



MARKET UPDATE

Round Tomatoes: With production spread out to several areas, overall Eastern round tomato volume is a little stronger and would be considered moderate this week. Lipman's VA harvests are down slightly as we move toward the finish line on Summer plantings. We'll have fruit for another two weeks, break for 2-3 weeks, then come back in early September. TN is beginning to see more volume but the overall numbers will be light until one of the bigger players gets rolling sometime next week. NC and NJ also have fruit to add to the mix. Quality has been good from all areas although there can be occasional issues due to the frequent afternoon rains most areas are experiencing. Out in the West, some San Joaquin Valley tomato growers are experiencing lighter yields, which is bringing less fruit to the table this week. However, Lipman has moved into some new blocks that have been less affected by heat than the previous plantings, so our yields, packouts, size and quality have improved and most of our fruit has been jumbos and XL's this week. Baja's vine-ripe production will be moderate for the next month or so as the Spring crops have finished (they return in the Fall) and Summer acreage is reduced. East Mexico has been slowed by recent rains but should rebound with more consistent numbers going forward.

Roma Tomatoes: Roma volume has picked up a notch as farms in TN, NJ, and NC move deeper into harvests. The story is very similar to rounds...quality is solid but there are some lots that show the effects of summertime weather patterns. As with rounds, Baja will continue the season with moderate supply while East Mexico has seen their anticipated increases slowed by recent rains. CA's roma numbers have also been lighter for most, but consistent for Lipman farms. Quality is also good, especially for the CA ground crops. There is a little pitting and scarring here and there, but most of the fruit is nice.

Grape Tomatoes: Eastern grape tomato volumes are steady and look to remain so for the next few weeks. Most of the volume is coming from VA and NC and quality remains good. We've moving into later picks in VA, so the fruit has sized down to preferred retail levels nicely. NC has several growers in different crop stages so you can find the right sizing for

most any need. Although VA has a break between Summer and Fall round crops, grape tomato production will continue without interruption. As for the West, Baja's volume has remained fairly consistent despite some swings from shipper to shipper. Production on our ranch is starting to increase. Our Central Mexico program has seen slower production over the past week due to rain, but should see a more normal pattern next week.

Bell Peppers: With numerous local deals rolling (NC, TN, IN, KY, VA, etc.) and bigger production areas such as NJ and MI in the midst of the season, bell pepper supply is solid in the East. Overall, quality has been good with no major issues- just the occasional rain-related cosmetic concern. The full range of sizing is available to meet customer needs. We expect to see NY start up over the next 7-10 days as well, adding a punch of product to the northeast. There's an adequate amount of green bells in the West as Fresno and Gilroy continue to see good production but larger fruit is moving quickly. Quality has been very nice.

Cucumbers: The same major production areas have cucumbers this week, including NJ, MI, and NY, as well as some smaller local deals in KY, VA, TN, and IN. Quality is varied as some fruit (ex: MI's) is showing the effects of heat with some shriveling and sunken areas. But, there is an adequate amount of nice product available. Baja is currently in full production with all growers harvesting. WA is also going with their local deal so we don't expect any production gaps. Quality remains strong and the weather has been nice so we shouldn't see any quality issues out of Baja.

Green Beans: Summer afternoon showers have affected bean production in much of the East and availability has tightened up this week. Stronger volumes are available in VA and MI but there is also some fruit in TN, IN and NY. In the West, Baja is seeing more product while Brentwood and the Watsonville /Salinas area are both back with adequate supplies. There's also steady supply from Fresno and Santa Maria but quality may vary.

Summer Squash: Heat and rain have affected yellow squash availability in

several of the major production areas. NJ had been pumping out a lot of product but their production has slowed down due to heat. MI's numbers are also lighter and they've got some quality concerns on yellows. The most positive reports have come from TN and KY where volume has been light, but steady, and quality is nice. Zucchini's availability and quality are better than yellow throughout the East. Baja, Santa Maria and the CA Central Valley have been in strong volume but will begin to lighten up a bit as they play out their fields and get ready to start their next blocks which should break as soon as next week.

Colored Bell Peppers: Mexico growers that cross through McAllen have seen some recent increases on all 3 colors, but may see less volume next week due to rain. Heat and lots of sun have brought pepper sizing down a notch in eastern Canada but there's been a decent amount of reds and yellows harvested this week. However, we expect lighter numbers and less size next week with oranges being extremely limited. Western Canada's production is still limited but it does provide an additional option for product.

