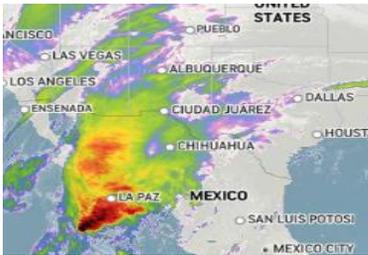




MARKET UPDATE

Weather Update: A tropical storm is currently making its way across many of the current production areas in Mexico and will impact tomato and vegetable availability for the next several days. Production will be halted until at least the weekend in most areas. As with any weather system, the full impact won't be known until the system passes and growers are able to get back into fields to assess the situation.



Round Tomatoes: Palmetto/Ruskin growers are rolling along with steady volume but have hit their peak and will see production decrease slowly over the next few weeks. Quality reports are mostly good from this area, but there have been some trouble spots on 2nd and 3rd picks. With FL production spread among crowns, 2nd and 3rd picks, the size profile is spread out pretty well, but is a little heavier to 5x6's. Lipman is harvesting 2nds in Labelle and will move into crown picks in Naples over the weekend. Our numbers will be a little lighter for the next few weeks but we'll see volumes increase as we get deeper into the new Naples fruit. Mexico's production continues to transition from Baja into Sinaloa, where prior and current rains are slowing new growers from coming online. Volume has been a little on the light side, but steady. We expect to see more volume over the next few weeks, depending on the weather's effects on new and current crops. Quality is all over the board as a mix of old and new crops make crossing points.

Roma Tomatoes: A couple of growers in the Palmetto/Ruskin area had a big push of product this week, but will slow down to lighter, steady volumes moving into next week. Lipman continues to harvest romas in Labelle where sizing and quality have been nice. Roma numbers were gaining strength in Mexico before the storm, as more growers got up and running with new

crops. Expect a short-term setback in volume over the weekend.

Grape Tomatoes: Florida's grape tomato production has lightened up quickly as low market prices motivated growers to walk away from older fields and plantings. There are still several growers harvesting in Palmetto/Ruskin but Lipman has moved south, harvesting mostly in Naples with a handful still in Labelle. More growers have come online in Mexico with grapes, but 4-5 days of rainy weather will set the numbers back, at least temporarily.

Bell Peppers: Plant City and South FL are the primary areas for Eastern pepper this week. Supply is steady but not overwhelming. We look to see more pepper coming from the East Coast and South FL over the next few weeks as new crops get up and running. There's not been a lot of big pepper around, as current plantings experienced a hot spell during the growth cycle. However, we should see sizing come up over the next few weeks as more farms enter the picture. Overall quality has been pretty good, although there have been some spotty reports of light bruising. In the West, there's good volume coming from Coachella this week and next but we'll see quality and size diminish from there as the season plays out. Nogales shippers picked ahead of the storm, bringing good volume to the border in the early part of the week. Expect very light crossings through the weekend as farms wait for fields and fruit to dry out.

Cucumbers: South FL and Plant City are past their primes in cucumber production but still have light volumes to sell. Expect these crops to push into December, especially if the markets stay strong. Quality has been good. Honduran imports will begin to show up in a light way at the first of December, but won't provide steady volume until mid-late December. With only two major growers left in Baja, Mexico's production is focused on the Mainland now. Demand has been very strong for Mexican fruit, so the pipeline is dry. Cucumbers could be snug for several more days as farms wait for the rain to pass to get back into fields, but there's a lot of product in the ground.

Summer Squash: Although availability has fluctuated with holiday demand, FL's squash production has been mostly steady. There's fruit in Plant City, South FL, and Homestead with a variety of quality. Look for some market "clean up" after the holiday. Mexico's squash supply has been moderate on zucchini with yellow numbers on the lighter side. Staying out of fields during the weather may bring more medium and larger squash to market going into next week. Logic also tells us that quality issues are likely to be coming for at least the short term, especially on yellows.

Green Beans: As we move past the critical holiday period for green beans, demand will definitely lighten up, providing a little more wiggle room for sourcing beans in the East. Current production in Central and South FL is still light as many fields are running behind schedule due to cool weather and rain. We should see yields and production pick up as soon as next week. Western production in both CA and Mexico had been coming up very short going into the holiday. While we'd expected to see supply improve in Nogales next week, the storm system may have an impact.

