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# ON THE H O R I Z O N

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updates

# CROP & MARKET

INDUSTRY INFO







# MARKET UPDATES

## ROUND TOMATOES

Although FL's tomato production is at a lighter point in the season and cold weather has pushed harvests out 3-4 days, volume is adequate. Most all growers have been harvesting crown picks with big sizing and good quality this week. As Lipman and others move into some 2nds and 3rds over the next few weeks, we'll see the size profile even out to more normal levels. Lipman is currently harvesting exclusively in Naples where we'll stay until the 1st or 2nd week in March, when production begins to transition to Estero. West Mexico growers are moving into good volumes on both mature greens and vine-ripes now. Sizing remains big at this point and supplies are forecasted to be strong as we move into February. Of note, a few of the smaller growers are out of the deal which will mean a bit less fruit this year, but the major players are on track for consistent levels of production.

## ROMA TOMATOES

FL's overall roma numbers are a little lighter this week thanks to some cooler weather. Lipman's crops are following the same pattern with steady, but lighter supply from the Naples farm. Quality is varied- some fruit is very nice while other product has been impacted by recurrent morning fog and has some shoulder issues. Look for these concerns to clear up over the next several days as growers move into new plantings. West Mexico (Culiacan, LaCruz and Guasave) is now the stronghold of roma production. Harvest volumes are approaching the seasonal levels that we are accustomed to and overall quality is good. Pending any major cool weather, we should continue to see consistent production for the near future. Sizing is heavy to J & XL with very little small fruit available. There's also some East/Central Mexico fruit crossing into Texas but volume is lighter as many growers are in the seasonal decline stage of the season.

## TOV

Mexico's TOV growers are just coming out of the lowest light levels of the year, so production remains at less than desired levels. Supply is expected to remain on the lighter side through the month of February but we are seeing a little more fruit available this week.

## GRAPE TOMATOES

FL's grape tomato supply is definitely adequate, but last weekend's cool weather had a greater impact on them than their larger counterparts. This week's production has been down 30% from our projections but we expect yields to return to normal as soon as next week. From there, we should stay in a steady groove through the rest of the Naples season as long as weather cooperates. Looking to the West, Culiacan, Guasave and LaCruz growers are providing good-quality fruit consistently with plenty to go around.

## COLORLED BELL PEPPERS

FL growers continue in the lighter Winter production mode in the Immokalee and East Coast areas. Cool weather has slowed production and reduced yields but light supply is available and there's a good mix of sizing this week. Quality is currently best on the Immokalee crops, as the East Coast growers have been battling insect pressure. As for the West, some growers in the Sinaloa area are past the initial production peak and are waiting on new blocks to begin. Since cooler weather has delayed the start of new blocks we may see a short period of lighter supply and sizing drop off. But, consistent volumes should return as weather becomes more temperate. Overall quality is good but there are some occasional issues caused by morning dew.

## CUCUMBERS

All the active cucumber growers in Honduras are online now, but significant volume is still slow to come and won't likely be as strong as previous years. Several growers reduced acreage due to increased input and transportation costs, leaving the East in a less favorable position. We should see a little more product flowing as the season progresses, but significant change isn't likely until FL farms come back online in mid-late March. Quality has been good on the import fruit thus far. Cucumber volume out of Mainland Mexico remains lighter, especially on supers and other large sizes due to the recent cooler weather. Weather will be a factor for the next 7-10 days but we should see stronger volumes after that as Mexico gets into warmer weather. Quality is good.

[CONTINUED ON THE NEXT PAGE](#)



## GREEN BEANS

Recent and prior cold weather have slowed down green bean yields and production in south FL. Supply could remain on the snug side for at least the short term as growers work through plantings that experienced bloom drop from December's cold snap. Looking to the West, we are seeing supplies become a little more limited due to cool weather and expect this pattern to continue for the next few weeks. Beans are affected by cooler weather more than some crops because they don't have as much foliage canopy to protect them from the elements. A warmer weather trend will hopefully help to improve supply in a few weeks.

## GREEN BELL PEPPERS

While Central Mexico's production remains limited, the low-tech fruit from West Mexico is coming on strong, providing good numbers to the market, especially on reds. Quality is, of course, best on the high-tech fruit. There are some green cast and shriveling issues from some of the Culiacan-area growers but nice fruit is available as well.

## YELLOW & ZUCCHINI SQUASH

Squash supply out of FL continues to be somewhat limited, as is the norm during this time of year. Recent cold weather brought some older fields to an end which leaves light volumes from newer plantings. Yellow squash production is less than zucchini as acreage is more limited and quality concerns reduce yields. In the West, cooler weather has served to lighten production but availability remains adequate and quality is good on both colors. Once there's a consistent period of warmer night time temps, we should see these crops perk back up to normal levels.

