

JANUARY 27, 2023

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updates

CROP & MARKET

INDUSTRY INFO





MARKET UPDATES

ROUND TOMATOES

FL roma production continues at steady, but light Winter levels. After having a few shoulder challenges last week, Lipman has been harvesting very nice fruit at the Naples farm with mostly J and XL sizing. Other growers are in a similar position so industry-wide quality is nice and sizing is on the larger end of the spectrum. We expect similar volumes through the next month, then will see increases with the start of Spring crops in March.

As for the West, growers in the Culiacan, LaCruz and Guasave areas are into good, seasonal supplies and should continue through the month of February. Sizing is still 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.

ROMA TOMATOES

After coming off a cold front last week, FL's round tomato production is a bit lighter this week but still adequate. The sizing continues to be on the larger side with limited volumes of 6x6 and 6x7's. Quality has been excellent for Lipman and is also good industry wide. Expect consistent production levels until mid-March, when Spring crops get rolling and acreage increases. West Mexico growers are in the thick of things on both mature greens and vine-ripes with good volumes available. Sizing is heavily slanted to the bigger side (mostly 4x4's and 4x5's) and quality is good overall.

TOV

We've finally moved out of the Winter doldrums and are gradually seeing more light and longer days, which has given TOV production a little boost. Availability is improved and quality is good from most. While we don't expect any major change in volume until March, supply should be relatively consistent until then.

GRAPE TOMATOES

Another cold spell, followed by some rain, lightened up Lipman's grape tomato harvests for the week. We should get caught up to normal harvest levels by the weekend or early next week. Overall, the industry has steady supply and good quality. Cool weather has also had an impact on Western supply but there's still plenty of fruit to go around. A warm weekend should help supply bounce back for next week.

COLORED BELL PEPPERS

Good volumes are available from both Central Mexico's high-tech houses and Culiacan's low and mid-tech growers, especially on reds. There's still a lot of really big fruit in Nogales, but there are a few more sizing options available this week. Overall, quality is good, but there are some low-tech lots with green casting, shriveling, etc.

GREEN BELL PEPPERS

FL growers are seeing more pepper and better yields this week as they work through new fields that set fruit in between cool weather periods. Early in the week they had worked through most of the jumbos, but now we're seeing more jumbos and 2X from crown picks and not a lot of small fruit. Overall quality is good. As for the West, some growers in the Sinaloa area are past the initial production peak and are waiting on new blocks to begin in a few weeks. 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

Steady, but lighter volumes than usual are flowing from Honduras this week. Quality is mostly good on what we're seeing but there are a few more offgrades coming off the boats as well. Eastern supply will be limited to the light import volume until mid-March when FL gets started with Spring crops. Cucumber availability out of Mainland Mexico is a little easier as the Eastern demand has backed off and growers continue to harvest moderate volumes. We did experience yet another round of cooler weather in the growing region, but look for the West to remain in decent supplies. As usual, quality and color are good on the Mexican fruit.

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GREEN BEANS

Beans are still in light supply in FL with harvests taking place mostly in the Homestead and Immokalee areas. Some new fields are set to be harvested next week, but overall yields could be lighter due to prior cool weather causing bloom drop. Quality has been good. Mexico's bean production has been mostly moderate with a few ups and downs that coincide with previous temperature swings. A warmer weather trend will hopefully help to bring more consistency of supply in a few weeks.

YELLOW & ZUCCHINI SQUASH

FL farms will continue in the lighter Winter mode of squash production for the next 3-4 weeks. Quality has been just okay this week possibly due to cold weather weakening plants. In the West, the weather pattern in Mainland Mexico looks as if it will continue in cycles of 5-7 days with warmer weather followed by another 5-7 day cycle of cooler weather. The roller coaster ride brings some ups and downs with production numbers, but supply will continue to be adequate overall.

HARD SQUASH

There's no significant domestic production in the East but the first Honduran butternut arrived this week. More growers will be coming online over the next few weeks, so that volume will pick up the pace, at least on butternut. Honduras growers don't usually grow acorn and plant less spaghetti than butternut, so there will still be some dependence on Mexico. In the West, Sonora growers are winding down and we are waiting on new production out of Sinaloa to start in a few weeks. As we move into the final stages of the Sonora season, spaghetti has joined the short list with butternut. Overall quality continues to be good on all varieties, but we could see that change as growers try to stretch harvests to meet demand.

