



WEEKLY NEWSLETTER AND COMMODITY REPORT

NOVEMBER 2nd, 2009

CUSTOMER SPOTLIGHT



Cobalt is an exciting new restaurant located in Orange Beach, Alabama. Recently opened in the winter of 2008, Cobalt provides unique menu choices combined with classic regional favorites. Our renowned chefs use the freshest ingredients and their distinctive talents to bring memorable selections to our guests.

Located next to Caribe Resort, Cobalt's ambience is unequalled in the area. Picturesque windows provide every guest with a breath-taking view of the bay

and Perdido Pass. The restaurant has numerous boat slips to accommodate small boats or even medium-sized yachts, for those who wish to end their sunset trip on the water with a unique dining experience.

The entire family will be excited with the options at Cobalt, from the immense water wall to the virtual video aquarium and the live petting tank, providing everyone with an indelible experience. The restaurant has a raised bar area so that no one misses the view, as well as a private dining room for groups or business meetings.

Cobalt has set a new standard for dining in the Gulf Coast and would be honored to have your family and friends join us very soon.



Some Menu Highlights

SIDES

- \$4**  
Brown butter Green Beans  
Creamy Parmesan Risotto  
Oven roasted Fingerling Potatoes  
Poblano & White Cheddar Grits
- \$3**  
Sweet Corn & Black-Eyed Pea Succotash  
Asparagus  
Mac-n-cheese  
Vegetables
- \$2**  
Roasted Garlic & Parmesan Mashed Potatoes  
Fries  
Cole Slaw

**Lobster Rigatoni \$18**  
With applewood smoked bacon, asparagus, sweet onions, & bell peppers in a three cheese cream sauce.

**Smoked Pork Tamales \$8**  
Steamed in corn husks with fresh tomatoes, onions, & jalapenos served over an oven roasted tomatillo sauce.

**Seafood \$15**  
Layers of bay shrimp, scallops, sweet blue crab, bell peppers, onions & asparagus on a saffron crust with three cheese alfredo sauce & fresh grated Parmesan.



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### WEATHER REPORT

In California warm temperatures are once again forecast through the week following last week's cold and windy conditions. Unseasonably warm temperatures mid-70s to low 80s in Central California to low 90s in the desert regions look to be the norm this week. Overnight lows will remain above frost level through the week. An upper level low pressure system in the Northern Pacific brings a slight chance of rain to Northern California over the weekend.

In the Southeast high temperatures in the high 70s in the northern regions to mid 80s in Central Florida with a slight chance of showers in the southern most regions through the week look to be the norm.

### OVERALL CROP OUTLOOK

#### Things you should know:

- **Naval orange supplies are very limited with few small sizes being produced.**
- **Strawberries are also very limited and will be for the next month.**

The roller coaster weather pattern out west continues to impact production and quality of many crops. Cold temperatures and recent frosts, record precipitation followed by warm humid conditions and recent tremendous winds along with planting gaps due to water restrictions will continue to hamper production and quality during the transition period. Many shippers currently skip the transition region altogether choosing to remain in the Salinas Valley into late fall moving directly to the Desert growing regions around mid-November. A wide range of lettuce quality with small ribby heads and light carton weights look to continue for the near term. Yields as low as 50% are common in the fields currently, as mildew and disease impact leaf and lettuce acreage. These very low yields are causing a significant shortfall in production forcing processors to look for product to fill their orders. This in turn will impact available supplies over the next few weeks at a minimum. Light yields with lesser quality and shelf life look to continue through the transition until desert area growers hit their stride in late November.

Spinach, spring mix and baby leaf fields have also been impacted by mold and mildews following the rain and humid conditions last week. Supplies look to remain light with reduced shelf life for the near term at a minimum.

Broccoli and cauliflower supplies are in a similar predicament given the inclement weather pattern, reduced acreage and light yields.

Domestic strawberry production, hampered by rain and very strong winds will remain very light with Oxnard past its peak and northern production waning. A wide range of size and quality exists in the various growing regions.

