



On The Horizon

MARKET UPDATE

Weather Notes: At the time of publication, Hurricane Michael has just passed through FL and GA and is making its way through the Carolinas. Damage reports and information about Eastern tomatoes and vegetables is very limited at this time. One report has indicated that farms west of Tifton, GA received serious damage, while those East of Tifton fared a little better. More information is expected to come in over the weekend, including an update from the Carolinas. Today's crop update will focus on future Eastern sourcing and current availability in the West.

Tomatoes: With TN, NC and AL at or very near the tail end of the season and Quincy experiencing serious effects from Michael, the East will be looking to Palmetto/Ruskin for supply sooner rather than later. Light numbers of grape tomatoes have started and volume will build over the next few weeks. Round harvests will start up in 7-10 days with romas following toward the end of the month. However, normal, "market-satisfying" volumes aren't expected until early-mid November.

CA's San Joaquin Valley growers expect to harvest rounds and romas through the month of October. Quality is still nice but overall volumes will be declining as we move toward the end of the season. Eastern Mexico growers are crossing steady volumes of rounds and romas this week. As Baja growers gear up for production increases, Tropical Storm Sergio is making its way toward them and could impact the volume improvements projected for next week. Grape tomato availability could also be impacted by Sergio as Baja is the primary growing region at this time. Early Mainland crops are very light so far and could also be affected by rain.

Bell Peppers: SC and GA are really the only states with significant bell pepper production in the East. With both areas experiencing storm effects, Eastern bells could prove to be a significant challenge until South

Florida gets into volume in November. There's a little acreage in Plant City that should come on soon, but Fall acreage is down this year. Western markets are beginning the normal Fall transition from primarily a CA deal to the CA desert, and then eventually Mexico. Volume is declining in Stockton, Gilroy, etc and the CA desert will start in a light way next week. Mexico won't be in the game in a significant way for a month.

Cucumbers: Mexico's cucumber production is off to a slow start in both Baja and the Mainland but quality has been very nice thus far. Both areas expect a dip in production over the next several days due to the tropical storm but should have more on the way, pending no serious adverse weather effects. Eastern cucumber supply is a GA deal, so we won't know the situation until storm assessments are made. South Florida is on tap to start around November 1st.

Summer Squash: Again, GA is the center of the East's supply of squash and we don't have a report yet. Plant City, FL has started with a few and South Florida is on tap to begin in 7-10 days, so hopefully squash will recover from any shortages a bit sooner than other veg items. In the West, Santa Maria, CA is on the last hurrah and Mexico's new crops are being hindered by the tropical storm. Look for increases in 10-14 days if weather cooperates.

Eggplant: The combination of cooler weather and rain is likely to steer the current Carolina eggplant production to the end of the season and GA's crop is a wait and see deal. Florida's not projecting significant availability for a 3-4 weeks, so eggplant supply could become snug. Fortunately, the Western transition is taking place smoothly. Fresno is winding down, but the CA desert is up and running and Mexico will start in 10-14 days.

Hard Squash: Hard squash is available in several states in the East as well as in CA and from Mexico. Quality varies by farm in the East, but is very nice out West.

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TRANSPORTATION FACTS

*The national average diesel price took a significant leap this week, moving from \$3.31 to almost \$3.39 per gallon.

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

* All areas reported price hikes, with the most significant coming from the Gulf Coast region (up \$.09 per gallon).

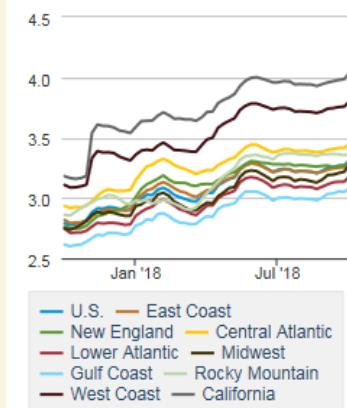
*California maintains its role as the high-price leader at \$4.11 per gallon. Despite the steep price increase, the Gulf Coast still has the best price on diesel at \$3.17.

*The WTI Crude Oil price dropped 1.9% this week, moving from \$76.41 to \$74.96 per barrel.

*Other than spotty, slight shortages in the Northwest, truck availability continues to be adequate throughout the country this week.

On-Highway Diesel Fuel Prices

(dollars per gallon)



Source: Energy Information Administration

KEEP YOUR EYE ON THE CONSUMER

Here's Who Eats Fast Food, According to the CDC

By: Jonathan Maze, www.restaurantbusinessonline.com, October 4, 2018

More than a third of U.S. adults eat what the Centers for Disease Control terms fast food on "any given day," according to a new study. But who eats fast food is more telling. Fast-food consumers are more likely to be younger and wealthier. They're more likely to be male and African-American, and they like lunch more than any other day part.

