

Subject: Mexico Freeze Urgent

I wanted to do my best to give you a picture of what occurred this past weekend in relation to the freeze in Mexico and what we are doing about it this morning to keep you informed. We are doing everything we can to get the true facts as to what was affected to what degree by talking to each of our growers in Mexico and Florida this morning. We are also working on getting our QA department down to the growing areas to personally view the damage.

With all of that said our preliminary intelligence is indicating this is a historic freeze that will affect price and availability in an unprecedented level. With the exception of a citrus freeze 3 years ago we have never gone complete **“Act Of God”** on a crop (meaning all contract pricing is off the board and all orders will be pro-rated back significantly). This looks to be the case on any commitments we presently have on bell peppers, chilies, roma and vine ripe tomatoes, squash, cucumbers, eggplant, and green beans. To further feed this situation our Florida growers experienced a serious freeze a few weeks ago and have been purchasing product out of Mexico to cover our orders until their Florida crops recover. At this point we do not see that as an option so this set of circumstances will have equal affect on our Florida growers.

I know that the words like historic and unprecedented often get over used but they truly seem to fit this event. Again, we will be putting out further communication by the hour as we get the facts. We will be contacting all customers that we have commitments to on these products letting them know we are in an Act of God mode. At this point our biggest concern needs to be getting orders covered, price is not the issue.

More to come ASAP

Rich Dachman

VP Produce, Sysco



AND . . . from **DOLE FRESH VEGETABLES** . . .

Notes:

- Supplies remain extremely tight for iceberg lettuce. We experienced severe lettuce ice last week, which caused major harvesting delays. Field yields continue to drop due to adverse weather, ice damage, and disease issues. Weights are very light.
- Romaine supplies are down considerably. While our crews are able to mitigate most issues in the field, we are still experiencing quality problems including blister and peel, fringe burn, and freeze damage. Seeder core and twist issues are being experienced as well. Last week we saw a major field drop due to the severe ice over the past month. Field yields are expected to be light for the remainder of the season.
- Celery growth cracking problems are behind, but we will see more pith in coming days. Crews are leaving quality problems in the field. Supplies for large sizes will remain light.
- Cauliflower quality is good but supplies have dropped off.
- Broccoli is tightening up as well. The presence of 'cat eye' and water spots is evident in the field but our crews are leaving behind the problems in the field.
- Artichoke supplies will continue to increase. The recent ice will result in more "frost-kissed chokes." The frost marks on the leaves will disappear when the chokes are boiled or grilled.
- Asparagus volume tonnage/numbers have dropped off significantly.
- Brussels Sprouts remain tight due to icy conditions.

Dole Fresh Vegetables

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