

Market Update

April 17, 2020

Well we made it through Easter and volume held better than expected. That speaks volumes for the effort each one of our retail partners is putting forth during these unprecedented times.

The last few weeks we've seen most growers transition from the desert growing district to Huron and finally to Salinas. Add to the challenges of transition the excessive rain that has hit California and we have had some tough times. Our suppliers did a great job of stepping up and we made it through without any major disappointments.

<u>Artichokes:</u> Not the huge volume Barry and I remember from the olden days, but still worthy of mention. We have had some opportunity with spot buys – ask your sales rep for details.

<u>Crowns & Cauli</u>: Deals on crowns to be had. Great item for ads and in store specials. Flower is promotable as well.

Asparagus: We have just ended the Mexican grass deal – and it was a good one! Next week we will receive our first arrivals of Washington product, reports are the product is excellent. Expect high prices, Washington growers are not shy when it comes to asparagus pricing.

<u>Celery:</u> No changes here, market stable and quality is good.

Cucumbers: Prices are back down to a promotable level. Quality is wonderful!

<u>Corn:</u> Imperial Valley corn is looking good – great for some spring BBQ's!

Leafies & Iceberg: We went through a difficult transition, quality was fair at best, and a bunch of rain and uncertainty of pandemic buying resulted in some tough sleddin'. We are out of the woods and in a good place to promote with confidence. Iceberg followed the same trend.

Packaged Salads: About a year ago Taylor Farms purchased Earthbound Farms, and operated the two as separate product lines. Production on Taylor Organics will wind down in Mid-May. They will transition in the Earthbound label in a refreshed version of their heritage label. To increase our organic salad variety Peirone Produce has added Organic Girl salads that will be available April 21.

Nasoya/Azumaya: We introduced this new vendor last August and it has been a good success story! Believe it or not, there has been a shortage of tofu raw product for the past few months. The good folks a Nasoya tell me that problem is behind us and I expect a complete order this week!

Onions: Veg promotable category, expect Vidalias in 10 days.

Potatoes: We are past the demand exceeds supply situation of Mid-March. Some shippers are starting to promote, ask your sales rep for opportunities.

Tomatoes: Market is on the rise, roma prices will increase for Cinco. TOV & beefs will start to come out of Canada as greenhouse volume increases.

Apples: Don't fall asleep on this category. Great value and quality are available. Look at featuring bag apples. Shoppers are more likely than

ever to purchase fruit in a bag as opposed to open stock product. We will be sending out a pre-book form on 8/5# Stemilt apples in display ready boxes next week.

Berries: As we mentioned earlier strawberries have been seen doing the backstroke down the Salinas River due to the incredible amount of rain. We did have a little gap and we're able to push strawberries for Easter, but we are back in a difficult situation for the shippers as rain has returned. Variety berry supply has increased and should be promotable.

Avocadoes: Cinco De Mayo is coming up soon. We expect to have fruit, but no break in prices. Avocado growers are a tight knit group and are doing a fine job keeping prices high.

<u>**Citrus:</u>** Grapefruit all back to California. Navels to eat great with good shelf appeal. Mandarins are starting to wind down, keep pushing as long as you can! Looks like the lemon market is showing signs of easing.</u>

<u>**Crystal Ball Projections:**</u> Cherries from California will start late April with early volume going export. Promotable volume is expected for your Memorial Day ads. May will also bring California tree fruit and desert melons. We are almost there!

"Unprecedented times"- how many times have you used or heard that phrase in the past few months? So true. But people still have to eat – that's what my grandpa told me about the grocery business when I started in 1972. (yes, there was parking for horse and carriages out front!) Grocery stores are as important today as they ever have been. I think its important to maintain as much normalcy in our lives as we can during this "shelter in place" order. Take your walks, garden, call your kids and parents. It will help us emerge stronger than before.

Giving your customer the same shopping experience is essential as well. Most customers will be in a hurry as they shop your store, get in and get out is the order of the day. Here's where timely buy spots will give your customers a look of what's perfect to buy today, while adding dollars to the till. Keep practicing good merchandising protocol and you will make the most of each day.

It's probably not often that grocery clerks get thanked in the same breath as medical workers and first responders. While the later currently have some of the toughest jobs now and always, you folks are on the front line every day doing what you need to do for yourselves and your community. "Thank you" just isn't enough.

And one more thought – it's considered highly fashionable today to be seen in gloves and a mask. You'll look great – protect yourselves & others.

Stay Healthy, Dale