MARKET UPDATE

Round Tomatoes: Most Ruskin/ Palmetto farms will finish up crown picks next week and continue to harvest 2nd's and 3rd's for another week or so as weather and quality permit, to finish out the season. Fruit is heavier to big sizes, with approximately 60% of all harvests coming in at 5x6's or better. End product quality is still nice, although there's starting to be more weather-related culls in the packing process. Quincy/South GA has been delayed until the first or second week of June, depending on grower. However, South Carolina is on tap to start in the first few days of June, helping to bridge any gap in volume/sizing that may occur. In the West, Mainland Mexico growers continue to slow down as they move toward the end of the season on both vine-ripe and mature green fruit. The California desert will have a short mature green deal starting next week while Baja and Eastern Mexico's new vine-ripe crops are just getting started. Despite all the moving pieces (including the 17.56% duties), there's a decent amount of round tomatoes available to meet the market's needs this week.

Roma Tomatoes: Florida's roma numbers are steady, but much lighter than rounds. We anticipatet volume to lighten up further once the Ruskin/Palmetto deal ends, as Eastern acreage lessens until regional deals start around July 4th. West Mexico expects to have good volumes for the next few weeks and East Mexico and Baja are beginning to see volume increases on their new crops. These areas should carry the load until California is up and running. Quality reports have been varied, but there is good product available.

Grape Tomatoes: Mexico's grape tomato supply continues to be a bit light as production transitions from the Mainland to Baja. Some Western buyers have looked to Florida this week, where production has been mostly steady despite some precipitation in the growing area. This supply should continue through the rest of the month as long as later-pick quality holds up.

Bell Peppers: Eastern pepper supply is making the transition from Florida to Georgia with supply a little snug during the process. All of Florida's fruit is coming from Plant City, where quality and volumes are on the decline as they move into the short rows. Georgia has just gotten started in a light way but should begin to have more volume next week as more growers get up and running. The new crops look to have nice quality, which is always welcome. Western availability is split between Mexico and the California desert. Nogales shippers still have decent volume but heat and tired plants are beginning to take a toll on quality and shelf life. The pretty pepper is in Coachella, where fruit has thick walls, healthy stems, and nice shape.

Cucumbers: Cucumber volumes are strong throughout the country this week. Georgia farms are now in full production with good quality and sizing. In the West, Mainland Mexico and Baja are overlapping during the transition so there's plenty fruit for all.

Summer Squash: Squash numbers look to remain steady out of Mainland Mexico and California's numbers are will increase over the next few weeks. With Baja on tap to get started later this month, there should be plenty of product available, particularly on zucchini. Yellow numbers are still a little limited, in part, due to quality. The East also has a steady stream of product coming from multiple areas: Plant City, Georgia and South Carolina. There were a few quality issues over the past week, but it's already showing signs of improvement as farms have now worked through the older fields.

Eggplant: Eggplant is a bit challenging this week as both Eastern and Western production works through growing area transitions. New crops have been slow to come on, creating a snug situation in the interim. The California desert expects stronger numbers in 7-10 days, while the East is patiently waiting for Georgia fruit to come online within the next two weeks.

Chili Peppers: With Sonora, Sinaloa, Baja, and California all in the chili deal, availability is good on most items this week. Tomatillos have tightened up in the past few days and may become more limited over the next two weeks, as Baja growers work through a gap between 1st and 2nd plantings. Although quality is still solid on all items (except poblanos) out of Mainland growing areas, we could see heat-related issues as we move into June. In the East, Plant City has excellent quality but light volumes on their usual assortment of chili peppers. Look for Georgia to start in 2-3 weeks before production moves into regional deals.

Organic Squash: Organic squash supply in Nogales remains consistent on zucchini, but has lightened up on yellow as one of the larger farms called it quits for the season. With Baja up and running in a light way and California farms 10-14 days from starting, the lull in yellow squash supply should resolve soon. Eastern markets are beginning to see the first organic squash of the season as one South Carolina farm has started with zucchini. Look for more areas to come online by June.

Organic Bell Pepper: The organic bell situation has eased up now that California has joined Mexico in production. There's light to moderate availability in Nogales but quality and sizing are much better from the desert. The earliest we expect to see any Eastern product is late June/early July.

