

Four times a year, USDA's Refrigerated Transport Quarterly (RTQ) provides a view of refrigerated truckload movements, in terms of volume and rates, to gauge the component of truck transportation that serves fresh fruit and vegetable markets. The RTQ highlights the major produce shipping regions, including Arizona, California, Florida, the Pacific Northwest, Texas, and Mexico. The RTQ also features a rotating regional focus and a review of relevant issues that impact fresh fruit and vegetable truck transportation.

Total Refrigerated Truckloads -- 2Q 2003

Refrigerated Truckloads Continue Trends of Declining Volumes and Rising Rates. USDA marketing reports indicate the top refrigerated fruit and vegetable shipments from major production regions in the United States decreased in the second quarter (2Q) of 2003, compared with last year at this time. Of the seven fresh fruit and vegetable commodity regions tracked by this report, measured in terms of volume by weight, 4.1 million tons of fresh fruit and vegetables were shipped in 2Q 2003, compared with 4.8 million tons shipped in 2Q 2002. The decrease in select refrigerated truck shipping volumes represents a 17-percent reduction from the previous year.

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Regionally, truckloads (TL) of Arizona watermelons and southern California strawberries grew by nearly 50 percent. Grape Tls from Mexico and southern California also rose. Tls of Arizona head lettuce and southern California strawberries declined. In the southern regions, watermelons from Arizona,

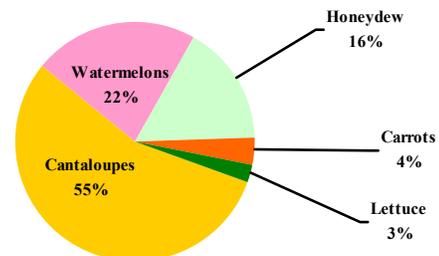
Florida, Mexico, and Texas captured a significant portion of the perishable transportation markets, due mostly to the dimension and weight characteristics of this popular melon. Citrus commodities in the South registered declines, with Florida oranges, Texas grapefruit, and Mexican limes all reporting lower volumes than the previous year. Meanwhile, refrigerated truck rates continue to indicate a trend of higher rates, reporting both quarter-to-quarter and year-to-year increases.

Regional Refrigerated Truckloads -- 2Q 2003

Arizona Tls

Arizona melons dominate the refrigerated TL movements in this region in 2Q 2003 with cantaloupes capturing the largest share at 55 percent in this regional market (see figure 1).

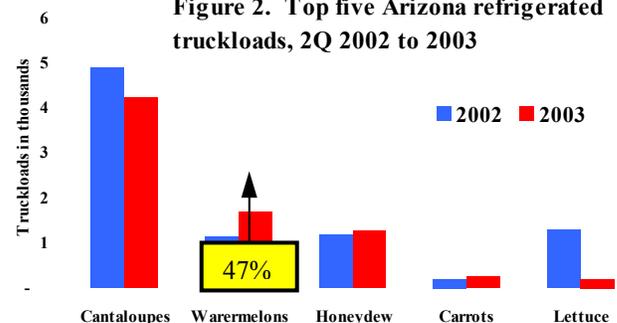
Figure 1. Percentage share of refrigerated truckloads, Arizona, 2Q 2003



Source: USDA Agricultural Marketing Service

Arizona watermelon shipments grew in 2Q from 1,148 Tls in 2002 to 1,690 Tls in 2003, a 47-percent gain (see figure 2).

Figure 2. Top five Arizona refrigerated truckloads, 2Q 2002 to 2003



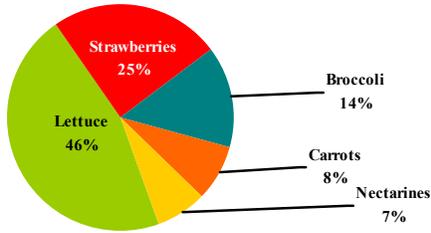
Source: USDA Agricultural Marketing Service

Regional Refrigerated Truckloads -- 2Q 2003

California TLs

Central California lettuce remains the top produce TL commodity from this region in 2Q 2003 with a 46-percent share of the market (see figure 3).

