



MARKET UPDATE

Round Tomatoes: With Palmetto/Ruskin finished, Eastern tomato supply has transitioned to the Quincy/South GA and South Carolina areas. Volume is light to moderate and should pick up a little as each area moves deeper into the crops. Last week's rain scattered around the SC crops, so they are off to a nice start with good quality. Our plantings are staged to have crown picks every week during the short month-long season. Since we sometimes don't come back for 2nds in this location, we harvest a little deeper in each crown pick so there are more sizes coming off on the first fruit. But, the overall sizing is still on the larger side. Quincy and South GA farms are also harvesting new crop fruit with good quality. There are no issues currently but yields may be lighter than some years due to disease pressure. Western supply is also transitioning. West Mexico's vine-ripes and mature greens have slowed to a trickle as the season tapers off while East Mexico and Baja are starting to see more volume from new vine-ripe crops. We're also seeing the first mature greens from CA's San Joaquin Valley this week. Volume is minimal now, but will pick up significantly over the next few weeks as more growers come to the table.

Roma Tomatoes: With only one grower in the Quincy area with any significant volume and a few small deals here and there, Eastern roma supply is very light. As noted before, Eastern roma production will remain minimal until the NJ, TN and NC programs get going in July. Western roma production has been light for the past few weeks, but supply looks to improve during June as East Mexico and Baja get further into new acreage and CA's San Joaquin Valley gets up and running. Quality and sizing have been varied over the past week but should improve as the older crops work their way out of the system.

Grape Tomatoes: Although there are still a few grapes in P/R this week, our harvests have migrated to the SC farms. Early fruit is on the bigger side but quality is great. There are also some grapes in the Quincy area but several growers made decisions to reduce acreage 70-80 days ago when the COVID crisis began and foodservice demand plummeted. As a result, we expect Eastern production to be lighter than normal for the next month

or so. In the West, supply continues its transition from Nogales shippers to new crops in Central Mexico and Baja. Although both have been slow to get rolling, the Central Mexico crops are coming along and should have more volume to offer as soon as next week.

Bell Peppers: GA continues to have moderate volume and mostly steady supply of bell peppers. Despite the recent weather events, quality has been solid. More rain is expected over the weekend and going into next week, so we'll see how much water these crops can handle. Our Clinton, NC pepper crops are on tap to start the week of June 22nd if all goes according to plan. By the front end of July, pepper production will spread out to regional and local deals in various areas. Western supply has been light but will finally begin to improve next week as the Bakersfield area sees more growers get started. First-look quality on these crops is pretty good considering the heat in the growing region, but the quality on any remaining pepper from Coachella and Mexico has declined significantly.

Cucumbers: Things have been rolling along pretty well in GA- product has been available consistently and quality has been nice. But, as we moved through the week, retail sizing and grades became snug. Our NC crops are running about a week late and won't get started until next Thursday or Friday but they should have strong numbers once they are rolling. As with the other truck veg items, cucumber production should begin to localize/regionalize over the course of the next few weeks. Growers in VA, KY, the Carolinas, etc. are usually already going now, at least in a light way, but cool weather during the growing cycle has pushed almost everyone off a week or two. As for the West, Mainland Mexico's crops are on the downhill slide and will finish up over the next 7-10 days. Baja continues to pick up in volume and will have even more growers come online over the next few weeks. Baja's quality is strong and we don't expect any availability gaps during June.

Green Beans: GA farms have been working through weather-related yield and quality issues, so bean volume has taken a hit this week. With some of the NC and VA coastal crops running a little behind, we could see a gap later this month. The West is looking to Central CA

for green beans. Supply is light to moderate this week.

Summer Squash: GA's squash supply has seen some ups and downs during the season, but there's no doubt that the prior bad weather patterns are affecting crops. Yields are lighter this week, in part due to quality concerns and also due to the persistent clouds and rain showers that have been rolling through for the past few weeks. A few local deals are up and running in KY, NC, SC, etc. but others in spots like VA lost their first round of plantings to weather and look to be a few weeks behind schedule. Our coastal NC farm is scheduled to harvest for the first time on Monday and should bring some volume to market. Western squash production has transitioned from Mainland Mexico to Baja and the CA Central Valley. Fresno, Santa Maria and Baja all are in good production and should remain so for the near future.

Eggplant: Plant City is wrapping things up and GA is still in the early stages of harvest, so eggplant supply has been light in the East. We're seeing better numbers for the weekend and expect to see more next week. The West's eggs are coming from Coachella where volume and quality has been good. We should begin to see product out of Fresno in 2 weeks and Baja by the 1st of July.