Eggplant: This is the tough item in the East. There just doesn't seem to be as much eggplant in the ground this year, particularly in the Plant City area, which is usually the standby source for this time period. South FL eggs have been slow to get going as some have planted a little later than usual and cooler weather has held crops back. Current quality out of FL has not been stellar. The main concerns have been sunken areas, but the scarring has also presented challenges.

Organic Squash: Organic squash is mostly a Nogales deal this week. Zucchini volume is moderate, but yellow numbers are coming in on the lighter side.

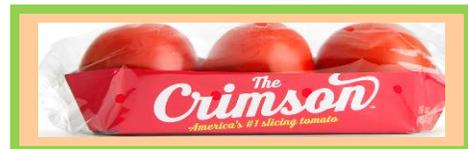
Organic Cucumbers: Volume has been lighter out of Nogales this week, but there's been enough product to meet demand.

Organic Green Bells: Our Grown True crops are now in harvest, along with other producers, bringing an improved supply of organic green bells to Nogales.

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KEEP YOUR EYE ON THE CONSUMER

Survey: 70 Percent of Guests Expect Online Ordering

www.qsrmagazine.com, November 21, 2019

Tillster, a global leader in digital ordering and engagement solutions for restaurants, published the results from its 2019 Online and Mobile Ordering Index. The Index examines the digital ordering strategies best serving restaurants as they grow sales and engage with customers.

For the third consecutive year, Tillster partnered with esteemed research firm, SSI, to conduct a study on how online and mobile ordering impacts guest behavior. The Online and Mobile Ordering Index summarizes the proprietary study's key findings as it relates to digital ordering. Surveying 2,000 restaurant customers across the United States, the Index includes findings from last year and projects ahead to the next year.

"The 2019 Online and Mobile Ordering Index concludes decisively that online and mobile ordering is critical to restaurant success in the marketplace today," says Perse Faily, CEO of Tillster. "Most [quick service] and fast casual brands have already adopted a digital ordering program. For customers, they are a given. For brands, the question is no longer whether to offer digital ordering but how to optimize it best."

Three key findings from the 2019 Index include:

Customers Expect Online & Mobile Ordering

Among the 2,000 customers polled, 70 percent expect a restaurant's website to offer online ordering, while 76 percent said they expect a restaurant's branded mobile app to offer it. These tools are no longer a nice-to-have but a necessity.

Customers Spend More with Online Ordering

When ordering online, a majority of customers order for more than one person, which generally results in a higher check size. With digital ordering, most customers place an order for an item they didn't previously plan to order and spend more on their total order. The majority of customers report spending up to \$5 on extra items presented during digital ordering.

Online and Mobile Ordering Offers Needed Convenience

Nearly half of all customers polled reported using an order-ahead app when selecting a restaurant, in an effort to beat the line. Index data also indicates that online ordering offers convenience that forms powerful brand allegiance; from busy parents looking to quickly re-order meals customized to their families' preferences, to working professionals who want a convenient meal without much effort.

"The demand for digital ordering grows with every Index we conduct. Customers today expect seamless and frictionless ordering experiences. For those restaurants already providing online ordering, the task at hand is to optimize efforts. And for those yet to roll out digital ordering programs, there is no better time than the present to meet your customers where they are," adds Faily.



TRANSPORTATION FACTS

*For the 3rd week in a row, the national diesel average price came in at \$3.07 per gallon.

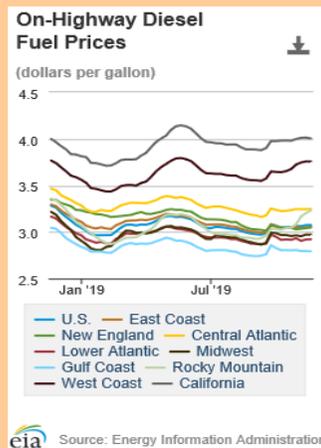
* The average price for a gallon of diesel is \$.20 less than the same time last year.

* Four of the ten reporting zones came in with slight price increases while the remaining six saw prices decline. The most significant movement came from the West Coast (less CA), where the price dropped almost \$.06 per gallon.

*California's fuel price tops the charts at \$3.98 per gallon while the Gulf Coast remains the low-price leader at \$2.78 per gallon.

*Since our last report, the WTI Crude Oil Price is up 2.3%, moving from \$57.12 to \$58.41 per barrel.

*Transportation is coming up a little short at Nogales and in potato and onion shipping areas this week but should improve after the holiday.





From our family to yours....