The study analyzed eating habits between 2013 and 2016. Researchers asked consumers whether they ate fast food over the previous 24-hour period. For the study, pizza is included in the fast-food definition.

Such studies can be flawed—consumers, for instance, may underreport their fast-food eating habits or they don't recall what they ate. Yet the results provide some interesting findings about who eats fast food, and when. And they confirm what Technomic and other sources have long said.

They have higher incomes

Arguably the most surprising finding in the study is that the higher the income, the more likely a person is to eat from a quick-service restaurant.

Only 31.7% of adults in households at 130% of the federal poverty level or less, which for a family of four would be \$31,590, reported eating fast food on any given day. But 36.4% of Americans making 130% to 350% of the federal poverty level (\$31,590 to \$85,050 for a family of four) eat fast food on any given day. And 42% of those making more than 350% of the federal poverty level eat fast food.

For all the surprise, however, consumers with higher incomes have more money they can use to eat out. And the restaurant industry has spent much of the past decades giving wealthy people reasons to dine at restaurants, with

concepts catering to people with higher incomes.

Older people eat out less

Age is another major factor in whether someone eats out a lot—arguably the single, biggest factor. Nearly 45% of Americans age 20 to 39 eat fast food on any given day. By the time they're 60 and over, however, that percentage plummets to 24.1%.

As consumers age, they retire and eat at home more often. And older consumers are more aware of health concerns associated with traditional fast-food chains. In addition, many of the upstart restaurant chains have been catering to younger consumers for a long time.

Who eats fast food?

A new study by the Centers for Disease Control and Prevention looks at who eats fast food how often. The study surveyed adults on whether they ate at a fast-food or pizza restaurant over a 24-hour period. The graphics show the percentage of adults who eat fast food "any given day."

Men eat more fast food

This is also no surprise, but men, and particularly younger men, are huge users of fast-food restaurants. According to the study, 38% of men eat fast food on any given day, compared with 35.4% of women. Young men are particularly big users, with 46.5% of men 20 to 39

eating fast food, compared to 43.3% of women the same age.

When broken down by race, African-Americans (42.4%) and whites (37.6%) ate fast food most often. By comparison, 30.6% of Asians use fast food on any given day, and 35.5% of Hispanics do. African-American women (43%) are more likely than African-American men (41.8%) to use fast food, according to the CDC.

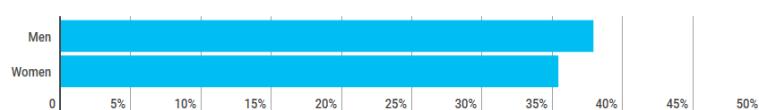
Lunch is still king

Consumers are more likely to eat fast food at lunch than they are any other daypart. But who eats differs considerably. According to the study, 43.7% of consumers ate fast food at lunch, compared with 42% at dinner, 22.6% snacks and 22.7% breakfast.

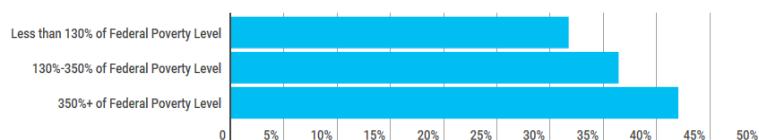
But that was largely because men like lunch: 48.3% of them said they ate fast-food lunch, compared with just 39.1% of women. That gap didn't exist at dinner, when 42.1% of men ate fast food and 41.9% of women did.

More than a quarter of women (25.7%) prefer fast-food snacks, compared to 19.5% of men. And they also like quick-service breakfast: 23.8% of women ate breakfast, compared with 21.5% of men.

Fast Food Consumption by Gender



Fast Food Consumption by Income



Sustainability Scoop

Waste Management at Lipman

By: Kevin Yue, Lipman's Environmental Compliance Engineer, October 5, 2018

Lipman's sustainability program has a simple tenet of "doing more with less". This applies to many areas of our operations. As we discussed in our last article, we focused on the health of our land resources. As with any production of a product, there will be parts of our process that needs to be disposed of appropriately. More than half of the waste in the United States is landfilled. Greenhouse gasses can be reduced by limiting waste produced or with more sustainable forms of disposal. Waste management is a key part of our sustainability program, and Lipman evaluates our operations to determine where and when more sustainable materials can be used, including packaging for our customers and the use of plastic to grow our crops.

Lipman evaluates each material used in our production to determine if we can divert the material from landfills to be able to recycle or reuse them. Be it used oil, unusable packages, empty pesticide containers, field packing bins, or paper (to name a few), our first step in the evaluation is if we can minimize the usage that generates the waste stream. This evaluation ties into our precision agriculture method, as we design our pesticide application program to use specific quantities in targeted areas, thereby reducing the amount of materials needed. The less material used, the less waste generated. In similar fashion, each of our other materials could be used elsewhere in production or, if not due to other concerns (like food safety), recycled to the extent practicable.

