



MARKET UPDATE

Round Tomatoes: Round tomato availability continues to be snug as both Florida and Mexico crops recover from past weather events. Florida yields are currently down around 50% from the same time last year and they continue to have sporadic cold temps and precipitation, further holding back recovery. Harvests haven't been as consistent as usual in an effort to increase yields. Sizing is evenly spread out this week as some are in crown and others have moved into 2nd or 3rd picks. Quality is best on crown picks but a little less so on subsequent harvests. Mexico is starting to see a gradual volume increase as more growers are finally able to get into new crops. Sizing is skewed toward 4x4's and 4x5's since most are in crown picks. There's been some talk of reduced yields due to virus issues in the fields so we may not see a complete volume recovery in the near future. However, both Florida and Mexico should each have more product as we move into February and the delayed crops catch up, pending any further weather disturbances.

Roma Tomatoes: Mexico's roma increases continue to come on slowly as previous weather conditions have limited yields and a strong national market is keeping some of the fruit in Mexico. Look for volume to continue its gradual climb to "normal" over the next several weeks. The handful of Florida growers in the winter roma business continue to have light harvests from the light acreage that's planted. There's more smaller fruit this week as one of the larger growers doesn't have any crown harvests on the schedule. Like rounds, the quality is best from first picks and diminishes a bit from each subsequent harvest.

Grape Tomatoes: With Mexico growers past the first flush and Florida harvests being slowed by shots of cooler weather, grape tomato availability is adequate, but lighter this week. There's a wide range of quality but well-packed product is available.

Bell Peppers: Both shadehouse and field pepper producers in Mexico have finally gotten up and running and are bringing good volumes to the border this week. Quality varies from fair to good

as some of the field-grown fruit has seen its share of weather. Eastern pepper harvests are on the lighter side this week as cooler weather has slowed down harvests. There aren't as many growers in crown picks this week, so sizing is down and there's not a lot of big pepper around. Like tomatoes, quality is good on the crown picks, but can be varied on later picks. Looking forward, spring crops are in the ground and should come on in about 4 weeks.

Cucumbers: Cucumber volume is picking up in both Sonora and Sinaloa as weather conditions improve. Quality and condition have been mostly good but there been a few lots with scarring and some sunken ends. The Honduran cuc deal has not offered consistent availability this week, as there were less boats coming in and a gap in the middle of the week. Next week's supply is expected to be light to moderate with, hopefully, more consistent transportation.

Green Beans: Although overall production is on the light side from most growers in Mexico, our ranch in Guasave is into nice, consistent volumes of good-quality beans. Florida's bean availability has been pretty steady but this week's cool weather may slow things down, especially as we move into next week. Depending on the grower, field, etc., there have been a few russetting issues recently but there are good beans available.

Summer Squash: With limited acreage in production and spells of cooler weather, there's not much squash of either color in the state of Florida. Homestead has the most but the landscape there doesn't provide any protection from the weather and wind, so quality is just okay on what they have. There are bits and pieces of product available in the Immokalee area but nothing significant. We don't expect to see a big difference in production until March 1st when spring crops begin and the risk of freeze/frost has diminished. Prior rain and cold weather have caused many issues on Mexican squash crops (bloom drop, reduced yields, some crop loss and poor quality), but we have seen a little more zucchini this week. Yellow remains very short and quality is hit

and miss. There may be some shots of better production in the meantime, but overall volume recovery isn't likely until Spring crops begin.

Eggplant: Western eggplant supplies have been adequate this week as harvests continue in Sinaloa. There is range of quality and sizing, so lots must be evaluated carefully. Florida continues along in its winter mode with very light volumes. Quality is challenging on the FL fruit as most egg crops have been beat up by wind and rain.

Chili Peppers: Chili pepper availability is steady out of Mexico on all varieties except tomatillos. Being a 60-day crop, they are the first one in and first one out of production. Availability and quality may become challenging as we wait for the 2nd wave of production to kick in.

Hard Squash: Mexico's hard squash has now transitioned from the first winter set to the second. We're seeing quite a few quality issues on the new fruit as it went through significant weather before maturity. Heavy grade outs are required to meet many retail customers' specs.

Mini Sweet Peppers: Mainland Mexico mini sweet growers will start to see a little more production going into next week but high demand for the Super Bowl will keep availability snug and pricing high. Greening and small sizing concerns are still showing up occasionally, but less than the last few weeks.

Organic Cucumbers: Organic cucumber crops are picking up steam and availability has improved. Our Grown True crops are in good shape and are harvesting consistently.