All of these factors will push growers to look to desert stands ahead of schedule to meet demand. Bottom line is tight supplies with lesser quality and reduced shelf life will be the norm during the transition over the next few weeks.

As crops begin the transition shortages of varying degrees are typical minus this season's weather and water problems. This year looks to be especially challenging given the aforementioned problems. Mix items will continue to be generated from Salinas and Santa Maria with Oxnard and other areas contributing light volume as well. Lettuce, mix and cole crops will begin the transition to desert locals around mid-November. The various loading locations also create a challenge for timely pickup and delivery during the transition period. I will continue to travel to the various upcoming growing regions and we will continue to watch these weather events and keep you up to date as we gather more information.



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### ITEMS TO WATCH -- MARKETS VOLATILE, PRICES UP

Asparagus      Broccoli      Carrots      Cauliflower      Leaf Lettuce      Iceberg Lettuce      Oranges      Tomatoes

### ITEMS TO WATCH -- MARKETS GOING DOWN/STEADY

Apples      Avocado      Bell Peppers      Blackberries      Blueberries      Cantaloupes      Celery  
 Cucumbers      Grapes      Green Onions      Honeydew      Kiwi      Lemons      Onions      Pears  
 Potatoes      Raspberries      Squash      Stonefruit      Strawberries      Watermelons

#### APPLES/PEARS

Pre-sized bins on all apples out of Washington State continue to yield large fruit again this week! Most all varieties are packing out 72-88's and larger with very few cases per bin in the small sizes. This will be a season long issue and could generate shortages on small sized fruit for the duration of the Washington State apple crop. Overall crop shortages (upwards of 5 million cartons over the season)\* will also contribute to the low levels of small fruit available. California is still packing mainly Pink Lady Apples with a few light supplies of Granny Smith also available. There are other areas in the Northeast (including the Carolina's, Virginia, Michigan and New York) going on red 'typed' apples, and demand for those is very good as well, especially with the limited supply of small sizes. Anjou Pears are going with better supplies in Washington this week and Bartlett pears are still going strong. There are also now varietal pears including Bosc, Seckel, Concorde, Comice and Red Pears. Special varietals including the famed Honeycrisp apples are in good supply and now is the time to get them!

#### ASPARAGUS

This market is getting stronger on Mexican Asparagus. Peruvian product continues to be loaded out of Miami or Los Angeles at a sharper price compared to Mexican product. Good production numbers continue to be had on jumbo sizing out of Peru.

#### AVOCADO

Mexico and Chile is going with good steady supplies. We are seeing higher maturity levels from both countries.

- **Mexican Fruit:** Supplies are good, but still peaking on 48's and 60's. Larger sizes are starting to pick up slowly.
- **California Fruit:** Next years crop looks much larger than this year's, and should be ready to begin late December /early January.
- **Chilean Fruit:** Chilean fruit supplies are steady with sizes peaking on 50's and 60's.

#### BELL PEPPERS

**Eastern Bells:** Market remains strong with larger sizes mostly available. Both Florida and Georgia working product, with limited supplies driving market higher. Quality is good.

#### BERRIES

- **Strawberries:** The supply situation on Strawberries will be limited now thru the month of November. The Salinas/ Watsonville growing area is on its last legs. The next major storm that comes through from the North will put this area to bed for the season. Quality is fair to good. The Oxnard fall crop growing area is only 10% of the volume compared to the Northern growing areas which will not be able to handle the demand. The next area to come into production will be Mexico which has started in a small way but will not be in full production till the middle of November. Florida strawberry production will not start up till the first part of December. Once Florida gets started we should slowly see supplies start to meet the demand. Look for the market to be high with limited supplies thru November. All shippers will be in a fill rate situation due to the limited supplies.
- **Raspberries:** Raspberry production remains consistent and quality remains good. Raspberries are being harvested in California and Mexico at this time. Quality is good.



