



On The Horizon

MARKET UPDATE

Tomatoes: Eastern tomato supply is lighter this week as several major growing areas are past their Summer peaks and are waiting for Fall plantings to begin. Cool nights have also had an effect on production, particularly in the Carolina mountains. Quality can vary significantly, but there is still good fruit available. Fall plantings are on tap to start in September, which should improve size, volume and quality options.

California's round and roma tomato volumes are still light this week, but are expected to improve in both volume and sizing next week. Strong national markets continue to affect the amount of Mexican fruit that's crossing from both Baja and Eastern Mexico. Baja is working through current plantings, with harvests heavier to mid-sized fruit, and will maintain current volumes until new acreage comes on in September/October. Eastern Mexico is dealing with rain-related production issues which has limited available volumes. Grape tomatoes have tightened up this week as weather and disease pressure take their tolls on the acreage currently in production.

Bell Peppers: Bell peppers are plentiful throughout the country this week. California's growing areas are bringing solid supplies and all sizes of strong-walled clean pepper to market. Michigan is into good volumes, as are numerous other local deals in the East. Although all sizes are still readily available, we are beginning to see sizing drop off as farms get into later picks and experience some cooler weather. Overall quality has been good, but there are some quality concerns on fruit from older fields.

Cucumbers: Baja's cucumber production continues to lighten up as growers work through Summer crops. Volumes are expected to increase in early September. The East has a fair amount of cucs available from several states including MI, NY, NJ, TN and other

local deals. Overall quality is okay, but Michigan farms are dealing with high disease pressure and some decay concerns. North Carolina is expected to begin harvesting Fall crops next week which should bring some fresh crops to the table.

Summer Squash: With local deals past their peaks and Michigan experiencing a cool weather snap, squash numbers are down this week. Scarring is still an issue on yellow squash and both colors are showing some effects of rain in the various growing areas. Look for some improvement next week as North Carolina comes in with Fall crops. Western markets are looking to Santa Maria for squash where zucchini numbers are strong but yellow is short due to lighter plantings.

Eggplant: With Fresno, Stockton and Baja in production simultaneously, the West has a strong supply of eggplant available. Overall quality is good, but Stockton's fruit has concerns. The East also has ample supply and quality of product to meet market needs. Production has been steady out of MI, NJ, SC and now, GA is back in the game.

Green Beans: With recent night time lows in the 40's and 50's, Northern bean volume is expected to lighten up over the next few days. However, there are still good numbers coming from Tennessee and a few local deals to service Eastern markets. The West also has adequate numbers with the strongest volume and quality coming from Watsonville.

Chili Peppers: Chili pepper production in California is now consistent, with a good mix of all core varieties. Baja has somewhat recovered from prior rain, and is seeing much better quality now. Mainland Mexico is producing good numbers out of the North, shipping through Texas and Arizona. Quality is decent even after being on 3rd and 4th picks in some cases. As for the East, MI, NJ, and local deals are into fairly steady volumes and good quality.

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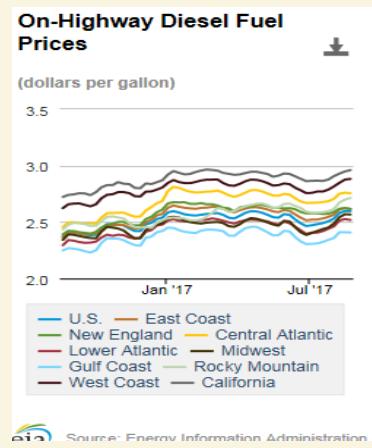
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TRANSPORTATION FACTS

- * The National Diesel Average remained steady at \$2.60 per gallon this week.
- * The average price for a gallon of diesel fuel is \$.23 higher than the same time last year.
- * Price changes were minimal (less than \$.01) in most reporting zones this week. The exceptions were the Rocky Mountains and California which reported increases of \$.014 and \$.012 per gallon, respectively.
- * California remains the high price leader for diesel fuel at \$2.96 while the Gulf Coast region continues to offer the best bargain at \$2.41 per gallon.

