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Market Insight

Comparing Regional Truck Rate Increases

Of the 10 major metropolitan regions in the RTQ database, Los Angeles, New York, and Boston have the most rapidly increasing and expensive short-haul truck rates. For these routes, there is little correlation between truck availability and rates, indicating that city-specific costs may be responsible for the high rates. This article examines trends in rate increases since 2000 and how rates generally differ by region and length of haul across the country.

Background

While the 1st Quarter 2011 Feature Article examined only truck rates to Los Angeles and Atlanta, the new RTQ database, initiated last quarter, has enabled a more comprehensive look at truck rate patterns across the country.¹ For this article, a total of 100 origin-destination pairs based on 10 production regions and 10 receiving cities were examined on a quarterly basis between the first quarters of 2000 and 2013.

As discussed in the 1st Quarter 2011 Feature Article, short-haul truck movements tend to be more expensive on a per-mile basis than longer haul truck movements because fixed costs, such as the payments and interest on tractors and trailers, licenses, permits, and insurance premiums are incurred regardless of the length of a movement. Independent owner-operator drivers and trucking companies distribute fixed costs associated with an individual truckload over each mile, which lowers the per-mile cost for longer haul movements as compared to short-haul movements.

¹This article uses the 10 destination cities from the database for refrigerated fruits and vegetables, including Los Angeles and Atlanta, as well as 10 major production/shipping regions based on shipment volume.

²As defined in the 1st Quarter 2011 Feature Article, short haul movements include all origins that lie within 650 miles of the destination city.

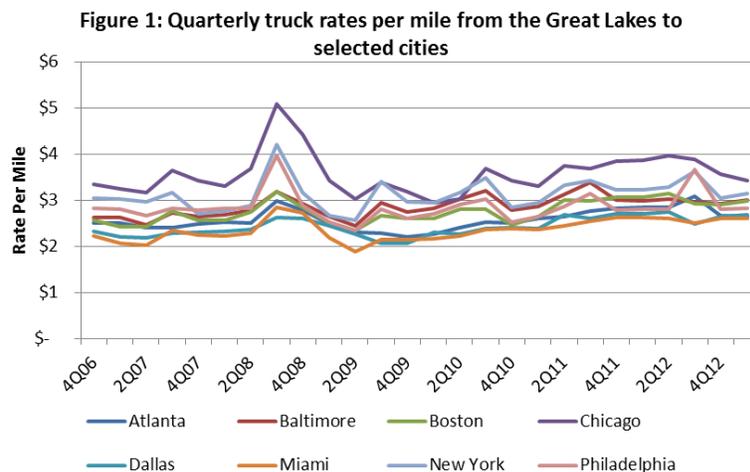
Regional Short-Haul Truck Rates

Since the 1st quarter of 2000, truck rates have increased on average 25 cents per quarter across all origins and destinations.³ Short-haul and long-haul rates increased 47 cents and 21 cents per quarter, respectively. However, short-haul rate increases between California and Los Angeles and between New York State and New York City were much higher than most—65 and 91 cents per quarter, respectively (table 1).

Table 1: Regional Short-Haul Truck Rates

Shipping Region	Destination	Mileage Range	Rate Per Mile	Average Quarterly Increase	
				1Q 2013	1Q 2000 - 1Q 2013
Arizona	Los Angeles	150 - 380	\$6.79	\$0.054	\$0.041
California	Los Angeles	60 - 480	\$6.62	\$0.065	\$0.074
Great Lakes	Chicago	120 - 640	\$3.43	\$0.018	\$0.003
New York State	Baltimore	240 - 330	\$4.25	n/a	\$0.021
New York State	Boston	170 - 300	\$8.16	n/a	\$0.129
New York State	New York City	60 - 250	\$8.80	\$0.091	\$0.108
New York State	Philadelphia	140 - 250	\$5.66	n/a	\$0.042
PNW (WA, OR, ID)	Seattle	90 - 630	\$6.75	n/a	\$0.047
Southeast (GA, NC, SC)	Atlanta	180 - 420	\$4.23	\$0.033	\$0.038
Texas	Dallas	40 - 590	\$3.08	\$0.020	\$0.014
Average for Short Distance Shipping Regions and Destinations				\$0.047	\$0.052
Average for Longer Distance Shipping Regions and Destinations				\$0.021	\$0.012
Average for All Shipping Regions and Destinations				\$0.025	\$0.017