Organic Bell Peppers: As with conventional crops, organic bell production is on the upswing and availability has improved.

Organic Squash: Yields are light but supplies are a bit better this week and should see some improvement next week.

ON THE HORIZON CONTENTS

Fresh Cut Focus- page 3

January Calendar- page 3

Keep Your Eye on the Consumer- page 5

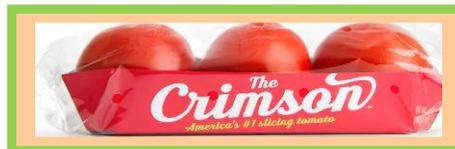
National Weather Spotlight- page 4

News in the Grocery Trade- page 2

Pack Your Bags - page 5

Produce Barometer- page 3

Restaurant Industry News- page 4



NEWS IN THE GROCERY TRADE

New Survey Shows Produce Plays Key Role in Online Grocery

By: Ashley Nickle, www.produceretailer.com, January 23, 2020

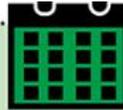
Many people who shop for groceries online include fresh produce in their virtual carts. The Packer recently surveyed more than 1,500 consumers about online grocery and produce. Among those respondents who had shopped for groceries online in the last 60 days, more than half had bought produce as part of those orders.

The vast majority of respondents who bought produce online said they were pleased with the overall quality of their fruits and vegetables — 74% of shoppers rated it 4/5 or 5/5. Most significantly, 90% of people who had ordered produce online before said they planned to do so again in the future.

Among folks who don't regularly shop online for groceries, produce remains an obstacle, though only 13% of survey respondents mentioned it as their top reason for not regularly ordering groceries for pickup or delivery. More people reported that they just like going to the grocery store (34%); that they want to make sure they get exactly what they want and not a substitute item (16%); and that they don't want to pay a delivery fee (13%).

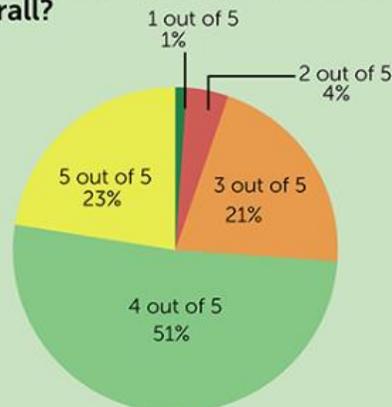
Interest in online grocery has grown as pickup and delivery options have increased across the U.S. The biggest players in the industry are investing heavily in this growing segment of the business.

FREQUENCY: How often do you order groceries online?



Bought produce online		Bought groceries online (not including produce)	
Daily	7%	Daily	0%
More than once a week	9%	More than once a week	1%
Weekly	26%	Weekly	8%
Every other week	21%	Every other week	14%
Once a month	19%	Once a month	30%
2-3 times a month	5%	2-3 times a month	6%
Every other month	9%	Every other month	27%
Other	3%	Other	13%

QUALITY: How would you rate the quality of your fresh produce in online orders overall?



Note: This article has been edited for content and space. To read the entire selection, please go to www.produceretailer.com



TRANSPORTATION FACTS

*The National Diesel Average dropped almost \$.03 this week, moving from \$3.06 to \$3.04 per gallon.

* The average price for a gallon of diesel is \$.07 higher than the same time last year.

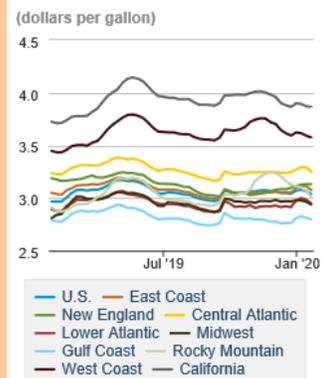
* All but one reporting area saw pricing fall from \$.01-\$.06 per gallon. For the 2nd week in a row, New England was the exception and came in with a very minimal increase (less than \$.01).

*California's fuel price tops the charts at \$3.87 per gallon while the Gulf Coast remains the low-price leader at \$2.80 per gallon.

*The WTI Crude Oil rose 0.9% this week, moving from \$57.81 to \$58.34 per barrel.

*Trucks are available in ample supply throughout the country with a slight surplus in Central and South Florida.

On-Highway Diesel Fuel Prices



Source: Energy Information Administration



FRESH CUT FOCUS

Super Bowl Concepts

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

This month's Fresh Cut Focus will feature snack and appetizer ideas that are perfect for your Super Bowl parties or other gatherings! 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.

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.