* The WTI Crude Oil price rose 1.84% this week, moving from \$46.78 to \$47.64 per barrel.

* Michigan shippers continue to have challenges with trucks this week, but all other areas in the country have adequate or surplus transportation to meet shipping demands.



KEEP AN EYE ON THE CONSUMER

How Consumer Trends in Grocery Shopping are Changing Retail

www.pma.com, August 17, 2017

For decades, U.S. shoppers were loyal to a single store that would fulfill all of their food and beverage needs. Today, they're far more likely to embrace a variety of retail locations and formats to ensure they get exactly what they want, when they want it. What does this mean for retailers looking to stay one step ahead of consumer trends?

On average, consumers shop at two to three different retail channels to fulfill their grocery needs, according to the Food Marketing Institute — including supermarkets, supercenters, discount, convenience, club, and e-commerce stores. Considering how U.S. shoppers feel about grocery shopping in general, that's more than a little surprising. Nearly half say grocery shopping is a chore they try to spend as little time on as possible, according to Nielsen's Think Smaller for Big Growth study. If that's true, then why are so many of them spreading their purchases across multiple retail formats?

First, it's about priorities.

High-quality produce (57%), convenient location (56%), and product availability (54%) are more important to today's shopper than simply finding the lowest price, according to the Nielsen report. As far as products, 75 percent say produce is the most important, followed

by fresh meat, poultry, and seafood (60%). And 67 percent of all shoppers say they actively seek products with healthful ingredients. Combine those preferences with easy access to technology, and you've got the most discerning consumer in economic history.

Secondly, it's about options — and shoppers being overwhelmed by them. Today's consumer has gotten more specific in their tastes, and they're no longer impressed with quantity when they value quality much more. As a result, the average square footage of U.S. supermarkets has decreased since 2006, and smaller retail formats have begun to thrive, according to Packaged Facts. Large supermarkets and hypermarkets account for 51 percent of global sales, but smaller formats are growing at a faster rate, according to Nielsen's The Future of Grocery report. In fact, smaller formats have been doubling or more than doubling large supermarkets' rate of growth year over year.

"Perhaps the new retail mantra should be 'go small or go home,' as the 'bigger is better' paradigm has been challenged virtually everywhere," said Steve Matthesen, global president of retail for Nielsen, in their 2016 Think Smaller for Big

Growth study.

Lastly, but unsurprisingly, it's about technology.

About 25 percent of shoppers say they order grocery products online, and 55 percent are willing to do so in the future, according to The Future of Grocery report. AmazonFresh, Instacart, and Fresh Direct are just a few of the online grocery retailers capitalizing on shoppers' desire for variety and convenience. They also have one distinct advantage over brick and mortar retailers: customizable communication. It's far easier to tailor to customers' preferences when they're shopping in an online, data-driven environment. That's a huge advantage when less than half of shoppers believe their main grocery retailer communicates with them in a relevant way.

But regardless of the format, the fact that high-quality fresh produce remains a top priority for shoppers, combined with the growing importance of quality and convenience presents produce marketers with an opportunity to make visits to the produce aisle more memorable and engaging by providing shoppers with support and guidance on how to incorporate more produce in their lives.



TEAM LIPMAN IN PICTURES

For the next few weeks, we'd like to help you get to know #TeamLipman a little better. From the folks who take care of business behind the scenes to those you may see and talk to frequently, every individual plays an important role in providing you with the very best produce that nature has to offer...24/7/365. Check out these friendly faces!