Similarly, truck rate increases were calculated between the 4th quarter of 2006, when data for many additional origin-destination pairs became available, and the 1st quarter of 2013.⁴ During this time, the average quarter-to-quarter truck rate increase was 17 cents across all origins and destinations, 52 cents for short-haul movements, and 12 cents for longer haul movements. Again, short-haul rate increases from production regions to final destination between California and Los Angeles, New York State and New York City, and New York State and Boston were considerably higher than the rest—74 cents, 8 cents, and 13 cents per quarter, respectively (table 1).

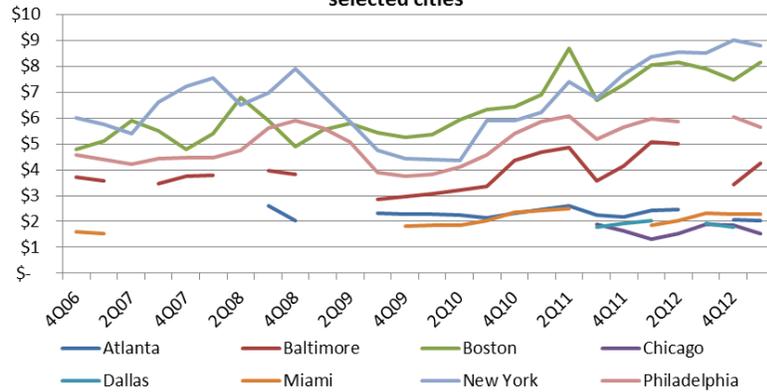


³ Of the 100 origin-destination pairs, only 37 had continuous data between the 1st quarter of 2000 and 1st quarter of 2013, of which 6 were short-distance rates.

⁴ Eighty-three origin-destination pairs had continuous data between the 4th quarter of 2006 and 1st quarter of 2013, of which 10 were short-distance rates.

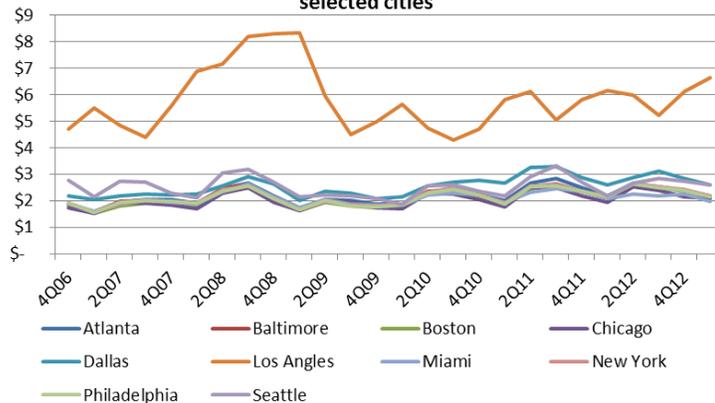
In some cases, such as from within Texas to Dallas or New York State to Baltimore, the short-haul rates have increased over time by the same average amount as the longer-haul rates. Although short-haul rates are generally higher across the country, the difference between short-haul and longer-haul rates in some regions, such as the Great Lakes, has stayed constant over time (figure 1). Thus, as long-haul rates from a particular region increase or decrease, the short-haul rates tend to change by the same amount. This indicates the factors making short hauls more expensive than longer hauls on a per-mile basis are not changing over time in these regions.

Figure 2: Quarterly truck rates per mile from New York State to selected cities



However, in other regions, such as New York State, short-haul rates have increased much faster than longer-haul rates over time (figure 2). While long-haul rates from New York State have remained almost flat to cities such as Atlanta, Miami, and Chicago, short-haul rates to New York City and Boston have steadily increased since the end of 2009 to above their pre-recession levels. For example, although Philadelphia and Boston are located similar average distances from production locations within New York State, truck rates have increased three times faster to Boston than to Philadelphia since the 4th quarter of 2006. This indicates the factors making short hauls more expensive than longer hauls on a per-mile basis are changing over time for shipments originating within New York State to New York City and Boston. This also applies for shipments originating within California to Los Angeles, as truck rates from within California to Los Angeles have increased an average of eight times faster than to other destinations since the 4th quarter of 2006 (figure 3).