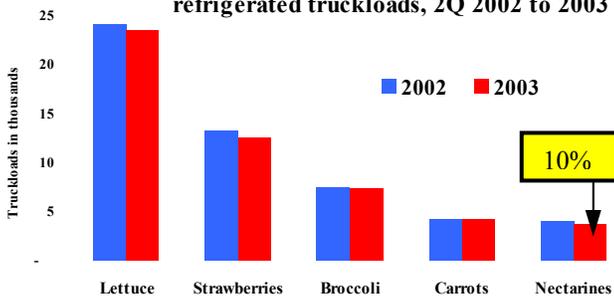
Figure 3. Percentage share of refrigerated truckloads, central California, 2Q 2003



Source: USDA Agricultural Marketing Service

Central California nectarine shipments in 2Q decreased from 4,110 TLs in 2002 to 3,700 TLs in 2003, a 10-percent decline (see figure 4).

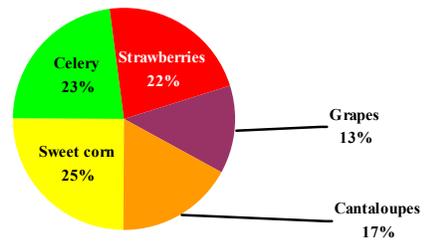
Figure 4. Top five central California refrigerated truckloads, 2Q 2002 to 2003



Source: USDA Agricultural Marketing Service

The **southern California** refrigerated TL mix reported a double-digit percentage share for each of the top five commodities in this TL market. Sweet corn remains the top refrigerated TL commodity from this region in 2Q 2003 with a 25-percent share of the market. Celery and strawberries also captured near-equal shares of this market in 2Q 2003 (see figure 5).

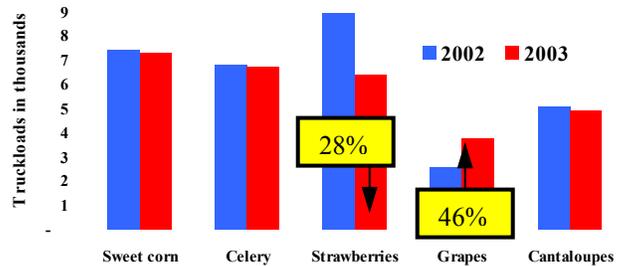
Figure 5. Percentage share of refrigerated truckloads, southern California, 2Q 2003



Source: USDA Agricultural Marketing Service

Of the top five **southern California** refrigerated TL commodities tracked by USDA, grape shipments reported an increase in this region from 2,567 TLs in 2Q 2002 to 3,754 TLs in 2003, a 46-percent increase. Strawberry shipping volumes declined from 8,957 TLs to 6,433 TLs in 2Q 2003, a 28-percent decrease (see figure 6).

Figure 6. Top five southern California refrigerated truckloads, 2Q 2002 to 2003



Source: USDA Agricultural Marketing Service

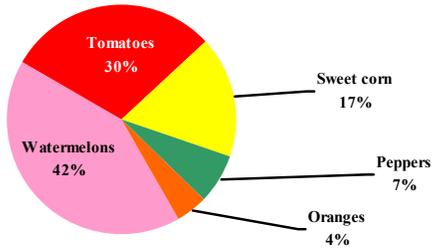
RTQ is produced by USDA's Agricultural Marketing Service, Transportation and Marketing Programs, Transportation Services Branch, 1400 Independence Avenue, SW, Room 1203-S, Washington, DC 20250-0266. For questions or comments or to offer feedback, contact Jim Del Ciello at (202) 720-1378 or by e-mail at james.delciello@usda.gov

Regional Refrigerated Truckloads -- 2Q 2003

Florida TLs

The top refrigerated produce commodity from **Florida** in 2Q 2003 is watermelons with a 42-percent share of this regional refrigerated TL market (see figure 7).