Colored Bell Peppers: Central Mexico's new crops are finally coming online and will start to increase over the next week or so. Orange is very limited and greening is a concern- both common factors when new crops start. With near-perfect weather recently, Canadian houses are seeing good picks on reds and yellows this week but oranges are coming up short.

Organic Veg: Organic cucumber supply and quality have been excellent out of Baja. Yellow and zucchini squashes are available in light to moderate quantities in Baja as well. CA is on tap to start squash production in 7-10 days which will further improve supply. The troublemaker is still organic green bells, which have been gapping for the last few weeks as the West waits for Bakersfield to start. They look to come online sometime in the next week which will be a welcome sight.

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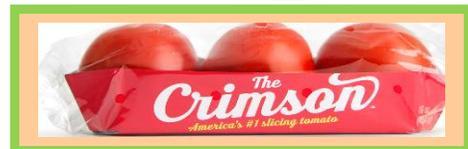
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NEWS IN THE GROCERY TRADE

Grocery Delivery Growth is Flattening, Survey Reveals

By: Krishna Thakker, www.grocerydive.com, May 28, 2020

Dive Brief:

- Results from a new Gallup poll indicate shoppers are becoming increasingly comfortable with restaurant takeout and delivery during the pandemic while interest in grocery delivery has flattened.
- According to the poll, the percentage of U.S. consumers who said they're using grocery delivery more now than a month ago grew from 11% to 14% from late March to mid-April, then stayed the same when consumers were polled again in mid-May. Curbside pickup from stores, including grocery and non-grocery locations, increased 17 percentage points over that time period, from 19% to 36%.
- The percentage of consumers who said they're using restaurant takeout more often grew from 26% in late March to 44% in May, with delivery jumping 13% to 23% during the same time period.

Dive Insight:

As the pandemic stretches into its third month, businesses are adjusting their operations and consumer buying habits are shifting. Gallup notes that people are getting out more and isolating less, and many are visiting the growing number of restaurants and retail stores that have come online and expanded their delivery and curbside services over the past several weeks.

Although grocery stores initially benefited from restaurant closures beginning in March, operators ranging from fast food to fine-dining establishments have started to regain their footing online. Restaurant delivery is also surging as providers like Uber Eats and Grubhub dish out consumer promotions, and as cities like Seattle and Washington, D.C. have capped delivery fees.

Online grocery sales, meanwhile, have surged 200% just this year, according to Earnest Research cited by Bloomberg, with grocery e-commerce companies and major retailers coming out as major winners.

The uptick in curbside pickup use highlighted by Gallup is no doubt driven at least in part by grocers' expansion of click-and-collect service, and by promotional moves like waiving pickup fees. Grocery delivery, on the other hand, is notably more expensive and has contended with long wait times that have frustrated shoppers. Instacart, which handles delivery for hundreds of grocers, has seen triple-digit growth during the pandemic while more than doubling the number of contractors it uses to fulfill orders. This has sped up delivery times, but users have expressed frustration with fees and alleged theft by some contractors.

Shoppers are also more comfortable visiting grocery stores these days. Gallup notes that around half of shoppers are visiting grocers, while McKinsey & Co. surveys indicate as many as 70% of shoppers have continued going to stores. This migration of shoppers back to offline shopping should continue as stay-at-home restrictions lift, economies reopen and consumers become more accustomed to life during the pandemic.

Note: This article has been edited for content and space. Please visit www.grocerydive.com to view the selection in its entirety.



TRANSPORTATION FACTS

*For the fourth week in a row, the National Diesel Average came in at \$2.39 per gallon.

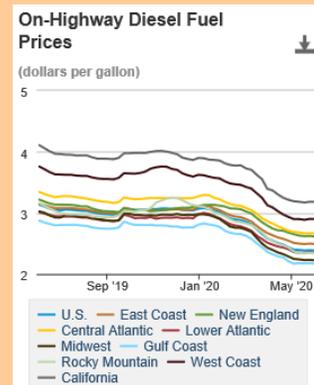
*The average price for a gallon of diesel is \$.75 lower than the same time last year.

*With the exception of the Central Atlantic region (where there was no change), all areas of the country reported downward price movement of \$.01 or less per gallon.

*As usual, California has the highest price at \$3.18 per gallon while the Gulf Coast remains the low-price leader at \$2.17 per gallon.

*The WTI Crude Oil continued its upward climb this week, moving from \$33.71 to \$37.41 per barrel (up 11%).

