On The Horizon

MARKET UPDATE

Round Tomatoes: Round tomatoes remain in short supply. With the majority of TN/NC volume finishing up by the weekend, supply is limited to the remaining VA crops and a few small local deals. Lipman's VA crops are winding down, with the last crown picks scheduled to harvest in the early part of next week. We'll harvest 2nds as long as the volume allows, but we are well past the seasonal peak in terms of numbers. Quality has improved, but we are still losing a percentage of yield in the packouts. While we normally look to Quincy during this transition time period, they are running a week or so behind and won't start until the latter part of next week. Quincy's acreage has reduced by almost 50% from last year, so supply is likely to remain snug for a few more weeks. Ruskin/Palmetto will come to the rescue around October 15-20 when they start in a light way. However, the strong seasonal volumes are still about a month away. Northern CA tomato growers are seeing volume lighten up as the season starts to wind down and cooler nights enter the picture. Lipman has been a little steadier with volume than most as our specific growing location has fared better than others. We're expecting to harvest until October 20-22 with fruit available for another week after that. Some of the other growers will carry on until November, but the volume will be much lighter. Quality is still pretty good overall and sizing is about average. Mexico's vine-ripe production continues at a steady but light pace. Both East Mexico and Baja are waiting on new crops to begin in mid and late October, respectively. In the meantime, Oceanside, CA also has some fruit that should go through the month of October to help with supply.

Roma Tomatoes: Aside from a small local program or two, the summertime Eastern roma programs are winding down quickly and should finish over the next few days. There may be a few in Quincy in between, but the East won't see significant roma volume again until Ruskin/Palmetto gets going in November. There are less romas coming out of northern CA as the seasonal decline and cooler nighttime temperatures take hold. Lipman's expecting to harvest through about Oct 24th, with fruit coming out of the rooms through the end of the month. Our quality has been good, but that can't be said for all the fruit coming from the area. As we start looking at the transition to Mexico, we're still 2-4 weeks away from consistent, strong volumes. East Mexico has been up and down but should start new fields in another 10-14 days. Baja will continue with moderate numbers for the next few weeks and will see a boost in late October when Fall acreage gets going. Quality is not the greatest out of Baja, as harvests are coming from mostly older crops.

Grape Tomatoes: There aren't a lot of grape tomatoes in the East. Most local programs in TN and NC are finished, although we do have one grower with very light new-crop volume. Lipman's VA farms have been providing the strongest supply during the summer, but we're moving into the last 2-3 weeks of the season and the numbers are declining. Quality is still pretty good in the final pack, but the later picks are showing a few concerns which reduce volume. We will start harvesting in R/P within the next week or so, and should have enough to cover our "home team,' but nothing extra until larger blocks come online up in 2-3 weeks. Overall volume has slowed in the West as a bit of rain and some cooler temperatures have slowed things down over the past week. It seems that several deals are running behind schedule, including our new fields in Baja. Start dates are being pushed out to November from several, but there should be a little fruit come online earlier. Nogales and TX are seeing some early crop grapes, but volume is still light and has not become consistent yet.

Bell Peppers: The Eastern pepper transition continues this week. MI is down to mostly offgrades at this point and NJ isn't far behind. There's a little local volume in the Carolinas, but we're looking to GA to get up to seasonal volume over the next 7-10 days for the majority of supply. They have started in a light way with nice quality and mostly jumbo and XL sizing. Pending any major weather, GA should carry demand until FL starts up in late October. Bells continue to be harvested out of Arroyo Grande, Hollister, and Le Grande, CA. Supplies are steady and all sizes/grades are available, but demand is stronger as Eastern WA and MI near the end of their seasons.

Cucumbers Although there are a still a few cucumbers left in MI, NJ and NY, production has made the transition to the South. GA in now in full production with strong volumes. We're also seeing solid numbers from our Clinton, NC farm, which should go for another 10-14 days. There are some reports of minor quality issues in both areas (sunken areas and ends, mostly), but there's an ample amount of nice fruit available. Looking to the West, Fall crops have finally started in Baja and Sonora will get rolling this weekend. Although the early numbers will be on the lighter side, we expect volume to increase gradually over the next few weeks as more growers come online. Central Mexico also has cucs crossing at TX to add to the mix.