Tomato-on-the-Vine: TOV's look to be a challenging item for a while. Canadian production is down significantly and looks to stay that way for several weeks. There are some very light new harvests in Mexico but several of the major houses are out until October. There's also a very limited amount in CA but not enough volume to help in a significant way. Stay tuned as the next few months could prove to be a rough race.

Organic Vegetables: Organic cucumber, yellow squash and zucchini supplies are a little lighter out of Baja this week due to cooler weather but there are a good number of domestic local programs providing product to their respective regions. The West has consistent numbers of organic green bells in CA and the Northwest, but it's still snug in the East as one of the larger programs has experienced crop failure. NY will start bells in about 10 days, which will provide a welcome shot of product.

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KEEP YOUR EYE ON THE CONSUMER

Acosta: Concern Levels Remain High Amid Pandemic

www.theshelbyreport.com, July 27, 2020

Acosta, a full-service sales and marketing agency in the consumer packaged goods industry, has released its ninth insight report on the continuing evolution of consumer behavior and outlook amid the COVID-19 pandemic. The report, which found 37 percent of shoppers are spending more on each grocery trip now than they did pre-pandemic, also provides suggestions to help retailers best meet customers' needs.

"With concern levels remaining high and rising in hot spots around the country, most consumers are choosing to stay home, even as many non-essential businesses reopen," said Darian Pickett, CEO of Acosta. "Shopping frequency has drastically declined since March, and with three-quarters of shoppers fearing another shutdown due to the second wave of the virus, shoppers will continue to eat at home for the foreseeable future. We expect the trends of stocking up and spending more on groceries to remain popular."

Acosta's ninth round of COVID-19 research, gathered via online surveys conducted between June 26 and July 1, provides insight into consumers' concerns and habits as well as recommendations to help retailers prepare for the future, including:

Concern levels remain high

About half of shoppers are just as concerned about the pandemic as they were at the start, and many have become more concerned recently, including 44 percent of shoppers in the South, where cases are rising.

Three-quarters of shoppers are worried that a second wave could lead to another shutdown. Despite many non-essential businesses reopening, most consumers are not visiting them. Only 37 percent of shoppers have gone to retail shops, 30 percent to hair/nail salons and 27 percent to dine-in restaurants.

Shopping less, spending more

Grocery shopping frequency has greatly declined since the start of the pandemic. Shopping once a week or more has declined 20 percent (from 67 percent of shoppers to 47 percent of shoppers).

Shopping less frequently has increased since the pandemic began, with 27 percent of shoppers now going to the grocery store two to three times a month and 26 percent going once a month or less.

When shoppers do go to the store, they are stocking up and spending more. Thirty-seven percent of shoppers reported spending more on each grocery trip now vs. pre-COVID-19.

When looking at total household spending, 50 percent of shoppers are spending more on groceries. Conversely, 66 percent of shoppers are spending less on eating out than they did pre-pandemic.

Of shoppers spending more on groceries, 59 percent cited eating at home more as their reason, 52 percent cited higher prices and 50 percent cited stocking up more.

Recommendations for retailers

-Retailers should make meal prep easy for shoppers with cross-department meal solutions, heat-and-serve meal kits and bundle pricing for meal components.

-Retailers can promote shopper engagement through recipe contests and staycation/picnic photo submissions in exchange for loyalty points.

-Retailers should leverage digital marketing to optimize reach and relevancy to all shoppers.

Acosta's research was gathered via online surveys using the company's proprietary shopper community between June 26 and July 1. To access the full report, visit acosta.com/news.

Acosta will continue to conduct research and will share updated data and recommendations for retailers and manufacturers on how to best meet consumers' needs during the COVID-19 pandemic.



TRANSPORTATION FACTS

*The average US diesel fuel price held steady at \$2.43 per gallon this week.

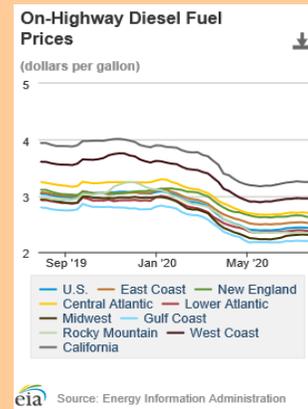
*The average price for a gallon of diesel is \$.61 lower than the same time last year.

*Only New England and California reported very slight price increases (less than \$.01). All other reporting zones came in with the same or slightly lower fuel costs.

*As usual, California has the highest price at \$3.26 per gallon, while the Gulf Coast remains the low-price leader at \$2.18 per gallon.

*For the second week in a row, the WTI Crude Oil price held relatively steady, only moving from \$41.07 to \$41.27 per barrel.

