LIPMAN family farms

On The Horizon

MARKET UPDATE

Tomatoes: Eastern round tomato production continues to be centered in the Ruskin/ Palmetto area where supply has been lighter and sizing has been smaller than usual due to extreme heat during fruit set. Sizing has improved slightly this week but won't be back to normal until south FL crops get rolling after Thanksgiving and into December. Florida's winter roma acreage is limited due to the normal market dominance of Mexico. Light volumes that are consistent for us this time of year are available though. As with rounds, the size profile has been affected by previous weather with very little larger fruit available. Despite sizing challenges, round and roma quality is very nice. Grape tomatoes also have lower yields coming from current production areas. Both quality & volumes should improve on grapes as harvest locations migrate to southern FL.

Round and roma tomato supplies have become very snug in the West. Baja's projected increases have yet to materialize due to cool temps, fog, and crop disease. Eastern Mexico farms have hit a cold snap which is affecting current production and could limit numbers going forward. Prior weather has also affected upcoming harvest areas in Central and Western Mexico, indicating that numbers may not be "normal" until after the first of the year. Grape tomato supply has also been impacted for the same reasons as rounds and romas. Right now, it looks like Sinaloa is a couple of weeks behind and will have very light volumes of grapes when farms start up in December.

Bell Peppers: Bell peppers are extremely short throughout the country this week. GA is still shipping what they can until frost, but volume and quality were significantly affected by Michael. Florida has a few bits and pieces to offer from both the central and southern parts of the state but volume is minimal. With South FL still a month out from any significant volumes and CA's light desert season, the pepper deal could be a rocky ride until Mexico gets into full production in December or January.

Cucumbers: With both south and central FL in production, cucumber supply and quality is a bright spot in the East this week. Look for the offshore deal to start in a very light way next week as well. In the West, Baja is wrapping things up quickly. But, despite slowing due to cooler weather, Mainland Mexico continues to have consistent supply and good quality to fill Western demand.

Summer Squash: Several weeks of super-low market prices caused a number of FL and GA growers to walk away from fields after just one or two picks, which has quickly changed the squash supply situation in the East. Depressed markets also deterred growers from coming back with later plantings, so we could see supply become shorter as we move through the next month. Quality is rough on yellow, since most harvests are from older fields now. Zucchini quality is better. As for the West, Mainland Mexico farms are seeing less fruit due to previous weather and virus issues in the fields. However, we do expect acreage to start soon from newer growing areas further south.

Eggplant: Demand is strong for eggs, but there seems to be enough fruit still in GA and FL to meet demand. GA's quality is not the greatest as these crops saw their share of weather during the growing cycle. Florida's fruit is much nicer so far but volumes are still on the light side. The CA desert is still providing good volume on eggplant while Mexico's producers are slow to ramp up due to the cold.

Green Beans: There are small pockets of bean production remaining in GA and in several areas in FL but not nearly enough to cover holiday demand. Growers are experiencing light yields due to rainy weather in the early part of the growing cycle. Florida numbers will start to improve next week as growers move past the lighter-yielding plantings and into new fields. In the West, the Coachella Valley, which could go another 7-10 days, is the main source of supply. Mainland Mexico is finally underway with very limited volume so far. Crossings and volume will increase over the next few weeks as more growers begin

TRANSPORTATION FACTS

*The national average diesel price continues to stair-step its way down, moving from $3.34 to $3.32 per gallon this week.

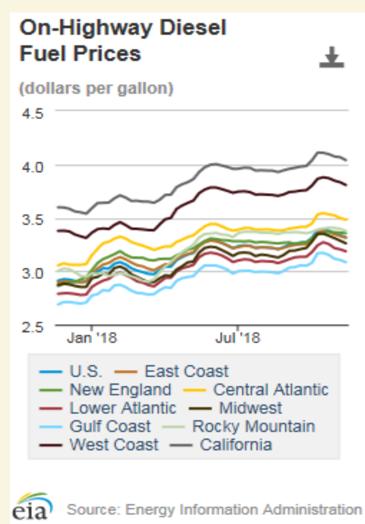
* The average price for a gallon of diesel is $.40 higher than the same time last year.

* All areas reported price declines, with the most significant coming from California (down $.03 per gallon).

*California maintains its role as the high-price leader at $4.04 per gallon while the Gulf Coast continues to offer the lowest fuel cost at $3.09 per gallon.

*The WTI Crude Oil price dropped 9% this week, moving from $62.21 to $56.25 per barrel.

*Potato and onion shippers are still coming up short on trucks, but other vegetable and tomato production areas have adequate transportation available.



