MARCH 2, 2017 INDUSTRY NEWSLETTER



MARKET UPDATE

Tomatoes: Despite the recent rain event, yields continue to be good on tomato crops in South Florida. Rounds are sizing down a bit, but all sizes continue to be available daily. Roma supply has lightened up, as is the norm for this time of the season, but grape tomatoes remain plentiful. Overall quality is still good, as most growers have worked through picks that were affected by last week's rain.

Mainland Mexico tomato farms crossed strong numbers of round tomatoes this week, but expect to see volume decline and fruit to size down over the next few weeks. Roma acreage has declined and yields have been affected by quality problems (skin check, black spotting), but there are still adequate numbers of fruit crossing into the US. With production in multiple areas, grape tomatoes are plentiful. Overall quality is variable, but there is good fruit available.

Bell Peppers: With Florida bell pepper growers beginning new fields, production has increased this week. Crown picks are yielding larger fruit and quality is good. As Mainland Mexico farms begin the transition from southern to northern growing areas, size and quality are dropping off. Older plants are tired and are yielding more fruit with bruising, turner issues and misshapen appearance. Look for improvement when the northern area gets going in stride later this month.

Cucumbers: The Eastern market continues to look toi Honduras for cucumbers, but that will wind down over the next 2-3 weeks. Florida growers expect to begin shipping light volumes next week as they get into new Spring crops. Mainland Mexico's production is decreasing quickly, as growers did not maintain fields optimally when markets were very low. This has led to disease

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pressure and reduced yields. Cucumber volumes will remain light for another 2-3 weeks as we wait for Baja and Sonora to begin Spring production,

Summer Squash: Yellow and zucchini squash supply and quality are coming up short in both Florida and Mexico. Florida's farms are dealing with decay and scarring from last week's weather event on top of already light volumes and acreage. Mainland Mexico production is in the midst of transition between southern and northern growing areas. With southern farms at the tail end of the crops, quality and volumes have become a challenging. Look for things to improve in 10-14 days when growers in Sonora start new crops.

Green Beans: Eastern green bean production has been sporadic and supply is generally lighter as some growers deal with bloom drop from January weather. Quality is still good, despite some occasional wind scarring. Farms in Mexico anticipate steady supply and good quality for the next 10-14 days.

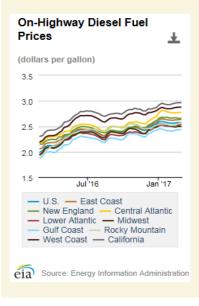
Chili Peppers: With Southern Mainland Mexico chili pepper production in its seasonal decline and northern areas just getting started, we look to Escuinapa to bridge the gap. Crossings will likely tighten up as we work through this transition and get further into Lent season. Tomatillos are snug, but most other varieties continue to be available in adequate numbers. Quality bears close monitoring for the next few weeks, as it tends to decline on fruit from older fields.

Hard Squash: Sonora'a Spring production of hard squash is kicking in and volumes are steady. Quality has improved as growers have worked through first picks. This area expects to run through June, when Western production will transition to domestic farms.

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TRANSPORTATION FACTS

- * The National Diesel Average eased slightly upward this week, coming in at \$2.58 per gallon.
- * The average price for a gallon of diesel fuel is \$.59 higher than the same time last year.
- * With the exception of California (where pricing remained steady), fuel costs increased slightly throughout the country.
- *California remains the high price leader for diesel fuel at \$2.96 while the Gulf Coast region continues to offer the best bargain at \$2.43 per gallon.
- * The WTI Crude Oil price rose 1.1% this week, moving from \$53.40 to \$54.01 per barrel.
- *Transportation is available in adequate or surplus levels throughout the country, including onion and potato ship points.



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AN APPLE A DAY

How Schools Can Get Children to Eat Their Vegetables By: Bonnie Miller Rubin, www.wsj.com, February 24, 2017

We try haranguing. We try pleading. We try bribing. But we still can't get children to eat their vegetables. Now schools, nutritionists and behavioral scientists are putting science to work to figure out how to get children to reach for a carrot instead of a candy bar.

There's urgency behind these efforts. The nation's childhood-obesity rates have tripled since the 1970s, and legislators are clashing over the effectiveness of recent federal rules mandating healthier fare in schools. While it seems the regulations are getting more children to make better choices, there hasn't been a measurable health impact just yet. Here is a closer look at five innovative interventions that researchers have found can make a difference in schools:

Put produce up front

In April, the Howard County, Md., school system opened all-you-can-eat salad bars at three elementary schools and moved them to the front of the cafeteria. Even before children entered the lunch line, they could see an array of five different fruits and five different vegetables a day, about 80% of it locally sourced. After the change, the number of students who buy school lunches increased.

Location matters, says a recent study by Arizona State University, which found that when a salad bar in a school cafeteria is made more visible, vegetable consumption is five times as high as before.

