



MARKET UPDATE

Round Tomatoes: Florida's round tomato production continues to be limited this week. Most all growers, including Lipman, have been harvesting significantly lighter volumes than usual due to past weather affecting plant health and yields. Volumes will likely be similar for next week before a gradual increase begins. Some estimate we're still 2-3 weeks from "good" winter volumes. In the meantime, the sizing profile is slowly improving (5% more 5x6's this week than last). Quality has been nice, especially on crown picks. What makes this year different than most is that West Mexico's crops in Sinaloa are running 3-4 weeks behind schedule. These growers usually begin in mid to late December but are just starting in a light way now. Weather delays during planting were the first factor, then shots of cooler weather have not helped things along. These crops are just now getting started, with a few growers coming online this week and more to come over the next 10-14 days. The increases will come slowly as more growers gradually add to the mix, with volume not hitting its stride until late January. From there, it should be smooth sailing for a while, barring any major weather events.

Roma Tomatoes: Roma numbers in Florida are also light this week. As with rounds, we anticipate a gradual improvement in volume over the next few weeks. Overall quality has been average to good although sizing is still running a little smaller than desired. In the West, we're seeing more roma growers in the Sinaloa area start with new crops this week, with more to come next week as well. Volume is on the upswing and should be closer to what we expect for this time of year in another few weeks.

Grape Tomatoes: Florida's grape tomato yields continue to be very light due to prior bloom drop and cool temperatures. We're still looking at 2-3 weeks before volume is closer to what we consider normal. Quality has been excellent on the earlier picks, but begins to decline after the 7th or 8th harvest. Cool temperatures in the Guasave/ Culiacan area are dragging out the start of grape tomato crops for some and delaying follow-up picks from those who had managed to start. Quality has been just okay on the earliest fruit. There's also a decent amount in Central Mexico this week but

we are on the backside of the deal. Warmer temperatures should bring improvements in availability from Sinaloa over the next 10-14 days.

Bell Peppers: Florida's supply is about the same this week- light but steady. Plant City still has a few peppers left (mostly offgrade), but will finish up by next week. The East Coast has started but not in a big way. The area with the most fruit is Immokalee. Growers have moved into new fields which has brought improvements in both quality and size. Mexico's cooler weather last week slowed pepper progress down a bit and growers are just now starting to get back into fields. Supply should pick back up by the weekend, with quality staying strong.

Cucumbers: There are still a few Florida cus out there, but the majority of the East's product is coming from the Honduran import programs. The import supply has been pretty steady but we are being told that they'll likely come up short as we move toward the end of the month due to weather issues from the Fall's hurricane action. Turning to the West, there's an abundance of cucumbers out of both Sonora and Sinaloa. Product is readily available and overall quality is very strong. Most growers have stopped sending up smalls and plains due to the cheap prices. Good weather is forecasted for at least the next 10 days so we shouldn't see any production gaps.

Yellow and Zucchini Squashes: There's not a whole lot of squash in Florida which is normal for winter acreage levels. However, cooler temps have tightened supply even in Homestead. In Mexico, the northern district of Sonora is hanging on with minimal production as they have finished up most of their existing acreage for this time of year. Further south in Guasave and Los Mochis, production is on the limited side this week due to the recent cool weather.

Eggplant: Although there's not an oversupply of eggplant in Florida, there is enough to meet demand. There are a few left in Plant City, but most production is in the Homestead and Immokalee areas. Quality is varied with better fruit coming from newer fields. Mainland Mexico will continue to have

consistent supply of eggplant despite the recent cool temperatures.

Green Beans: South Florida's bean producers are still working through very light yields from the previous weather and cool temperatures haven't been helping the recovery. We look to see better volume in 10-14 days. Supply is better in Mexico, but they are also coming up light this week. Last week's cooler weather slowed things down but this week's warmer weather should bring things back around soon.

Chili Peppers: Plant City still has jalapenos and serranos but are through with other varieties for the season. For the most part, they'll finish up the remaining two chilies next week. The only other Eastern chilies are the light volumes coming from South Florida locations. Cubanelles are especially snug. Mexico has good volumes on most chili pepper varieties, with the strongest availability on jalapenos and serranos. Anaheims are the short suit and quality is suspect, as current harvests are coming mostly from the older crops in Baja. We do expect to see new Mainland crops start soon.