## EGGPLANT

FL's eggplant supply continues at light levels as cool temperatures and reduced winter acreage affect the volumes produced. Spring crops should begin in April. Until then, we expect continued light supply. As for the West, Mainland Mexico/Culiacan continues to have moderate supplies consistently. We could see some skips in availability of larger fruit due to cool weather, but overall supply should remain relatively steady.

## CHILI PEPPERS

Chili pepper production remains at very light levels in the East, with mostly jalapenos and poblanos available in any volume. One of our growers has seen the early plantings fizzle out earlier than anticipated and is waiting for new ones to come online in about 3 weeks. Look for volume and variety to improve when Spring crops get rolling in April. As for the West, supplies are moderate. Crops just need some warm weather to kick things in gear. Serranos and habaneros are the shorter items of the assortment.

## MINI SWEET PEPPERS

All the major growers are online with mini sweet crops now, but cold weather continues to hinder production to some extent. The volume available outside of contract commitments is very light and available on a somewhat sporadic basis. Quality, sizing and color are good.

## HARD SQUASH

With no significant domestic production, the East is primarily bringing hard squash in from Mexico. There won't be much change in the situation until the Honduran program starts in 2-3 weeks. As with cucumbers, we're hearing there's less acreage planted in Honduras this year. Looking to Mexico, we are seeing the Sonora crop struggle to keep producing and wind down earlier than usual. New production out of Sinaloa is still a couple weeks away so expect supply to be snug until then- especially on butternuts. Overall quality continues to be good on all varieties, but we could see that change as growers try to stretch harvests to meet demand.

## ENGLISH CUCUMBERS

HH cucumbers are a very snug commodity this week. Availability outside of contracts is very limited as a number of Mexico's growers reduced this year's acreage in response to last year's very low market pricing. The situation is likely to remain the same until March when we start to see Canadian production return and some newer crops in Mexico. Our FL program has had a few hiccups this week due to the recent cool temperatures slowing down maturity and sizing, but should be back on track in another 5-7 days.

## SALAD CUCUMBERS

Although cooler weather has slowed things down a little, the Sinaloa crops are strong and product availability is adequate. Look for harvests to pick back up after the crops have time to soak in some warmer weather.

## ORGANIC GRAPE TOMATOES

West Mexico is fully in season with good supply coming out of the Culiacan area. We're experiencing a flush of fruit this week and next, but production will level out after that with solid supplies continuing. Quality is good.

## ORGANIC ROMA TOMATOES

We're coming into better organic roma supply as more growers enter the mix. There were some color issues at the beginning of the MM season but they are now improving and overall quality is good. Expect mostly steady numbers for the next few months.

## ORGANIC MINI CUCUMBERS

Availability remains limited on organic mini cucs as cooler weather in MM has slowed sizing and overall production from new crops. There's good quality available but there can be some hit or miss concerns as this item is a fragile one.



## NEWS IN THE PRODUCE INDUSTRY

# Grocery stays on upside amid U.S. retail sales decline for December

By **Jeniece Drake**

Dec. 15, 2022

[WINSIGHTGROCERYBUSINESS.COM](https://winsightgrocerybusiness.com)

Sales growth at grocery stores deflated in December, reflecting a decline in overall U.S. retail sales for the second consecutive month.

December retail and foodservice sales came in at \$677.14 billion (seasonally adjusted), down 1.1% from \$689.44 billion in November but up 6% from December 2021, the U.S. Census Bureau reported in advance estimates on Thursday. Retail trade sales for December—excluding motor vehicles and parts stores, gas and repair stations—fell 1.2% month over month to \$588.81 billion yet climbed 5.1% year over year.

The retail sales performance for December continued decreases from November's performance, when total retail sales dipped 0.6% month to month and were up 6.5% year over year, which marked a notable downturn from October. Retail trade sales in November declined 0.8% month over month to \$599.05 billion but rose 5.4% year over year, compared with monthly and annual gains in October.

Grocery store retail sales for December inched up 0.1% month over month to \$72.95 billion (seasonally adjusted), below the 0.8% sequential gain in November but up 7.3% from December 2021, less than the 8.6% year-over-year uptick in November.

Sales at all food and beverage stores were flat in December on a sequential basis and grew 6.9% over 12 months to \$81.32 billion, versus increases of 0.8% month over month and 8.1% year over year in November, the Census Bureau reported. December's sales performance marked the nadir for 2022, noted Kayla Bruun, economic analyst at data intelligence firm Morning Consult.

"The final retail sales report of 2022 was the weakest of the year, aligning with monthly declines across a broad range of categories captured by Morning Consult's proprietary spending data. In real terms, retail sales declined year over year—a development that is especially disappointing given that last December was being impacted by the spread of the omicron variant," Bruun said in an emailed statement. "Weaker spending on core goods affirms that growth in the broader consumer spending measure—personal consumption expenditures, released later this month—will need to be driven by services, though Morning Consult's data suggests demand may be losing momentum for these purchases as well."