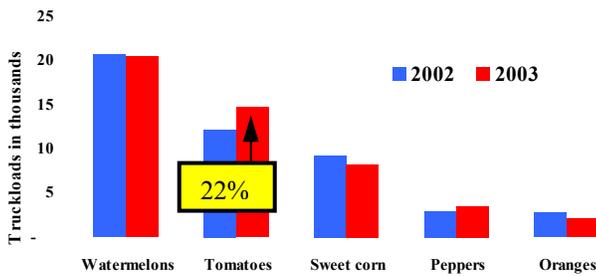
Figure 7. Percentage share of refrigerated truckloads, Florida 2Q 2003



Source: USDA Agricultural Marketing Service

Florida's tomatoes reported the largest gain, up to 14,732 refrigerated TLs in 2Q 2003, a 22-percent increase (see figure 8).

Figure 8. Top five Florida refrigerated truckloads, 2Q 2002 to 2003

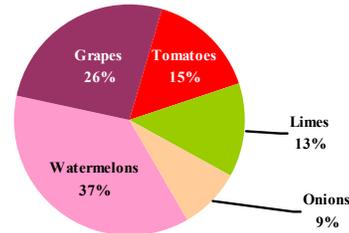


Source: USDA Agricultural Marketing Service

Mexico TLs

Mexican watermelons retain the largest share of refrigerated TL commodity shipments moving from Mexico in 2Q 2003 at 37 percent (see figure 9).

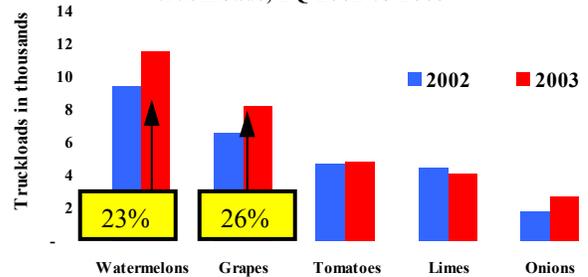
Figure 9. Percentage share of refrigerated truckloads, Mexico, 2Q 2003



Source: USDA Agricultural Marketing Service

Mexican watermelon TLs reported a 23-percent gain in 2Q 2003 from 9,469 TLs in 2002 to 11,608 TLs in 2003. In addition, grape TLs grew by 26 percent (see figure 10).

Figure 10. Top five Mexican refrigerated truckloads, 2Q 2002 to 2003



Source: USDA Agricultural Marketing Service

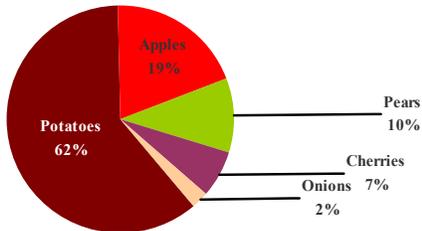
Refer to the appendix to this report for a complete list of the select regional TL commodities tracked by USDA with TL calculations and truck shipment listings for 2Q 2002 and 2003.

Regional Refrigerated Truckloads -- 2Q 2003

Pacific Northwest TLs

Pacific Northwest (PNW) potatoes rank first with a 62-percent share of the refrigerated TL market (see figure 11).

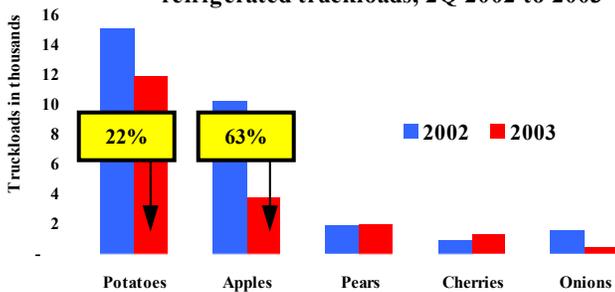
Figure 11. Percentage share of refrigerated truckloads, Pacific Northwest, 2Q 2003



Source: USDA Agricultural Marketing Service

Potato truck shipments from the **PNW** declined in 2Q by 3,247 TLs from 15,129 TLs in 2Q 2002 to 11,882 TLs in 2Q 2003, a 22-percent decrease. Apple shipments in 2Q 2003 also declined and by a larger percentage. Specifically, apple volumes in 2Q 2002 were 10,268 TLs, compared with 3,798 TLs in 2003 (see figure 12).

