



MARKET UPDATE

Round Tomatoes: Although there are multiple areas in production, round tomato volumes are light to moderate in the East this week. There's fruit in NC, TN, AL, and MI but the numbers are down for farms that harvested plantings early due to heat bringing them on ahead of schedule. Overall quality is good, especially considering how summer's frequent afternoon showers can affect the fruit. Availability is expected to strengthen when VA comes back into play with "Fall" plantings during the 1st week of September. In the West, most CA growers with mature greens have been working partial weeks and have reduced volumes due to heat. We expect to see slight to moderate increases as they work through the current heat-damaged plantings and move into new fields, weather willing. Vine-ripes from Baja and Eastern Mexico continue to make their way to market in a moderate way. Sizing has been on the larger side in all areas, East and West, but could work its way down soon due to the heat.

Roma Tomatoes: As with rounds, roma volumes in CA and most Eastern areas have been affected by heat. There are some new CA crops coming online and we should soon see an improvement in volume soon. Overall quality has been hit or miss for most growers due to heat, but Lipman's roma quality has actually improved from earlier in the season. Eastern Mexico and Baja are also in the mix and look to provide steady, moderate supplies for the next few weeks.

Grape Tomatoes: VA farms continue to provide light but steady grape volumes through their brief break in round production. Quality from the fields is just okay, but any splits or other weather-related concerns are easily handled in the packinghouse. TN and NC also have a little to add to the mix, but there's just not a ton of product out there. The Western grape deal is also snug. Mainland Mexico farms has been fairly consistent but light and Baja's numbers are expected to remain light through the holiday as new fields are off to a slow start. We should see relief in early September when new crops come online.

Bell Peppers: With low demand and several areas in production, there are plenty of bell peppers in the East to handle business. Most areas have nice product to ship, but there are occasional issues for some of the local programs that are in the summertime shower mode. (NC and KY, in particular) Steady volumes are also coming out of MI, VA, TN, and NJ and new SC crops are expected to begin in the 2nd week of September. Meanwhile, there are multiple areas in CA with good volumes, quality & size.

Cucumbers: Cucumber supply is all good this week. After 2 weeks of extremely limited supply, Baja's volume has started picking up as growers move into new crops. There's a lot of larger fruit available and quality has been strong. We should see steady volume for at least the next week. Eastern cucumbers are available in several states including MI, NC, NY, NJ, TN, KY, and VA and quality is good from most areas. Although MI fruit has had some softness and scarring in the past week or so, quality has improved as growers moved into new plantings. Eastern NC will start up with Fall crops over the weekend or early next week. This should provide a pretty good punch of volume as some of the other local areas begin to fade out.

Summer Squash: Local and regional programs remain active in the squash deal and there's lots of product available in the East, particularly on yellow. Quality is varied by grower, lot, etc, but there's nice fruit available. New crops are on tap to start over the weekend in Eastern NC and there are more fall programs expected to come online as we move into September. As for the West, the Santa Maria area is experiencing a slight increase in volume as they move into their last fields which they hope will take them through the month of September. Salinas and Fresno districts continue with limited numbers for the next few weeks. Baja is in a bit of a gap and is expected to be back in within the next 7-10 days. Quality is nice on zucchini, but is less than perfect on yellows.

Green Beans: With product available in MI, IN, VA, OH, TN, and NY, there

are plenty of beans in the East. All areas have good quality, with only an occasional issue with damage from mechanical harvesters. The story is a little different in the West as CA production is currently on the limited side. Our Baja, Mexico crops have been pushed back and it may be another 10-14 days before we see that supply's help.

Eggplant: Eggplant is readily available in the CA Central Valley and WA state for the West and in several states in the East. Quality has been good on both sides of the country, but there are occasional issues on older crops. .

Organic Squash: Organic squashes continue to be available in CA, OR and WA but Baja has become the go-to spot for volume and quality, especially on yellow. Eastern organic squash production is spread out with small pockets of product in several states including VA, KY, NY, SC, and others. As with conventional squash, quality is varied depending on the amount of Summer weather fields have experienced.

