



## MARKET UPDATE

**Tomatoes:** With both South Carolina and the Quincy, FL area in production, round tomato availability is adequate in the East. Overall quality is nice although Quincy's packouts are less than desired due to heavy rainfall totals from a few weeks back. Neither of these areas have significant acreage devoted to romas, causing most to look to Western sources to fill those needs. South Carolina grape tomato volumes and quality are on the upswing as farms work past early picks that were affected by rain. .

In the West, mature green production is just starting up in the San Joaquin Valley. Only one major grower is up and running so far but several others will add to the mix over the next few weeks. Vine-ripes and romas are still coming from Eastern Mexico and Baja in good numbers. Look for California to get into the roma game during the next 7-10 days. Grape tomato supply has improved, with steady volumes coming through Texas and Southern California.

**Bell Peppers:** Georgia continues to harvest strong volumes of bell peppers with mostly good quality. With local deals right around the corner in several states, we could see Georgia wrap up by the end of the month. In the West, pepper production is in full swing in the Bakersfield, CA area. Although there have been the occasional trouble lots, overall quality has been strong. More northern areas (Fresno) are set to begin the 2nd week of July, but recent heat may push that date a week or so ahead of schedule.

**Cucumbers:** Georgia's cucumber quality is becoming a challenge, which may nudge growers toward the end of their season. Eastern North Carolina farms have better quality available but may also wind down a little early due to heavy picks and yields on the front end. Fortunately, local deals in several states (NJ, KY, VA, SC, NC) are up and running to help ensure Eastern supply. The West continues to have product available

from both Mainland Mexico and Baja. Sonora's cucs will go another 10 days or so, but quality is definitely declining and shelf life is an issue. Baja's fruit has been very nice but volume has been slow to come due to a spell of cooler weather. Look for volume to pick up over the next week as a few more growers get started.

**Summer Squash:** With local deals popping up all over the Eastern half of the US, yellow and zucchini squash availability is good. Quality is a mixed bag of tricks, as some areas have experienced more rain than others but there's definitely good product available. The West expects to have promotable volumes of squash for the next few weeks with product coming out of Baja and multiple areas in California. Quality is nice except for a small bit of product still coming in from Northern Mexico.

**Green Beans:** Although there are five different California areas in production, Western bean supplies are light this week. Stockton/ Brentwood growers have had the most significant volumes but are between fields. Look for better numbers next week as they move into new blocks. In the East, Georgia is likely to wrap things up soon, just as North Carolina and Virginia get rolling with good bean numbers and better quality.

**Eggplant:** South Georgia has strong volumes of eggplant to offer this week and will be joined by a few local deals in another 10-14 days. California growing areas are transitioning smoothly with sufficient volume and quality available to meet market needs.

**Chili Peppers:** New growing areas are going in Mainland Mexico and Baja production is gaining strength, helping to stabilize the Western chili pepper market. Quality has been excellent with strong walls and good color. California farms are also harvesting light volumes and will see increases as they move into the season. In the East, Georgia now has the full line of chilies to offer with acceptable quality.

## TRANSPORTATION FACTS

\*Finally, the national average price for diesel fuel went in the downward direction this week, moving from \$3.29 to \$3.27 per gallon.

\* The average price for a gallon of diesel fuel is \$.74 higher than the same time last year.

\* All areas of the country reported prices decreases of \$.01-\$.03 per gallon with the most significant drop in the Midwest (down \$.03).

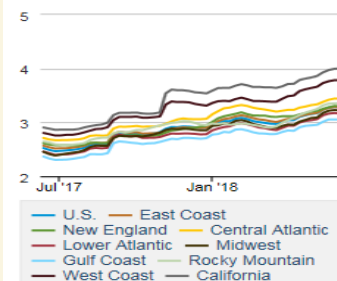
\*California is back under the \$4.00 mark (\$3.99), but still ranks at the area with the highest diesel price. The Gulf Coast region offers the best bargain at \$3.04 per gallon.

\*The WTI Crude Oil price rose 1.7% this week, moving from \$65.52 to \$66.64 per barrel.

\* Transportation availability is similar to last week's status: Most potato and onion shipping areas have enough trucks to meet demand, but all other veg and tomato production areas report transportation shortages.