Yellow/Zucchini Squash: Yellow and zucchini squashes are available in NC, MI, NJ and a few other local spots this week, but GA is the place for volume. Early zucchini plantings came on strong last week, so they are a little more snug now. Quality has been nice out of GA and NC so far.

More Market Updates on page 2

CONTENTS

GOOD FROM THE GROUND UP

MARKET UPDATE Continued…

Yellow/Zucchini Squash (continued): Some of the programs that are in their last harvests/plantings (MI, NJ and KY) are starting to see some quality issues here and there, which is not uncommon. In the West, CA squash production is lightening up and we'll be looking to Mainland Mexico for supply in the near future. Santa Maria has dropped in production as cool weather and the seasonal decline take hold. Mainland Mexico is just getting started with a trickle of product, but we'll see the numbers strengthen over the next two weeks as more growers come online. Quality is better than usual for the first production runs, so we're expecting that to bode well for the near future.

Eggplant: With most of local deals winding down, the bulk of eggplant supply looks to come out of GA for the next few weeks. Production is still on the lighter side but should pick up in 7-10 days. Our Eastern NC farm also has Fall eggs to offer, but volume is lighter than desired due to somewhat cooler temperatures. Overall, quality has been acceptable from all production areas, including the remaining local deals in Western NC, VA, etc. CA's Central Valley still has decent supplies of eggplant and should continue for the next 7-10 days, weather permitting. The CA desert/ Coachella area is on track to get started in the next week with their small Fall crop, which usually runs through October. Mainland Mexico (Culiacan) will get going by the end of October/first week of November in a limited way.

Chili Peppers: Chili pepper availability remains very limited in the East this week, as there are very few pockets of local product remaining and GA is not coming on as fast as we'd hoped. We should see GA get into the flow in about 2 weeks, although we may see product from a few growers in between now and then. Cubanelles are always a challenge during the Eastern transitions, as Western farms don't grow them. Some chili items are starting to become snug out of Baja, including habanero, tomatillo, serrano and even jalapeno. CA is limited on some of the big movers particularly jalapenos. Although there are a few crossing now, we can expect to see volume transition to Nogales in early November.

Colored Bell Peppers: Eastern Canada's colored bell production is on the lighter side this week with 75-80% of the fruit falling in the large or smaller range. As shorter days and Fall cloud cover continue to affect production, we expect more of the same for the immediate future. Down in Mexico, we're seeing a strong supply of all colors crossing at McAllen and Nogales this week. Although there is some quality variance by grower, most of the fruit is nice and the sizing is mostly jumbo and XL. There has been some weather in Central Mexico this week, which could bring slightly lighter numbers going into next week but there should continue to be ample supply.

Green Beans: Green beans continue to be very short in the East but there's relief in sight. There are still a few beans in NY and TN, but volume is minimal and quality has been hit or miss. GA should come in with a few beans over the next week before ramping up to full speed in 10-14 days. GA will provide the East with supply until late October/early November when supply migrates south to FL for the Winter. CA local deals will continue to harvest limited numbers over the next few weeks, with light and sporadic supplies available until mid-October. At that time, we should see a few new fields out of the CA desert to help bridge the gap to Mainland Mexico which is projected to get underway in mid-November. There's a small flush of product in Central Mexico this week to help the West, which may continue into next week.

TRANSPORTATION FACTS

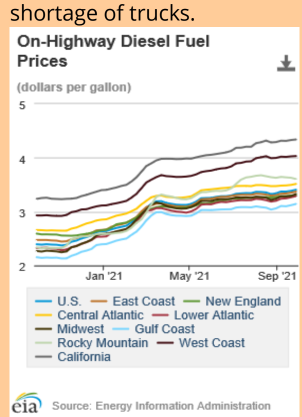
*The national average price for diesel fuel increased $.02 this week, moving from $3.38 to $3.40 per gallon.