Colored Bell Peppers: Culiacan growers are running 2 to 3 weeks behind and are just getting started when they typically start the week before Christmas or right on top of Christmas. During the last seven days, the evening temps have been in the high 30's to low 40's. Unfortunately, the daytime temps are not warming the houses up long enough to bring on color sooner than later. With supply in a late-start and light situation, the farms are pushing the product to meet demand which is resulting in more greening issues than normal. The weather forecast looks warmer for the next week or so which will help, but it generally takes about 10 days for the heat to improve the color situation.

Mini Sweet Peppers: New crops in Mainland Mexico are finally starting up in a very light way. More growers are due to start over the next 7-10 days but it could take a few weeks to feel the improved availability since the pipeline is very empty.

ON THE HORIZON CONTENTS

Fresh Cut Picks- page 3

January Calendar- page 3

Keep Your Eye on the Consumer- page 4

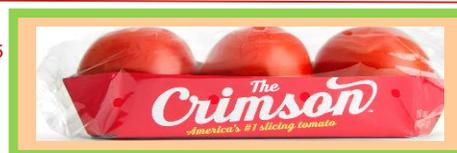
National Weather Spotlight- page 4

News in the Grocery Trade- page 4-5

Pack Your Bags - page 5

Produce Barometer- page 3

Restaurant Roundup- page 2



RESTAURANT ROUNDUP

Three Critical Restaurant Advertising Strategies for 2021

By: Loren G. Dalton, www.modernrestaurantmanagement.com, January 4, 2021

2020 was difficult for everyone, and the restaurant industry wasn't spared. With millions out of work and nearly 100,000 restaurants closing, the industry took a hard hit. \$165 billion in revenue was lost just from March to July, and it's estimated to be \$240 billion by the end of the year, according to the National Restaurant Association.

Countless small businesses are struggling to rebuild. However, they're stumbling on the same roadblock: trying to compete with big competitors on a national playing field. They see the big dogs doing well and want similar success. But to their detriment, they're using the same tactics as deep-pocketed companies, leaving them overpowered and unsuccessful.

I know how cyclical this is — I've seen it time and time again throughout my 25+ years in the industry, not just during a pandemic. So how were some businesses able to pull themselves up, and even thrive, during times of hardship? They followed the three critical strategies for small businesses:

1. Use Your Home Court Advantage

National companies are seen all the time because, well, they're national. Small businesses simply don't have that reach. Instead, direct your resources towards promoting yourself in your area. A new chiropractor struggled with almost no patients, while his community was supporting a local shelter. I suggested that he offer a free massage or exam for patients who bring in canned food donations. His community loved it, and word spread quickly.

He went from bored to booked... and soon opened up other locations. You don't need to do something grandiose. It can be something simple, as long as it gets to the right audience — the local consumers in your "home court."

2. Be the Most Creative and Consistent Advertiser in the Area

I came across an alteration shop owner who was preparing to close her doors after only six months of business. I suggested she run in a local coupon book, and she joked it would be a "going out of business" sale. After running a strong offer, business was booming a week later. Now the question was how to keep those repeat customers. After all, a five-percent increase in customer retention can equate to an increase in profit by 25 percent (HubSpot). I proposed she fill a fishbowl with her business cards, each written with different offers. Even though people wouldn't return right away, they would remember her and appreciate her "custom offer" just for them.

Sure enough, people started coming back over and over again because they were constantly reminded of her business. She was successful thanks to local initiatives that national companies couldn't execute.

3. Focus on Customer Service and Personalized Experiences

Customer service and personalized experiences can differentiate yourself from cold, national corporations. According to HubSpot, "50 percent of customers increase their purchasing with a brand after a positive customer service experience" with 86 percent of customers willing to pay an additional 25 percent for better customer service.

It doesn't have to be a grand gesture or something that breaks the bank. Even the simplest action can evoke the most genuine smile. Think about your favorite businesses growing up. Why do you love them so much?

A laundromat owner found himself sitting around his business for hours, so I suggested he hand write personal thank you notes with the customer's names on all of his finished items. Everyone loved them! It meant a lot that to his customers that he took the time to do that small gesture.

Personalization shows your customers you care — it's one of the most important things I learned at the Pennysaver. When people feel comfortable with you, that's when you stand out. Small businesses need to compete on their home court, and being the creative advertiser with great customer service will win each time.