TOV: Our Huron greenhouses in Nebraska and Canada continue to harvest strong volumes of nice-quality TOV's. Add Mexico's production to the mix, and TOV's are a very promotable item this week.

HH Beefsteak Tomatoes: With our O'Neill, Nebraska greenhouses in full swing and new crops starting in our Canadian facilities, we have excellent volumes of beefsteak tomatoes available. Quality, color, and shape are excellent.

ON THE HORIZON CONTENTS

Look for Transportation Facts on Page 2 this week!

RESTAURANT INDUSTRY NEWS

Study: Labor Issues Top Restaurant Industry Concerns

www.qsrmagazine.com, May 9, 2019

Even though to date the economy remains relatively strong, the chain-restaurant industry in the year ahead faces a consumer base that is starting to show signs of possible fatigue plus multidimensional labor issues made even more complex by the strong economy of recent years—in particular, low unemployment—itself. Those are among the findings in a survey of more than 1,000 U.S. consumers, released by AlixPartners, a global consulting firm.

On the labor front, the survey finds that 59 percent of consumers are in favor of raising the minimum wage to $15 an hour, which is more than double the current federal minimum of $7.25 per hour—and which would undoubtedly cause restaurant operators to rethink business models whose profit margins are already razor-thin. Moreover, a whopping 68% of millennials, the poll finds, are in favor of such a wage hike, indicating that the “Fight for 15” (and perhaps more) issue is unlikely to go away anytime soon.

Meanwhile, results from the survey reveal several signs that financial concerns seem today to be taking precedence when it comes to decisions both about dining-out to begin with and how much to spend when they do. For instance, among those who expect to dine-out less often in the year ahead, consumers were given the option of pick as many reasons as applicable among 15 in total. The result? Those choosing a financial concern—as opposed to such things as restaurant service or predictable food—was up eight percentage points net versus responses to the same question in an AlixPartners survey fielded a year ago. In particular, in this year’s survey 49 percent said they plan to reallocate savings toward purchases other than restaurant meals, 30 percent said restaurant meals are too expensive, 30 percent said their current finances mean they need to cut back on spending, and 15 percent said they’re concerned about their future financial situation.

In addition, the survey finds that millennials may be impacted more than older generational cohorts by economic worries, as the percentage who plan to spend $10 to $30 per meal is down in this year’s survey (to 55 percent, from 57 percent in last year’s) while the percentage that plan to spend $10 or less per meal is up (to 42 percent, from 40 percent). The survey also finds 38% of consumers plan to use discounts, such as coupons and promotions, to reduce their restaurant spending in the year ahead, down from 46% in the survey of a year ago—a sign that discounts are perhaps losing their allure. And, in perhaps another sign of caution, the survey also finds that among those planning to reallocate their restaurant spending on other things, 35 percent said they’d reallocate toward retirement (of the eight options available), up two percentage points from last year’s survey—while 38 percent said travel, down three points from the year-ago survey.

“The restaurant consumer today is jittery, and for good reason,” says Adam Werner, global co-head of AlixPartners’ Restaurant, Hospitality and Leisure Practice and a managing director at the firm. “The economy—which, of course, drives so much of restaurant spending to begin with—looks great in the rear-view mirror, but what lies ahead is uncertain, and our survey results reflect that consumers are very aware of that.”

“Whether it’s the minimum wage, staffing and hours, or even automatic gratuities, labor issues in this industry are only going to get thornier and more complex,” says Kurt Schnaubelt a managing director in AlixPartners’ Restaurant, Hospitality and Leisure Practice and one of the authors of the survey. “Operators need to use strategic pricing to put value right on the menu to begin with, and they need to have a toolbox of strategies to deal with all the labor issues coming their way. Given the pennies-on-the-dollar margins in the industry today, there is no alternative.”

TRANSPORTATION FACTS

*The national diesel average dipped slightly this week, moving from $3.17 to $3.16 per gallon.