Organic Cucumbers: Overall, Baja's organic cucumber numbers have dropped off but our farms are seeing nice, consistent volumes. The Northwest also has product to offer, but there are some quality concerns typical for local that include yellow bellies and scarring which won't work for all customers. There are light volumes available in the East, mostly from smaller local deals in KY, VA, NY, and SC.

Organic Green Bells: CA has a respectable amount of organic bells available this week but it's not a lot. WA and OR are going now with building volumes which will help to meet demand as we wait for new Baja crops and Fall plantings to come online in CA. There is light production from VA, KY, and NY available in the East.

English Cucumbers: Canadian producers are slowly rebounding from the recent interplanting process and should see more volume soon. FL & CA producers are adding to the mix with mostly steady numbers.

ON THE HORIZON CONTENTS

August Calendar- [page 3](#)

Fresh Cut Focus- [page 3](#)

National Weather Spotlight- [page 4](#)

News in the Grocery Trade- [page 4](#)

Pack Your Bags - [page 5](#)

Produce Barometer-[page 5](#)

Restaurant Industry News- [page 5](#)

Tomato Talk- [page 2](#)

Did you know that On the Horizon is posted each week on our website? Visit www.lipmanfamilyfarms.com and click on the "Latest" tab to view past issues.

TOMATO TALK

Tomato Suspension Agreement Controversy Continues

By: Tad Thompson, www.producenews.com, August 22, 2019

Did anyone really expect a soft landing? The importation of fresh Mexican tomatoes has met vehement protests from Florida growers for decades.

The heat rose on May 7, when the U.S. Department of Commerce, under strong pressure from Florida growers, withdrew from the Tomato Suspension Agreement that had been in force for 23 years. In May, the DOC imposed a 17.5 percent tariff on Mexican tomatoes after the two sides failed to renew an earlier agreement that halted a U.S. anti-dumping probe.

The Commerce Department then had to consider what was fair to all interests — Mexicans, Floridians and American consumers — in the importation of Mexican tomatoes. Finally, on Aug. 20, the DOC announced that Mexican tomato growers had reached a deal with the U.S. government to avoid an anti-dumping investigation.

This seems like good news on the surface. But Lance Jungmeyer, president of the Fresh Produce Association of the Americas, noted that Mexican tomato growers and importers are “profoundly concerned that a provision in the draft agreement appears to require inspections of up to 92 percent of all lots of tomatoes from Mexico at the U.S. border. “At that level, the inspections are not only unnecessary, they also have the potential to destabilize the U.S. tomato market,” Jungmeyer said. “U.S. importers and marketers of Mexican tomatoes will bear what amounts to punitive costs associated with such levels of inspection. Because of the sheer volume of tomatoes shipped north from Mexico to the U.S., we can expect the inspections to create substantial delays that compromise the quality, affordability and availability of tomatoes to American consumers and will create bottlenecks for other goods crossing the border.”

Unsurprisingly, the Florida growers simultaneously showed their support of the inspections on Mexican tomatoes. An Aug. 21 release from Michael Schadler, executive director of the Florida Tomato Exchange, said, “The agreement establishes unprecedented measures and enforcement provisions that will help protect American tomato farmers from injurious dumped Mexican tomatoes. The domestic tomato industry commends the Commerce Department and the Mexican industry for coming to an agreement that recognizes the need for stronger enforcement,” he said. “We are committed to working hard with the Commerce Department to make sure the new agreement works.”

Schadler continued, “The new tomato antidumping suspension agreement includes major provisions requested by U.S. growers to improve enforcement and monitoring of the agreement. The Mexican industry conceded on core provisions such as border inspections of all Mexican round, roma and bulk grape tomatoes, and improved compliance and monitoring tools. Without these and other new provisions, the agreement will not eliminate the injury being caused by unfairly traded Mexican tomatoes.

Protocol for the DOC calls for a 30 day comment period on its Aug. 20 decision. Jungmeyer noted on Aug. 21, “If the U.S. and Mexico ultimately fail to ratify to the newly revised Agreement by Sept. 19, it will trigger a further series of anti-dumping investigations and the U.S. duties on Mexican tomatoes will continue at 17.5 percent and could rise to as much as 25.5 percent.