ON THE HORIZON CONTENTS

KEEP YOUR EYE ON THE CONSUMER

Food Discovery: "The Adventurous Consumer" Tipped as Top Trend for 2019

By: Elizabeth Green, www.foodingredientsfirst.com, November 13, 2018

Targeting increasingly adventurous consumers, set on new discoveries and experiences, will be key to product development in the food and beverage industry in 2019, according to Innova Market Insights. The company today reveals its top trends for the coming year, with "Discovery: The Adventurous Consumer" leading its list of the Top Ten Trends for 2019.

The connected world has led consumers of all ages to become more knowledgeable of other cultures, contributing to 35 percent growth of a discovery claim in 2017 from 2016 (Discovery claims include: discover, explore, uncover, unveil and unravel). The market researcher continuously analyzes global developments in food and beverage launch activity and consumer research to highlight the trends most likely to impact the food and beverage industry over the coming year and beyond.

Speaking to ***FoodIngredientsFirst***, Director of Innovation at Innova Market Insights, Lu Ann Williams, says: "Millennials are an important consumer group but 'The Adventurous Consumer' trend is larger and broader than just that. If you take Japanese restaurants, for example, they are often full of children. In the past, people made fun of eating raw fish, kimchi was a punchline of many jokes, but now there are so many foods and flavors which have gone much more mainstream, that we maybe never expected."

According to Williams, the world is getting more connected through social media and travel.

"As an American living in Europe, I often notice sweet potato and pumpkin; those are very traditional American vegetables. Now they are trending flavors in many food applications," she says. "Food is now entertainment, in and out of the home. Nowadays, you can experience eating like Marco Polo along the spice route in a London restaurant, try tasting menus or have anything you want to be delivered at home," she adds.

"I also think meal kits are another way many consumers are learning and trying new things," Williams reveals. "In the Netherlands, some retailers have introduced meal kits in the produce section and there are very traditional meals such as tomato soup, but there are also interesting twists on the classic favorites."

Innova Market Insights started tracking and talking about ethnic flavors in the mid-1990s, according to Williams. "That was the before and after in the food industry in many ways. It was the start of functional foods in Europe and low fat in the US. In the late 1990s, we entered a completely new period where globalization took hold and now affects everything, including food. Start-ups are also having a huge impact on the food industry today. It's more challenging but also more interesting than ever," she continues.

"Big food manufacturers will have to think like small companies if they are going to compete for the hearts and minds of consumers. And now that 'adventurous consumers' can fact check anything, everything has to have a story behind it."

Innova Market Insights' top five trends for 2019 are as follows:

1. Discovery: The Adventurous Consumer
The food and beverage industry is increasingly focusing on satisfying the adventurous consumer, with consumers moving out of their comfort zones to explore bolder flavors and multisensory food experiences. There is a focus on heightened sensory delivery, often combined with an element of the unexpected.

2. The Plant Kingdom
The plant-based market shows no signs of slowing down and companies and brands are greening up their portfolios to attract mainstream consumers who want to add more plant-based options to their diets. For the mainstream consumer, going plant-based is about achieving a healthy and sustainable balance between meat and vegetables, rather than adopting an all-or-nothing way of eating.

3. Alternatives to All
As more consumers pay attention to health and sustainability, replacement foods and ingredients are on the rise. Health remains the number one reason to buy food alternatives, with one in two US consumers reporting that health, is a reason for buying alternatives to bread, meat or dairy. The search for alternative proteins has resulted in rising use of black beans, lentils, peas, rice, nuts and seeds, chickpea and even insects as protein ingredients for foods. There is also development in new sources such as duckweed/water lentils.

4. Green Appeal
The industry is increasingly committing to answering customer expectations around sustainability. This is driving corporate goals, as manufacturers commit to sustainable product and packaging development with a range of initiatives. This includes waste reduction through upcycled ingredients and post-consumer recycling, as well as improved biodegradability and new technology, such as compostable capsules and vegetable inks.

5. Snacking: The Definitive Occasion
For most consumers, snacking is a part of daily life and always has been. What is changing, however, is the way people think about snacking and what is considered a snack. Snacking is no longer the optional extra, but the definitive occasion. It is a central focus of innovation across all food and beverage categories, with 10 percent average annual growth of global food and beverage launches tracked with a snacking claim over the past five years (CAGR, 2013-2017).

The other top trends identified by Innova Market Insights are:

6. Eating for Me
7. A Fresh Look at Fiber
8. I Feel Good
9. Small Player Mindset
10. Connected to the Plate

RESTAURANT INDUSTRY NEWS

Four Emerging Trends Changing the Way Consumers Dine in Europe

By: Business Wire, www.restaurantnutrition.com, November 5, 2018

LONDON--Global market research company Euromonitor International published today a new white paper, "New concepts in Foodservice: Best of 2018" highlighting emerging restaurant concepts around the world. The new study explores four foodservice industry trends in the impacting consumers' expectations regarding the dining experience.