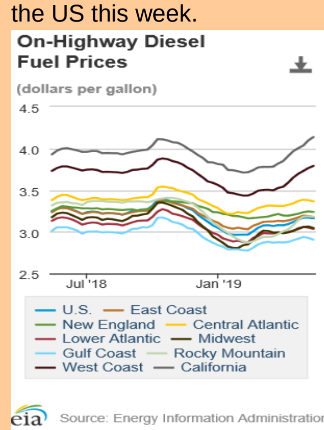
* The average price for a gallon of diesel is $.08 less than the same time last year.

* Prices rose from $.01 to $.04 per gallon in California and on the West Coast due to issues at a major refinery, but all other areas of the country saw prices decline slightly.

*California continues to have the highest diesel prices in the country at $4.14 per gallon while the Gulf Coast is the low-price leader at $2.91 per gallon.

*The WTI Crude Oil price rose 1.9% this week, moving from $61.66 to $62.87 per barrel.

*Aside from a shortage in Central and South Florida, trucks are available in adequate or surplus levels in the US this week.



PRODUCT SPOTLIGHT
Beefsteak Tomatoes

With both our O'Neill, Nebraska and Exeter, Ontario Canada greenhouses going strong, we've got great supply and beautiful quality on our delicious beefsteak tomatoes! They're perfect on a sandwich, burger or sliced up raw for a savory snack. Connect with your Lipman or Huron contact to get these in your customers' hands….and mouths!

15lb Box
Availability : Year Round
Humidity : 95%
Pack Style : Bulk 15lb
Packaging : Box

2 Count Fibre Tray
Availability : Year Round
Humidity : 95%
Pack Style : 10 x 2 Count
Packaging : 100% Compostable Tray with Overwrap

2 Count Clamshell
Availability : Year Round
Humidity : 95%
Pack Style : 10 x 2 Count
Packaging : Recyclable Clam

3 Count Clamshell
Availability : Year Round
Humidity : 95%
Pack Style : 36 x 3 Count
Packaging : Recyclable Clam

4 Count Fibre Tray
Availability : Year Round
Humidity : 95%
Pack Style : 12 x 4 Count
Packaging : 100% Compostable Tray with Overwrap

4 Count Clamshell
Availability : Year Round
Humidity : 95%
Pack Style : 12 x 4 Count
Packaging : Recyclable Clam

PRODUCE BAROMETER

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

MAY CALENDAR

May All Month
National Hamburger Month
3rd Week of May
International Pickles Week
May 17th
National Bike to Work Day
National Pizza Party Day
May 20th
Weights & Measures Day
May 23rd
Eat More Fruits & Vegetables Day

Ruskin, FL Weather

Fri	Sat	Sun	Mon	Tue
May 17	May 18	May 19	May 20	May 21
89°F	91°F	90°F	90°F	92°F
67°F	70°F	73°F	73°F	75°F
ESE 8 MPH	ESE 8 MPH	E 8 MPH	E 6 MPH	E 6 MPH

KEEP YOUR EYE ON THE CONSUMER

Study: How Different are Millennial Consumers?

By: Dan Berthiaume, www.chainstoreage.com , May 9, 2019

A new consumer study from Accenture examines the assumption that millennials shop differently from their elders.

According to a global Accenture survey of 6,000 respondents, including 1,707 millennials born between 1980 and 2000, many millennial shopping habits are in line with those of Gen X (1965-79) and Baby Boomers (1946-64). For example, more than half (55%) survey respondents in all three demographics said that they seek out "the cheapest return option."

In addition, 41% of respondents in all three groups said they practice "showrooming"—examining merchandise at a nearby retail store and then shopping for it online to find the lowest price—more often than they did a year ago. Accenture analysis indicates this shift is due, in part, to the current high penetration levels of smartphones, which can enable customers to digitally search for an item easily, even while in a store.

