



MARKET UPDATE

Round Tomatoes: As we move into the last days of summer, we're seeing the effects of a rainy season, prior heat and some recent cooler temperatures. Overall round tomato volume has lightened up in TN, NC, MI and other active production areas. The TN and NC programs have experienced undesirable weather on an almost daily basis which has affected volume, plant health and fruit quality but they still anticipate going into October. The plants are there; it's a matter of weather. Our VA farms started back into Fall harvests on Monday from an early block, but we don't expect to see significant volume until next week. Sizing and quality were average on the first harvests, but we anticipate improvement on both for next week's fruit. Both Baja and Eastern Mexico continue to offer somewhat lighter, but steady volumes on vine-ripes as they finish up the summer plantings. New acreage is set to begin in East Mexico later this month and in Baja by mid-October which will give volume an uptick. Meanwhile, much of CA's mature green crops are seeing the effects of the previous heat wave with less fruit on the vines. Lipman's production has been more steady than some, in part, due to our farm locations which are usually a few degrees cooler than others. Despite a little scarring that can easily be graded out, quality is holding strong on the CA rounds.

Roma Tomatoes: Roma availability is at least as good and maybe better than round availability in the East this week. The bush of roma plants has been able to provide at least some protection to the fruit, giving romas a notch up and quality and yields. There's not a massive supply but enough to help if the fruit quality will make customer spec. Look for the Fall transition from TN/NC/local deals to north FL and Palmetto/Ruskin in 4-5 weeks. Mexico's roma numbers are still on the light side as Baja and East Mexico wait for new crops to begin in 3-4 weeks. CA's roma production has been steady but is likely to be reduced for some in the near future due to the effects of prior heat. However, Lipman farms expect consistent supply for the next 2-3 weeks. Our quality and packouts have been good despite some wind scarring.

Grape Tomatoes: Grape tomatoes have really tightened up this week! The heat and rain of the past few months has caught up with crops in TN, NC and VA. We're expecting about half of the planned yields in VA over the next 2-3 weeks. With TN and NC in the same boat, it looks like we won't see any significant new volume until

Ruskin/Palmetto gets rolling in October. There may be a little north FL fruit prior to then, but not a lot. The West doesn't have extra volume available to help the supply situation. Baja has been dealing with another round of extreme temps while our Central Mexico program is working through a 2-week downturn in the production cycle.

Bell Peppers: As yields and quality have been affected by weather in most growing areas, bell pepper supply has lightened sharply in the East. Volume is off in MI, VA, KY, and NC; TN is in a gap for 2-3 weeks; and IN has finished ahead of projections. Although we will continue to see fruit from several of these areas for possibly another month, it looks likely that volumes will be on the lighter side for the remainder of the season. Next up are GA and SC. There could be a few start in GA as soon as next weekend, while SC will follow by the end of the month. Until these programs are running full throttle, it will likely remain snug in the East. The West continues to see supply from the CA Central Valley (Tracy, LeGrand & Fresno) but yields are down from extreme heat. With lower yields and increased demand from the East, the West is sure to see things tighten up quickly.

Cucumbers: With MI, NJ, and NY on the downhill slide of the season and most of the smaller local deals done, NC and GA cucumber programs will be the primary sources for cucs in the coming weeks. Our coastal NC farm has begun but early production has been sporadic thanks to high temps from a few weeks ago. The heat kept pollinators out of the fields causing a light fruit set on the first plantings. However, the quality has been nice so far. As we move into new fields next week, we should see less heat impact and more volume. GA has also started up in a light way. Between these two new growing areas and the remnants of older programs, we hope to see more product next week. As for the West, volume continues to be very limited out of Baja. Mainland Mexico is shipping through McAllen but all of that product is going to help with Eastern supply. The NW (WA & OR) has another 2 weeks to go but will be looking for Baja cucs, which are already tight, after that. On a bright note, quality should continue to be strong.

