



MARKET UPDATE

Special Weather Note:

With Hurricane Matthew closing in on Florida's East Coast this evening, there is a lot of uncertainty regarding the potential short and long-term impacts on product supply. The strength of the storm and its projected path will more than likely bring about at least some crop damage. We'll bring you a special, abbreviated edition of On the Horizon next Tuesday, when the storm has passed and farms begin reporting damage assessments.

Tomatoes: Eastern round and roma supplies remain on the light side this week. Yields are expected to be down in both older and newer growing areas for the next 3-4 weeks due to seasonal decline and previous weather impacts, respectively. Grape tomato availability is especially on the shy side and could be further affected by Hurricane Matthew. Multiple current and upcoming growing areas are in the path of the storm. On a brighter note, fruit quality has improved out of Tennessee and Quincy, FL.

In the West, both California and Mexico continue to harvest and ship rounds and romas. While California's mature green season is winding down and volumes are declining, Baja and Eastern Mexico are seeing slight increases in vine-ripe production. Round tomato quality has been fairly good, but romas have room for improvement. There are reports of black spotting and circular scarring- all negative effects of previous weather. Grape tomato shipments from Mexican growing areas have been steady and the fruit quality continues to be good. At this point, Western tomato supply is sufficient to meet market demand. However, there is not enough fruit to cover the entire country's needs, should Eastern customers be forced to come West due to the storm.

Bell Peppers: Multiple California growing areas are shipping very nice-quality pepper and expect to continue through October, when the California desert comes to the table. Barring any weather events, it looks to be a fairly smooth transition. In the East, South Carolina and Georgia have been providing a majority of the market's supply. Georgia crops, as well as future crops in Florida, are threatened by Hurricane Matthew.

Cucumbers: With northern growing areas finished up, the East is focused on Eastern North Carolina and Georgia for cucumbers. Supply and quality have been consistent out of NC. Georgia's fruit, however, hasn't been quite as nice since the crops have seen weather during the growing cycle. Although supply was a little lighter in the West this week, both Baja and Nogales expect to see better numbers next week.

Summer Squash: The Carolinas are on the down side of the Fall squash season but continue to ship nice quality product. Georgia and North Florida have solid volumes and shouldn't see major impacts from the storm, as current growing areas are inland. In the West, Nogales is beginning to pick up the pace, adding to the moderate supply coming from California growers. Overall quality has been very good, particularly on the new-crop fruit crossing at Nogales.

Green Beans: Georgia, Tennessee and Virginia are shipping beans in light volumes this week. Georgia's yields have been very light due to whitefly and disease pressure. As for the West, bean supply from Watsonville rolls on with steady production, while Brentwood and Fresno are hit and miss with lighter volumes for a few more weeks. Supply will transition to the California desert, which will start in 7-10 days.

TRANSPORTATION FACTS

* The National Diesel Average stayed relatively stable this week, inching up less than \$.01. This week's price comes in at \$2.39 per gallon.

* The average price for a gallon of diesel fuel is \$.10 less than the same time last year.

* Prices rose slightly in all reporting areas except the Central Atlantic and Midwest, where the price per gallon declined less than 1/10 of a cent.

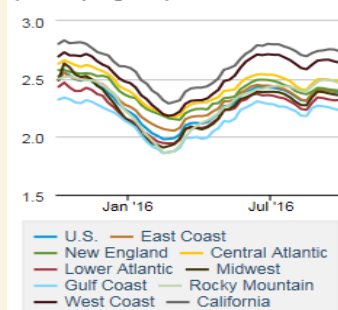
* California has the highest-priced diesel fuel at \$2.77 and the Gulf Coast region offers the best bargain at \$2.25 per gallon.

* The WTI Crude Oil price rose 4.2% this week, moving from \$47.83 to \$49.83 per barrel.

* Transportation is available in adequate supply throughout the country this week with a slight surplus of trucks in Nogales.

On-Highway Diesel Fuel Prices

(dollars per gallon)



Source: Energy Information Administration

ON THE HORIZON CONTENTS

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An Apple a Day

Nutrition: Dealing with Stress and the Appetite that Comes with It

By: LeeAnn Weintraub, LA Daily News, www.dailynews.com, October 3, 2016

With the relaxation of summer days now a hazy memory and school and work schedules in full swing, you might notice your stress levels are up.

