



# On The Horizon

## MARKET UPDATE

**Round Tomatoes:** Eastern round tomato volume is on the lighter side this week, but there's more to come soon. Our VA farm started rounds over the weekend and has more volume than other areas that are just getting started. Sizing looks to be spread out and quality has been very nice on the early picks. AL, TN and the mountains of NC are just getting started. Volume is still light from each of these areas, but we do expect to see the numbers build over the next few weeks. In the West, the CA mature green deal is going full steam as all growers are in production now. As a whole, the available sizing is on the larger side but a good range is available. With West Mexico down to odds and ends and Baja finishing up early acreage, Mexico's vine-ripe round crossings are lighter this week. Eastern Mexico continues to have moderate volumes available from summer production in Jalisco, Torreon and San Luis Potosi.

**Roma Tomatoes:** TN and NC growers have started roma harvests, but volume has been a little slow to come on. With more growers adding to the mix later this week and additional acreage planted this year, we look for TN to provide good numbers in the next 7-10 days. Crown picks are yielding healthy jumbo sizing and quality is very nice so far. As with rounds, Mexico's roma crossings are lighter this week, particularly out of Baja. Northern CA farms continue to build volume and have consistent availability. Sizing is skewed to J and XL for now, but large and mediums are available as well. There's a little wind scarring at some farms, but it is cleaning up easily in the packinghouses.

**Grape Tomatoes:** Grape tomatoes are not in a lot of hands in the East this week. VA crops are providing the most volume, running daily with good quality. Farms have been in 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> picks the past week so the sizing has been bigger than some customers like. We expect to size down as we move into later picks. There's a few grapes scattered in local deals in NC and TN as well, but not enough volume to speak of yet. Western grape tomato markets are still a bit snug and will likely remain so for another 10-14 days or until Baja farms start additional plantings.

**Bell Peppers:** The bountiful pepper production in Eastern NC is past its peak now and crown picks will wind down this week. Harvests will continue for another few weeks as they work through 2<sup>nd</sup> and 3<sup>rd</sup> picks. Quality is holding up well but we'll see less retail grade and more choice fruit in the coming days. Rain has disrupted NJ's start to the season with only light numbers available so far. Bells are also available from a number of regional areas such as TN, KY, VA and PA. So far, most of the smaller programs are working light to moderate volumes with no serious quality issues. MI, NY and other northern areas are on tap to start around August 1<sup>st</sup>. CA areas continue to provide solid volumes on bell peppers this week with strong percentages of XL available.

**Cucumbers:** Cucumber numbers are lighter in the East this week as MI has been slow to get into volume. More growers are coming online over the weekend, which should boost next week's offerings. Initial reports indicate that quality is good, but nothing spectacular. NJ's volume has been pretty light as well as they work through weather concerns. There's also a number of local deals going in TN, KY, VA, PA, and NY but none of these is a real center of volume. The West is picking up the pace on cucumbers! With Baja's weather improving, volume is expected to increase significantly starting this weekend. WA state farms are also seeing stronger harvests and more growers are expected to start up next week. Quality is strong from each of the Western production zones.

**Summer Squash:** MI has started squash but initial volumes have been light and quality is "okay" so far. The rest of the supply pipeline is scattered in many areas: NC, SC, TN, NY, VA, PA, KY...etc. A few areas that have been going a while are seeing yields decline due to disease pressure but that should rectify itself when new blocks come online. Yellow squash quality (scarring, scuffing) remains challenging for some, but there are pockets of nice fruit available. In the West, CA growing districts have been joined by WA farms who have strong volumes and quality to ship.

**Chili Peppers:** Baja's chili pepper crossings are steady, providing all varieties on a consistent basis. Domestic supplies are also available in CA but it's limited to mostly jalapenos at this point. Overall quality is good, but poblanos have challenges and may not travel well. Eastern chilies are primarily a local deal now with product available in NC, KY, NJ, PA, and VA. No major volume, but there's enough to make a dent in demand.

**Organic Squash:** Baja, the Northwest, and CA are all harvesting organic squash. As is the norm, yellow plantings are lighter and quality is more challenging but there's a decent amount of product available. Most local deals have come on in the East with light availability scattered in various states.

**Organic Cucumbers:** With both Baja and Eastern WA's volume building, the West has a solid supply of organic cucumbers this week. A few more growers have come online this week, but supply is still pretty snug in the East.

**Organic Green Bells:** Bakersfield, CA is still the spot for organic green bells but volume is starting to drop off as they work past the season's peak. With the Northwest and most Eastern programs still a couple of weeks out, this item could tighten up for the short term.

**Colored Bells:** Colored bell pepper production has been mostly steady in Canada but this fruit is in high demand since Mexico's volume is minimal. All colors are available but yellow is the shortest of the three.