Summer Squash: The transition from Summer to Fall programs is running a little ahead of schedule for most areas

Which has lightened availability on squash. Some programs have finished up (ex: NY & VA), while others are seeing a decline in volume due to disease, quality concerns, etc. There are pockets of fruit in places like MI, TN, NC, and SC but not a ton of volume in any one location. Quality reports are best from TN while MI is working through some plantings with scarring and occasional decay concerns. Look for GA to come into volume over the next few weeks, which should give Eastern supply and quality a boost. In the West, we are beginning to see lighter supplies in CA caused by shorter days and the extreme heat they experienced over the past few weeks. We expect production to slowly decline as we move toward the season's end.

Eggplant: Eggplant is available from NJ and MI, as well as a few other local programs, but overall supply is on the light side this week. There have been some quality issues but there has also been some nicer fruit in SC. Unfortunately, their volume is down this week due to a few back-to-back cool nights. We should begin to see some eggplant in NC and GA over the next few weeks. Eggplant remains snug in the West as the Central Valley fruit has slowed down due to high heat. We should see some relief in late September when Coachella will be back in with Fall crops.

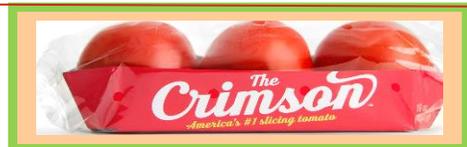
Chili Peppers: MI, the Eastern area with the strongest volume this week, still has the full range of chili peppers but will wind down over the next few weeks. There are still bits and pieces available from local programs in IN, NY, VA, KY, NJ, NC and others, but these programs are in the short rows as well. GA will be the next area with significant volume. They've started in a light way and should see more product become available gradually. Western supply is solid and strong with fruit coming from Baja, CA, and Mainland Mexico.

Organic Veg: With only a very few growers remaining in the East, all eyes are on the West for organics. Baja, CA, and the NW are all in active production providing good volume on bells and cucs and moderate numbers on yellow and zucchini squashes. There's less acreage on yellow squash than zucchini so that item is a little more snug than some. No major quality issues are reported on any item, although yellow squash is always capable of a hit or miss concern.

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AN APPLE A DAY

Industry Viewpoint: Families that Eat Together Eat Better Together

By: Rick Stein, www.theproducenews.com, September 10, 2020

Think back a year ago. How often were you eating dinner at home with your family?

If you were like most people, you were likely picking up meals to go, eating in shifts and balancing at-home and away-from-home meals to accommodate busy work, school and extracurricular schedules. Making a from-scratch dinner was probably something you did on a weekend, and maybe not every weekend, since Saturdays and Sundays were often jam-packed with activities and errands, too.

Flash forward to the year that brought a pandemic and daily disruption, but also brought families back to the kitchen and back to the table together. With less out-of-the-home travel, whether for a weeknight soccer game or regular business trip, dinner time is back for many households and on many days of the week. From homemade sourdough breads and theme dinner nights that were popular in the earlier days of the pandemic to ongoing creativity with meal choices, mealtime is something to be looked forward to and savored.

According to FMI's new U.S. Grocery Shopper Trends Report prepared by The Hartman Group, 87 percent of families agree that eating together is important. The pandemic has only increased that value to them, they say.

As consumers eat at home more, they are cooking more often than they did in the recent past, and shopping in different ways to get the foods they need to prepare meals, including produce. The U.S. Grocery Shopper Trends Report found that 35 percent are cooking at home six to seven days a week, and that online grocery spending doubled this past spring alone.

With the topic of health front-and-center on people's minds these days, better-for-you foods like fruits and vegetables are on their plates as they share meals at home. Nearly half (48 percent) of Gen Z and Millennials say they are eating healthier in recent months, including adding more produce to their diets.

Science backs up the importance of family mealtime in eating healthier. Research published in the Journal of Nutrition Education and Behavior funded by the FMI Foundation confirms that frequent family meals rich in fruits and vegetables are linked to better dietary outcomes. Family meals are a great opportunity to ensure that family members are getting their recommended intake of fruits and vegetables; the research shows there is a positive relationship between the frequency of family meals and the consumption of fruits and vegetables.

I can attest to the powerful connection between food, family and both mental and physical health.