People struggling with chronic stress from difficult life circumstances or trauma are especially negatively affected by stress. Unfortunately, stress takes a major toll on not just the mind, but the body and could even be sabotaging your best efforts at a healthy lifestyle.

Understanding how stress works and what to do to manage it better can help you stay balanced through the ups and downs of life.

There's no doubt that stress can have an adverse impact on appetite and eating habits. Short-term stress causes the adrenal glands to release the hormone epinephrine, reducing appetite as a part of the body's fight-or-flight response.

However, if stress or the perception of stress continues the body releases another hormone called cortisol, which increases appetite. Cortisol is at least partly responsible for the stress-induced cravings that result in overeating high-sugar and high-fat foods.

Once cortisol levels fall, appetite returns to normal. Though, if stress levels remain high, cortisol and its physiological repercussions can persist.

Stress disrupts the body's functioning on a cellular level, but the relationship between stress and human health is complicated. Researchers are looking at how chronic stress impacts the body's ability to regulate inflammation. Chronic stress has been linked to inflammatory conditions such as

depression, heart disease and infectious disease.

A recent study published in Molecular Psychiatry found that undergoing stressful events seems to negate healthy eating practices. The researchers looked at how intake of saturated fats and unsaturated fats affected inflammatory markers in the context of stress. Although those who consume healthier unsaturated fats have less inflammation, after withstanding stressful events those who ate the healthier fats fared no better than those consuming saturated fats.

Although this may seem like a license to indulge when life gets tough, and more stress-related research is needed, this is evidence that those living with chronic stress are at higher risk of harmful inflammation and are in serious need of an anti-inflammatory, nutrient-dense diet.

Because the harmful effects of stress seep into many aspects of everyday living such as sleep, relationships, and eating habits among others, wreaking havoc on the body's ability to cope with inflammation, it can be beneficial to have a stress reduction plan in place that includes healthy eating.

Here are some stress-busting suggestions to stay focused and balanced for better health:

- Include a variety of nutrient-dense fruits and vegetables daily that help fight inflammation.
- Consider how the use of caffeine, nicotine or sugar may be working against your goals for a healthier lifestyle.

- Try incorporating daily meditation. Try out one of the many smartphone apps like Headspace and Calm that help with teaching, scheduling and advancing meditation practices.

- Unplug. Give yourself time before bed to disconnect from technology such as cell phones, computers and television to help set the stage for restful sleep.

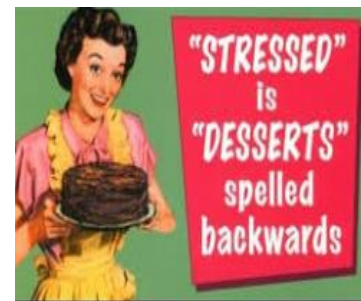
- Consider logging your eating habits to help uncover patterns between how you feel and what you eat.

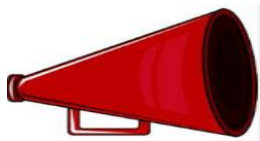
- Use exercise as an outlet to help manage stress. Activities like yoga, tai chi and swimming that involve intentional breathing can play a beneficial role in stress reduction.

- Laugh it off. Socializing with family and friends can help with coping and may boost self-esteem.

- Stay open-minded about trying alternative stress reduction methods like massage, acupuncture, art therapy, aromatherapy and hypnosis.

- If your stress is unmanageable and you could benefit from support, don't be afraid to ask for help.





SPOTLIGHT ON LIPMAN

Team Lipman Shouts Out

Ralph Hester
FOB Vegetable Sales
Immokalee, FL/ Clinton, NC

As a member of the Eastern FOB vegetable sales team, Ralph spends time "where the crops are," which includes both Florida and North Carolina.

Ralph enjoys being a part of the Lipman team because "he works with some really great people." We appreciate his role in providing our customers with fresh vegetables 24/7/365. And, he's also pretty great to work with too!