* As normal when production spreads to many areas for the summer, there are a number of places reporting truck shortages: VA, IN, IL, MO, NC, SC, NM, CA's San Joaquin Valley, and Mexico-Texas crossing points.



NEW PRODUCT ALERT

LIPMAN FRESH-CUT

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GREEN BEANS



Clipped & Cleaned

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Dependable & Safe
We handle every aspect of the farm-to-table journey, ensuring traceability, safety, and freshness



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Our hand-selected process ensures a longer shelf life and reduced shrink



Reliability Year-Round
Available year-round beginning this October

GREEN BEAN PESTO PASTA WITH GRILLED CHICKEN

Recipe Highlights

-  ½ lb Lipman's pre-cut and cleaned green beans
- ½ lb chicken tenderloins
- 8oz penne pasta
- ½ cup pesto sauce
- ½ lb chopped bacon
- 4 Tbs olive oil
-  Lipman grape tomatoes
- Salt & pepper to taste
- Shredded parmesan for garnish



Green beans are paired with chicken 38% of the time (Datassential)

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PRODUCE BAROMETER

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

AUGUST CALENDAR

All Month
National Sandwich Month

August 2nd
American Family Day

August 3rd
National Watermelon Day

August 4th
Single Working Women's Day

August 8th
National Sneak Some Zucchini on Your Neighbor's Porch Day

Manteca, CA Weather

Sat Aug 1	Sun Aug 2	Mon Aug 3	Tue Aug 4	Wed Aug 5
				
86° F	90° F	89° F	90° F	88° F
77° F	76° F	75° F	74° F	75° F
NW 6 MPH	SSW 15 MPH	SW 13 MPH	SSW 13 MPH	SW 9 MPH
Precip 60%	Precip 40%	Precip 40%	Precip 50%	Precip 40%

NEWS IN THE GROCERY TRADE

Fresh Veg Sales at Retail Up 16% from Year-Ago Levels

By: Ashley Nickle, www.thepacker.com, July 21, 2020

Retail sales of fresh vegetables continue to significantly exceed 2019 as many consumers continue to eat more meals at home during the COVID-19 pandemic. Spikes in cases of the virus have prompted many states to bring back stricter rules on social distancing and other precautions. For restaurants, this has included closing dine-in service or once again limiting seating capacity to a fraction of the norm. In that environment, fresh produce sales for the week ending July 12 were up 11% to \$1.39 billion, according to IRI. Fresh vegetable sales were up 16.1%, while fresh fruit sales were up 6.5%.

“The continued strength of vegetables is very telling,” Jonna Parker, team lead for fresh for IRI, said in the release. “Fresh vegetables are supporting the continued at-home meal occasions that moved over from foodservice, particularly lunch and dinner. But at the same time, it is great to see that fruit had a strong week, and importantly, all sales measures were strong: dollars, volume and units.

“Unit purchases in fresh produce increased by 10.9% over the second week of July versus last year, while volume increased 9.5%,” Parker said. “This points to more, but smaller, packages sold during the non-holiday week as well. This affects pre-packaged produce and the types of promotions that will be effective in the current environment.”

On the fruit side, berries led the way with \$133 million in sales the week ending July 12, while seasonal favorites melons and cherries came next in the list at \$94 million and \$74 million, respectively. “This is a great sign for the weeks to come,” Parker said in the release. “In other areas, such as peaches and avocados, consumer demand is certainly there, but in a highly deflationary market, dollar sales trail volume sales by a wide margin.” Peaches were up just 1.1% over 2019 to \$26 million, while avocados were down 1.4% to \$48 million. Oranges brought in \$20 million, up 49.8% from the same time in 2019.

On the vegetable side, eight of the top 10 items saw double-digit gains, including the following with growth of 20% or more compared to last year: tomatoes (up 21.6% to \$95 million), peppers (up 22.9% to \$55 million), mushrooms (up 24.2% to \$27 million), corn (up 44.2% to \$38 million) and broccoli (up 20.6% to \$22 million). Fresh-cut salads continue to show that convenience still matters in a time of more cooking at home. For the week ending July 12, those sales were up 8.7% to \$132 million.