Figure 12. Top five Pacific Northwest refrigerated truckloads, 2Q 2002 to 2003

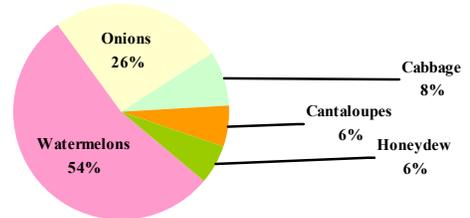


Source: USDA Agricultural Marketing Service

Texas TLs

The top refrigerated produce commodity from **Texas** in 2Q 2003 is watermelons with a 54-percent share of the regional refrigerated TL market (see figure 13).

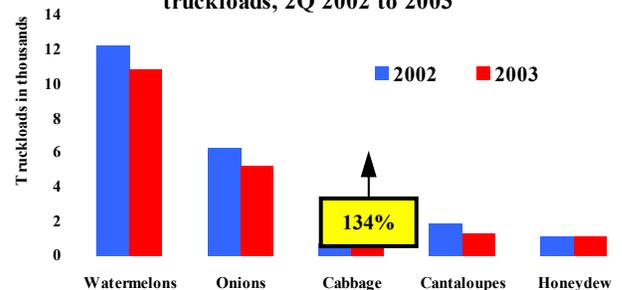
Figure 13. Percentage share of refrigerated truckloads, Texas, 2Q 2003



Source: USDA Agricultural Marketing Service

While **Texas'** cabbage TL volumes dropped during 1Q 2003 (see www.ams.usda.gov/tmd2/rtq), the leafy vegetable rebounded in 2Q 2003 from 716 TLs in 2Q 2002 to 1,678 TLs in 2Q 2003, a 134-percent rise (see figure 14).

Figure 14. Top five Texas refrigerated truckloads, 2Q 2002 to 2003



Source: USDA Agricultural Marketing Service

Refrigerated Truckload Rates -- 2Q 2003

Year-to-Year Quarterly Rates Continue an Upward Trend. Similar to 1Q 2003, yearly refrigerated produce transportation rates tracked by USDA increased during 2Q 2003, compared with last year. Sixteen out of nineteen origin/destination (O/D) commodity pairs in this index reported rate increases for fresh produce commodities from 2002 to 2003 (see table 1).

Quarter-to-Quarter Rates Increased. Rates from 1Q 2003 to 2Q 2003 also increased as 13 out of 19 O/D pairs rose (see table 1).

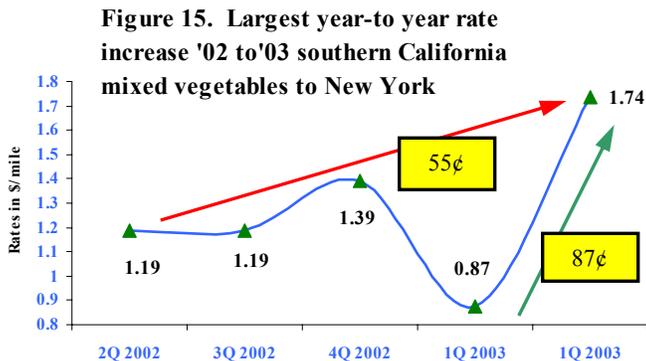
Table 1. Fruit & vegetable truck rate index