*This year's pricing is $1.01 higher than the same time period in 2020.

*All but the Rocky Mountain and New England regions reported price increases this week with the Midwest having the largest price hike (up almost $.04).

*California has the most expensive fuel at $4.34 while the Gulf Coast has the lowest price at $3.14.

*Adequate levels of transportation are available in Nogales, Northern CA and TX crossing points. All other active shipping areas report a slight to moderate shortage of trucks.



Mini Sweet Peppers: Baja continues to go strong with mini sweet production. They'll run through mid-late December when supply will transition to Mainland Mexico. Quality remains very nice, as the weather has been cooperative this season. There's also light volume available in CA for the next month or so.

HH Cucumbers: With Canada's supply dropping off and Central Mexico's houses seeing quality issues due to the summer's rain events, hothouse cucumbers have been extremely snug over the past week or so. Fortunately, we're starting to see a trickle of fruit at Nogales now, but it will be at least two more weeks until growers are in consistent supply. Our FL program is almost back to normal production after receiving some damage to their houses over the summer. They just started a new house this week and should see increasing numbers over the next 7-10 days.

RESTAURANT INDUSTRY NEWS

2-Year Restaurant Check Growth Rate Hits Record High, Black Box Says

By: Ron Ruggless, www.nrn.com, September 28, 2021

Restaurant two-year check growth rates reached their highest point in a dozen years, according Black Box Intelligence data for the week ended Sept. 19. Victor Fernandez, Black Box vice president for insights and knowledge, said the two-year average check growth rate was the highest since the Dallas-based analytics firm began gathering data in 2009. The check growth rate was calculated on a two-year basis, Fernandez said, so "it's capturing the huge increases in check last year due to the pandemic (larger orders, family bundles, etc.) and the effect of prices rising rapidly this year."

The U.S. Consumer Price Index for August, released Sept. 14, noted that food away from home rose 4.7% over the last year. The index for limited-service meals rose 6.9% over the last 12 months, and the index for full-service meals rose 4.9%. For August alone, the Bureau of Labor Statistics, which calculates the index, said the food-away-from-home index rose 0.4% in the month after increasing 0.8% in July. The index for limited-service meals rose 0.8% in August, and the index for full-service meals increased 0.6%.

In other data released Tuesday by Black Box, the company said dine-in sales continue to be negative for full and limited service, but declines were larger for limited-service restaurants. "All dayparts have seen an improvement in sales growth compared to August," the firm said. "The top performing daypart continues to be mid-afternoon, followed by dinner and lunch. Although still underperforming the rest, late-night is on path to achieving its first month of sales growth since January of 2020."

Black Box found hourly wage growth has been increasing steadily since the beginning of the year. "Wage growth for crew members in limited-service remained flat compared to June, but at a historically high level that shows the push for using higher wages as a resource to attract talent," Black Box noted. In full-service restaurants, wage increases for line cooks also accelerated in 2021. July data shows the rolling three-month average rising even further. "While May and June didn't see any major movement in staffing levels, restaurants started experiencing some improvement in July based on the average number of employees per location," the company said.

Understaffing was being noted among the guest online mentions in Black Box Guest Intelligence, the company said. "Family dining has seen the largest increase in 'short staffed' mentions vs. the beginning of the year and mentions are running about 30% higher than the industry overall in Q3 to-date," the company said. "Casual dining is also trending about 10% higher than the industry."

**This article has been edited for space and content. To read the entire selection, visit www.nrn.com*

FRESH CUT the best of nature™

PRODUCE BAROMETER

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

Did you know?

*Eggplants are reported to have the highest level of nicotine of any vegetable. But, don't fret. The levels are so small that you would have to eat between 20-40 lbs of eggplant to get the same amount of nicotine in one cigarette.

*Eggplants were once used to dye teeth for fashion's sake in 5th century China.