Given the many changes in the ways families are eating together — and what they are eating — this September is a different kind of Family Meals Month. Reflecting the greater focus on togetherness and the importance of healthy meals, the theme of the 2020 Family Meals Month from the FMI Foundation is "Stay Strong with Family Meals."

Those who provide and sell foods to consumers, including produce, can help families enjoy meals together at home by using resources provided by FMI Foundation to mark Family Meals Month. Produce growers and brands and retailers can utilize videos, infographics and industry-specific toolkits, among several other resources now available.

As we head into fall and winter, this focus on family meals doesn't have to be limited to September. You can bet that people will stick closer to home and gather in smaller groups as they celebrate harvest season, Halloween, Thanksgiving, Hanukkah, Christmas and Kwanzaa and other days. Messages about how to maximize family closeness and health at mealtime will be relevant, as consumers seek information and products that meet their needs and current lifestyles.

Focusing on the positives helps all of us stay strong in challenging times. After all, food is fuel, friendship, fellowship and family.

Rick Stein is the vice president of fresh foods for Food Marketing Institute



TRANSPORTATION FACTS

*The average US diesel fuel price held steady this week, coming in at \$2.44 per gallon.

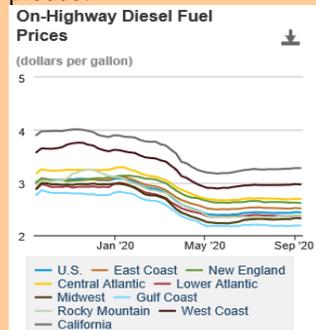
*The average price for a gallon of diesel is \$.54 lower than the same time last year.

*Most reporting areas had minimal price declines of less than \$.01 per gallon. The exceptions were the West Coast and New England, where prices fell almost \$.02 and a full \$.01 per gallon, respectively.

*As usual, California has the highest price at \$3.28 per gallon, while the Gulf Coast remains the low-price leader at \$2.18 per gallon.

*The WTI Crude Oil price has fallen 9.8% this week, moving from \$41.37 to \$37.30 per barrel.

* There's a shortage of transportation in VA, IL, NC, OR and WA this week. CA shipping districts, MI and TX/MX crossing points still have adequate trucking options available to move product.



Source: Energy Information Administration

Fresh Cut Spotlight



Fresh-Cut

PICO DE GALLO

READY TO EAT

Using the same high-quality produce that has been synonymous with our name for more than 60 years, we provide fresh-cut packs of diced and sliced products. Our product-specific processing and patented packaging drives optimal shelf-life – meaning you will receive only the best, every time. It helps customers save valuable time in the kitchen, and the convenience packaging also reduces the risk of foodborne illnesses by decreasing the opportunity for cross-contamination.

Appreciate a traditional, Mexican classic without the hassle and maintenance of chopping and mixing! Our fresh-cut pico de gallo salsas offer convenience while still maintaining quality. Lipman processes both mild and hot salsa blends, maintaining consistency in thickness, sizing, quality, and performance.

DEPENDABLE

Individually stored, processed, and packed at ideal temperatures.

SIMPLIFIES

Eliminates preparation time and risk of in-store operation injuries due to cutting, lifting, and waste.

COST SAVING

Reduces insurance costs, workers compensation claims, and space required for storing.



FRESH

FRESH CUT



the best of nature™

PRODUCE BAROMETER

| ITEM | QUALITY | PRICING |
|-------------|--------------|--------------------|
| Bell Pepper | Varied | E-Higher; W-Higher |
| Cucumber | Good | E-Higher; W-Steady |
| Eggplant | Varied | E-Higher; W-Steady |
| Green Beans | Good | E-Steady; W-Steady |
| Jalapenos | Good | E-Steady; W-Steady |
| Squash-Hard | Good | E-Steady; W-Lower |
| Squash-Soft | Varied | E-Higher; W-Higher |
| Tomatoes | Fair to Good | E-Higher; W-Higher |