Heather Ross
Customer Service Analyst
Lipman Arkansas

Heather focuses specifically on tomatoes in her role as a customer service analyst. Her duties include communicating with the customer, coordinating with Lipman's shipping facilities, and monitoring product flow.

When asked why she likes being a part of the Lipman team, Heather said, "The people! The people I have worked with in Arkansas over the past 10 years are my coworkers, but we have been through so many work and life changes together that we could easily call each other family."

PRODUCE BAROMETER

ITEM	QUALITY	PRICING
Bell Pepper	Good	Steady
Cucumber	Good	Steady
Eggplant	Good	Steady
Green Beans	Good	Steady
Lettuce-Iceberg	Fair	Steady
Jalapenos	Good	Steady
Onions	Good	Steady
Tomatoes	Good	Steady



OCTOBER CALENDAR

All Month

Eat Better, Eat Together Month

Second Week

National School Lunch Week

October 12th

National Farmer's Day

October 14th

National Take Your Parents to Lunch Day

Beaufort, SC Weather

Fri Oct 7	Sat Oct 8	Sun Oct 9	Mon Oct 10	Tue Oct 11	Wed Oct 12
79°F	79°F	79°F	75°F	77°F	79°F
73°F	66°F	61°F	61°F	63°F	66°F
ENE 36 MPH	NNE 59 MPH	N 22 MPH	NNE 17 MPH	NE 15 MPH	NNE 14 MPH
Precip 70%	Precip 100%	Precip 40%	Averages	Averages	Averages
80°F/63°F	80°F/63°F	80°F/63°F	80°F/62°F	79°F/62°F	79°F/61°F

News in the Grocery Trade

Boomers' Spending Power Present Rich Opportunities

www.progressivegrocer.com, October 3, 2016

In today's rapidly-changing economic and media environment, many companies are chasing to keep up with the Millennial generation, introducing apps and tweaking ingredients to appeal to their tastes.

But recent studies show they shouldn't move so quickly as to leave the Boomer generation behind. Millennials and Boomers make up almost equal parts of the population at about 75 million each. Even beyond that, Boomers account for 49 percent of all spending on consumer packaged goods (CPG), valued at approximately \$230 billion, and dominate almost every category, according to Nielsen. By 2017 half of Americans will be 50 or older, and are projected to account for 70 percent of total disposable income.

Clearly, this is a generation that can't be ignored. And the International Food Information Council's (IFIC) 2016 Food and Health Survey sought out the differences in the Boomer and Millennial generations in their perceptions of healthy eating. Among its findings:

Boomers view moderation and portion size as more important than the general population (32 percent vs. 22 percent)

Boomers were also more likely to define healthy eating as including certain foods (30 percent) than Millennials (17 percent)

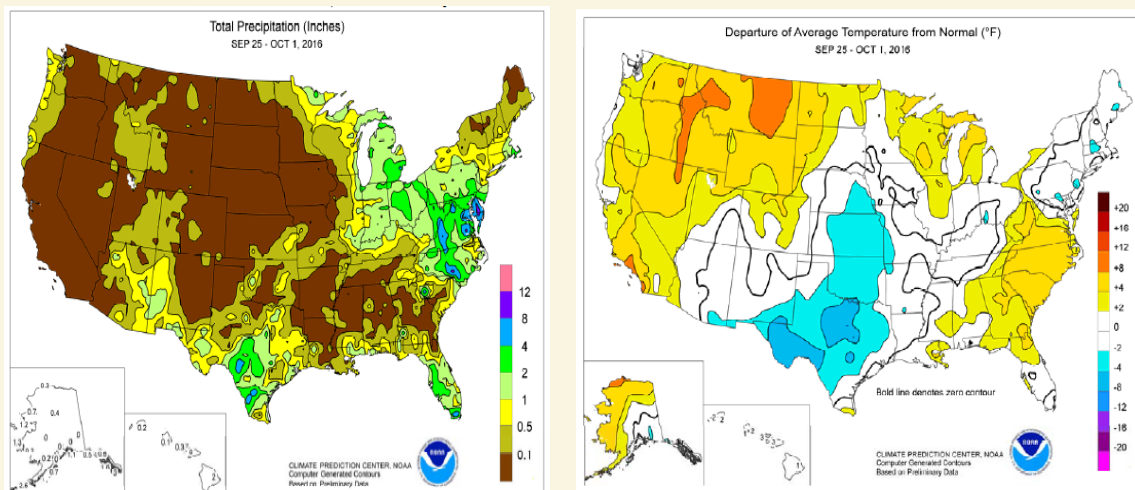
Many of those foods considered "healthy" by a large percentage of Boomers are not held in the same esteem by Millennials, including whole grains (80 percent vs. 70 percent), protein from plant sources (75 percent vs. 63 percent), and omega-3 fatty acids (71 percent vs. 59 percent).

