey.

GROWING UP (AND GROCERY SHOPPING) DIGITALLY

Gen Z is coming of age at a time when grocery shopping has evolved into far more than a choice between online or offline. Consumers of all ages are using a mixture of channels to do everything from browse, price-compare, purchase, and more.

According to a consumer survey by the Retail Feedback Group, for example, 63% of shoppers (not just Gen Z) said they interact digitally with their supermarket, but only 12% are ordering groceries online for pickup and delivery. Instead, 55% said they check a digital circular and 44% check for the latest promotions.

Traditional supermarket chains are also facing increased competition, and not only from high-end grocery stores or organic specialty retailers. A study released in February from the University of Nevada suggested that consumers should start paying more attention to discount stores whose produce can be as good as those offered by regular grocers.

PUTTING THE RESEARCH TO WORK

When you blend this research, the message is clear: consumers are using all the digital channels and other resources available to get the best prices. They are making sure they make the most of their shopping experience, even if they still gravitate towards brick-and-mortar stores. For retailers, this means the window of opportunity to maximize the value of every customer relationship has never been narrower.

You have to know what customers want — not in general, but specifically and in the context of a particular moment. You need to tailor promotions, discounts, and prices in real time so customers looking online feel confident in making a shopping trip.

This is why Daisy is seeing so much interest in applying artificial intelligence based on reinforcement learning to transform how things like the promotional product mix and pricing are done. The only thing that we can be sure of about the future is there may not be a "typical" grocery shopper. If you're a retailer, taking the typical approach to serving them isn't going to work much longer, either.

FRESH TOMATOES the best of nature™

MARK YOUR CALENDAR
PACK YOUR BAGS!

July 26-27, 2019
PMA Foodservice Conference & Expo
Monterey Conference Center
Monterey, CA
www.pma.com/events/foodservice
Come see #TeamLipman at booth #1317!

July 29- Aug 2, 2019
United Fresh's Produce Inspection Training
USDA SCI Training & Development Center
Fredericksburg, VA
www.unitedfreshshow.org/events

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Contact: joanna.hazel@lipmanfamilyfarms.com