It's like David and Goliath — had David gone against Goliath with his bare hands, he would've been unsuccessful. He approached the problem in a way that played to his strength, and that's exactly what you need to do — find your stone and sling so your business can thrive.



TRANSPORTATION FACTS

*The average price of diesel fuel in the US held steady this week at \$2.64 per gallon.

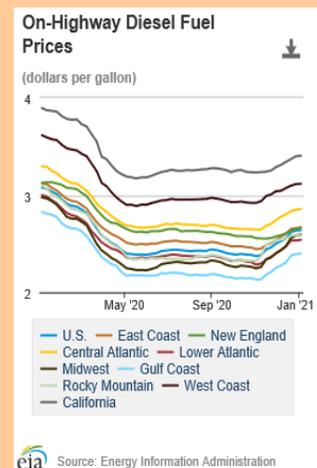
*This week's fuel price is \$.44 lower than the same time last year.

*Pricing has risen slightly in all reporting areas except for the Rocky Mountains, where the decrease was minimal (less than \$.01).

*California has the highest fuel price at \$3.40 per gallon, while the Gulf Coast remains the low-price leader at \$2.40 per gallon.

*The WTI Crude Oil price is moving on up (5.5%), rising from \$48.00 to \$50.63 per barrel over the past week.

* The holiday truck shortage is still affecting shipments this week, particularly from Nogales. The only relevant shipping area reporting adequate transportation levels is Mexico-Texas crossing points.



LIPMAN FRESH-CUT

JANUARY, 2021

THIS MONTH'S FRESH-CUT PICKS FROM CHEF WIL

 **FAJITA SLICED POBLANO PEPPERS & WHITE ONIONS**



 **FAJITA SLICED RED & GREEN BELL PEPPERS, YELLOW ONION & HABANERO PEPPERS**

 **HALF-CUT GRAPE TOMATOES & DICED RED ONION**



Good from the ground up.

For a more detailed presentation, additional images and to discuss these concepts reach out to: Chef Wil – WiL.Wilbur@lipmanfamilyfarms.com

FRESH **FRESH CUT**  *the best of nature™*

PRODUCE BAROMETER

ITEM	QUALITY	PRICING
Bell Pepper	Good	E-Steady; W-Steady
Cucumber	Good	E-Steady; W-Steady
Eggplant	Mostly Good	E-Steady; W-Steady
Green Beans	Good	E-Steady; W-Higher
Jalapenos	Good	E-Steady; W-Steady
Squash-Hard	Good	E-Higher; W-Steady
Squash-Soft	Mostly Good	E-Steady; W-Higher
Tomatoes	Mostly Good	E-Steady; W-Lower



JANUARY CALENDAR

- All Month
- National Soup Month
- January 10th-16th**
- National Pizza Week
- January 10th**
- National Sunday Supper Day
- January 11th**
- National Clean Off Your Desk Day
- January 15th**
- Fresh Squeezed Juice Day

Immokalee, FL Weather

Sat	Sun	Mon	Tue	Wed
Jan 9	Jan 10	Jan 11	Jan 12	Jan 13
				
66° F	68° F	75° F	73° F	71° F
43° F	50° F	58° F	53° F	58° F
NNW 9 MPH	N 5 MPH	ENE 7 MPH	NE 9 MPH	N 9 MPH
			Precip 10%	

NEWS IN THE GROCERY TRADE

Trends in Retail Foodservice

By: Andy Nelson, www.supermarketperimeter.com, December 28, 2020

Many retail grocery departments saw a surge in demand with the onset of COVID, and overall grocery sales were up nationwide. But not all departments thrived, and some suffered because of the hands-on nature of their products and services. Of these, none has been hit harder than retail foodservice.

A new report from Arlington, Va.-based FMI – The Food Industry Association, however, finds that despite the challenges it faces, retail foodservice is well-positioned to compete for more of the total foodservice pie going forward. “Food retail business owners navigated state and local challenges to operations and adapted by redistributing labor across the store, and foodservice employees embarked on their new roles maintaining sanitation and supporting shelf-stocking during times of unprecedented consumer demand for essentials,” Rick Stein, FMI’s vice president of fresh, said in the report, *The 2020 Power of Foodservice at Retail*, which was sponsored by Hussmann Corp.