Lipman is committed to ensuring we optimize the amount of inputs needed to grow a quality product for our customers, but in order to do that, we also strive to minimize the waste streams generated by our production. We encourage all our employees to think of ways to minimize our carbon footprint, and empower them with the tools necessary to bring forth a more sustainable future for our company, our community, and our planet. Lipman welcomes your questions and comments on waste management as well as how we continue our operations sustainably.

a commitment to sustainability
THE RIGHT THING TO DO

PRODUCE BAROMETER

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



OCTOBER CALENDAR

October All Month

National Cookbook Month

National Tomato Month

Third Week

National Business Women's Week

October 16th

World Food Day

National Boss's Day

October 17th

National Pasta Day

Take Your Parents to Lunch Day

Quincy, FL Weather

Fri Oct 12	Sat Oct 13	Sun Oct 14	Mon Oct 15	Tue Oct 16
88°F 67°F	87°F 69°F	89°F 71°F	90°F 73°F	90°F 74°F

NNW 6 MPH N 6 MPH ENE 5 MPH E 4 MPH NE 8 MPH

Precip 40% Precip 10% Precip 40%

RESTAURANT INDUSTRY NEWS

The Payoffs and the Pitfalls of Keeping Gen Z Restaurant Staff

By: Peter Romero, www.restaurantbusinessonline.com, October 8, 2018

Keeping more of the young people who pass through restaurant jobs may be less of a moonshot than the industry suspects, with low-cost remedies such as mentoring programs proving a long-term brake on turnover, according to a major new study of the labor pool's most recent entrants. The report on Gen Z—persons ages 21 or younger—shows the restaurant industry is drawing a larger share of those job-pool newcomers than other industries, with 19% of Gen Z workers holding restaurant jobs last year, compared with 15% in 2000. Only retailing beat out foodservice as a job choice in 2017, and by only a percentage point.

The foodservice industry was a particularly popular choice as a first job, with 84% of Gen Z saying their initial paid position was in a restaurant. Despite a reputation of being slackers, the youngsters also tended to take a restaurant job at a younger age than the generation preceding them. The average age of a first-time restaurant hire was 16.5 years old among Gen Z, compared with a mean of 18.6 for millennials.

A key finding of the study was the high level of satisfaction that Gen Zers found in their restaurant jobs. Roughly two out of three (64%) gave their experience a thumbs-up, while only one in five (20%) said they found it a disappointment. Among the payoffs they relished: learning how to multitask, work in a team and please customers. "This is very important because although they might be working their very first job, they often have their sights set on long-term advancement and success and believe the restaurant industry can offer skills and training they need," observed the study, which was jointly conducted by the National Restaurant Association Educational Foundation and The Center for Generational Kinetics.

"Our new study shows that we have the opportunity to purposefully foster longer-term relationships with Gen Z," said Rob Gifford, EVP of the NRAEF. "We need to make sure every young person who works in our industry has an overall positive experience to encourage them to stay."

The report noted that Gen Zers working in restaurants often have a career map drawn inside their minds. They most often work as cashiers, servers, hosts or cooks but aspire to be bartenders and managers, or to move to the front of house if they're currently in the kitchen. They also expressed an interest in moving up either into restaurants with higher levels of service or, for reasons not explained in the report, to bakeries.

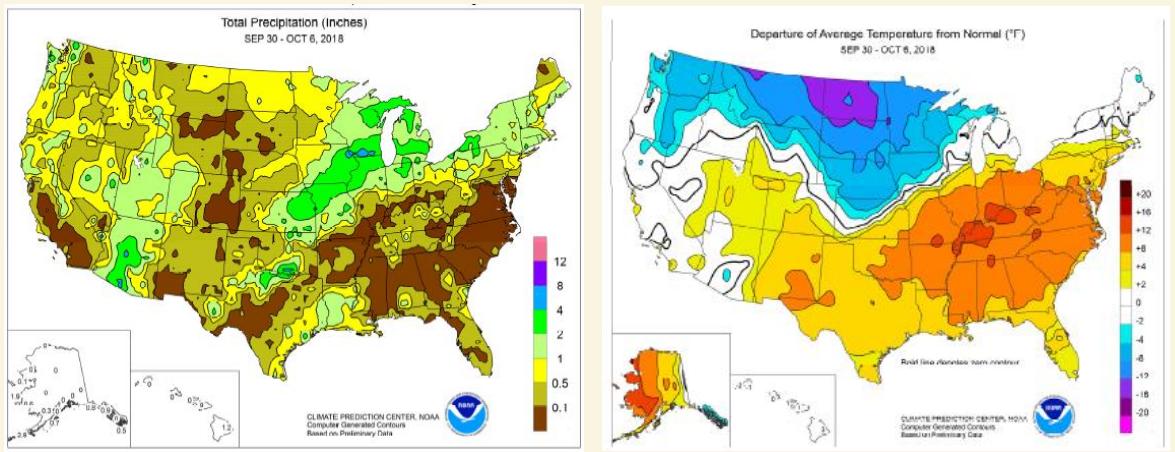
One-third (34%) of the more than 1,600 respondents said they aspire to someday own a restaurant. Yet fewer than half (47%) said the industry affords that type of opportunity. A key factor in showing workers otherwise, according to the study, is a mentorship program, in which older and more experienced restaurant employees coach their greener colleagues, either informally or in a structured way. Three out of five Gen Zers in positions of higher responsibility reported having a mentor. Yet overall, 47% have not found that person to guide and teach them.