Richard Owen, vice president, global membership and engagement for the Produce Marketing Association, said, “Based upon reports from the USDoC, here is what you need to know”:

- The agreement sets minimum reference prices for various tomato varieties, including organic.
- The draft agreement begins a 30-day notice period which could allow the USDoC and the Mexican tomato industry to sign a final agreement on Sept. 19. Public comment will be taken during this time. It is expected that the agreement will preclude the imposition of additional antidumping duties that would have been imposed based on initial analysis conducted as a part of the investigation.
- If a new agreement is signed on Sept. 19, The USDoC will suspend the ongoing AD investigation without releasing a final determination.
- Importers would be entitled to a reimbursement of cash deposits made from when the anti-dumping investigation was reactivated on May 7.

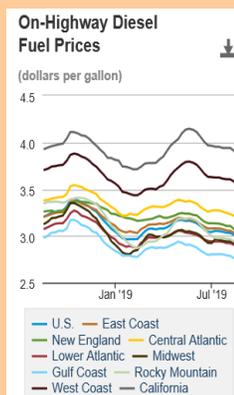
Owen said, “PMA is pleased that a new draft agreement has been reached to bring certainty to the marketplace. Implementation will be critical to ensure the expectations of all parties are achieved and that the industry can continue to supply consumers with high-quality, year-round products at affordable prices. PMA looks forward to seeing details of the agreement, particularly provisions that outline the level of increased inspections that will impact the supply chain.”

Dante Galeazzi, president and CEO of the Texas International Produce Association, said Aug. 22 that he would be discussing the DOC decision with his members. “We are all going to look this over, consider the next steps and determine what’s best for everybody.”



TRANSPORTATION FACTS

- *The national diesel average is down \$.04 from our last report, coming in at \$2.99 per gallon this week.
- * The average price for a gallon of diesel is \$.21 less than the same time last year.
- * All regions reported lower prices this week with the most significant decline coming from New England (down \$.025).
- * California’s price charts the highest at \$3.89 per gallon while the Gulf Coast is the low-price leader at \$2.75 per gallon.
- *The WTI Crude Oil price is up 6.0% since our last report from two weeks ago, moving from \$52.54 to \$55.68 per barrel.
- * Trucks are slightly short on the Eastern shore and in IL/IN, but all other areas report adequate or surplus levels of transportation available.



Source: Energy Information Administration



FRESH CUT FOCUS

Yellow Squash- Half Moon & Coin Cuts

Contributed By: Johnathan Maldonado, Manager of Innovation/Product Development- Lipman Dallas, TX

Lipman’s fresh cut product line provides you with the best of nature, cut fresh and packed for convenience.... year round. Our product-specific processing and patented packaging drives optimal shelf life – meaning you’ll receive only the best product, every time. And this produce not only tastes good... it helps customers save valuable time in the kitchen, and the convenient packaging also reduces the risk of foodborne illness, by decreasing the opportunity for cross-contamination.

Because our fresh cut products are so versatile in both foodservice and retail applications, we’d like to share some of our ideas on how they can be incorporated into your operation. This week, we’re featuring our fresh-cut yellow squash! For more information, please reach out to your usual Lipman contact or one of our fresh cut specialists: Johnathan Maldonado at 214.907.0695, Chris Daulerio- East at 215.870.8956 or Brian Arbini- West at 209.402.5184.



Oven roasted crisp sliced yellow squash with garlic, oregano, parmesan and panko chips



Half moon yellow squash with spinach, mushrooms and chicken in a garlic cream sauce



Summer coin cut yellow squash and zucchini with blistered tomatoes with olive oil

**Yellow Squash:
Half Moon & Coin Cut**

Ingredients:

- Half Moon & Coin Cut Yellow Squash

Menu Applications:

- Great appetizer alternative
- Hearty side for grilled meats
- Skillet and pasta

Kit Versatility:

- Foodservice items
- Behind the glass deli
- National accounts
- Kits sold for repack at store level

PRODUCE BAROMETER

ITEM	QUALITY	PRICING
Bell Pepper	Good	Steady
Cucumber	Good	Steady
Eggplant	Good	Lower
Green Beans	Good	Lower
Jalapenos	Good	Steady
Onions	Very Good	Lower
Squash	Varied	Steady
Tomatoes	Mostly Good	Steady