Grilled sweet and spicy buffalo chicken kabobs with bell pepper, onion, and pineapple



Artichoke dip stuffed mini sweet peppers with diced jalapenos and cilantro



Pretzel bun hot dog with beer cheese and pico de gallo



Jalapeno popper egg rolls with cream cheese and bacon

Amplify Your Appetizer Game

Try out these creative game day bites. Whether it's giving some classic apps a new twist or combining new flavors into one tasty snack, we hope to spark some creativity with these recipes.

LIPMAN INGREDIENTS:

- Sliced fajita blend (bell pepper and onion)
- Halved mini sweet peppers
- Pico de gallo blend
- Sliced jalapenos



KIT VERSATILITY:

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

PRODUCE BAROMETER

ITEM	QUALITY	PRICING
Bell Pepper	Mostly Good	Lower
Cucumber	Mostly Good	Lower
Eggplant	Varied	Steady
Green Beans	Mostly Good	Steady
Jalapenos	Good	Lower
Onions	Good	Higher
Squash	Wide Range	Lower
Tomatoes	Fair to Good	Elevated



JANUARY CALENDAR

- All Month**
- National Fat-Free Living Month
- Be Kind to Food Servers Month
- January 26th-31st**
- Clean Out Your Inbox Week
- January 25th**
- Thank Your Mentor Day
- January 28th**
- National Have Fun at Work Day

Naples, FL Weather

Fri	Sat	Sun	Mon	Tue
Jan 24	Jan 25	Jan 26	Jan 27	Jan 28
76° F	74° F	73° F	70° F	74° F
60° F	53° F	54° F	53° F	62° F
E 6 MPH	N 10 MPH	NNE 7 MPH	NNE 8 MPH	NE 7 MPH
			Precip 20%	

RESTAURANT INDUSTRY NEWS

Job Drivers that Motivate Gen Z

www.restaurant.org, January 23, 2020

By many accounts, restaurant operators are having a tough time finding employees. Unemployment is at a record low, fewer teens are entering the workforce and their ranks are shrinking. The number of 16- to 24-year-olds in the labor force is expected to drop by 1.2 million over the next 10 years. Uncertainty surrounding immigration policy is affecting hiring, as well.

Do a quick search of the job attributes that motivate Gen Zs (born after 1995, they're the newest entrants to the workforce) and you'll see the words *pragmatic*, *security-seeking*, *competitive* ... they're motivated when they see a clear path to advancement.

Gen Zs are a little less idealistic than millennials – watching one's parents endure the Great Recession will do that – and a little more entrepreneurial. Despite being true digital natives, they prefer face-to-face feedback from managers.

"When people are choosing a company to work for, which is different from looking for a job, they want to work where someone is engaged with them, where they can make a difference, be recognized and advance," says a vice president of training and culture development for a large family-dining restaurant company. The company promotes its career paths and uses real-life success stories in its recruitment process, pointing out that 60% to 70% of the company's managers are promoted from hourly roles. Millennials and Gen Zs especially want to know that companies are willing to invest in them, she says.

What are the work conditions that will draw this group to your company and keep them for the long run? Competitive pay is a given, but if these other attributes are missing, it's unlikely money will compensate.

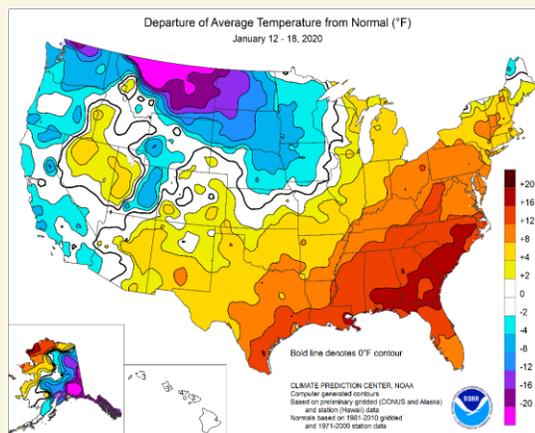
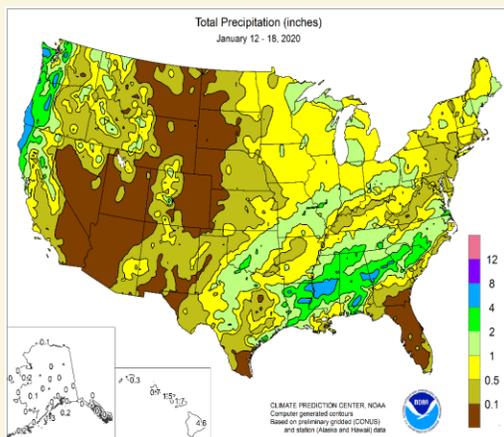
- Clear path to move ahead
- Chance to learn new skills
- Hours, flexibility of hours
- Quality of training
- Good management attitude, clear support
- Recognition/incentives for doing a good job
- Quality of fellow workers