Higher compensation would be the most effective way to keep members of Gen Z in their positions for at least six months, the study concluded. That finding jibes with increasing indications that restaurant pay, once a factor far down the list of reasons someone leaves a restaurant job, is becoming far more important. The study found that influence was particularly strong for Gen Z because of its concern about financial stability.

Although the study revealed that young people's perceptions of restaurant jobs may not be as grim as conventional wisdom holds, the authors noted that only 17 million of the 67 million people in that age group has plunged into the workforce. And they state that the number of people who will fall within the bracket will shrink by 1.3 million between now and 2028. That translates into roughly 250,000 fewer persons aged 21 or younger entering the restaurant labor pool in 10 years, the study concluded.

NATIONAL WEATHER SPOTLIGHT

Weekly Precipitation and Temperature Deviation



AN APPLE A DAY

Survey: Three-Quarters of Americans No Longer Eat 3 Meals a Day

By: Ben Renner, www.studyfinds.org, October 2, 2018

NEW YORK — Many people find themselves simply too swamped to take lunch breaks these days, but it seems they may prefer it that way. A new study finds that about three-quarters of Americans no longer eat the traditional three meals a day. Instead, the average person consumes two meals and noshes on snacks three times daily.

The survey of 2,000 adults, commissioned by frozen food company Farm Rich, revealed that unconventional work schedules and the desire for more food variety overall during the day are leading more Americans to opt for more "snack meals" to supplement their diets. Just 27 percent of respondents enjoy a true breakfast, lunch, and dinner every day, the survey showed.

Respondents indicated that impatience with extensive meal prep time and cooking, busy schedules, and health factors were the most common reasons why they didn't stick to the traditional meal schedule. In fact, 86 percent said they replaced at least one meal with a snack meal instead. Lunch was most likely among the three to be swapped for snacking.

"People are no longer feeling bound to the traditional three meals a day, which gives them more variety and time back to do the things they enjoy most, and for many, that doesn't involve a ton of time in the kitchen, especially on busy days," says Shannon Gilreath, Director of Marketing at Farm Rich, in a statement. "The growth of digital streaming and desire for quick foods that fuel us have led to an increase in snack consumption, especially at home."

Age may play a role in the shift. Millennials were most likely to agree with the notion that "three meals a day are a thing of past." The younger segment was found to replace meals for snacking at least six times a week, and tended to eat more snacks while on the go (on the bus, train, at work, etc.). One in five millennials admits they even snack while running common errands.

"Snacking gives flexibility to busy families and individuals with unconventional schedules," Gilreath said. "This shift towards enjoying an all-snack meal or snacks on the go, speaks to changing lifestyles, and the grocery freezer is a great resource for foods that offer the ease, long shelf life, variety and sustenance people sometimes need."

Millennials also view snacks as a way to boost energy, with 40 percent believing the smaller meals gives them needed fuel during the day. Interestingly, only 20 percent of baby boomers find snacking refuels them. Instead, the 55 and over group turn to snacks as a way to curb cravings.

The peak "snacking hours," according to the survey, were between 1 and 4 p.m. About a third of the respondents said they purchase frozen meals at least once a week, according to Gilreath, perhaps shedding light on the growth of frozen food sales over the past year. The survey was conducted by OnePoll between July 23 and August 3, 2018.

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

MARK YOUR CALENDAR
PACK YOUR BAGS!

October 19-20, 2018
PMA Fresh Summit Convention & Expo
Orange County Convention Center
Orlando, FL
www.pma.com/events/freshsummit
Come join #TeamLipman at Booth 1728!

January 15-17, 2019
FreshStart 2019
La Quinta Resort & Club
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