SEPTEMBER CALENDAR

- September- All Month
- Food Safety Education Month
- September 13th-19th
- Truck Driver Appreciation Week
- September 15th
- National Linguine Day
- September 16^h
- Mexican Independence Day
- National Guacamole Day
- September 18th
- National Cheeseburger Day

Clinton, NC Weather

| Sat Sep 12 | Sun Sep 13 | Mon Sep 14 | Tue Sep 15 | Wed Sep 16 |
|---------------|---------------|---------------|---------------|---------------|
| | | | | |
| 86° F | 89° F | 87° F | 80° F | 82° F |
| 72° F | 72° F | 67° F | 62° F | 63° F |
| ENE 7 MPH | 3 MPH | SW 6 MPH | NNE 11 MPH | NE 7 MPH |
| Precip 70% | Precip 40% | Precip 50% | Precip 40% | |

RESTAURANT INDUSTRY NEWS

Restaurants Stand to Gain \$1B from NFL's Week 1

By: Peter Romero, www.restaurantbusinessonline.com, September 10, 2020

Restaurants will see a sales pop of nearly \$1 billion this weekend as a result of pro football's return without crowds in the stands, according to a just-released projection from a data analytics company.

"The decrease in live event attendance and spending is a huge boon to restaurants and grocery & liquor stores," says PredictHQ. "No fans or limited fans at games means we'll see Super Bowl-caliber consumption of pizza, beer, wings, chips & dips every Sunday."

The company foresees a half-billion-dollar bump from Thursday night's game alone. While the Kansas City Chiefs battle the Houston Texans in the first NFL contest of the 2020-21 season, consumers will be munching on delivered and takeout pizza, wings and sandwiches worth tens of millions of dollars. The specific sales projections by product, as indicated by a survey of 2,500 football fans:

| Food | Share of all orders | Total sales (mil.) |
|---------------------|---------------------|--------------------|
| Pizza | 25% | \$61.3 |
| Wings/fried chicken | 22% | \$31.6 |
| Fast food | 11% | \$27.8 |
| Barbecue/ribs | 11% | \$31.6 |
| Deli sandwiches | 9% | \$14.8 |
| Burritos/tacos | 6% | \$10.1 |

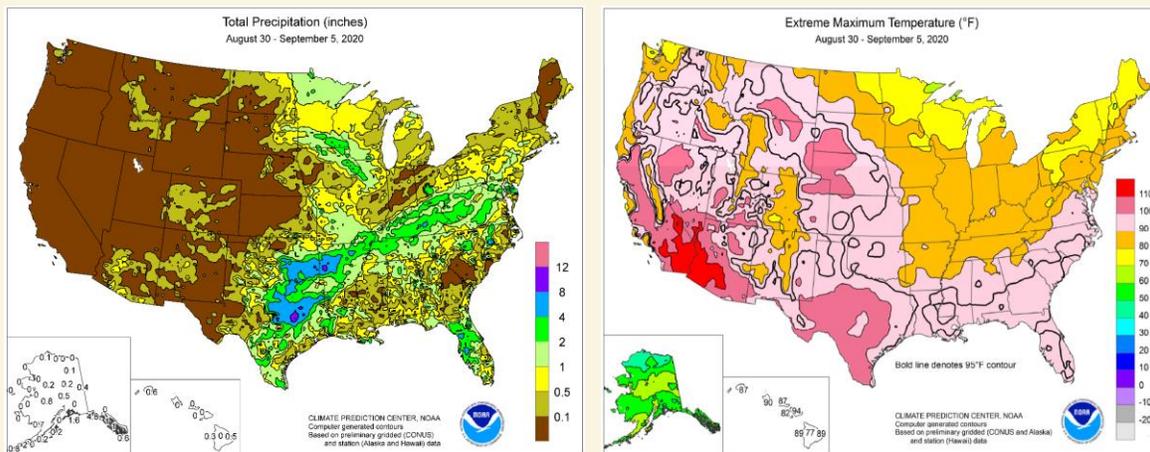
Source: PredictHQ

"Americans are definitely ready for the joy of watching the NFL with their friends and family," said Campbell Brown, CEO of PredictHQ. "This will cause a huge surge in demand that food providers and restaurants need to be ready for."

