

MARCH 31, 2023

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ON THE H O R I Z O N

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Bringing you your
weekly industry
updates

CROP & MARKET

INDUSTRY INFO





MARKET UPDATES

ROUND TOMATOES

Some like it hot and round tomatoes in FL are no exception. Even as we are on the verge of transition, there are good volumes this week. Lipman is harvesting in Estero where weather has brought great quality and large sizing. Most growers will start in R/P over the next two weeks, but we won't move north for another 3-4 more weeks. The West also has solid supplies this week. West Mexico (Culiacan and La Cruz) anticipates steady supplies through the first half of April with supplies declining as we move into the final weeks of the month. East Mexico farms continue with moderate supplies from winter plantings in Jalisco and expect to see Spring acreage start in mid to late May. Baja will be the next major area of production. A small deal from La Paz has started with light supplies of big sized fruit, with the majority of volume to start in mid-May from San Quentin and Vizcaino.

ROMA TOMATOES

FL's roma tomato production is up slightly this week as great weather and the start of new crops make an impact. Lipman has finished in Naples and is now focused on our Estero crops. We have beautiful fruit with really big sizing, even some in the 3X size range. Most of the industry is poised to get underway in Ruskin/Palmetto in the next week or so. Looking to the West, supply is strong out of Mexico. West Mexico (Culiacan, La Cruz, Guasave and Obregon) has strong volumes as they work a mix of existing fields and new Spring acreage. East Mexico continues with lighter volumes but anticipates new Spring acreage from Jalisco, San Luis Potosi and Michoacán to start in mid-May to early June. One grower in Baja has started in light way with #2 quality that is being kept in Mexico, but should have some #1 fruit next week. The majority of Baja's crop from Vizcaino will start in late April to mid-May.

TOV

There are plenty of TOV's at southern border and now Canada's volumes are starting to kick in. We're also seeing some CA and other domestic programs get up and running for the season. Good volume and quality are anticipated for the next 4-5 weeks.

GRAPE TOMATOES

Grape tomatoes are still plentiful in FL. Lipman is harvesting in Estero now and will begin the first picks in R/P sometime next week. Most other growers will also get rolling in R/P in the next week along with us. Quality continues to be excellent. Mexico still has strong volumes of grape tomatoes as well. Typically April brings change to the deal as some prepare to wind down over the course of the month and others bring forth the final blocks to go into May and possibly longer.

COLORLED BELL PEPPERS

Colored bell pepper production continues its transition but is maintaining pretty consistent availability in the process. Western Mexico is on the downhill side of the season with only a few shippers with good quality. Central Mexico is also transitioning between Winter and Spring crops. Current crossings are mostly from older crops and the quality is not the best, but new crops will be the norm in 10-14 days and quality should be much better. Now Canada is in the mix, with just reds at this point. Oranges and yellows should be online next week. Canada's quality is excellent so far with sizing to the bigger side.

GREEN BELL PEPPERS

South FL is holding down the fort with bell peppers this week. Production is light to moderate but there seems to be enough around to meet demand. Sizing is down a notch (from mostly jumbos) as most have worked through the recent crown picks. Look for Plant City to start up in mid-April as growers to the south begin to wind down. Overall quality is pretty good with only minimal cosmetic-type issues. The West is finally starting to see more bell peppers from the Spring production as warmer weather becomes the norm. Larger sizing is still a bit snug but the situation for retail fruit has improved from the last few weeks. The good weather is allowing growers to harvest more on schedule, which helps reduce some of the issues with thinner walls we were seeing a week ago. These crops will wind down toward the end of April, which is when the delayed CA desert program should start.

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CUCUMBERS

FL's cucumber crops are rolling with good availability. The majority of production is in south FL, but there are now some cucs in the central part of the state as well. Quality has been really nice, but the ground-crop Eastern cucs do have some lighter bellies when compared to the pole-grown product that comes out of Mexico. Cucumber supply out West continues to be plentiful with product coming from multiple areas. Quality remains strong. This pattern should continue for the next 3-4 weeks, weather permitting. Baja has started in a limited way, but won't be in the full swing of Summer supplies until May/June.

GREEN BEANS

Green beans are readily available from southern and central FL and should continue to be through the Easter holiday. Although some growers expected lower yields this week, they were at normal levels so there's plenty of supply and quality is good. Despite Mexico's supply pattern being a roller coaster ride for the past month or more, we expect steady supplies to continue as plantings are scheduled to harvest through the month of April and if weather permits, into May.