Clinton, NC Weather

Fri Oct 1	Sat Oct 2	Sun Oct 3	Mon Oct 4	Tue Oct 5	Wed Oct 6
83°F	84°F	87°F	85°F	83°F	81°F
60°F	63°F	63°F	65°F	66°F	67°F
NNE 3 MPH	E 3 MPH	S 7 MPH	SSW 8 MPH	S 5 MPH	E 8 MPH
					Precip 40%

KEEP YOUR EYE ON THE CONSUMER

Dunnhumby: Confidence in Grocery Stores, Government Plummets

www.theshelbyreport.com, September 27, 2021

Dunnhumby, a provider of customer data science, has released findings from its 18-month worldwide study of the impact of COVID-19 on customer attitudes and behavior across 24 countries. The eighth wave of the dunnhumby Consumer Pulse Survey found that 64 percent of U.S. consumers reported that grocery stores are not doing a good job with COVID-19, compared to February 2021 when 50 percent of respondents reported grocers were doing a good job. Furthermore, 83 percent reported that the government isn't doing a good job either, marking the lowest point of confidence in the government's handling of the crisis and the second-lowest globally.

Consumers' concerns with grocery stores span from worries that things are not returning to normal (76 percent), unvaccinated shoppers in the stores (34 percent) and still extremely worried about the virus (26 percent).

"After living with the pandemic for 20 months, consumers are now twice as concerned about their personal finances as they are about Covid itself. With inflation persisting and government stimulus' phased out, the majority of shoppers are now looking for greater value," said Grant Steadman, president for North America at dunnhumby. "Retailers who are perceived as offering more value and respond to their customers' increasing need for this, will earn the loyalty of the new customers they gained during the early phases of the pandemic."

Key findings from the study include:

- Shopping trips and restaurant patronage is returning to pre-pandemic behavior. During the 18-month study, consumers have changed how often they shopped from a low of just 3.8 trips a week in March 2020, to 5.6 trips a week in July 2020, to six trips a week in September 2021. Similarly, over the same period, visits to restaurants for carryout, delivery or eat-in have ranged from a March 2020 low of 62 percent of consumers, to 78 percent in July 2020, and 82 percent in September 2021, the highest amount since the start of the study. The number of consumers eating in a restaurant has also increased from just 10 percent in March 2020 to 49 percent in September 2021, also the highest point in the study.
- While consumers' outlook on the economy has improved, 55 percent still feel the economy is weak, and 40 percent report that their personal finances are also weak. Over the eight waves, consumers' perception of the state of the economy has improved by 20 percentage points compared to just a five point improvement in how they feel about their own personal finances. Globally, Brazil (75 percent), Thailand (69 percent) and France (63 percent) are at the bottom with their consumers reporting their personal finances are weak.
- Levels of worry about COVID-19 in the U.S. have continued to drop and are at their lowest level (17 percent), a 14 point drop since March 2020. The U.S. is in the lower half of countries surveyed on the dunnhumby Worry Index with Brazil (39 percent), Malaysia (38 percent), Chile (38 percent), Thailand (35 percent), Portugal (35 percent), Mexico (33 percent) and Japan (31 percent) in the top half of countries reporting higher levels of worry.
- Value-seeking consumers (66 percent) continue to surpass quality seeking consumers (19 percent), although value seekers' numbers declined slightly (five points) since the last wave. The two most common behaviors are shopping at stores with the lowest prices (55 percent) and shopping at stores with the best quality (44 percent). Next are stocking up when things go on sale (36 percent) and paying more for quality (30 percent).
- The number of people who shop both store and online has increased to 47 percent since the beginning of the pandemic, when it was at 35 percent. The U.S. is in the middle of countries in the number of omni-channel shoppers, with China leading all at 97 percent and Hungary trailing at 19 percent. Satisfaction in the U.S. with online shopping is now identical to that for in-store shopping, 32 percent.