### On-Highway Diesel Fuel Prices

(dollars per gallon)



eia Source: Energy Information Administration

## ON THE HORIZON CONTENTS

Restaurant Industry News- page 2

Lipman Local in Pictures- page 3

Keep Your Eye on the Consumer - page 4

News in the Grocery Trade- page 5

Produce Barometer-page 3

June Calendar- page 3

National Weather Spotlight- page 4

Pack Your Bags - page 5

## RESTAURANT INDUSTRY NEWS

### Why Quick-Service Restaurants Should Embrace the Kiosk

By: Devora Henderson, [www.qsrmagazine.com](http://www.qsrmagazine.com), June 2018

---

When it comes to the restaurant business, quick-serves still rule the industry, making up about 83 percent of all foodservice traffic. Yet, this traffic has flattened since 2016, disrupted both by mobile ordering and online delivery services, as well as trends toward chef-driven experiences and “food consciousness.” In this growing competitive environment, quick-serves and their owners are questioning, more than ever, the limits of their model and opportunities for improvement.

Though the self-service kiosk has been recognized as a solution, and has been adopted across well-known brands such as Panera and McDonald’s, quick-service brands are actually quite late to the game. Airports, supermarkets and movie theaters have featured self-service kiosks for years, making square footage more efficient, saving costs, and offering its customers an overall better experience.

Today, the timing could not be more opportune. We’re at an inflection point in both personal and business technology where digital penetration is everywhere, so much that in order to survive and thrive, every company must in some way be a technology company. Quick-serves must invest in technology and digital transformation in order to keep up with both consumer preferences and operational demands. For most

consumers, making decisions on a screen is now an ingrained habit thanks to the ubiquitous smartphone. Restaurants must be digitally enabled, from ordering to payment, in order to move at the same pace and occupy the same space as their customers.

The solution is an interplay between optimizing operational efficiency and improving customer experience—the self-service kiosk provides both.

#### Optimizing operational efficiency

On a most fundamental level, kiosks automate the ordering process, freeing up staff time for higher value services that matter more to the customer, including the preparation of their food, targeted attention for customers in need, and keeping the restaurant clean. Beyond automation, kiosks also streamline the entire ordering process—the screen guides the customer through a clear and linear set of instructions. When they reach payment, kiosks have the ability to offer multiple payment methods on a single machine, from cash to card to contactless, even with the possibility of splitting payment between multiple parties. A kiosk will also never forget to upsell, with built-in marketing capabilities and deals at every stage of the ordering process. It’s automatic and specific, helping customers find cost-savings while ensuring that

#### Improving customer experience

Today, 72 percent of customers expect to be able to customize their orders. But it’s not something they’ll do, or have a positive experience doing, if there’s someone waiting to take their order and an impatient line standing behind them. When in front of a screen, the menu options are closer and feel more personal, allowing customers to have a better idea of what exactly they’re ordering and a sense of privacy that helps lower inhibition to order what they want without the perceived notion that someone is judging them. Further, kiosks can be programmed to cater to specific needs, such as switching to a different language for a foreign customer. The sense of control and optionality that a kiosk gives to a customer translates into real revenue—in fact, customers spend 15-20 percent more on orders when using self-service kiosks over those placed at traditional checkouts.

Kiosks embody the inevitable “digitization” of physical store, whether quick-serves to regular retail; they also solve the fundamental problems at the heart of flattening sales: operational efficiency and customer experience. Brands should actively consider incorporating kiosks into their stores and leveraging the technology to differentiate their services against other competitors. There’s no better time to do it than now.

## Lipman Local in Pictures

As us how Lipman can help you meet consumers' desire for local produce while maintaining quality, consistency and availability! #LipmandoesLocal



Our New Jersey partners have gotten off to a great start and are currently harvesting yellow squash, zucchini and cucumbers.



Squash and cucumbers are on the menu in Eastern North Carolina now. They expect to begin harvesting bell peppers next week.



Washington State has beautiful squash crops now and will be adding additional items in the coming weeks.

Don't see your favorite state pictured? Never fear... local partners have also begun their seasons in Virginia, Kentucky, Pennsylvania and South Carolina... to name a few!