YELLOW & ZUCCHINI SQUASH

Squash volumes are improving in the Sunshine State! South FL still has some new acreage to go, but Plant City has now gotten started in a light way and will gradually move into the driver's seat over the next week or so. Quality is best from newer fields but there are still some older plantings in play where scarring, scuffing and discoloration are concerns. In the West, squash supplies are getting better with outstanding quality from most growers in the northern growing zone (Hermosillo). Look for this to continue for the next few weeks.

HARD SQUASH

There are still Honduran imports floating around in the East, but they are now down to only having butternuts and quality is just okay. We don't expect to see any new crops until GA comes online in May and then others follow suit in June/July. Mexican supplies are also on the lighter side as we continue to wait for the new crops in Hermosillo to get going in earnest. Acorns are pretty snug, but butternut availability is very limited. Most of what's available is in the 1-1.5 lb size range which doesn't work for some customers. Spaghettis are a little easier, but scarring is a limiting factor. Once Hermosillo crops are fully up and running, we should have at least a brief reprieve... as long as those crops last.

MINI SWEET PEPPERS

Mini sweet availability is similar to last week- just enough to get by but no excess of supply. There are still issues with pepper sizing (under length) and greening, but most of the fruit is coloring out just fine.

CALABACITA

Hermosillo calabacita crops have started, which is bringing a nice boost to volume and quality. Farms in the northern growing areas have more acreage in the ground this season, so supply should be consistent for the next month.

CHILI PEPPERS

As we wait for Plant City to get fully started in about two weeks, we are seeing a few upticks in production from new crops coming out of south and central FL. Jalapenos have the best availability and there are also more Cubanelles available. Between Plant City and other areas, we should have consistent volumes and the full product mix in the next 10-14 days. With multiple areas in production, Mexico continues to offer good availability and quality on a consistent basis. There have been some brown husk issues on tomatillos caused by inconsistent weather patterns, but the fruit is solid.

EGGPLANT

There is light eggplant availability in FL this week, but no big volumes. There are a few new fields in south FL that have better quality, but there's also fruit coming from older fields where the quality is not up to par. The supply situation should improve over the next week or so, as some of the first Plant City eggs are on tap to be harvested this weekend. Mexico continues to have steady and consistent eggplant production, as growers are still seeing good volumes and quality in both West and Central Mexico. Supplies will continue through most of April, then transition into Fresno and the CA Desert for the summer months.

ORGANIC GRAPE TOMATOES

There's a little less, but still plenty of organic grape tomatoes coming out of Culiacan. Growers have worked past a previous flush and are now harvesting at more "normal" levels. Overall, quality is nice.

ORGANIC ROMA TOMATOES

Although a couple of growers have finished up for the season, there's still an adequate amount of organic romas coming out of Mexico. Quality is still good and the light color issues have improved this week.

ORGANIC MINI CUCUMBERS

Mexico's organic mini cucumber volumes are improving as some new crops get rolling to add to the current production. Quality has taken a dip on the older crops, but new-crop fruit is nice.

ORGANIC MINI SWEET PEPPERS

Organic mini sweets are a little more snug this week as growers are past a recent warm-weather flush now. Less farms have daily production, but there is enough product to meet demand. Quality is good, but we're seeing green shoulders on arriving product. Fortunately, the fruit is coloring out nicely with a few days' time.



NEWS IN THE PRODUCE INDUSTRY

Improving digital loyalty on grocery executives' 2023 to-do list

By **Timothy Inklebarger**

on Mar. 27, 2023

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

Nearly three-quarters of grocers say in a new survey that digital shopping has weakened customer loyalty, and that's why a strong digital presence is critical—even if it is through a third-party vendor.

The survey released Monday, "Shopper Loyalty in the Digital Age: Hard to Win, Easy to Lose," a collaboration between grocery data firm Incisiv, FMI - The Food Industry Association and customer-data platform Loyal Guru, revealed that 74% of grocers believe digital shopping has made shoppers less loyal.

Digital grocery sales reached \$128 billion in 2022 and made up 14% of all grocery sales. While still just a fraction of the overall market, digital sales have quadrupled over the last three years, according to the report.

Nearly two-thirds of shoppers (63%) bought at least some of their groceries through a digital platform in 2022. "This shift in behavior is due to the convenience of anywhere-shopping and the ease of making purchases from digital devices. Furthermore, consumers are also using their mobile devices to enhance their store experience," the report noted.