**Tomatoes on the Vine:** Both NE and Canada are coming with strong TOV volumes this week. There's plenty of product and quality is great. Mexico's crossings remain minimal at this time.

**Mini Sweet Peppers:** Mainland Mexico's mini sweet numbers are down to a trickle, with some farms having quality & sizing issues. Baja is finally getting started, but there won't be any volume until late next week. Meanwhile, our Canadian crops are rolling along with nice quality but volumes are light as we work through a lull in production.

## ON THE HORIZON CONTENTS

- An Apple a Day- page 2
- Fresh Cut Focus- page 3
- July Calendar- page 3
- Keep Your Eye on the Consumer- page 4

- National Weather Spotlight- page 4
- News in the Grocery Trade- page 5
- Pack Your Bags - page 5
- Produce Barometer-page 3

Look for  
Transportation Facts  
on Page 2 this week!



## AN APPLE A DAY

### Becoming New Parents Increases Produce Purchases

Source: Elsevier, [www.sciencedaily.com/releases/2019/07/190708084250.htm](http://www.sciencedaily.com/releases/2019/07/190708084250.htm), July 8, 2019

In the United States, both children and adults eat too few fruits and vegetables, which puts them at risk for poor diet quality and adverse health consequences. A new study in the *Journal of Nutrition Education and Behavior*, published by Elsevier, found new parents increased their spending on produce in middle- and high-income households.

"Although adult food preferences are considered relatively stable, major life events such as becoming parents may serve as a cue to behavior change," said lead author Betsy Q. Cliff, a doctoral candidate in the Department of Health Management and Policy, University of Michigan School of Public Health, Ann Arbor, MI, USA. "This creates opportunities for nutrition education programs aimed at increasing produce consumption."

This study used data available through the Nielsen Homescan Consumer Panel dataset. The panel, which is ongoing, includes over 40,000 participants who volunteer to have their retail purchases tracked. Panelists use in-home scanners to record all purchases. Categories of purchases include dry groceries, dairy, frozen food, and fresh produce. Nielsen also collects demographic information from participants such as number of children, employment status, education, etc.

The authors used demographic data from 2007 to 2015 to determine that 508 households in the panel became parents during the study period. The grocery budgets for these families were tracked to determine overall produce, fruits, vegetables, fresh produce, canned produce, frozen produce, and produce with another storage type. Gaining a child prompted an increase in the percent of a household's grocery budget spent on produce; on average pre-parenthood households spent 10 percent of their budget on produce, which increased to 12 percent once the household included kids. However, the increase was only apparent in households with an income greater than 185 percent of the US federal poverty level (about \$39,000 for a family of 3 in 2019). Among families with an income lower than 185 percent of the federal poverty level, there was no detectable change in fresh produce purchases. Although both fruit and vegetable purchases increased, fresh fruit had the greater increase. There was no detectable change in purchases of canned, frozen, or other storage types of produce.

While increased spending was identified, the factors that resulted in increased spending were not explored in this study. It is unknown if parents' change in spending resulted from an increase in quality versus quantity of produce. Other limitations of the data include that they do not include food eaten outside of the home, it is possible that all purchases were not scanned, and the price of produce does not reflect any discount due to vouchers or coupons.

Betsy Cliff emphasized, "Increased purchasing by higher income households suggests further support is needed to help low-income new parents increase produce as a part of their families' diet."



#### TRANSPORTATION FACTS

\*The national diesel average inched up \$.01, moving from \$3.04 to \$3.05 per gallon.

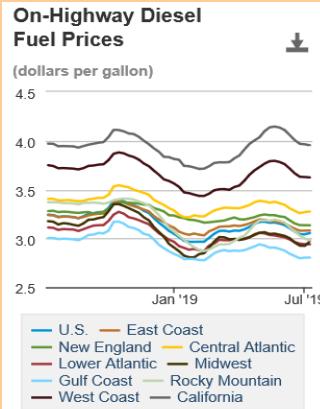
\* The average price for a gallon of diesel is \$.19 less than the same time last year.

\* Regional pricing movement was a mixed bag, with an equal number of increases and decreases. The most significant change came from the Midwest, where a gallon of fuel is \$.04 higher this week.

\*California continues to have the highest diesel prices in the country at \$3.95 per gallon while the Gulf Coast is the low-price leader at \$2.80 per gallon.

\*The WTI Crude Oil price rose less than 1% this week, moving from \$57.34 to \$57.83 per barrel.