## PRODUCE BAROMETER

ITEM	QUALITY	PRICING
Bell Pepper	Mostly Good	Lower
Cucumber	Fair to Good	Steady
Eggplant	Good	Steady
Green Beans	Fair to Good	Lower
Jalapenos	Good	Higher
Onions	Excellent	Steady
Squash	Wide Variety	Steady
Tomatoes	Good	Steady



## JUNE CALENDAR

### June-All Month

Effective Communications Month

National Steakhouse Month

**Third Week (June 18<sup>th</sup>-24<sup>th</sup>)**

National Pollinator Week

**June 17<sup>th</sup>**

Father's Day

Eat Your Vegetables Day

**June 18<sup>th</sup>**

International Picnic Day

National Splurge Day

### St. Helena Island, SC Weather

Fri Jun 15	Sat Jun 16	Sun Jun 17	Mon Jun 18	Tue Jun 19
89° F	87° F	87° F	89° F	89° F
76° F	76° F	77° F	77° F	79° F
W 8 MPH	N 10 MPH	S 8 MPH	SSW 10 MPH	SW 10 MPH
Precip 50%	Precip 50%	Precip 20%	Precip 20%	Precip 30%



## KEEP YOUR EYE ON THE CONSUMER

### Why & How You Need to Start Focusing on Generation Z Now

By: Renee M. Covino, [www.csnews.com](http://www.csnews.com), June 11, 2018

The generation after millennials, Generation Z — made up of those born from the mid-1990s to the early 2000s — currently accounts for 25 percent of the U.S. population, making it a larger cohort than baby boomers or millennials. Gen Z, or Pivots as consumer trends consultancy FutureCast also calls them, range in age from pre-tween to 21, and they already claim more than \$40 billion in buying power.

Forward-thinking convenience store operators would be wise to gain the loyalty of these consumers now, especially considering that Gen Z prefers shopping in-store vs. online. "Generation Z is constantly connected to technology, which retailers may find intimidating to overcome when it comes to in-store engagement. However, our study found that this group is longing for retailers to provide an engaging in-store experience. In fact, when given the choice, the majority prefer shopping in-store vs. online," said Bharat Rupani, president of San Diego-based Interactions, which recently released its *Next Generation of Retail* study.

Some other trends the Interactions study uncovered are that Gen Z consumers are very price-conscious and prefer to spend money on experiences vs. material items, and they are not brand loyal (81 percent are willing to switch from their favorite brand if they find a similar product at a higher quality).

So, how can convenience store operators attract and retain Gen Z consumers? *Convenience Store News* polled various retail, consumer and convenience industry experts and here's what they had to say:

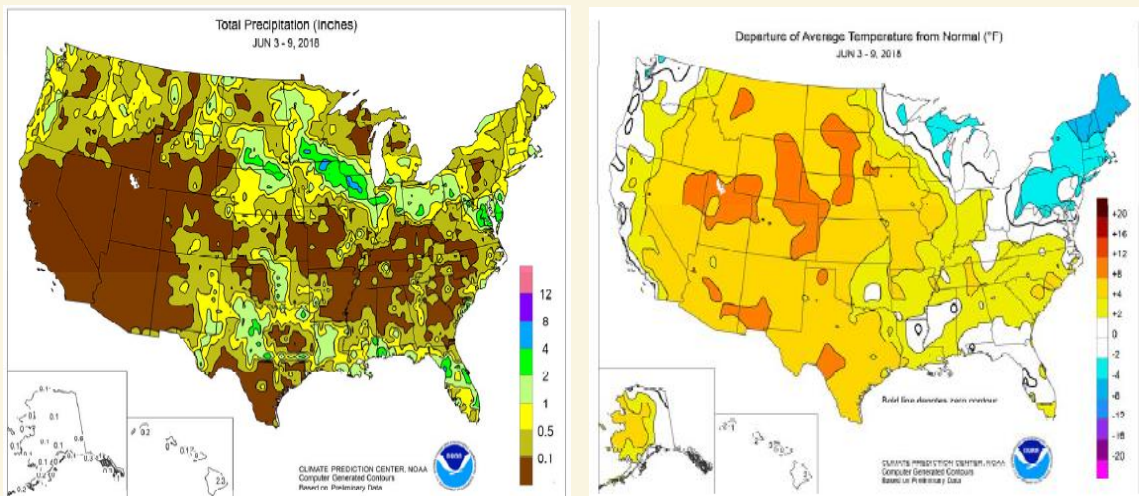
- First off, treat this consumer group like valued customers despite their young age. Go after low-hanging fruit like free Wi-Fi and clerks who greet them.
- Creating engaging in-store experiences are a good way to hook Gen Z. Think along the lines of snacks they can't find anywhere else.
- Bolster your business with Gen Z by creating newsworthy pop-culture events around a wide variety of ethnic and international foods; Gen Z is a very diverse group.
- Leverage technology in ways that appeal to Gen Z, such as the availability of Apple Pay at the counter. The idea is to create a journey whereby they can get in and out without looking up much from their phones.
- Promote and advertise through social media; work with "influencers" as part of the strategy. Don't waste time on TV advertising as they're not really watching.
- Present the very best mobile shopping experience possible; pay attention to content and image guidelines from outsourced professionals, if necessary.
- Brace yourself and your store for 2020 when the Zs are predicted to be the driving force of the consumer world.