Cash remains king as the dominant payment method (49 percent), followed by traditional credit cards (46 percent) and debit cards (41 percent), with mobile apps trailing (13 percent). Just 14 percent of U.S. survey respondents are concerned with data privacy. Only in China and Thailand do more than 20 percent of consumers seem concerned.

For this study, dunnhumby surveyed 58,089 respondents online in 24 countries: Asia (Australia, China, Japan, Malaysia, Thailand), Europe (Czechia, Denmark, France, Germany, Hungary, Ireland, Italy, Norway, Portugal, Slovakia, Spain, United Kingdom), Latin America (Brazil, Chile, Colombia) and North America (United States, Mexico). The online interviews were conducted for Wave One from March 29-April 1, 2020; Wave Two from April 11-14, 2020; Wave Three from May 27-31, 2020; Wave Four from July 9-12, 2020 in the U.S., Canada and Mexico only; Wave Five from Aug. 28-Sept. 3, 2020; Wave Six from Nov. 20-25, 2020; Wave 7 from Feb. 18-24, 2021; and Wave 8 from Aug. 27-Sept. 3, 2021. Approximately 400 individuals were interviewed in each country for each wave of the study, and respondents were roughly 60 percent female and 40 percent male.

Note: This article has been edited for space and content. To view the entire selection, please visit www.theshelbyreport.com

AN APPLE A DAY

Two Canadian Produce Consumption Studies Reveal This

By: Amy Sowder, www.thepacker.com, September 27, 2021

While Montreal and Quebecers — and produce professionals across North America — battle mounting challenges, two Canadian consumption studies discovered some sunny findings. More than 29% of Canadians buy enough produce to match the amount recommended by Canada's new food guide, according to a report released Sept. 2 from Dalhousie University's Agri-Food Analytics Lab, co-authored by Vasantha Rupasinghe.

"Fruits and vegetables are synonymous with healthy eating," Quebec Produce Marketing Association said about the survey in its Sept. 2 newsletter to members. "The survey also included questions related to bioactives, cancer risks and microbiome. These results were interesting."

Results included:
21.4% of Canadians will think about bioactive properties when purchasing a fruit or a vegetable;
42.6% of Canadians think about cancer risks when purchasing produce, and 47.6% eat produce to reduce cancer risks;
66% of Canadians see fruits and vegetables as superfoods;
66.8% of Canadians eat produce to lose weight, and 71.3% eat fruits and vegetables for their microbiome and gut health; and
64.9% of Canadians will only buy fresh produce, and 18.7% prefer frozen produce.

Quebec ties for second place with Novia Scotia of Canada's 10 provinces with 30.7% of consumers only buying locally grown produce. Also at 30.7%, Montreal ranks third for the percentage of consumers eating the recommended produce amount every day.

Consumers also use different information sources to influence their produce choices. The No. 1 source for Canadians are food and cooking websites at 39%. Nutritionists are at 25.3%, followed by Canada's Food Guide at 20.8%.

"Typically, celebrities and websites are quite popular for Canadians looking for information, but with fruits and vegetables, authoritative sources like nutritionists and our food guide appear to be more popular," Sylvain Charlebois, lab director, said in the report.

Statistics Canada released a report Sept. 8, on fruit and vegetable consumption five times or more per day, by age group. These results were a little different. Overall, more than a quarter, or 25.4%, of Canadians 12 and older eat five or more servings of fruit and vegetables a day.

At the top of the heap, 29% of those 65 and older report eating this much produce daily. At the bottom are people 18-34, at 22.4%. Young people 12-17 report eating more than young adults. The second-highest produce-eating group is those 35-49.

INDUSTRY EVENT CALENDAR

February 8-11, 2021
Mid-Atlantic Fruit & Vegetable Convention
Hershey Lodge
Hershey, PA
www.mafvc.org

March 3-5, 2021
SEPC's Southern Exposure
Swan & Dolphin Resort
Lake Buena Vista, FL
www.seproducecouncil.com/events

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

Follow us on social media

Questions or suggestions for the newsletter?
Contact: joanna.hazel@lipmanfamilyfarms.com