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- **Blackberries:** Blackberries supplies are increasing out of Mexico. Quality is also starting to improve as each week moves on. Market is steady
- **Blueberries:** The supplies are still very limited the start of this week with a slightly weaker market. Supplies will slowly start to build as this week moves on. The main pack size will be 6oz and will move into the bigger packs as production increases. Market very firm

### BROCCOLI

Supplies continue to be light on both bunched broccoli and crowns. This market will be active throughout the week. Santa Maria has tightened up its availability as well as the Salinas Valley. Issues on this commodity include yellowing, knuckling, and pale green appearance. Processors are purchasing as much product as can be had and this will cause shortages in availability for carton business. Yuma will not begin production until approximately the second week in November.

### CARROTS

California carrots coming out of Bakersfield are sizing slower due to cooler weather. Jumbo market is firm.

### CAULIFLOWER

Supplies will be light throughout the week. Demand exceeds supply. Expect the availability on this commodity to be sporadic over the next few weeks as the transition to Yuma begins approximately the second to third week of November. Pricing will be active. Some reports of brown spotting have already begun to be seen upon arrivals.

### CELERY

This market is stable. Santa Maria continues to comparative to Salinas pricing. The Oxnard region has also begun production. Suppliers are closing the gap on the sizing available as most sizes are close to each other in production numbers. The quality continues to be strong with no major issues to report.

### CITRUS

- **Lemons:** Supplies of 95's are limited. Availability continues to be good on 115's and smaller.
- **Limes:** Supplies are good. Sizing on pack outs are good on all sizes. Demand is good. Quality remains good.
- **Oranges:** Shippers have begun packing Navel's, but supplies remain very limited. Pack outs are heavier to the larger sizes. Demand is exceeding supplies of 88's and smaller. More shippers will come on line this week, but start up will be very slow. Fruit will remain tight for the next 2 weeks. Small fruit looks to be tight for the season as this years crop is heavy to big fruit.

### CUCUMBERS

**Eastern Cucumbers:** Market is lower, with increased volume beginning in Florida. Quality is ranging from good to fair, depending on the area. Georgia still has some supplies, but the quality has not been as good due to the rain they have had for the past week.

### GRAPES

Green Seedless grape supplies are very low and becoming scarce especially for quality domestic fruit. There are 16# Thompson, very few 16# Autumn King Green seedless for domestic green seedless, but Thompsons seem to be suffering on the quality front. There are also now 18# Brazilian Festivals (only located on the East Coast)\* available, but supplies are sporadic and they depend on container arrivals to replenish needed supplies. Supplies on green seedless look to remain very low and there continues to be only light supplies available compared to the demand. Looking forward, both Brazil and Chile have received cold weather and rainfall which will have a significant affect on upcoming supplies, in the transition period from domestic to imported fruit. Chile also looks to be pushed back about 1-2 weeks due to the early season cold weather. Domestic California Red Seedless grapes look to remain steady again this week with Crimson being the predominant red variety available now and until the end of the domestic season. Demand remains strong for red seedless and the market should remain steady this week. Market levels for green seedless will continue to rise this week with only limited supplies available.



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### **GREEN ONIONS**

This market continues to be stable. Supplies are moderate to good on Mexican grown product. Pencil sizes are still the largest volume available. The quality continues to be good with no significant problems to report. Processors have had minimal problems with the raw product available.

### **KIWI**

California Kiwi supplies are still very good and there is also Italian Kiwi available on the East Coast. The market will remain steady with strong demand, and quality is very good.

### **LEAF LETTUCE**

The next two weeks will see various issues on leaf items. Romaine will see characteristics such as brown spotting, browning up the rib, brown butts, fringe burn and internal burn. The weather fluctuations have been so extreme that the plants are fighting Mother Nature. The plants are tired. Green leaf and red leaf has not had as many defects as romaine, but availability is lighter than the previous week. Production in Yuma has been set back slightly. Expected harvest is approximately the third week in November. This market will be active over the next two weeks. Romaine hearts continue to be light in availability. The quality is marginal at best. Fringe burn is still being seen upon arrivals. The hearts are twisted in growth with some suppliers. Due to weather conditions, some growers are reporting that translucent water spots are seen on all leaf items. Expect all leaf items to continue have issues on quality for the next few weeks with production from Salinas.