Many NFL stadiums will be closed to attendees this season because of the coronavirus pandemic. Others are open to fans at limited capacities. Some are themselves offering takeout and delivery.

NATIONAL WEATHER SPOTLIGHT

Last Week's Precipitation Totals and Extreme Maximum Temperatures



NEWS IN THE GROCERY TRADE

Bigger Customer Base Portends More Growth for Online Grocery Market

By: Russell Redman, www.supermarketnews.com, September 10, 2020

Despite a drop-off from a June peak, U.S. online grocery sales are nearly five times what they were a year ago, according to the the Brick Meets Click/Mercatus Grocery Shopping Survey. Sales from online grocery delivery and pickup services came in at \$5.7 billion in August, down 20.8% from \$7.2 billion in the previous Brick Meets Click/Mercatus survey in June but up 475% from \$1.2 billion in August 2019. The study, released Thursday and conducted Aug. 24 to 26, polled 1,817 U.S. adults who participated in the household's grocery shopping.

Brick Meets Click said the August online grocery sales falloff, in part, reflects changing shopper attitudes about COVID-19. The Barrington, Ill.-based strategic advisory firm noted that its ongoing research has tracked a steady decline in the percentage of households expressing a high level of concern about catching the virus, from a high of 47% in April to 38% in August.

However, average order value for online grocery sales hit a record high of \$95 in August, up 13% from \$84 in June and eclipsing the previous high of \$90 in May. What's more, 75% of those surveyed said they're extremely or very likely to use online grocery delivery and/or pickup again within the next 30 days, up from 57% in June and 43% in March, when the coronavirus pandemic was declared a national emergency.

"There is a common belief that the rapid and dramatic surge in sales caused by COVID-19, starting in mid-March, would recede at some point as stay-at-home orders and in-store shopping restrictions like occupancy limits, shortened hours and one-way aisles were relaxed," explained David Bishop, partner at Brick Meets Click. "While the August results reflect a retrenchment of sorts, the market appears positioned to begin a new growth cycle with a large base of committed shoppers."

Based on the August data, about 37.5 million people — or 29% of all U.S. households — are considered monthly active users of online grocery delivery and pickup services, compared with 16.1 million a year ago. Though down from an apex of 45.6 million customers in June, the August year-over-year increase marks a 133% gain in the number of active households placing at least one delivery or pickup order in the past month. Similarly, active shoppers placed an average of 1.6 orders in August, up from 1.0 orders a year ago yet down slightly from a high of 1.9 orders in June. Brick Meets Click

Increased order frequency and basket size, plus the larger user base, versus a year ago indicate that improved retail conditions are driving stronger online grocery shopping experiences, according to Brick Meets Click and Mercatus, a Charlotte, N.C.-based digital shopping solution provider.

"The rise in repeat purchases and spending means grocers are successfully acquiring new online shoppers and, equally as important, converting existing digitally engaged customers," according Sylvain Perrier, president and CEO of Mercatus. "Even with diminished concern about COVID-19, grocery shoppers are realizing the benefits of a streamlined and frictionless online shopping experience. Going forward, it's critical that grocery executives focus their teams on rewarding online shoppers by delivering a differentiated e-commerce experience that caters to consumers' high expectations."

Total online orders (covering the previous 30 days) were 59.5 million in August, down from a high of 85 million in June but up about 370% from 16.1 million in August 2019.

"These results reinforce that grocery delivery and pickup services will continue to play an important role for both shoppers and retailers going forward," Bishop added. "What's also evident is that customers' expectations will grow even higher, making it critical for retailers to continue improving the entire shopping experience."

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TOMATOES
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MARK YOUR CALENDAR & PACK YOUR BAGS?

October 13-15, 2020

PMA Fresh Summit
Online Event
For more information or to register, visit:
www.pma.com/events/freshsummit

January 28-30, 2021

Global Organic Produce Expo
Seminole Hard Rock Hotel
Hollywood, FL
www.globalorganicexpo.com

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