Clean and green living
As health and ethical trends become increasingly important for consumers, foodservice players are embracing localization, the shortening of distances between the source of an ingredient and the restaurant. Some restaurants take this even further by "hyper-localizing" the supply chain with urban farming because of environmental benefits and the perception of fresher food.

Individualized eating experiences
Restaurants are offering more tailored dining experiences to a variety of consumer types such as solo diners with the increasing popularity of single-portion meals in metropolitan cities where consumers cook less and eat out more. Meals designed specifically for individual portions also help reduce food waste and are particularly attractive to consumers with dietary control and calorie counting concerns.

Increasing engagement through gamification
Gamification is an emerging digital strategy for restaurants looking to engage with consumers in and out of the restaurant by integrating games or challenges into the dining experience, creating a deeper connection between the consumer and brand. This level of engagement can push a brand to the forefront of the consumer's mind and can incentivize them to return for future visits.

Connecting with the busy consumer
Time-crunched consumers need more convenient dining options and new innovative technologies are allowing restaurants to meet this growing demand for convenience. Consumers want frictionless meal options and higher quality meals delivered to their homes or on-the-go. Third-party players and digital-friendly formats are catering to the busy consumer, but expectations are higher than ever.

Stephen Dutton, senior foodservice analyst at Euromonitor International explains, "Global foodservice is expected to increase by an additional USD 359 billion over the next five years. The battle to earn part of this additional revenue is more difficult than ever as consumer expectations are higher, placing more pressure on foodservice operators to incorporate quality into every inch of the experience or risk losing out to more daring concepts.

PRODUCE BAROMETER

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

NOVEMBER CALENDAR

November All Month
National Fun with Fondue Month
November 16th
National Fast Food Day
November 20th
National Entrepreneurship Day
November 22nd
Thanksgiving
November 23rd
Black Friday
Buy Nothing Day

Labelle, FL Weather

Fri	Sat	Sun	Mon	Tue
Nov 16	Nov 17	Nov 18	Nov 19	Nov 20
70°F	76°F	80°F	81°F	81°F
48°F	57°F	59°F	58°F	59°F
NE 11 MPH	NE 8 MPH	NE 8 MPH	N 10 MPH	NNE 11 MPH

MERCHANDISING MINUTE

In the Trenches: 12 Ways to Maximize Sales for the Holidays

By: Ron Pelger, [www.producenews.com,](www.producenews.com) November 9, 2018

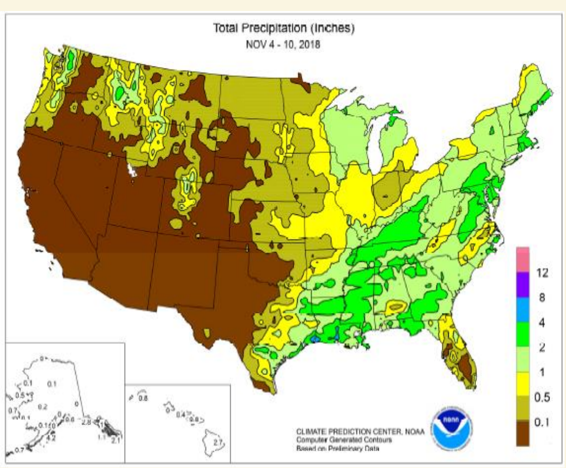
There are several major holidays during the year that offer opportunities to boost produce sales. Two of the most prominent are Thanksgiving and Christmas. It's always important to plan and kick around some thoughts as to how to increase sales and gross profit against last year's results. That calls for putting an emphasis on specific items and merchandising strategies that will meet your goals. Here are some reminders that may help you in the process.