### **LETTUCE**

This market is active. Supplies are definitely lighter out of Salinas and Huron. Lightweights continue to be the main issue with lettuce. Salinas's production also has the problem of internal burn, mildew and browning. Huron product is reported as being cleaner but weight still range from 35- 38 pounds on the average. This will continue likely throughout the week. Yuma will begin production for some suppliers the second to third week of November. Production has been set back by a week. Early signs of decay and light weights are characteristics of Salinas' lettuce, so please be aware.

### **MELONS**

- **Cantaloupes:** Arizona continues on a rollercoaster ride of supplies and sizing with the emphasis now on the smaller sized fruit in the best supply. Central Arizona is already past their production peak and will continue to wind down over the next few weeks. Warmer weather has prevailed the last few days and sizing is smaller. The peak sizing is now in the 12/15ct and will be that way at least through this week. There are a few Mexico Cantaloupes crossing through the Nogales, AZ point of entry, but supplies there are somewhat limited. Quality on product of Mexico is only fair at best for now. There is even the first early Guatemala supplies available in Florida as of tomorrow, but volume is only limited. The market should remain steady this week with all of the areas that fruit is available in. Demand is only fair and this week the markets should stay fairly level. Fruit quality remains decent with moderate sugar levels.
- **Honeydews:** Honeydews are in very good supply with both Arizona and Mexico production increasing and volume heavy to 4/5/6ct. Demand is only fair which will keep the market at lower levels.

### **ONIONS**

Idaho/Oregon continues with very good availability this week on red, yellow and whites. The shippers have finished harvest and yields are down from last year shippers are still anticipating the market rising but we have not seen that as of yet. Quality is good. Washington supplies are very good with good quality as well. There are good supplies available out of Colorado and Utah.

### **POTATOES**

Both Norkotahs and Burbanks are available and depending on the shipper they may only have one varietal available. Retail demand should increase with the Thanksgiving pull starting soon and this will help with carton availability. Washington new crop Norkotahs are going strong with good quality and availability. Colorado is going strong with new crop supplies as well. Southern Washington has finished up for the most part. Mount Vernon, Washington with good availability; product quality is excellent. North Dakota and Wisconsin have good supplies of red, yellow and white potatoes.



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### **SQUASH**

**Eastern Squash:** Volume beginning to increase in Southern Florida, with good quality. Market has weakened with both Florida and Georgia working product, and supply exceeding demand.

### **STONE FRUIT**

All domestic stone fruit is finished for the season. Chile looks to start bringing in air shots of fruit starting the 10<sup>th</sup> of November. There are still excellent supplies of fall fruit items available such as Persimmons, Pomegranates and Quince.

### **TOMATOES**

**Eastern:** Florida growers are harvesting in Quincy in a light way. Irregular weather patterns have slowed production. Volume on Roma, Cherry, and Grape increasing as more Florida production comes on line. Palmetto-Ruskin area is starting slowly. Some higher temps in the lower growing areas may slow the fruit from setting and we are seeing few larger sized fruit. 4x5 & 4x4 will be tight.

### **WATERMELONS**

Watermelons are available from Mexico coming up through both Nogales, AZ and Texas shipping points. Supplies are good now on both Seeded and Seedless, but heavier to the seedless as we start November. Markets look to remain steady again this week.

### **VALUE ADDED**

Processors are going to attempt to purchase as much broccoli, cauliflower, lettuce and romaine over these next upcoming weeks due to low availability of raw material. Complaints continue to be reported on the chopped romaine not having as long a shelf life as in past months. As mentioned earlier in the leaf portion, the plants are tired. The cauliflower and broccoli raw product will get even tighter as we wind the season down. Brown spotting on cauliflower florets and yellowing and pale color on broccoli florets will be common issues talked about with these products. Processors will move to Yuma in late November. Lettuce processed items will have a shorter shelf life so keep the numbers close over the next few weeks.