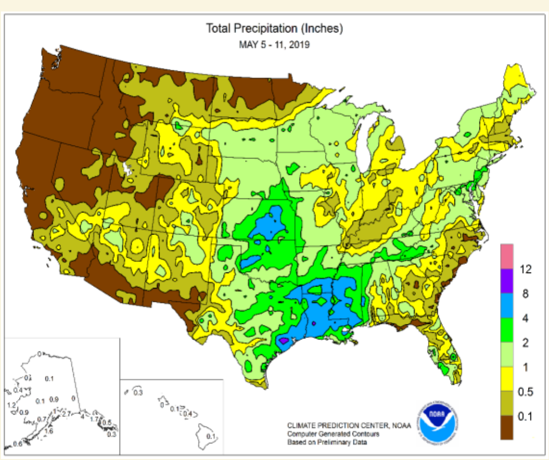
Thirty-six percent of those surveyed from all three generations said they will go online to buy from a retailer's website if they want a product when the company's stores are closed. And on average, 89% said having access to real-time product availability information would influence their shopping choices in terms of which stores they would frequent.

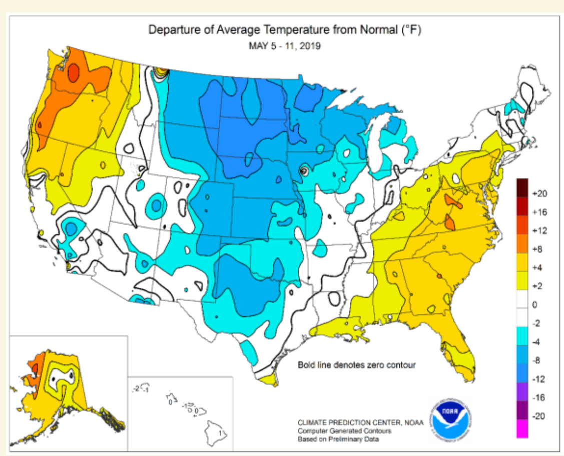
However, the study did also reveal some millennial-specific shopping preferences. For instance, 68% of millennial respondents demand an integrated, seamless customer experience regardless of channel. Almost all (95%) millennial respondents want brands to court them actively, including emailing coupons or mailing them to their homes.

But in another millennial response demonstrating many of their shopping habits mirror those of previous generations, 82% of millennial consumers prefer brick-and-mortar stores.

NATIONAL WEATHER SPOTLIGHT

Last Week's Precipitation Totals and Average Temperature Deviations





MERCHANDISING MINUTE

A Little Mind-Reading in the Produce Aisle

By: Armand Lobato, www.thepacker.com , May 16, 2019

If only we could read what our produce customers are really thinking. Are they satisfied with what they see? We can observe their actions, track data. But we can only imagine their thoughts, so imagine we must ...

Welcome to my thoughts. Call me your average customer. I do at least 90% of my family's grocery shopping. I shop midday, once a week on average, but "zip in" on an every-other-day basis for minor purchases, to pick up prescriptions, or for the couple of items I need to fix dinner. I shop for myself, my spouse and for our 1.14 children (relax, we're talking average. I have two kids. They eat a lot).

I like your produce department. I said I like it, I don't love it. I might love it ...

If I didn't see so much of, what do you call it? Out of stocks. You're out of too much stuff, too much of the time. It's not just in produce either. Yours is a big store that stocks aisles of extras I never used to see growing up. You can have fanciest grocery store with all the bells and whistles, but out of stocks really sour it for me.

Twice last week I wanted to buy a pack of printer paper in your huge office supply aisle, for example. Basic item, right? I'm not going to complain because I don't have time for that either, but if you're going to provide space for items, why not try to keep it in stock?

I did overhear a clerk complain about "centralized buying" being the culprit. I don't know what that means. Whatever savings you believe you're realizing, all I know is you're out of what I need.

That's my example, leading back to your produce department. I always see gaping table surfaces where produce should be stocked. You seem to have just enough clerks. They're helpful enough if I ask a question but always seem stressed and running behind. I suppose they'll eventually catch up and fill those gaps.

In the meantime, I have to substitute items for what I really came in for, which really isn't that much trouble, but you know ... Ugh. Just once I'd like to find everything I need in one trip.

Also, how clean is this place? I smell an off odor in the produce area that suggests that cleaning is a sometimes thing, not a priority. I see gunk in scale pans, dirt on table surfaces and hanging cobwebs. Don't you?

As my WWII veteran father-in-law used to say, "Who's running this Joe McGee outfit, anyway?"
Just a snapshot of my random thoughts. Hey, you asked.