Liz De Santiago
South Carolina Farming



Dennis Micelle
Procurement & Veg Production
Assistant Manager
North Carolina



Sallie Aguirre & Bobby Hudson
World Agriculture Division
Florida



Marty Thompson
Sales
Kent, WA

Jesse Lowe
Sales
Nogales, AZ



PRODUCE BAROMETER

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



SEPTEMBER CALENDAR

All Month

National Fruit & Veggies Month
September 1st

Bring Your Manners to Work Day

September 2nd

Franchise Appreciation Day

National Tailgating Day

September 4th

Labor Day

Hendersonville, NC Weather

Fri	Sat	Sun	Mon	Tue
Aug 25	Aug 26	Aug 27	Aug 28	Aug 29
75°F 63°F NNE 5 MPH	75°F 61°F ENE 3 MPH	73°F 59°F E 6 MPH	73°F 59°F NE 7 MPH	72°F 55°F E 8 MPH
Precip 30%	Precip 20%	Precip 20%	Precip 20%	Precip 40%

AN APPLE A DAY

4 Plant-Based Ways to Power Your Workouts

By: Susan Levin, www.usnews.com, August 18, 2017

It's no wonder wide receivers, running backs, defensive linemen like Trent Williams and quarterbacks – most notably Griff Whalen, Adrian Peterson and Tom Brady – swear by plant-based eating. While a new review I co-authored in the journal *Nutrients* shows how building every meal around whole plant foods can cut your Type 2 diabetes risk in half, lower blood pressure and improve cholesterol, the eating pattern can also boost blood flow and increase energy efficiency. Here's how it can work to fuel you:

1. Fiber

High-fiber foods like apples, pears, beans and leafy greens keep you full longer than fiber-free foods like juice or fruit-flavored candy. Why? Fiber contributes to bulk in the diet without adding digestible calories, which promotes satiety, a feeling of being full, and weight loss. Soluble fiber – which you'll find in oatmeal, apples, nuts, beans and blueberries – binds with bile acids in the small intestines, which reduces cholesterol and stabilizes blood sugar. A high-fiber diet also helps maintain a healthy gut, which supports bacterial harmony and overall immune function.

Rx: Aim for at least 35 grams of fiber a day. Choose a high-fiber option, like a fresh cucumber or a leafy green salad, over a fiber-free alternative, like green juice – unless it's the day before a championship game or big race.

2. Fats

Plant-based diets are lower in saturated fats and dietary cholesterol than meat-centric eating patterns. Swapping saturated fats like coconut oil and creamy dressings for polyunsaturated and monounsaturated fats found in foods like avocado and nuts is one way to reduce the risk of insulin resistance – regardless of your body weight. A little fat – say, the size of your thumb or palm – goes a long way. Excess fat, from both food sources and extra calories, makes it harder to move and increases the risk for metabolic syndrome, prediabetes and Type 2 diabetes.

Rx: By cutting back on unhealthful fats, which are often loaded with empty calories, you'll make it easy for your body to pull on its own energy reserves. You'll feel lighter and be able to glide quickly and more effortlessly on the field, track or court.

3. Plant Proteins

Vegetable proteins like lentils, peas and beans help lower blood pressure and support healthy blood flow. They remove cholesterol and fatty deposits like triglycerides and C-reactive protein, an inflammatory marker, from the bloodstream. Eating them is one way to reduce the risk of an early death from a heart attack, stroke and even certain forms of cancer.

Rx: By opting for plant foods and fiber-rich legumes, you naturally increase the chances that you are always on your A-game, whether it's at work, in the classroom or on the tennis court.