The rise of digital has already positioned Gen Z to be "the most vocal and influential generation yet," said Yakir Gola, co-founder and CEO of goPuff, an on-demand convenience delivery service that currently serves such cities as Philadelphia, Pittsburgh, Boston, Washington, D.C., Atlanta, Denver, Phoenix, Seattle and Portland.

"While they may not be the ones funding their purchases, per se, their ability to influence what their friends and family might purchase is strong — almost viral," Gola said. "By 2020, when Gen Zs have progressed in their careers and have their own disposable income, they will no doubt be the main force of the consumer world."

## NATIONAL WEATHER SPOTLIGHT

### Weekly Precipitation and Temperature Deviation



## NEWS IN THE GROCERY TRADE

### The Factors Causing Ambivalence Among Global Grocery Shoppers are...

By: Deena M. Amato-McCoy, [www.chainstoreage.com](http://www.chainstoreage.com), June 8, 2018

Increasing choice and a proliferation of discount grocers are among the biggest threats to grocery retailers around the globe.

On average, shoppers around the world have 5.5 easily reachable grocery stores available to them, with each shopper regularly using 3.3 different stores, suggesting a willingness to spread their spend across several stores when more choice is available, according to the "2018 International Loyalty Study," from TCC Global.

The number one factor driving store choice globally is proximity (54%), followed by "easy to get to" (48%), product selection (41%), good value offers (38%) and "I always shop there" (38%). Despite the data and insight advantages afforded to retailers by loyalty cards, they are becoming much less effective at retaining customers. A mere 5% of shoppers would switch to another retailer if their current store withdrew their loyalty card scheme. Seven in 10 shoppers globally said they want loyalty rewards that go beyond the traditional card and foster inspiration and guidance that can enrich everyday lives. This includes inspiring healthy meals and cooking, solutions to make life easier in the kitchen, encouraging healthier eating among kids, and providing fresh ways to explore foreign cuisine.

Key findings from the report include:

- 12% of Americans have switched their main store in the last year.
- Americans have, on average 10.9 easily reachable stores, and shop in 4.7 of those, visiting 43% of stores available to them.
- Hypermarkets and supermarkets dominate the main grocery shop, accounting for 72% of main shopping trips between them.
- Discount stores are the destination for 16% of main shopping trips. They are particularly prominent in Germany and Poland where 47% and 56% of shoppers complete their main shopping trips at discounters.
- Discounters are also leading the way in converting new shoppers into advocates and loyal customers, achieving the second highest Net Promoter Scores in grocery retailing. They scored (+55) compared to the more mainstream channels of convenience (+31); hypermarkets (+46) and supermarkets (+45).

"To see discounters acquiring so many new main shoppers is impressive and an indication of how their low prices and improving propositions is really paying dividends," said Bryan Roberts, global insights director, TCC Global. "Shoppers' increasing willingness to spread their purchases across a number of outlets available to them will create a degree of concern for some larger established retailers. Those that successfully move from being a mere provider of goods and services to be a partner organization that can enhance the lives of customers in other ways will fare better in the long-term battle for loyalty."

**FRESH**

**TOMATOES**



*the best of nature™*

**MARK YOUR CALENDAR  
PACK YOUR BAGS!**

**June 25-27, 2018**  
United FreshMKT Expo  
South Hall- McCormick Place  
Chicago, IL  
[www.unitedfreshshow.org](http://www.unitedfreshshow.org)

**July 27-29, 2018**  
PMA Foodservice Conference & Expo  
Portola Hotel & Spa and Monterey Conference Center  
Monterey, CA  
[www.pma.com/events/foodservice](http://www.pma.com/events/foodservice)  
**Come join Team Lipman at Booth 206!**

CREATED BY LIPMAN  
FOR OUR VALUABLE  
CUSTOMERS



Visit our website... [www.lipmanfamilyfarms.com](http://www.lipmanfamilyfarms.com)

Follow us



Questions or comments about the newsletter?  
Contact: [joanna.hazel@lipmanproduce.com](mailto:joanna.hazel@lipmanproduce.com)