Another strategy attacks the idea of early placement from a different angle—by giving children vegetables as snacks when they're at their hungriest. Traci Mann, a psychologist at the University of Minnesota, performed a study where she offered children cups of baby carrots before getting lunch. About half the students at the Richfield, Minn., elementary schools chowed down on the carrots—a significant improvement over the typical 10% who chose carrots at lunch.

Marketing 101: new & improved!
Stealth nutrition can be simple. Slicing up fresh fruit (children with braces would rather opt out than wrestle with an apple) and swapping out industrial gray tubs for colorful bowls have successfully changed children's habits. Before the tweaks, at Idaho's South Fork Elementary School, 30%

of students who chose fruit tossed it out; today, that number has dropped by half, says Heidi Kessler, director of the Cornell Center for Behavioral Economics' Smarter Lunchrooms movement, which aims to give schools evidence-based tools to improve children's eating behavior.

Cool names (such as X-Ray Carrots or Turbo Tomatoes) and attractive signage have also been shown to entice more elementary-school students to eat vegetables, according to Cornell researchers. Another Cornell study suggests that children were more likely to choose an apple with an Elmo sticker than when there was no icon—so branding might be used to benefit nourishing fare and not just sugary treats.

Track what is eaten

What ends up in stomachs vs. the trash? To get a more accurate snapshot, Rush University Medical Center in Chicago and Canyon Ranch Institute in Tucson have collaborated to design and test a program that tracks what students are actually consuming. The pilot, launched in 2014, monitored children at two Chicago elementary schools with primarily low-income populations. Cafeteria workers scanned each student's ID card and used a touch screen to document each item chosen. Then, researchers recorded what percentage of food was left untouched. Waste averaged 35% for entrees, 73% for produce and 30% for milk, according to the findings, appearing this month in the Journal of Nutrition Education and Behavior.

Such data helped the lunchroom staff identify the most popular items (vegetarian lasagna) and ditch the losers (chicken cordon bleu). What made this intervention even more effective is that parents received a customized report card at the end of each week, giving them a look at what their child consumed and a summary of its calorie content and vegetable servings. They could then compensate for any nutritional deficits at home.

Get a chef to cook it right

Bringing professional chefs into cafeterias might seem like an indulgence. But such collaborations are beneficial. A study by researchers at the Harvard T.H. Chan School of Public Health that appeared in JAMA Pediatrics in March 2015

concluded that both short and longterm partnerships between chefs and school cafeterias brought a 30% bump in produce selection and consumption.

More than 18% of responding schools in a 2016 School Nutrition Association survey have chef partnerships (up from 12% in 2014) to enhance menus and retool favorites. For instance, they offer nachos with low-fat cheese instead of canned yellow glop.

Bring vegetables into the classroom

A child's first encounter with a new vegetable is a crucial moment. Nutrition education can demystify unfamiliar vegetables and break down children's resistance to trying them. For example, Boulder Valley School District in Colorado takes students on field trips to farms, where they see exotic vegetables, such as purple cauliflower and watermelon radishes, being grown for their school meals. Also popular: Rainbow Days (when children are encouraged to try at least three colors of fresh produce from the salad bar) and Harvest of the Month side dishes, complete with collector cards touting fun facts instead of batting averages.

While it's important to make the connection between fresh ingredients and wellness, the focus is on exploration, not preaching. "It's all about facts," says Brooke Sweeney, medical director of the Center for Children's Healthy Lifestyles and Nutrition. "We've taken out the emotion, so it's not about 'good food' and 'bad food.' "

In New York City, the Wellness in the Schools Program instructs about 30,000 public-school students on how to shop and read labels, and conducts hands-on cooking demonstrations with fresh produce, which not only nurture culinary skills but teach habits that will last a lifetime. The initiative has now expanded to Kentucky and Florida.

Experts say that even more important than funding is starting early. "To third-graders, who have been in school since the federal regulations have been in place, a salad with chicken—not nuggets and french fries—is normal," says Marlene Schwartz, director of the University of Connecticut's Rudd Center for Food Policy and Obesity. "It's exactly what lunch should look like."

For the entire article, please go to: https://www.wsj.com/articles/howschools-can-get-children-to-eat-theirvegetables-1487944388 MARCH 2, 2017 INDUSTRY NEWSLETTER



LIPMAN IN PICTURES

Congratulations to Mark Barineau, this month's winner, and the other finalists in the February Lipman Photo Contest!



Vintage Ripe Burger Submitted By: Leetha Reynolds



Ripe for the Pickin' Submitted Bv: Mark Barineau



Next Generation of Team Lipman Submitted Bv: Elizabeth Malek



Employee Appreciation Lunch....with Prizes! Submitted Bv: Kimberly DeLeon



Drip, Drop Submitted By: Jesus Gutierrez

PRODUCE BAROMETER

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

MARCH CALENDAR

All Month

Employee Spirit Month March 8th

International Working Women's Day

March 9th

National Meatball Day March 10th

National Ranch Dressing Day National Pack Your Lunch Day

Immokalee, FL Weather

Fri	Sat	Sun	Mon	Tue
Mar 3	Mar 4	Mar 5	Mar 6	Mar 7
79°F	79°F	79°F	81°F	82°F
61°F	59°F	59°F	61°F	63°F
N 17 MPH	NE 21 MPH	ENE 14 MPH	ENE 10 MPH	E 7 MPH
				Procin 20%

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NEWS IN THE GROCERY TRADE

Grocers Have New Tool for Driving Traffic

By: Gina Acosta, www.retaillaader.com, February 2017

Shopkick says its new Grocery app will give consumers opportunities to earn rewards during trips to the grocery store. For grocers and brands, Shopkick says the new app will drive a consistent and measurable stream of foot traffic, product engagement and in-store sales.