*There are slight shortages in transportation in Central/South Florida, but all other areas have adequate numbers of trucks to meet the current demand.



Source: Energy Information Administration

Lipman is Jersey Fresh!

Our New Jersey program has never been stronger! Here's the latest on what's coming over the next few weeks from the Garden State.

Squash – We are currently harvesting our tunnel green squash with light volume. We will begin harvesting our first forty acre planting of yellow and green squash that we did not put in tunnels in 10 days. This year we have the following squash commodities planted: acorn, butternut, spaghetti, gold bar (yellow zucchini), green squash and yellow squash. The plants look very healthy, as seen in the photos below:



Eggplant – We have drastically increased our eggplant acreage. We will also be offering a limited supply of graffiti eggplant. We expect to start harvesting around July 4th. We are far along in the process of putting in the stakes for our first planting and the plants look fantastic.

Pepper – We planted 25% more pepper this year than last. We expect to have good volume and to start harvesting on July 7th.

Cucumbers – With the success we had planting pole cues in NJ last year we decided to put all of our cucumbers on poles this year. We will have Jersey cucumbers a little later this year, around June 25th.

Chili Peppers – We will have the following chilli peppers for sale this year in NJ: Cubanelles, habaneros, jalapenos, poblanos, serranos, tomatillos and red fresnos. We planted as normal other than increasing our jalapeno production by over 50% due to the high demand for our crop last year. The goal is to start harvesting July 4th.

Tomatoes –We are expecting to have first pick for our rounds and romas on July 4th. We will be growing more yellow round tomatoes this year.

For any questions please reach out to your NJ sales representative: David Ackers: (856) 689-3751; Chris Daulerio: (215) 870-8956; Ian Flemming: (443) 614-2373; Dan Cerniglia: (239) 839 2650



PRODUCE BAROMETER

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



JUNE CALENDAR

- All Month
- National Country Cooking Month
- June 7-13
- National Business Etiquette Week
- June 10th
- Ball Point Pen Day
- June 11th
- Corn on the Cob Day
- June 13th
- Family Fitness & Health Day
- Kitchen Klutzes of America Day

Lake Park, GA Weather

Sat	Sun	Mon	Tue	Wed
Jun 6	Jun 7	Jun 8	Jun 9	Jun 10
85° F	84° F	89° F	89° F	87° F
68° F	70° F	71° F	70° F	68° F
S 7 MPH	ESE 9 MPH	SE 5 MPH	SSE 4 MPH	ESE 4 MPH
Precip 60%	Precip 60%	Precip 60%	Precip 70%	Precip 60%

RESTAURANT INDUSTRY NEWS

Drive-Thru Accounts for Almost Half of All Restaurant Occasions

www.csnews.com, June 2, 2020

The use of drive-thru has risen during the COVID-19 pandemic as total restaurant industry traffic fell, according to The NPD Group.

Drive-thru accounted for nearly half of all restaurant occasions (46 percent) during the month of April, primarily at quick-service restaurants (QSR).

Total industry traffic at chain and independent restaurants was down 35 percent during the same month compared to April one year ago, according to NPD's CREST foodservice market research. Digital orders rose 106 percent and now account for 20 percent of all restaurant occasions.

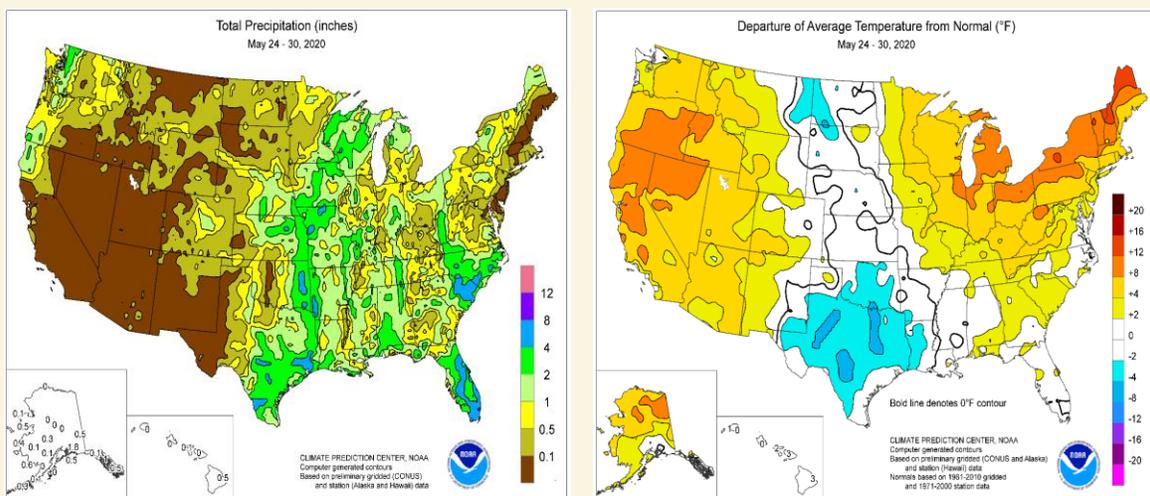
NPD's CREST Performance Alerts also found that as operating restrictions ease in some regions, nearly 320,000 U.S. restaurant units are now able to offer some level of on-premise dining. As a result, the level of customer transaction declines at major restaurant continued to improve the week ending May 24. Total major restaurant chain transactions fell 18 percent during the week compared to one year ago, which is still a 25-point gain from the low of a 43 percent drop in the week ending April 12.