\* Trucks are short in Eastern North Carolina and Missouri but all other shipping areas have adequate or surplus levels of transportation available this week.



eia Source: Energy Information Administration



## FRESH CUT FOCUS

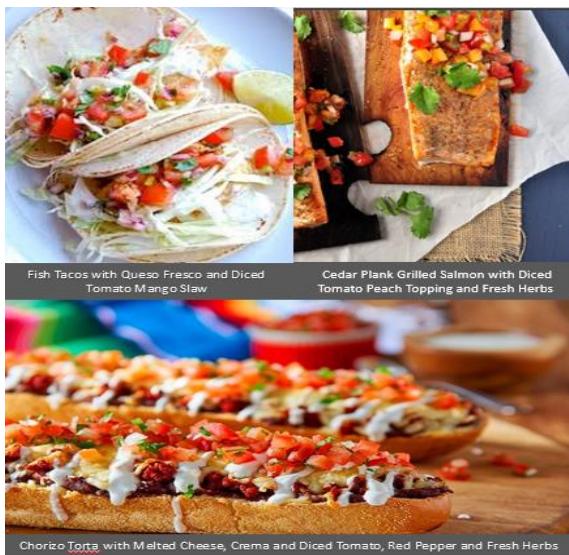
### Diced Tomatoes- Main Course

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 freshly-diced tomatoes!

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.



### Diced Tomatoes: Main Course

#### Ingredients:

- Diced Tomato

#### Menu Applications:

- Great on Tacos and Classic Mexican Dishes
- Perfect Finish to Grilled Meats
- Fresh Toppings on Sandwiches

#### 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	Fair to Good	Higher
Green Beans	Good	Steady
Jalapenos	Mostly Good	Steady
Onions	Good	Steady
Squash	Varied	Steady
Tomatoes	Good	Steady



## JULY CALENDAR

### July All Month

National Picnic Month

Cell Phone Courtesy Month

**July 14<sup>th</sup>**

National Mac & Cheese Day

**July 15<sup>th</sup>**

Give Something Away Day

**July 16<sup>th</sup>**

National Personal Chef's Day

**July 18<sup>th</sup>**

Get to Know Your Customers Day

### Hendersonville, NC Weather

Fri Jul 12	Sat Jul 13	Sun Jul 14	Mon Jul 15	Tue Jul 16
83°F 68°F	84°F 68°F	85°F 69°F	85°F 69°F	84°F 65°F
WNW 5 MPH Precip 60%	NW 4 MPH Precip 50%	NNW 5 MPH Precip 20%	NNW 3 MPH Precip 40%	NW 3 MPH Precip 20%

## KEEP YOUR EYE ON THE CONSUMER

**Meet Gen Z: Younger Consumers are Attracted to Healthy Snacks**  
**By: Claire Lentsch, [www.theshelbyreport.com](http://www.theshelbyreport.com), June 28, 2019**

Snacks have a strong presence in many different areas in life, whether that be a boost during a long day at the office, a college student's meal, a surprise in a lunch box or simply munchies for a road trip. Snacks are an essential element in today's fast-paced culture.

College students invest in snacks and beverages out of necessity. Student life is filled with deadlines, overlapping classes and the constant struggle of finding the time to sit down and eat a full meal. This results in many skipped meals and the lack of obtaining proper nutrients. Snacks have become the lifeline for countless students across the nation. Generation Z explores the product, price, packaging, accessibility and innovation behind each option.

Appearance is important. If an item does not look appetizing, it will stay on the shelf.

When it comes to ingredients, less is more. Companies that actively strive for simple transparency with their products help the consumer to better understand the product while creating a deeper sense of confidence with the purchasing decision. Generation Z is drawn to natural, energetic, efficient and ethical products. Snacks that are healthy, filling and can replace a meal are highly sought after.

The cost of products is undoubtedly a large determinant of selecting snacking options. Often buying in bulk is cheaper and allows for the product to last longer while putting the consumer in control of their portion sizes. Although affordability is important, Generation Z is extremely health oriented and is willing to spend more for a healthier product.

Packaging is the key to the success of a product. There are several different trends hitting the industry today and packaging is the leading feature. Vintage and old-fashioned styled packaging create a sense of mystery and adventure. Modern packaging creates a sense of class and high efficiency. Regardless of the theme of the packaging, ensuring that it is environmentally friendly is important.

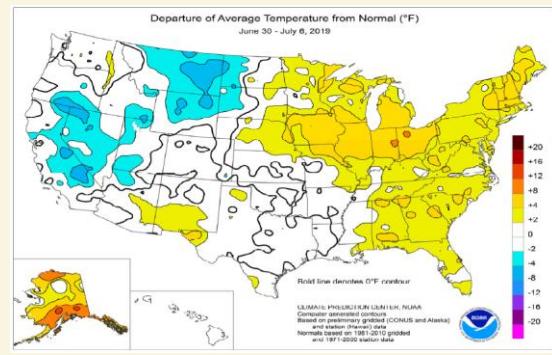
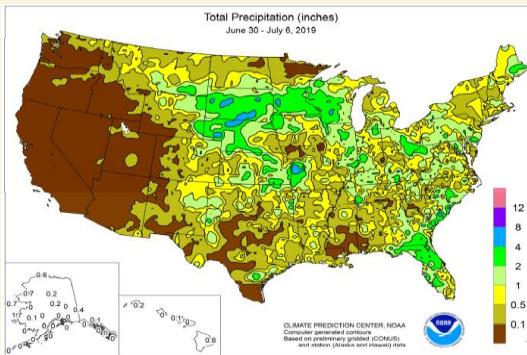
One way to reduce waste is by creating a refill system. Sell reusable containers the consumer can use to collect the exact amount of the product they need or buy in bulk and portion themselves. This will attract consumers to embrace a new system of consumption.