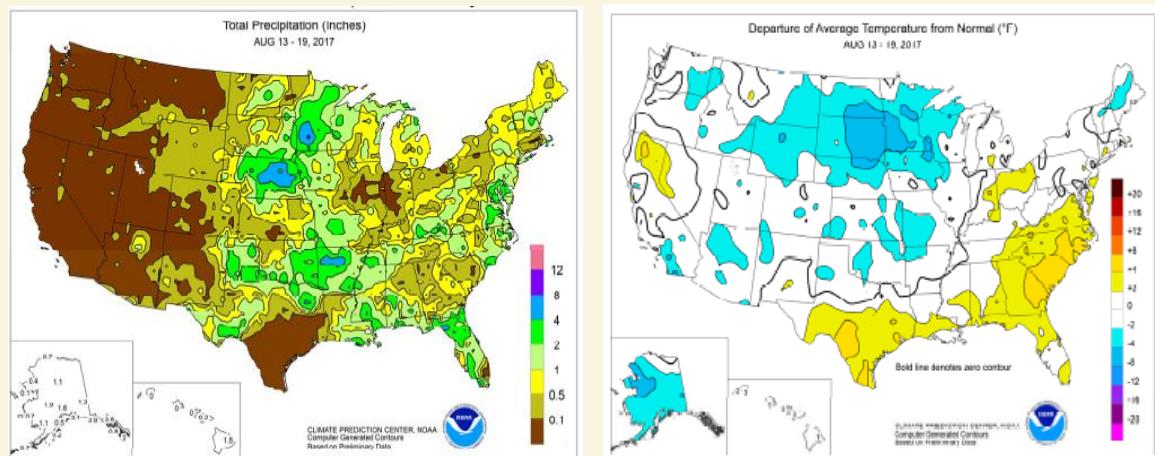
4. Plant Sterols

Plant sterols are naturally-occurring compounds in plant-based foods: vegetables, fruits, whole grains and legumes. Plant sterols have a structure similar to that of cholesterol, but reduce cardiovascular disease risk and mortality, thanks to their anti-inflammatory effects and ability to support optimal blood flow. In addition to lowering blood pressure, a diet rich in plant foods makes it easier to recover from workouts.

Rx: You may see fancy marketing of plant products with this added component, but there's no need to supplement. Go straight to the source. Add antioxidant-rich vegetables to meals as often as you can. Integrate garlic, ginger, onions and tomatoes into salads and ancient grain dishes. Dark chocolate (within limits) and berries are heart-healthy dessert options to pair with green tea.

NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation



RESTAURANT INDUSTRY NEWS

What Gen X Consumers Want from Restaurants

By: Fern Glazer, www.nrn.com , August 21, 2017

When it comes to courting customers, operators have paid a lot of attention to Millennials and Baby Boomers, while largely overlooking Generation X. With the industry posting six consecutive quarters of no traffic growth in the year ended June 2017, NPD officials advised that more attention should be paid to Gen X.

"I don't think [operators] realize how big Gen X is and how important they are. Their focus has been too narrow. They've overlooked an opportunity," said NPD analyst Bonnie Riggs. "Right now, in today's marketplace, you have to go after them."

According to the latest NPD research, Generation X, or consumers ages 36 to 52, represents 20 percent of the population, about 22 percent of restaurant dollars and 23 percent of restaurant traffic. Those numbers aren't far off from other consumer groups. Millennials, or consumers ages 21 to 35, represent 24 percent of the population, about 24 percent of restaurant dollars and 25 percent of restaurant traffic. And Baby Boomers, or consumers ages 53 to 71, represent 23 percent of the population, about 29 percent of restaurant dollars and 26 percent of restaurant traffic.

A lot of emphasis has been put on Boomers because they are considered to be financially well off. However, Gen X households with dual incomes have wealth equal to Boomers, Riggs said. "In today's marketplace, you have to build loyalty, and nobody is going after this group. No one seems to reward them or take care of them," she said.

To better target this important generation, operators need to better understand what matters most to them, so they can address those needs. NPD found that food quality, the ability to customize and variety are top Gen X needs. Gen X consumers respond to marketing messages that position meals as treats. In fact, treating themselves was the second most important reason Gen Xers said they visited restaurants. While surveyed Gen Xers rated fast casual and casual dining lowest on affordability, they are willing to pay more for quality, as long as they think it is a good value.

Although Gen Xers have money, they are busy, often with children. Because this generation has the highest percentage of children in the household, Riggs said operators must offer elements that address those needs, such as kid-friendly menus and seating arrangements.

FRESH

TOMATOES

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**MARK YOUR CALENDAR
PACK YOUR BAGS!**

October 19-21, 2017
 PMA Fresh Summit Convention & Expo
 Ernest N. Morial Convention Center
 New Orleans, LA
www.pma.com/events/freshsummit
 Join Team Lipman at Booth #219!

October 22-24, 2017
 Fast Casual Executive Summit 2017
 Omni Nashville Hotel
 Nashville, TN
www.fastcasualsummit.com

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