Almost at the beginning of the pandemic, share of dollars spent at-home and away-from-home for food flipped, with food-at-home dollars moving from 50% in February to 68% in April, and food-away-from-home dollars moving from 52% in February to 32% in April. Still, retail foodservice sales were down 17% March through July, according to FMI. Fewer trips were made to the grocery store due to shelter-at home mandates. Food, beverage and household product online purchases were up more than half, which contributed to foodservice loss for those businesses without the ability to offer digital convenience as an option.

To address these challenges, the report recommends three main things for retailers to keep in mind when plotting their retail foodservice futures:

- Reinvest in Top-of-Mind Awareness
- Building a reputation for foodservice starts with stronger and more direct communication with shoppers
- Emphasize Convenient, Healthy Meals

High-tech solutions

Also central to any retail foodservice strategy: highlighting technology solutions. “Seventy percent of shoppers say the ability to order the food in advance, whether via app, online or phone, would positively influence their decision to order from retail foodservice instead of restaurants or cooking,” according to the report. The analysis suggests the ease of ordering could be more seamless, from separate apps or integrated apps with grocery ordering, for example, as well as in-store pick up, curbside carryout and delivery options.

COVID fundamentally changed foodservice businesses for both restaurants and food retail. While certainly not at the same devastating levels as restaurants, grocers witnessed similar challenges as state and local mandates shuttered instore foodservice, self-serve and hot food bars.

Food, beverage and household product online purchases were up more than half, which contributed to foodservice loss for those businesses without the ability to offer this digital convenience as an option, according to the report.

Two-thirds of the meals consumers make at home are prepared from scratch with semi- or fully prepared items to complement the meal. Retailers can be a solution for this growing segment of customers, according to FMI. Additionally, the association’s analysis found that nearly one-third less of shoppers are deciding what’s for dinner on a daily basis compared to 2019, offering an opportunity to help consumers meal plan a few days at a time or even for the entire week. The pandemic continues to limit what restaurants can offer for instore dining due to capacity restrictions and consumers’ wariness of dining out, but carry out and pick up opportunities are popular. In addition, the study found that nearly 65% of shoppers say they focus a lot or put some level of effort against choosing healthy, nutritious meals when buying from grocery foodservice.

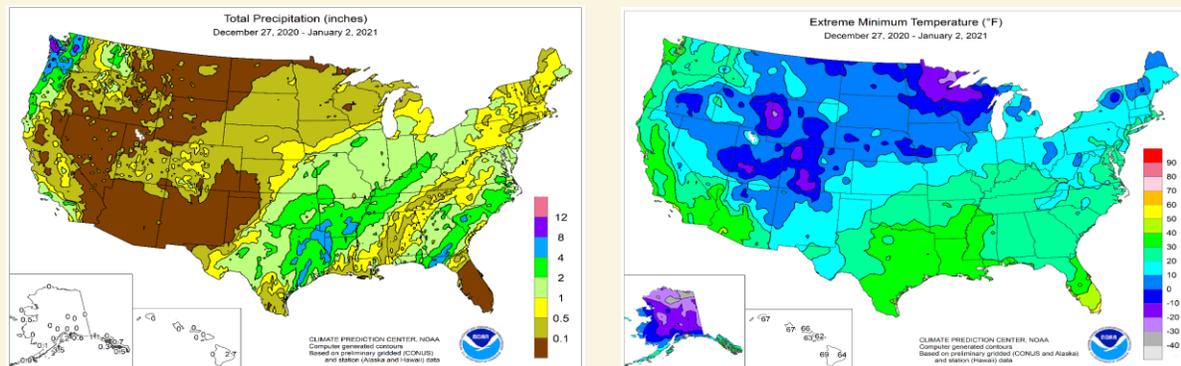
A growing category

Retail foodservice has been an area of growth for the grocery industry for several years, and 2019 was no exception. Leading up to the pandemic, dollar sales for retail foodservice overall (including beverages and other ancillary items) were up 3.4% and deli-

Continued on page 5

NATIONAL WEATHER SPOTLIGHT

Last Week’s Precipitation Totals and Extreme Minimum Temperatures



NEWS IN THE GROCERY TRADE...Continued

Trends in Retail Foodservice

By: Andy Nelson, www.supermarketperimeter.com, December 28, 2020

prepared foods were up 3.1%, according to Nielsen. This was based on slightly higher household engagement, at 94.3%, more trips, at 21 per year, and a greater purchase size, at \$8.04 per transaction.