For her upcoming session on training and retention at the National Restaurant Association's Human Resources & Risk and Safety Conference, Feb.12-14, Dallas, Sara Anderson Bray, director, workforce development for the Association, digs into recruitment, exploring the key drivers that make employees want to start working for you and stay longer. She shares the innovative training approaches and successful career-path opportunities restaurants are using to attract and keep employees.

According to Anderson Bray, there's a real value to helping employees earn professional credentials, especially Gen Zs, which is why the Association's ServSuccess program is gaining momentum. It validates the expertise employees have gained on the job and clarifies next steps to move up the ladder.

NATIONAL WEATHER SPOTLIGHT

Last Week's Precipitation Totals and Average Temperature Deviations



KEEP YOUR EYE ON THE CONSUMER

IBM Says Purpose-Driven Shoppers are Changing Retail

By: Mike Troy, www.retailleader.com, January 13, 2020

A landmark study of 19,000 consumers from 28 countries reveals a huge opportunity for retailers and brands who are able to align themselves with shifting, purpose-driven buying behaviors.

IBM in partnership with the National Retail Federation released a study of 19,000 consumers, ages 18-73, from 28 countries that affirmed what many retailers and brands already know while providing fresh insights into the motivators of shoppers' future behaviors.

The survey results, released ahead of NRF's annual Big Show in New York revealed that brand purpose surpasses cost and convenience for today's shoppers. One-third of all consumers today will stop buying their preferred products if they lose trust in the brand, and one-third of consumers have already stopped purchasing their longtime, favorite brands in 2019, according to IBM's survey. As a result, consumers are prioritizing those that are sustainable, transparent and aligned with their core values, demonstrating a willingness to pay more, and even change their buying habits, for brands that get it right.

With a proliferation of brands and products at shoppers' disposal anywhere at any time, corporate values now outweigh product costs and convenience, according to IBM. Consumers of all ages and incomes pay much higher premiums for products aligned with their personal beliefs. On average, 70% of purpose-driven shoppers pay an added premium of 35% more for sustainable purchases, such as recycled or eco-friendly goods. Fifty-seven percent of them are even willing to change their purchasing habits to help reduce negative environmental impact. Another 79% of all consumers today state it is important for brands to provide guaranteed authenticity, like certifications, when they're purchasing goods. Within this group, 71% are willing to pay 37% more for companies offering full transparency and traceability.

IBM used insights from the research to tout its capabilities to executive transparency and brand compliance programs by leveraging blockchain, a key area of emphasis at the company for several years.

"Transparency constitutes proof that an organization and its offerings are what the company claims to be – a way to earn consumers' trust. Brands can leverage data and integrate blockchain technologies as brand differentiators that effectively provide transparency and traceability – which will also boost profits as the study shows that shoppers willingly pay more if a retailer can demonstrate provenance," said Luq Niazi, global managing director, IBM Consumer Industries.

IBM also launched at NRF a suite of pre-integrated capabilities that leverages AI, IOT and blockchain capabilities branded as, "Store in the Cloud," to help retailers manage these issues and accelerate store innovation. IBM worked with partners in its developer ecosystem, including Flood (formerly PCMS), Opterus, RelevanC, Trax and other to bring Store in the Cloud to life. The premise behind the initiative is that retailers are able to quickly extend digital experiences into physical stores, provide consistent personalized interactions, improve customer fulfillment, empower store associates with intuitive apps, enable consumers shop every way they choose and better manage store costs, according to IBM.

FRESH

TOMATOES



the best
of nature™

MARK YOUR CALENDAR
& PACK YOUR BAGS!

February 24-28, 2020

United Fresh Produce Inspection Training Program
USDA SCI Training & Development Center
Fredericksburg, VA
www.unitedfresh.org/events-programs

February 27-29, 2020

SEPC's Southern Exposure 2020
Tampa Convention Center
Tampa, FL
www.seproducecouncil.com

Come see the Lipman team at booth #436!

CREATED BY LIPMAN FOR OUR
VALUED CUSTOMERS



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Questions or comments about the newsletter?
Contact: joanna.hazel@lipmanfamilyfarms.com