AUGUST CALENDAR

- August All Month**
- Family Fun Month
- National Watermelon Month
- August 27th**
- National Burger Day
- August 29th**
- More Herbs, Less Salt Day
- August 31st**
- Eat Outside Day
- Franchise Appreciation Day

Hendersonville, NC Weather

Fri Aug 23	Sat Aug 24	Sun Aug 25	Mon Aug 26	Tue Aug 27
82° F	76° F	73° F	74° F	77° F
66° F	63° F	62° F	62° F	65° F
WNW 7 MPH	NNE 5 MPH	ENE 7 MPH	ENE 6 MPH	ENE 5 MPH
Precip 70%	Precip 70%	Precip 40%	Precip 50%	Precip 40%

NEWS IN THE GROCERY TRADE

Online Grocery Still Rare in the U.S.

www.progressivegrocer.com, August 21, 2019

The vast majority of Americans say they never order groceries online, according to a new poll from Gallup.

Eighty-one percent of the U.S. consumers surveyed by Gallup in July said they never order groceries online, while 11 percent said they do so at least once a month. Similarly, 88 percent of U.S. adults said they never order meal kits containing fresh foods online, while 7 percent said they do so at least once a month.

At least seven in 10 U.S. adults told Gallup they shop for groceries in person at a grocery store, eat meals at restaurants, and order food for take-out or delivery.

Gallup first asked about ordering groceries online in 2017, and the results are essentially unchanged since then. At that time, 84 percent said they never order groceries online, and 9 percent did so at least once a month.

According to Gallup, online grocery shopping is more common among parents and upper-income adults — 19 percent of those with children under age 18 order groceries online at least monthly, as do 18 percent of those with annual household incomes of \$100,000 or greater.

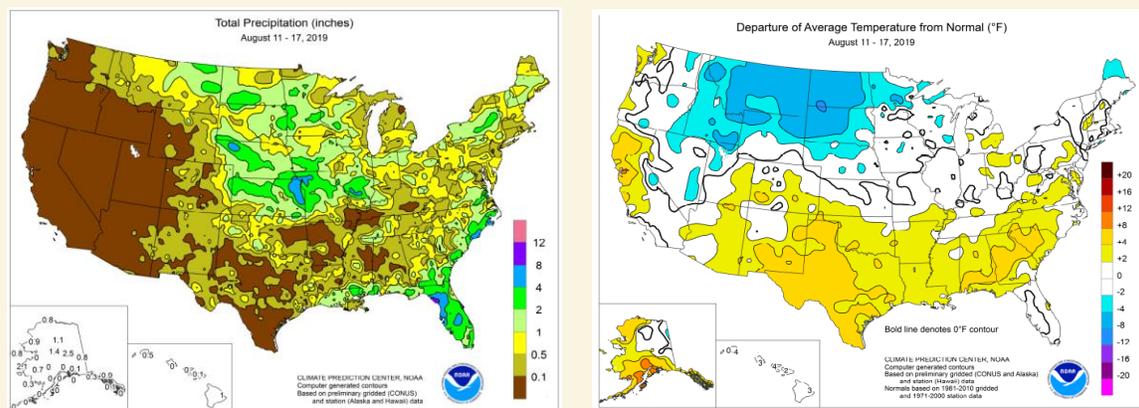
Americans between the ages of 30 and 49 — those most likely to have young children — are also among the subgroups most inclined to get groceries via the Internet.

Meanwhile, in-person grocery shopping shows no obvious signs of declining, with the percentages this year similar to those from 2017 and 2018. In-store grocery shopping is by far the most common way Americans get food, with 83 percent saying they shop at grocery stores at least once a week, including 37 percent who do so more than once a week.

The survey results are from Gallup's Annual Consumption Habits survey, conducted July 1-12.