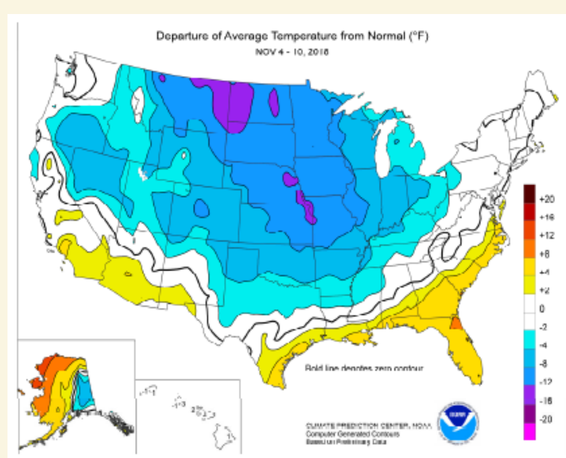
1. Ordering and deliveries: We all know that if a truck is late it can create havoc for these two holidays. Prevent panic by bringing in all your hardy items early. Potatoes, onions, hard squash, apples and citrus have lengthy shelf life. Play it safe to eliminate out-of-stocks.
2. Labor scheduling: We never get all the labor hours we would like to have. However, management does allow extra help during these holiday periods. Carefully schedule each person for timely workloads. Do you have three people scheduled at slower periods when you only need two?
3. Displays: Use key locations for the heavyweight items that generate stronger sales. Don't be conservative. Put some muscle into those displays. This is the time to really be aggressive. The customer volume will be there.
4. Profit strategy: Don't bunch up all the low gross advertised items on one big display at the department entrance. That makes for a really bad maneuver. Position them in several different areas of the department forcing shoppers to move about, persuading them to make other additional purchases.
5. Workmanship: Be fussy. You've set high standards for the department all year. There will be exceptional foottraffic during these two major holiday shopping periods. Maintain that professional craftsmanship you developed to hold that image.
6. Popular items: The most in demand are yams, cranberries, pineapples, potatoes, onions, celery, Brussels sprouts, asparagus, broccoli, cauliflower, carrots, squash, mushrooms, green beans and salad mixes.
7. Sleeper items: Don't forget the accessory items such as parsley, green onions, radishes, collard greens, kale, celery root, parsnips, leek, artichokes, garlic, chestnuts, sage and rosemary herbs.
8. Large sizes: This is the time to offer huge sizes of fruit such as apples, pears, oranges, pomegranates, mangos and cantaloupes. People like to make up dinner table fruit bowls to impress visitors.
9. Dried fruit and nuts: These items are very popular during the holidays. A large display of all items together is ideal. Walnuts and pecans are especially in demand and add up to some big sales dollars. Those two can also be displayed as wings alongside end cap sections for incremental sales. Bear in mind that the new generation of shoppers like millennials often prefer shelled nuts rather than in the shell.
10. Fruit and veggie platters: These have become exceptionally popular over the years and are in great demand over the holidays. Keep them in a special section, all together and well-balanced with various varieties. There are big bucks here.
11. Gift baskets and bowls: This is the biggest time of the year for giving fruit baskets and bowls as gifts. Order them from an outsourcing company rather than try to keep pace making them at the store. Don't depend on getting all the extra labor to produce them. They should be featured from Thanksgiving through to New Years.
12. Pricing: There is no need to give the house away, especially during the month of December. People spend plenty of money around Christmas and are more than willing to pay the prices for items they want. Have your one or two great features in the ad for draw. But upsell on the rest of the line to give your gross profit a big boost. This is the time to make money for your company.

Be mindful that December comes in two stages of holiday shopping. The first two weeks are generally an introduction of various Christmas-related displays throughout the store. This is shopping time for house visitations and company party celebrations. Fruit and veggie platters are in big demand. The last two weeks are for holiday dinner shopping.

NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation





AN APPLE A DAY

Consumers Increasingly Making Food Choices Based on Personal Definition of Health

Courtesy of: Cision PR Newswire, www.restaurantnutrition.com, November 5, 2018

Consumers are increasingly taking on a more personalized, holistic view of health. They're making food and beverage choices based on their personal definition of health, such as food described as natural, organic, high in protein or functional (e.g., items to help boost energy or de-stress). However, the *2018 Healthy Eating Consumer Trend Report* shows that despite abiding by these health definitions, consumers may still reconsider their restaurant orders if they think an item has too many calories. These views have implications for restaurants, especially as some restaurants are now required to post calorie counts and consumers increasingly rely on foodservice for meals.

"The foodservice landscape will become more competitive when it comes to tastier, more innovative healthy menu offerings," says Maia Chang, senior research analyst at Technomic.

"This means that more brands will face additional pressure to differentiate through transparency and preparation techniques, as well as brand and sourcing stories."

Key takeaways from the report include:

- 40% of consumers say their definition of health has changed over the past two years
- 66% look for calorie counts on restaurant menus at least some of the time
- 34% say they'd be likely to order dishes made with vegetables, such as cauliflower pizza crust and zucchini noodles, instead of carb-rich items
-

  Compiling findings from more than 1,500 consumer responses, as well as Ignite menu data on healthy item trends, the *2018 Healthy Eating Consumer Trend Report* serves as a guide for foodservice operators and suppliers to discover the opportunities, challenges and consumer attitudes regarding healthy eating in the United States and the impact of those attitudes on foodservice use.

MARK YOUR CALENDAR
PACK YOUR BAGS!

February 20-22, 2019
United Fresh Brandstorm 2019
Hotel Nikko San Francisco
San Francisco, CA
www.unitedfreshbrandstorm.org

March 7-9, 2019
Southeast Produce Council's Southern Exposure
Walt Disney World Swan & Dolphin Resort
Orlando, FL
www.seproducecouncil.com
Come join #TeamLipman at Booth #1125!

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