After a year of research, product development and testing, Shopkick found that the new grocery app drove key shopping behaviors, inspiring beta users to:

- Boost basket size: spend nearly twice what the average American spends in grocery/drug or mass retail, \$59 per visit vs. \$32
- Fuel frequency: earn rewards in grocery stores 2.2 times per week on average, compared to the U.S. average of 1.5 trips to the grocery store each week
- Increase engagement: engage 33 percent more with products at the shelf than users without the Shopkick Grocery product
- Prove more purchases: submit receipts for rewards 70 percent more frequently than users without the Shopkick Grocery product

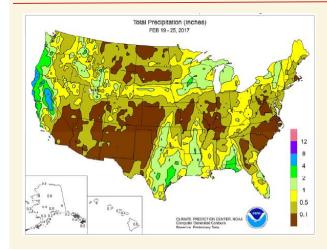
"Emerging technology is forcing both grocers and brands to rethink their approach to engaging consumers," said Shopkick CEO Bill Demas. "If the Sunday circular isn't already irrelevant in your area, it will be soon. The next generation of shoppers are digital natives who not only want the savings their parents found in those pages, but also expect more personalized and rewarding interactions. Shopkick is helping to solve both sides of the equation – providing a way for brands and retailers to deeply connect with and reward their customers, while satisfying the requirements of today's consumers."

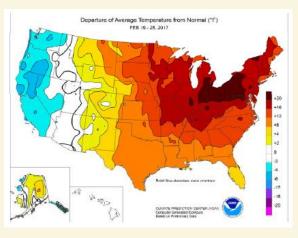
Some of the new Shopkick Grocery features now open to partners include:

- Grocery Offers Tab: dedicated section featuring branded lookbooks, videos and offers, helping users easily discover new products
- Shopping List: one tap gets products on consumers' shopping lists before they head to the store
- Recipes: simple, everyday recipes inspire brand affinity and loyalty, with seamless shopping list integration
- Kicks for Purchase: high value rewards provide an alternative to traditional coupons for everyday buying while preserving margins

NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation





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RESTAURANT INDUSTRY NEWS

Three Ways to Stay Relevant in the Sandwich Category By: Rebekah Schouten, www.foodbusnessnews.net , February 27, 2017

Burgers are still the biggest source of U.S. handheld sales in the food service channel, according to Technomic Inc.'s "Foodservice Prepared Sandwich Category" study.

Sandwiches, burgers and other handheld items accounted for nearly one out of every four dollars spent in food service in 2016, totaling just over \$205 billion in sales, the study found. Out of those items, burgers comprised 44% of total U.S. handheld sales, while deli sandwiches weighed in at 13% and submarine sandwiches at 11%.

"Burgers and other traditional sandwiches remain the prominent choice for consumers who eat handhelds away from home today," said Dave Henkes, senior principal of Technomic's advisory group. "However, with millennial and Gen-Z consumers growing in spending power and cultural influence, ethnic flavors and non-conventional formats are redefining what Americans typically identify as a standard sandwich. These unique formats and flavors will only grow as these younger populations continue to mature."

While 53% of all handheld sales occur during the lunch or mid-afternoon daypart, Technomic said, consumers are expanding their sandwich consumption to the morning and other snacking occasions. Food service operators may take advantage of these growing sandwich eating occasions by innovating with breakfast offerings and handheld snacks. Consumer favorites on the rise include formats such as tacos, burritos, breakfast sandwiches and wraps.

The two most important sandwich components ranked by operators and consumers were proteins and carriers. "It follows that focusing on the quality and variety of meats and breads is critical for operators to stay relevant in the sandwich category," Technomic said.

While cheeses, toppings and sauces garnered less attention, Technomic said, sauces may be an avenue to explore new flavor profiles, such as spicy, sweet and Asian, to attract millennial and Gen-Z consumers. Trending flavors include sriracha, ghost pepper, ginger, wasabi and chipotle.

MARK YOUR CALENDAR & PACK YOUR BAGS!

March 9-11, 2017

Southeast Produce Council's Southern Exposure 2017 Walt Disney World's Dolphin Resort Orlando, FL

www.southernexposure.seproducecouncil.com Join Lipman at Booth 1400!

April 23-25, 2017

PMA's Women's Fresh Perspectives Conference Miami Marriott Biscayne Bay Miami, FL

www.growingtalentbypma.org

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