NATIONAL WEATHER SPOTLIGHT

Last Week's Precipitation Totals and Average Temperature Deviations



RESTAURANT INDUSTRY NEWS

Restaurants Would be Wise to Court College Students

By: Amanda Baltazar, www.qsrmagazine.com, August 2019

College students love restaurants. Fifty-eight percent of them eat at an off-campus quick serve at least once a week, and 56 percent of them eat at a fast casual, according to the “College & University Keynote Report” from Datassential, a food industry market research company in Chicago. However, among the various off-campus dining options available to them, students say quick serves give them the least satisfaction, while fast casuals rank third from the bottom out of nine choices that include convenience stores and coffee shops. This leaves room for improvement in restaurants, especially given that 81 percent of students who responded to Datassential’s survey said they’d eaten off-campus in the week prior. But what exactly does this group of consumers want?

Aged mostly 18–22, today’s college students are at the oldest end of Generation Z. This demographic, says Susan Schwallie, executive director of food and beverage consumption at the NPD Group, “are looking for brands that reflect who they are and what they believe in.” They’re looking for a slightly elevated experience—fast casual resonates with them—and fresh food that’s offering something slightly new in terms of a flavor profile, she says. This ties in with Datassential’s findings that 49 percent of college students identify themselves as “foodies.” This generation, managing editor Mark Brandau says, has grown up with cooking shows on television. And Schwallie adds that they’re also attending college at a time when the food on campus is second to none.

Camp Howard, director of dining at the University of Montana in Missoula, knows this firsthand. “[Students] want bold flavors and an experience when dining out,” he says. “Typically, they’re looking for the local, unique college-town restaurant, or a national brand for a specific item.” At the same time, they’re savvy about the latest fads and trends in dieting. Almost half (47 percent) are limiting their meat consumption, according to Datassential; 27 percent are flexitarian (a mostly vegetarian diet), 8 percent are pescatarian (vegetarian with seafood), 7 percent are vegetarian, and 5 percent are vegan.

“College students trend toward a pretty personalized approach to nutrition and health, and think pretty hard about what diet fits them,” Brandau says. “They also want access to knowing what’s in their food.” This is because they’re aware of what they do not want to eat. The Datassential study showed that nearly half of students are avoiding at least one allergen, and even more avoid or limit one or more. Food additives top the list of things college students avoid or limit eating; 15 percent avoid them, and another 38 percent limit them. Dairy, gluten, and soy round out the top four. “This generation is showing a preference for clean labels and for eating food in as close to its natural state as possible. They’re very conscious of what they put in their bodies,” Brandau says.

Beyond the food itself, today’s college students—in line with most of the population—want convenience, and much of that is found through delivery. “This group of consumers in their late teens and early 20s has really become consumers as delivery was taking off in the restaurant industry, so they’re starting off with this expectation that food should be an on-demand thing,” Brandau says. Interest in delivery has picked up; more than 80 percent of students said they’re interested in it, while Datassential didn’t even ask the question of this age group three years ago. And most of students’ delivery is coming from off campus, with 63 percent of them saying they’ve had food delivered from beyond the college grounds and 40 percent saying they’ve ordered delivery from on-campus operations.

The easier and faster that restaurants can make it for students to order food, the better. A whopping 65 percent of them said speed/convenience is what they most value about delivery, and even though more than half of them said the best option is ordering from a person, they’re willing to forgo that for speed. Some 62 percent said they use mobile apps to order their meals.

Finally, these young adults have grown up in a world on the brink of an environmental crisis. They care about the resources a restaurant uses, and 73 percent of them said they would sacrifice functionality to be more environmentally friendly with disposable items. Topping the list of what else concerns them about sustainability is that they’d most like a program in restaurants whereby their food comes in reusable containers, for which they’d pay a deposit and get a refund when they return it.

FRESH TOMATOES  the best of nature™

MARK YOUR CALENDAR
PACK YOUR BAGS!

September 12-14, 2019

Southeast Produce Council’s Southern
Innovations Organics & Foodservice Expo
Gaylord Opryland Resort & Convention Center
Nashville, TN
www.southerninnovations.seproducecouncil.com

October 17-19, 2019

PMA Fresh Summit Convention & Expo
Anaheim Convention Center
Anaheim, CA
www.pma.com/events/freshsummit

Lipman will be there! Come see us at booth 2854!

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