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. Quality is hit or miss with mostly older fields in production. As for the West, Mainland Mexico/Culiacan has moderate supplies consistently and should continue to for the next few weeks.

CHILI PEPPERS

Eastern chili pepper production is limited to the light volumes and few SKUs in South FL, with mostly jalapenos and poblanos available in any volume. We do expect to see some new crop come online at one of our farms in the next 2-3 weeks. Look for overall volume and variety to improve when Spring crops get rolling in April. As for the West, supplies are moderate and improving in a slow but sure way. Crops just need some warm weather to kick things in gear. Serranos and habaneros are the shorter items of the assortment but there seems to be a little more this week than last.

MINI SWEET PEPPERS

Mini sweet production continues in Mainland Mexico at light to moderate levels with some ups and downs that follow alternating cool and warm weather snaps. Quality, sizing and color are good.

ENGLISH CUCUMBERS

There seems to be a little more HH cucumber volume available this week but supply is still quite snug. Several of the major players in Mexico have reduced acreage this year and now we're seeing some shape concerns. The repeated warm-cool-warm-cool weather patterns have created shape and curvature issues as the plants start and stop the growth cycle with the changes in temps. This serves to reduce acceptable supply for some customers depending on their tolerance for shape. However, the product quality is strong. With reduced acreage, we expect supply to continue at relatively light levels until March when Canada comes online. Our FL program continues to have a few ups and downs with weather, but is bringing a mostly consistent supply.

SALAD CUCUMBERS

Pickling cuc production has become a little more consistent despite some temperature-related ups and downs. Quality and sizing have been optimal.

CALABACITA

Pickling cuc production has become a little more consistent despite some temperature-related ups and downs. Quality and sizing have been optimal.

ORGANIC GRAPE TOMATOES

Sinaloa's organic grape tomato growers are into good volumes and have nice-quality fruit available daily. Expect more of the same for the next 3-4 weeks.

ORGANIC ROMA TOMATOES

With all crops online now, the organic roma supply situation is favorable. After some early color issues, quality has sharpened up and is generally 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 on the reduced acreage that was planted this season.

ORGANIC MINI SWEET PEPPERS

Organic mini sweet supply is holding its own at fairly consistent levels now that all the Winter crops are in production. There are still a few issues with green shoulders, but overall quality has been nice.



NEWS IN THE PRODUCE INDUSTRY

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

By **Russell Redman**

Jan. 18, 2023

[WINSIGHTGROCERYBUSINESS.COM](https://www.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

MOST SHOPPERS PREFER BUYING GROCERIES IN-STORE, SURVEY SAYS

By **Diane Adam**

Jan. 20, 2023

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

Shoppers entered 2023 having to drag high food prices with them, with egg prices soaring more than 225% in December over the year before.

With those high prices, consumers apparently want to make sure they're the ones doing the grocery picking, according to new research from 84.51°, the Cincinnati-based Kroger-owned data and media company. In its January Consumer Digest, the research firm reported that 78% of shoppers plan to shop in-store most often for their upcoming month's groceries and household items and those ages 45-plus are planning to shop in-store significantly more so than those ages 18-34.

When it comes to online shopping, 11% will order their groceries and household items online to have them delivered to their home, the survey said. This is one percent higher than shoppers who will use online ordering for pickup at the store (or other designated location) most often.

So, what is causing shoppers to flock to stores for their groceries? Trust. In fact, 46% of shoppers claim to shop in-store because they do not trust someone else picking out their grocery products for them, 84.51° reported.

A trend for 2023 will see grocery retailers ramp up the in-store experience, especially around foodservice. These additions might be driving online shoppers to return to brick-and-mortar shopping as well.

When asked how much online grocery shopping consumers anticipate doing in 2023 versus last year, 84.51° reported that 14% said they will do less online grocery shopping this year than they did last year. Another driver pushing shoppers in-store is price, as well as sales and promotions. When asked about the ways they shop for groceries, almost half (44% of in-store shoppers) said to save money and 48% said for the sales and promotions, 84.51° reported.

[READ ARTICLE HERE](#)



UPCOMING EVENTS:

March 2-4, 2023

**Southern Exposure Produce Show
Orlando, Florida**

seproducecouncil.com

PRODUCE BAROMETER:

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

FRESH

PRODUCE ALL WINTER LONG

lipmanfamilyfarms.com



QUESTIONS OR SUGGESTIONS FOR THE NEWSLETTER? EMAIL: MAGGIE.BARTHOLOW@LIPMANFAMILYFARMS.COM