However, the pandemic fundamentally changed the growth trajectory of retail foodservice, much like it did for restaurants, according to the FMI report. As retailers had to close self-serve buffets starting mid-March, dollar sales for deli-prepared foods quickly declined. Pre-packaged solutions were able to offset some of these declines, but sales decreased 17% during the pandemic period between March and the end of July. "Throughout the pandemic, shopping patterns have been very different, with fewer but bigger trips," the report says. "People were less likely to plan dinner one day at a time (26%) and more plan dinner a few days at a time (46%) or lay out the entire week (29%)."

Meal planning is closely related to eating more meals at home. The number of home-prepared dinners shot up from prior-year levels to an average of five per week. Meal preparation increased across demographics and mixing items prepared from scratch with semi- and fully-prepared items (58%) remains the most common way to cook, according to FMI data. Five months into the pandemic, some challenges surrounding meal preparation were starting to emerge. Among them: not being in the mood to cook (53%) and difficulty in coming up with new meal ideas (47%). "There is enthusiasm for meal bundles, all items to prepare one meal, among 49% of shoppers and 68% of high-frequency deli-prepared buyers," according to FMI.

Store trips, including trips just aimed at buying foodservice items, average 1.9 per week, and three in 10 consumers now purchase from retail foodservice less frequently versus 21% who purchase it more often. This led to a drop in the share of high-frequency deli-prepared customers, those who purchase from retail foodservice multiple times a week, from 14% in 2019 to 11% now, according to the report.

Boosting awareness

Awareness also remains an issue, with only 16% frequently even considering retail foodservice when they decide not to cook dinner. The lower engagement with retail foodservice is first and foremost due to fewer store trips, according to 43% of consumers, followed by being concerned about going into the store (39%). Amenities that many want to see are the ability to order in advance (70%), curbside pickup (68%) or stores having drive through (66%). Not everyone likes ordering kiosks/screens altogether (24%), but even more consumers (48%) are hesitant to touch them right now, particularly boomers.

The pandemic led to a big spike in restaurant orders for pickup and delivery, from 54% in 2019 to 83% and the use of third-party delivery service for restaurant food, from 38% in 2019 to 49% in 2020. Ordering in from restaurants is particularly popular among younger generations. For third-party delivery services, DoorDash and Uber Eats are the two biggest platforms, though some regional differences exist. "Consumers average 1.9 restaurant orders per week and more among higher-income households, Gen X and urban shoppers. Restaurant ordering is equally driven by three reasons: craving a specific type of food (60%), wanting to treat the household (59%) and the desire to support local restaurants (58%)."

In contrast, only 33% of shoppers have ordered from retail foodservice for pick up or delivery, mostly because it's not on their radar. More than half, 54%, like the idea of using a grocery foodservice-specific app. Among the 54% of shoppers who have ordered groceries online in the past three months, 52% are interested in adding foodservice items in case they are picking up or taking delivery of orders around dinnertime.

Self-serve surging

The Power of Foodservice at Retail has consistently found high consumer interest and engagement in grab-and-go. Pre-pandemic, 80% of consumers already purchased packaged salads, well ahead of 63% who bought from salad bars at retail. In hot and cold foods, other than salad, engagement with hot-grab-and-go foods pre-pandemic (89%) also far exceeded employee-served or self-serve solutions. "If grocery stores were to reopen self-serve areas right now, a large share would not purchase from there, at 45% for salad bars and 43% for hot/cold food buffets," according to FMI. "About four in 10 would, but only if safety precautions were in place. The top precautions these shoppers would want to see are hand sanitizer stations (68% need to have) and masks for customers (67%) and associates (66%)." Looking ahead, 67% of consumers feel that the various self-serve areas should reopen once the COVID-19 pandemic is less of a concern.

FRESH
TOMATOES

the best of nature™

MARK YOUR CALENDAR
& PACK YOUR BAGS

January 5-28, 2021

United Fresh's reFresh Experience
10 topics in 10 sessions

To view the entire schedule and/or register, visit:
www.unitedfresh.org/events-programs/re-fresh-education

April 6-8, 2021

SEPC's Southern Exposure
Swan & Dolphin Resorts
Lake Buena Vista, FL
www.seproducecouncil.com

CREATED BY LIPMAN FOR OUR
VALUED CUSTOMERS

Learn more about us @
www.lipmanfamilyfarms.com
www.suntasticfresh.com

Follow us on
social media






Questions or comments about the newsletter?
Contact: joanna.hazel@lipmanfamilyfarms.com