	Origin	Destination	(\$ Rates 2002			2003		Miles	(\$ Rates per mile 2002			2003		1Q to 2Q	2Q '02 to '03
			2Q	3Q	4Q	1Q	2Q		2Q	3Q	4Q	1Q	2Q		
Citrus fruit	Southern California	Atlanta	3,149	3,585	2,836	2,846	3,275	2,156	1.46	1.66	1.32	1.32	1.52	▲	▲
		New York	3,765	4,520	3,745	3,615	4,312	2,776	1.36	1.63	1.35	1.30	1.55	▲	▲
	Texas	New York	2,619	2,550	2,325	2,492	2,492	2,092	1.25	1.22	1.11	1.19	1.19	—	▼
Mixed vegetables	Arizona	New York	3,792	4,650	3,729	2,419	4,178	2,543	1.49	1.83	1.47	0.95	1.64	▲	▲
	Central California	Atlanta	3,477	3,662	2,925	3,631	3,638	2,328	1.49	1.57	1.26	1.56	1.56	—	▲
		Chicago	3,082	3,204	2,450	3,100	3,142	2,148	1.43	1.49	1.14	1.44	1.46	▲	▲
		New York	3,285	4,385	3,483	2,650	4,712	2,944	1.12	1.49	1.18	0.90	1.60	▲	▲
	Florida	Chicago	1,711	1,711	1,388	1,712	1,844	1,380	1.24	1.24	1.01	1.24	1.34	▲	▲
		New York	2,244	2,244	1,820	1,887	2,177	1,293	1.74	1.74	1.41	1.46	1.68	▲	▼
	Southern California	Atlanta	2,575	2,575	2,988	3,900	3,700	2,156	1.19	1.19	1.39	1.81	1.72	▼	▲
		New York	3,300	3,300	3,863	2,423	4,825	2,776	1.19	1.19	1.39	0.87	1.74	▲	▲
	Texas	New York	2,647	2,647	2,325	3,688	2,939	2,006	1.32	1.32	1.16	1.84	1.47	▼	▲
Potatoes	Pacific Northwest	Atlanta	2,293	2,350	2,378	2,380	2,595	2,033	1.13	1.16	1.17	1.17	1.28	▲	▲
		New York	2,981	3,144	3,142	1,853	3,322	2,344	1.27	1.34	1.34	0.79	1.42	▲	▲
Tree fruit	Central California	Atlanta	3,560	3,823	3,004	2,442	3,608	2,328	1.53	1.64	1.29	1.05	1.55	▲	▲
		Chicago	3,170	3,245	2,475	2,862	3,131	2,148	1.48	1.51	1.15	1.33	1.46	▲	▼
		New York	4,505	4,570	3,783	2,415	4,681	2,944	1.53	1.55	1.29	0.82	1.59	▲	▲
	Pacific Northwest	Atlanta	3,154	3,316	3,527	3,700	3,432	2,535	1.24	1.31	1.39	1.46	1.35	▼	▲
		New York	3,767	3,850	3,972	4,038	3,975	2,849	1.32	1.35	1.39	1.42	1.40	▼	▲

Source: USDA, Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Branch. Access the individual weekly reports online at www.ams.usda.gov/mnreports/wa_fv190.txt. For additional details see **Explanatory Notes**.

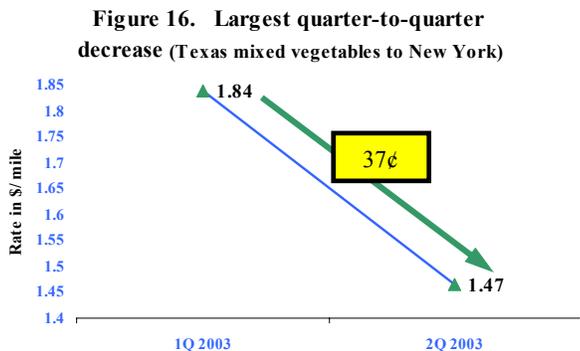
Regional Refrigerated TL Rates – 2Q 2003

Mixed Vegetables Show the Most Rate Variation in 2Q 2003. Rates in **southern California** for mixed vegetables moving to New York not only reported the largest year-to-year rate-per-mile increase, but also reported the largest quarter-to-quarter rate-per-mile increase. A yearly difference of 55 cents was reported between 2Q 2002 and 2003. In addition, a quarterly rate difference of 87 cents was reported between 1Q and 2Q 2003 (see figure 15).



Source: USDA Agricultural Marketing Service

The largest quarter-to-quarter rate-per-mile decrease was reported for mixed vegetables moving from **Texas** to New York with a 37-cent reduction from \$1.84 in 1Q 2003 to \$1.47 in 2Q 2003 (see figure 16).