There are new products and systems hitting the shelves and while these are proactive movements, often accessibility is a struggle. Students have limited options when it comes to grocery shopping and that can prevent them from engaging with new products. Introduce them to students. They could give feedback on product development while providing a solution to their crunched timeline.

When it comes to innovation and product development, get back to the basics. Simpler is better. Natural products are extremely attractive to this new generation because they care about their health and well-being. Part of that is understanding exactly what they are putting in their bodies. High-efficiency foods and beverages with a positive message are always top of the shopping list. Regardless of the product, authenticity is important. It is important to ensure that products are innovative, affordable and attractive.

## NATIONAL WEATHER SPOTLIGHT

Last Week's Precipitation Totals and Average Temperature Deviations



## NEWS IN THE GROCERY TRADE

**NDA Group Reports Percentage of Online Grocery Consumers Increase**  
**By: Kristin Brissette, [www.theshelbyreport.com](http://www.theshelbyreport.com), July 9, 2019**

The NPD Group reports the percentage of U.S. consumers, ages 18 and above, who shopped online for groceries within a 30-day period, whether for delivery or pick-up in store, increased from 17 percent in the quarter ending November 2018 to 20 percent, or about 51 million consumers, in the quarter ending February 2019.

The leading grocery retailers have been playing a game of one-upmanship when it comes to raising the bar on online ordering convenience. From offering grocery delivery to your door to same-day delivery through a variety of service modes, like drive-up pick-up, grocers are making shopping easier and an increasing number of consumers are responding.

Of those who shop online for groceries from brick-and-mortar or pure-play online grocers, 16 percent order their food and beverages for delivery. The option to order online and pick-up in store, also known as click-and-collect or BOPUS (buy online pickup in store) is favored by 11 percent of online grocery shoppers. Seven percent of these shoppers mix it up and do both, according to NPD's National Eating Trends Omnichannel Scorecard.

Delivery was the mode of choice for 16 percent of consumers who order groceries online, a behavior most developed among urban consumers with suburbanites coming in second and rural grocery shoppers third. The click-and-collect/BOPUS shopping behavior skews to adults, ages 18-44; households with kids; and urban shoppers, who show a higher rate for this behavior than other shoppers overall. Suburban shoppers show an average rate, and rural households are under-developed.

"Digital purchasing will accelerate in food retailing, just as it has in other retail sectors where we see much higher rates of online purchases," says David Portalatin, NPD's food industry advisor and author of "Eating Patterns in America." "Still, the brick-and-mortar grocery store will always be a necessary means of acquiring foods, especially those where consumers place a premium on their sensory assessment to ensure quality, like meats, fruits and vegetables. This gives forward thinking retailers and their vendor partners an opportunity to truly create an omnichannel experience for the consumer and revolutionize the way we think about grocery merchandising."

NPD is a research company that tracks and has a full view of what people actually eat and drink in- and away-from-home. The company is a source of information and insights for all aspects of food and beverage consumption and consumer use of restaurants and foodservice outlets. The company can track actual sales information on every product shipped from leading broadline distributors to each of the foodservice operators.

**FRESH TOMATOES  *the best of nature™***

**MARK YOUR CALENDAR  
PACK YOUR BAGS!**

**July 26-27, 2019**  
 PMA Foodservice Conference & Expo  
 Monterey Conference Center  
 Monterey, CA  
[www.pma.com/events/foodservice](http://www.pma.com/events/foodservice)  
 Come see #TeamLipman at booth #1317!

**September 9-10, 2019**  
 Progressive Grocer's Total Meal Solutions Summit  
 JW Marriott Austin  
 Austin, TX  
[www.progressivegrocer.com](http://www.progressivegrocer.com)

CREATED BY LIPMAN FOR OUR  
VALUED CUSTOMERS

Learn more about us @  
[www.lipmanfamilyfarms.com](http://www.lipmanfamilyfarms.com)  
[www.suntasticfresh.com](http://www.suntasticfresh.com)

Follow us on  
social media



Questions or comments about the newsletter?  
 Contact: [joanna.hazel@lipmanfamilyfarms.com](mailto:joanna.hazel@lipmanfamilyfarms.com)