Even beyond particular food types, Boomers are more interested than the general population in the health benefits of foods, particularly weight loss, healthy aging, and bone health

When it comes to whom they turn to for information on what to eat, Boomers are more likely than Millennials to trust traditional experts like healthcare professionals (73 percent vs. 58 percent) than less conventional sources like bloggers (8 percent vs. 18 percent)

NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation



RESTAURANT INDUSTRY NEWS

How Delivery is Disrupting the Restaurant Industry

By: Liz Webber, www.restaurant-hospitality.com, October 4, 2016

In the future, “virtual” restaurants will focus solely on delivery and eliminate in-house dining, according to Grubhub CEO Matt Maloney. Maloney made his prediction at the New York Times Food for Tomorrow conference at the Stone Barns Center for Food & Agriculture in Pocantico Hills, N.Y., last week.

He said it’s hard for restaurants to focus on in-house customers when the kitchen does 250 delivery orders a night. “Frankly, you want the delivery to go out faster so the food is in better condition, and you want the in-house diners to drink more wine. And so there’s this prioritization they’re trying to figure out. And I work with restaurants to help them do this better.”

Maloney gave an example of a restaurateur with six concepts who is looking to open a seventh location. Should the restaurant be an entirely new concept? “Or do you want to build a subterranean commissary kitchen that can execute dishes from all of them at the same time, without stressing the kitchen staffs of your existing kitchens, and execute a much further delivery radius because Grubhub has aggregated so many diners that are craving your brands at home?” he said. That’s where the industry is headed in the next five to 10 years, Maloney said. It’s already happening in New York, Los Angeles and San Francisco, and he’s beginning to see it in Philadelphia, Boston and Washington, D.C., he said.

Grubhub — which will process about \$2.5 billion worth of food orders this year — is also working with restaurants to create separate delivery menus to improve the at-home experience, since dishes like fries aren’t compatible with delivery. “It could be a subset of your menu. It could be an entirely different item. You could use the transaction to test out new menu items to see how they work and then bring them back into the in-house (menu),” Maloney said.

Another area where Grubhub is helping restaurants gain efficiency is delivery. Although the majority of delivery is currently handled by the restaurants, Grubhub’s own vehicles provide delivery for less than 10 percent of orders — a percentage that is growing quickly, Maloney said. “The reality is we can do it a lot cheaper than a restaurant can,” he added.

In response to a question about UberEATS, Maloney said he wasn’t worried about the competition because the program is very small and the technology is not unique. “The reality is, the efficiency that we are at, and most players of scale are at, are already pushing the boundaries of current technology.”

“So all of the noise, ‘We’re faster because we have a billion drivers,’ is kind of bogus because everyone’s got enough drivers to hit those efficiency gains, and it’s kind of not that big a deal,” he added.

Maloney said he doesn’t expect drone delivery to be a reality anytime soon. Drone operators’ biggest hurdle is how to handle takeoff and delivery. “Drones are very, very far in the future for everyone. Especially for hot food,” said Maloney.

MARK YOUR CALENDAR & PACK YOUR BAGS!

October 14-16, 2016

PMA’s Fresh Summit Convention & Expo
Orange County Convention Center
Orlando, FL

www.pma.com/events/freshsummit

Come see what Lipman’s up to at booth 2155!

October 25-26, 2016

Progressive Grocer Grocerant Summit
Renaissance Hotel & Convention Center
Schaumburg, IL

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