May the good things of life be yours in abundance,
not only at Thanksgiving
but throughout the coming year.

PRODUCE BAROMETER

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



DECEMBER CALENDAR

All Month
Food Service Safety Month
First Week
Hand Washing Awareness Week
December 3rd
National Day of Giving
December 5th
National Comfort Food Day
December 6th
National Gazpacho Day
National Microwave Oven Day

Labelle, FL Weather

Fri Nov 29	Sat Nov 30	Sun Dec 1	Mon Dec 2	Tue Dec 3
81° F	81° F	82° F	74° F	67° F
58° F	60° F	62° F	46° F	53° F
N 8 MPH	NNE 5 MPH	S 14 MPH	NW 14 MPH	N 7 MPH

RESTAURANT INDUSTRY NEWS

10 Fast Casual Trends That You Can't Ignore

By: Nancy Shenker, www.fastcasual.com, November 18, 2019

We all know that the fast casual world has changed radically over the past 10 years. Although the pace of growth is slowing, the category is here to stay. The last boom occurred during the recession, so if the economy slows, people will still look to chains as a source of affordable and satisfying meals.

Consumer tastes, automation, and population trends will all have an impact on our sector. Those brands that will survive and thrive have one eye on the balance sheet and the other on the future. The year's coming trends revolve around talent, technology and tastes. See below.

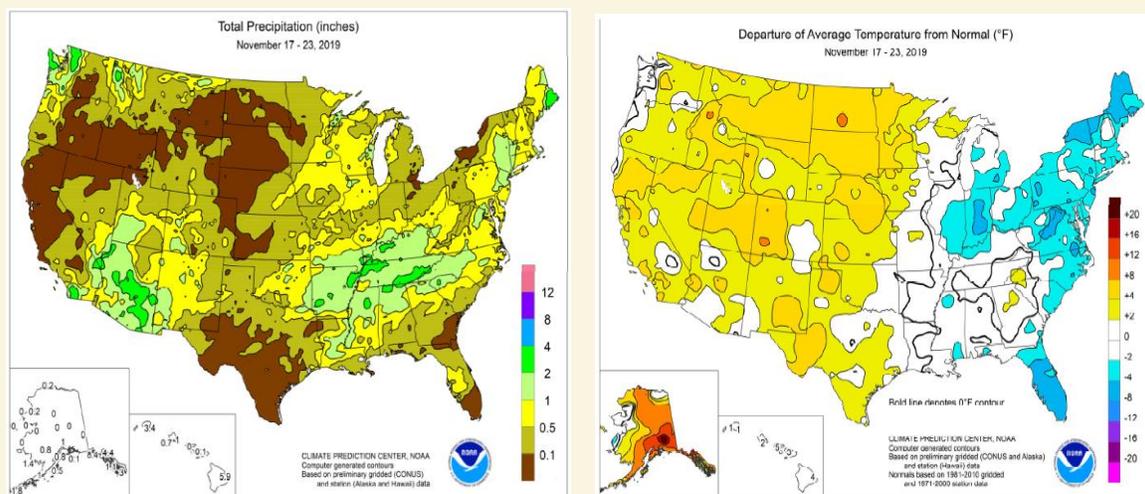
1. The war for the best people is raging, as tech-powered job search tools make job-hopping easier. In fact, short-cycle turnover (fewer than 90 days on the job) is now at 50%. Brands are looking more closely at retention data and exit interviews as guideposts in shaping their company cultures and onboarding, training and reward plans. The same way consumers influence brand tastes, employees will have more power than ever.
2. Minimum wage increases will continue to put pressure on the industry, and operators will look for alternatives to menu price increases to deal with the trend. (See #8)
3. Not only will boomers continue to represent a healthy percent of diners, but they can also be a significant part of the workforce, as active adults choose to work longer and look for jobs with flexibility.
4. Co-botting (people learning to work hand-in-hand with technology) will become commonplace, as restaurants automate various functions.
5. More than 80% of people use smart phones to find places to eat. Your local sites need to be compelling and load quickly. Google's restaurant profiles have become more comprehensive and play an important role in consumer decision-making. They have, in effect, become mini local websites. Multi-unit restaurants need to constantly stay on top of specials, reviews, openings, and closings.
6. "Alexa...where can I get pizza at 2 a.m. near me?" Voice devices will become commonplace. People will not only speak to their phones, watches and home-based devices, but eyeglasses and jewelry are also part of the Internet of Things ecosystem. Fast casual restaurants need to know the most common questions and ensure the answer is their locations as voice search becomes commonplace.
7. Social media will continue to play a huge role in brand image and new customer acquisition. Millennials and Gen Z are 99 percent more likely to rely on social media and online reviews than other groups when making restaurant choices.
8. Limited-time menu items, supported by effective advertising, PR, promotion, and organic and viral social media buzz, can create a tremendous short-term sales boost. This consumer-facing site tracks and reports hot deals, giving deal- and experience-hungry consumers an easy way to find what's new and unique.
9. Plant-based alternatives and food delivery are here to stay for the foreseeable future. Sustainability is important to tomorrow's diners, as are healthy kids menu options.
10. The "fast" in "fast casual" will accelerate. About 50% of consumers say that self-service kiosks improve their experience, and people who order online rank speed ahead of value and food quality.