For the full 2022 calendar year, food and beverage store sales were up 7.6% year over year to \$947.57 billion (unadjusted), the Census Bureau said. That included 8.3% growth to \$848.52 billion at grocery stores over the 12 months.

Total U.S. retail and foodservice sales in 2022 were \$8.12 trillion, up 9.2% from 2021. Retail trade sales advanced 8.2% to \$7.1 trillion for the year. "There are bright spots in today's report, with non-store retailers growing 13.7% from December 2021," commented Claire Tassin, retail and e-commerce analyst at Morning Consult. "While inflation in gas and groceries strained budgets, Americans continued to spend."

Other retail categories posting year-over-year gains in December were furniture and home furnishings stores (+0.3%), building material/garden equipment and supplies dealers (+2.3%), health and personal care stores (+2.8%, including drug stores), apparel and accessories stores (+2.9%), general merchandise stores (+3.8%, including department stores, which dipped 0.6%) sporting goods/hobby/musical instrument/book stores (+3.9%) and foodservice/drinking places (+12.1%). Of the 11 retail trade store categories, eight had month-to-month sales decreases for December, with food and beverage stores (flat), sporting goods/hobby/musical instrument/book stores (+0.1%), and building material/garden equipment and supplies dealers (+0.3%) being the only exceptions, according to the Census Bureau.

"Although retail foot traffic rose by double digits in December for practically all categories, it wasn't enough to counter the effects of inflation combined with deep discounting for the holidays. Inflation was up 6.5% from year-ago levels," stated Naveen Jaggi, president of retail advisory services at commercial real estate firm Jones Lang LaSalle (JLL). "While this is lower than the peaks seen mid-2022, it was enough to dampen consumer confidence heading into holiday shopping. Furthermore, food prices continue to climb, meaning consumers still had to devote more of their dollars to necessities rather than discretionary goods."

**[Continue to read the rest here](#)**



# NEWS IN THE GROCERY WORLD

## NATIONAL RETAIL FEDERATION REPORTS 2022 HOLIDAY SALES GREW 5.3 PERCENT TO \$936.3B; MATTHEW SHAY AND JACK KLEINHENZ COMMENT

[ANDNOWUKNOW.COM](http://ANDNOWUKNOW.COM)

By Peggy Packer  
Wednesday, Jan. 18th, 2023

WASHINGTON, DC - The National Retail Federation (NRF) has shared a closer look at retail performance for the year 2022, reporting that sales during 2022's November-December holiday season grew 5.3 percent over 2021 to \$936.3 billion, with grocery placing among the top three retail categories to see such growth.

"The last two years of retail sales have been unprecedented, and no one ever thought it was sustainable," NRF President and Chief Executive Officer Matthew Shay said. "Nonetheless, we closed out 2022 with impressive annual retail sales and a respectable holiday season despite historic levels of inflation and interest rate hikes to cool the economy. Consumers shopped in record numbers, and retailers delivered positive holiday experiences to inflation-wary consumers, offering great products at more promotional price levels to fit their stretched budgets. The fact that we saw retail sales growth on top of December's 14 percent gain in 2022 shows the resilience of consumers and the creativity of retailers in driving consumption and economic activity while addressing high inflation and continued cost pressures."

The organization's latest press release stated that while holiday growth was less than expected, sales for the year grew 7 percent over 2021 to \$4.9 trillion, meeting NRF's forecast of between 6 percent and 8 percent growth for the year.

Holiday sales for grocery and beverage stores specifically were up 7.8 percent for the November through December time frame, pointing to potentially strong gains in the fresh department.

The holiday results top the \$889.3 billion spent during the 2021 holiday season, which NRF defines as November 1 through December 31, and compare with the federation's forecast that 2022 holiday retail sales would increase between 6 percent and 8 percent over 2021 to between \$942.6 billion and \$960.4 billion.

"We knew it could be touch-and-go for final holiday sales given early shopping in October that likely pulled some sales forward plus price pressures and cold, stormy weather," NRF Chief Economist Jack Kleinhenz said. "The pace of spending was choppy, and consumers may have pulled back more than we had hoped, but these numbers show that they navigated a challenging, inflation-driven environment reasonably well. The bottom line is that consumers are still engaged and shopping despite everything happening around them."



## UPCOMING EVENTS:

**March 2-4, 2023**

**Southern Exposure Produce Show  
Orlando, Florida**

[seproducecouncil.com](http://seproducecouncil.com)

## PRODUCE BAROMETER:

ITEM	QUALITY	PRICING
Bell Pepper	Good	Steady
Cucumber	Good	Elevated but Steady
Eggplant	Varied	Higher
Green Beans	Good	Higher
Chili's	Varied	Mostly Steady
Squash-Hard	Good	Mostly Steady
Squash-Soft	Good	Steady
Tomatoes	Good	Steady

# FRESH PRODUCE ALL WINTER LONG



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