Source: USDA Agricultural Marketing Service

Regional Refrigerated Focus – 2Q 2003

Florida Produce

The historical strength of Florida produce during 2Q is featured here in 2Q 2003. While Florida's refrigerated agricultural movements typically transit shorter hauls of under 2000 miles, the amount of fresh produce remains a significant component of the national agricultural marketing enterprise. Fresh Florida agricultural goods move from various production centers throughout the state and generally satisfy produce markets primarily along the Eastern Seaboard, and throughout the hinterland to distribution points in Chicago, IL and Dallas TX. These refrigerated supply-chain cargoes access U.S. Interstate highways 75 and 95 for north/south transit, U.S. Interstate highway 4 for intrastate movements, and U.S. Interstate highway 10 for extended east/west commerce.

Florida Produce Grew from 2002 to 2003. Refrigerated agricultural shipments from Florida grew by 196,850 trucking tons or 5.67 percent between the 2001 and 2002 shipping seasons (see table 2).

Year	2000	2001	2002
Total Refrigerated Trucking Tons	3,682,050	3,470,500	3,667,350

2Q 2003 Shipping Volumes

Florida refrigerated TL movements in 2Q 2003, remained stable compared with the same time last year. Specifically, 54,329 refrigerated TL were reported in 2002, compared to 54,318 TLs in 2003 (see table 3).

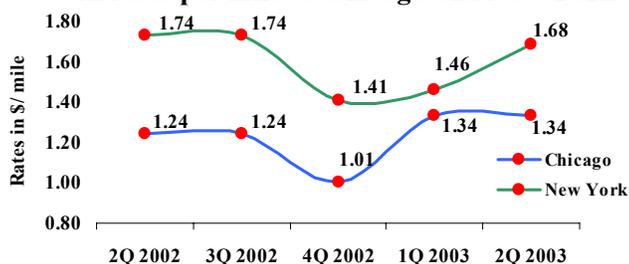
Refrigerated Regional Focus -- 2Q 2003

Rank	Commodity	Truckloads
1	Watermelons	20,458
2	Tomatoes	14,732
3	Sweet corn	8,282
4	Peppers	3,430
5	Oranges	2,111
6	Cucumbers	1,709
7	Grapefruit	1,411
8	Tangerines	766
9	Cabbage	725
10	Beans	694
Total		54,318

Recent Pricing and Shipping Rates

Florida rates to New York and Chicago exhibited traditional refrigerated freight rates during 2Q 2003. Chicago rates per mile rose slightly from year to year, by 10 cents from \$1.24 in 2Q 2002 to \$1.34 in 2Q 2003. New York rates were higher compared with Chicago, even though refrigerated hauls generally must travel 87 miles longer to move fresh produce from Florida to Chicago. Florida refrigerated truck rates to New York also declined slightly from year to year by 6 cents from \$1.74 in 2Q 2002 to \$1.68 in 2Q 2003 (see table 1 and figure 17).

Figure 17. Refrigerated Florida vegetables in rates per mile to Chicago and New York



Source: USDA Agricultural Marketing Service

Florida Receives a Federal Grant for Highway Improvements. During 2Q 2003, the U.S. Department of Transportation (DOT), Federal Highway Administration (FHWA), agreed to award the Florida Department of Transportation (FDOT) a \$10 million grant to allow the State to expand an innovative transportation information model that will continue to improve Florida's roadways. The grant should enhance all refrigerated motor carriers servicing the Florida perishables markets with more efficient just-in-time

practices. DOT Secretary Norman Y. Mineta said the Florida grant "will create a model for states and jurisdictions across the country--a model that can be used to improve safety, security and mobility on America's roadways and public transportation networks."

The FHWA and the Federal Transit Administration (FTA) evaluated 17 State proposals before selecting Florida for the grant funds. FDOT has a proven record of accomplishment in deploying and operating intelligent transportation systems across the State, including closed circuit television, vehicle detection, call boxes, electronic message signs, highway advisory radio, and a comprehensive road assistance program.

Refrigerated Industry Issues -- 2Q 2003

USDA Announces New Food Safety Guidelines. The USDA Food Safety and Inspection Service (FSIS) announced new *Safety and Security Guidelines for the Transportation and Distribution of Meat, Poultry, and Egg Products*. These guidelines could impact refrigerated truck transportation methods and practices.

FSIS is requesting public comments on the guidelines while considering the possibility of issuing future regulations. The deadline for comments is October 3, 2003.



www.fsis.usda.gov/OA/news/2003/transportguide.htm

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