One last trend...despite the digitizing and of the restaurant industry, professionals will continue to seek out and participate in live events and conferences so they can share best practices, celebrate successes, and learn from others in their industry. In fact, attendance at industry events shows no sign of slowing and attendees seek out those events that are most relevant to their niche — rather than broad horizontal gatherings.

Those businesses that stay one step ahead and innovate — the fast casual restaurants with 2020 vision — will be those that will be standing and booming in 2030.

NATIONAL WEATHER SPOTLIGHT

Last Week's Precipitation Totals and Average Temperature Deviations



IN THE PRODUCE TRADE

US Trade Deficit in Fresh Produce Widens

By: Tom Karst, www.thepacker.com, November 26, 2019

The U.S. trade deficit for fresh produce will widen to \$16.3 billion for fiscal year 2020, up 3% from fiscal year 2019 and up 15% compared with fiscal year 2018.

The U.S. Department of Agriculture issued its report on the Outlook for U.S. Agricultural Trade on Nov. 25. The USDA projected U.S. fresh produce exports for the year ending Sept. 30 2020 will reach \$7.1 billion, while imports of fresh fruits and vegetables will reach \$23.4 billion.

For all of U.S. agriculture, the USDA projects total exports for fiscal year 2020 at \$139 billion, while U.S. imports of agricultural projects will reach \$132 billion. That results in a projected trade surplus of \$7 billion for fiscal year 2020, up from \$4.5 billion in fiscal year 2019 but well off from \$15.9 billion in fiscal year 2018.

The \$7.1 billion forecast for fresh produce exports is steady compared with the August estimate, as the USDA said Canada and Mexico have been stable markets for U.S. shippers. The USDA said a \$1.7 billion gain in expected fiscal year 2020 imports compared to the agency's August forecast was due to increased shipments of avocados, berries, and melons from Mexico.

Global growth slows

The forecast for world gross domestic product growth for 2020 has been revised downward to 1.5% from 1.6% in the August forecast, according to the USDA. U.S. growth forecasts remain unchanged, with 1.6% growth expected in 2019 and 1.3% for 2020, according to the report.

"Despite positive consumer sentiment, low unemployment rates, and strong year-over-year wage gains, growth has been moderated by continuing uncertainty in U.S.-China trade, Brexit, and slowing trade and investment globally," the USDA report said.

With USMCA waiting for ratification in Canada and the U.S., the report said Canada and Mexico face "modest to unfavorable" per capita growth prospects in the near term.

In Canada, per capita growth is pegged at 0.1% for 2019 and at 0.4% in 2020. Meanwhile, the USDA said per capita growth in Mexico is forecast at -0.8% in 2019 and flat for 2020.

Ratification of USMCA will boost economic prospects for both Canada and Mexico, according to the USDA.

Latin American per capita growth is forecast for -0.4% in 2019 and 0.7% in 2020. The USDA predicts per capita growth in Asia and Oceania at 3.4% for 2019 and 3.3% for 2020, both 0.3% lower than the August forecast. Per capita GDP growth in the Euro Zone is forecast at 1% for 2019 and 0.9% for 2020

FRESH
TOMATOES

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MARK YOUR CALENDAR
& PACK YOUR BAGS!

January 14-16, 2020

United Fresh's Fresh Start Conference
Loews Ventana Canyon Resort
Tucson, AZ
www.unitedfresh.org/events

January 9-12, 2020

Southeast Regional Fruit & Vegetable Conference
Savannah International Trade & Convention Center
Savannah, GA
www.seregionalconference.org

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