While online portals and third-party digital vendors can help drive traffic to a grocer's store, they also create opportunities for negative experiences, grocers said in the survey. Nearly nine out of every 10 grocers surveyed (88%) said that a bad third-party experience can hurt shopper loyalty, and 76% said a poor web and mobile experience has the same effect.

This is why 71% of C-suite grocery executives are making digital sales a priority in 2023. "Digital transformation has revolutionized the convenience of grocery shoppers, but it also poses a challenge to traditional loyalty," said Gaurav Pant, chief insights officer of both Incisiv and Grocery Doppio, in a statement. "Grocers must recognize that poor digital experiences can lead to lost loyalty, and thus prioritize building a digital-focused loyalty program that enhances the omnichannel shopper journey."

And according to the survey, neither customers nor grocers are happy with the digital component of their loyalty programs. Just over a quarter (27%) of grocers said they were satisfied with their digital loyalty programs, and a mere 17% of shoppers agreed.

That could be due in part to a disconnect between the digital and real-world experience, the report suggests. "For example, many shoppers may find it difficult to track and redeem their rewards online or through a mobile app. Additionally, the user interface for these digital components may not be user-friendly, making it difficult for shoppers to navigate and understand their rewards," the report noted. "Furthermore, a poor web and mobile experience may also contribute to low satisfaction with the digital aspects of grocery loyalty programs."

Those issues could take the form of "slow page load times, technical glitches and poor navigation" on the various digital portals, according to the report. "Another reason could be related to the quality of the digital experience provided by third-party providers—while grocery loyalty programs (earn and burn) may not be accessible on third-party apps, shoppers may not understand or appreciate it," the report added.

[Continue to read the rest here](#)



NEWS IN THE GROCERY WORLD

HOW GROCERY RETAILERS CAN SAVE ON FRESH PREPARED MEAL COSTS AS CONSUMER DEMAND MOUNTS

WWW.WINSIGHTGROCERYBUSINESS.COM

Mar. 20, 2023

The growing demand for fresh prepared meals

Persisting inflation coupled with work-from-home flexibility means consumers are eating at home more than ever across all day parts. Nearly 40% of Americans are opting for one to three prepared or semi-prepared breakfast and lunch options each week,¹ and almost a quarter of shoppers report paying more frequent visits to the fresh meals section of their grocery stores since the pandemic began². With consumers seeking at-home meal options that are fresh, delicious and convenient, retailers have an opportunity to capture valuable share-of-stomach with fresh prepared meal offerings.

With new consumer interest comes new costs

As retailers look to capitalize on evolving consumer behavior by expanding their fresh prepared meal offerings, a deterrent may be skyrocketing labor costs and decreasing labor availability. In-house assembly requires costly labor commitments from employees across functions and levels—from store teams that assemble, package and stock meals; to planners that develop and source innovative recipes; to marketers that merchandise offerings across channels. Cost aside, with labor shortages continuing to plague the grocery industry³, an undertaking that demands such heavy labor involvement may not be feasible.

The savings solution

Third-party partners present a compellingly cost-effective savings opportunity for grocery retailers facing the high-cost barriers of expanding fresh prepared meal offerings. A recent cost model comparison from FreshRealm found that retailers can save up to 40% when they choose to source fully prepared ready-to-cook and ready-to-heat meals from a third-party partner rather than assemble in-house. And the cost savings doesn't stop with retailers—the Suggested Retail Price for the FreshRealm meal was 17% less than the meal made in-house, bringing cost relief to shoppers conflicted with the struggle of rising food costs, too. Retailers can then provide more variety and lower costs to consumers while driving foot traffic.

A custom solution for every retailer

With the company's wide array of fresh ready-to-eat, ready-to-heat, and ready-to-cook private label and branded meal solutions, FreshRealm is uniquely positioned to offer a personalized solution that addresses every retailer and consumer need. Ready to start saving? FreshRealm is working with grocers nationwide to create fresh prepared meal in-store destinations. Visit FreshRealm.com for a full look at the company's range of ready-to-heat, ready-to-cook and meal kit solutions that are helping retailers and consumers save when they need it most.

[READ ARTICLE HERE](#)



UPCOMING EVENTS:

July 12-13, 2023

Organic Produce Show (Booth #511)

Monterey, California

organicproducesummit.com

OCTOBER 19-21, 2023

IFPA Foodservice (Booth #605)

Anaheim, California

freshproduce.com

PRODUCE BAROMETER:

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

LIPMAN IS CELEBRATING 75 YEARS OF GROWING!