Major full-service restaurant transactions declined by 49 percent compared to one year ago, a 9-point improvement from the previous week's decline of 58 percent compared to the previous year. QSR transactions were down 17 percent in the week ending May 24 compared to one year ago, an improvement from the drop of 20 percent the previous week.

"Among the most interesting behaviors we're seeing is the rapid escalation of using technology to engage with restaurants," said David Portalatin, NPD food industry advisor and author of *Eating Patterns in America*. "Going forward, we might expect a digital divide that sets apart restaurants with well-executed digital offerings and requires those without to turn to the newfound prowess of third-party platforms."

NATIONAL WEATHER SPOTLIGHT

Last Week's Precipitation Totals and Average Temperature Deviations



KEEP YOUR EYE ON THE CONSUMER

U.S. Consumers Feel Safer About In-Store Shopping

By: Thad Rueter, www.progressivegrocer.com, May 26, 2020

In the midst of the COVID-19 pandemic, I sometimes struggle to find some ray of hope, some lesson that we may have overlooked that we might carry with us when it's all over. And certainly, at some point, sooner or later, this will be all over.

In the produce industry we are undoubtedly learning many things now and will discover even more as this ugly period eventually appears smaller and smaller in our rear-view mirror. For the time being, three very real lessons come to mind.

First, produce brands (like many food brands) matter. News reports consistently remark on the comfort food that people have gravitated to in the face of the pandemic. Items such as pasta, canned goods, frozen food and many other commodities flew off the shelf. Leading the list were brands that people have trusted through the years.

In produce, brands can be just as endearing to shoppers. There are several nearly century-year-old "brands" that customers look for and buy with confidence.

This is important to consider when stocking on a regular basis, but especially so during uncertain times. That's when familiarity and trust save the day. No matter what brands you carry, if you are consistent and customers know and embrace them, it pays off in good times or not. Brands matter.

Second, be someone's customer. Sometimes, newer produce buyers can have a reputation of "spreadsheets" — bouncing around and buying from a wide range of suppliers, grades or labels. Usually it's from whoever is the least expensive on any given day. Having a couple of steady backup suppliers is smart, but the hard lesson here is that when things get tough, if you aren't someone's regular customer, you sink lower on the shipper's priority list.

Find a quality supplier that gives you accurate information on availability, quality and pricing, and a heads-up on market conditions, and be that shipper's regular customer. When you do, and supplies get tight, your purchase orders will get covered first and more completely.

Third, the produce industry is indeed all about relationships. Grower-shippers also cultivate and covet strong relationships with organizations, with specific chains. However, within those organizations sits a produce director, a category manager, a buyer or produce specialist whose job it is to make buying decisions. Ultimately at both ends are real human beings that not only value good working relationships but develop strong personal ties, trusting relationships that often develop into lifelong friendships.

Do that, and in good times or bad (on either side of the buying or selling fence), you've got someone you can count on. Especially in our business, that's a good lesson to take to heart.

Note: This article was edited for space and content. To view the entire selection, please go to www.thepacker.com

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TOMATOES
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MARK YOUR CALENDAR & PACK YOUR BAGS?

June 15-19, 2020
United Fresh LIVE!
Online Tradeshow and Conference
Registration is free.
www.unitedfreshlive.org

August 25-26, 2020
New England Produce Council's Floral & Foodservice Expo- **CANCELLED**
Hynes Convention Center
Boston, MA
www.newenglandproducecouncil.com

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