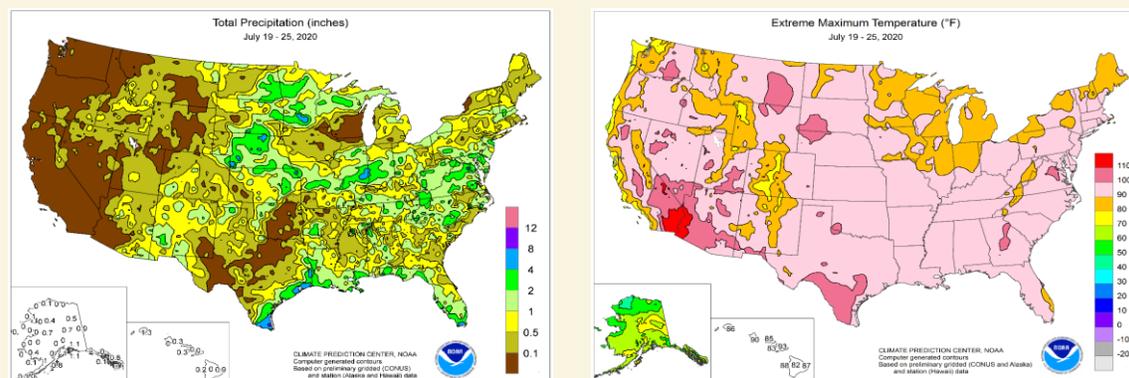
Joe Watson, vice president of membership and engagement for the Produce Marketing Association, noted that overall the numbers were positive for retail, though they also reflect the reality that the foodservice side of the produce industry continues to struggle.

“We knew Independence Day was a tough bar to beat, so it was hard to say where everyday demand would land us in the non-holiday week,” Watson said in the release. “I am pleased to see that everyday demand for fresh produce is strong, boosting sales gains back into double digits over year ago. But while the strong retail demand is a big plus for our industry, the reversal on opening in-restaurant dining is a devastating hit to foodservice produce sales.

“I am hopeful that the resilience and creativity of our industry during the early months of the pandemic will help optimize foodservice demand once more,” Watson said.

NATIONAL WEATHER SPOTLIGHT

Last Week’s Precipitation Totals and Extreme Maximum Temperatures



RESTAURANT INDUSTRY NEWS**Door Dash Digs into the Top Food Trends Emerging in 2020**By: Patricia Cobe, www.restaurantbusinessonline.com, July 23, 2020

Third-party delivery company DoorDash surveyed 2,000 Americans to find out what and how they were eating during the first six months of 2020. The Deep Dish report reveals that as the pandemic took hold over the country and housebound consumers turned to home cooking and restaurant delivery, some overriding trends emerged.

While 70% of Americans have spent more time cooking over the past half year, 47% agree that they are tired of it. Chicken is getting to be the most boring; 41% are most tired of cooking the bird, followed by pasta.

But chicken is a winner when it comes to ordering food for delivery. A chicken sandwich with french fries was the top item ordered on DoorDash so far this year, and in New York City and Washington, D.C., several chicken dishes came out on top. Chicken quesadillas, chicken Parmigiana and buttermilk fried chicken were all favorites.

The data also reveals that comfort foods rule for takeout and delivery. Menu items that showed dramatic increases include queso blanco (up 1,735%), create-your-own pizza (up 1,501%), cheese nachos (up 1,130%) and cinnamon rolls (up 1,400%).

Even though breakfast is quick and easy to make at home, breakfast foods saw a surprising surge in orders. Breakfast burritos were the seventh most-ordered item on DoorDash from January to June. Also on the rise was oatmeal (1,768%), iced caramel coffee (1,660%), blueberry muffins (779%) and those comforting cinnamon rolls.

Flavor preferences tended to skew regionally across the U.S. San Francisco customers are fans of Indian cuisine. The top items ordered in that city were chicken tikka masala, garlic naan, basmati rice, samosas, and saag paneer. Down the coast in Los Angeles, sushi is No. 1, with California rolls, spicy tuna rolls, rainbow rolls and salmon avocado rolls among the favorites.

Traveling east to Chicago, sandwiches are the most popular, especially regional specialties such as Italian beef, hot dogs and chili dogs. Not surprisingly, Miami customers love Latin flavors. Sweet plantains, yuca, tostones and jerk chicken were top choices. And consumers in Austin gravitated towards Tex-Mex food, including chips and queso, burritos, shrimp tacos and chicken fajitas.

But consumers do miss eating in restaurants and when they return, the cuisine they crave the most is Mexican. Forty percent of respondents miss Mexican food, followed by seafood at 34%. Both of these are too difficult to prepare at home, they said.

FRESH
TOMATOES

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of nature™

MARK YOUR CALENDAR
& PACK YOUR BAGS?

September 21-25, 2020

United Fresh Washington Conference
Virtual Event
To register or for more information, go to:
www.unitedfresh.org

November 13-14, 2020

West Coast Produce Expo
JW Marriott Desert Springs Resort & Spa
Palm Desert, CA
www.westcoastproduceexpo.com

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