Figure 3: Quarterly truck rates per mile from California to selected cities



Factors Affecting Rates

While some costs are not route specific, such as payments and interest on tractors and trailers, licenses, or insurance premiums, some costs would be route-specific, such as fuel, meals, lodging, loading and unloading fees, tolls, and taxes. If a city is associated with a distinct set of costs for a truck haul, then short hauls would disproportionately reflect changes in those costs. For example, if a city toll increased significantly over time, then short-haul rates would rise faster than longer-haul rates because the toll

comprises a larger share of the total per mile costs for short hauls. For longer hauls, the city-specific costs may not noticeably increase rates any faster than other contributing fixed and variable costs. Examples of city-specific costs include tolls on bridges or tunnels in New York City and Boston or compliance with California Air Resources Board or Clean Truck Program rules in Los Angeles.

Truck availability may also impact specific routes. Routes with an increasing shortage of truck availability experience rate increases reflecting the scarcity of trucks for that route. However, truck availability was ruled out for these three specific routes. Between the 1st quarter of 2000 and the 1st quarter of 2013, truck availability on each of these three routes averaged close to adequate for each quarter with no discernible trends over time. Statistical testing showed there was no correlation between rate increases and truck availability for these routes.

Summary

Since the 1st quarter of 2000, average truck rates between major production regions and destination cities have increased 25 cents per quarter for all movements and 47 cents per quarter for short hauls. Between the 4th quarter of 2006 and the 1st quarter of 2013, average truck rates have increased 17 cents per quarter for all movements and 52 cents per quarter for short hauls. It is unclear which costs are responsible for the rapidly increasing short-haul truck rates to Los Angeles, New York, and Boston. Most likely these costs are tolls, taxes, permits, and other regulatory compliance costs associated with specific cities that would impact short-haul rates to a larger degree than longer-haul rates. Additional analysis may better identify and explain these factors. Adam.Sparger@ams.usda.gov

Quarterly Overview

Fruit and Vegetable Shipments

Reported U.S. truck shipments of fresh produce during the 1st quarter 2013 were 7.45 million tons, 1.1 percent lower than the previous quarter and 1.7 percent lower than the same quarter last year.

Shipments from Mexico totaled more than 2.2 million tons and accounted for 30 percent of the total reported shipments of fresh fruits and vegetables during the 1st quarter 2013, followed closely by shipments from the Pacific Northwest (PNW) representing 23 percent of shipments during the quarter. Movements from Florida totaled more than 1 million tons (14 percent).

The following top 5 commodities accounted for 44 percent of the reported truck movements during the 1st quarter 2013:

- ▶ Potatoes (16%)
- ▶ Apples (11 %)
- ▶ Onions, Dry (7 %)
- ▶ Tomatoes (6 %)
- ▶ Lettuce, Iceberg (5 %)

Truck Rates

Beginning last quarter, the AgRTQ now provides average truck rates for U.S. produce shipments over 4 mileage categories—0-500, 501-1500, 1501-2500, and 2500+ miles. U.S. average truck rates are weighted by regional rates and volumes. However, since last quarter, past volume data was recalculated to exclude chipper and seed potatoes. Thus, volumes and U.S. average truck rates were recalculated for previous quarters and may not correspond with published data from last quarter. Affected tables have been footnoted, and the latest values are considered most accurate. The table below provides a snapshot of quarterly rates.

U.S. Average Fruit and Vegetable Truck Rates per Mile				
	0-500 miles	501-1500 miles	1501-2500 miles	2500 miles +
Q1 2012	3.47	2.10	2.13	1.15
Q2 2012	4.77	2.54	2.17	1.24
Q3 2012	5.41	2.45	2.36	1.41
Q4 2012	4.56	2.29	2.24	1.14
Q1 2013	4.14	2.24	2.19	0.89
Q1 Change from Previous Quarter	-9%	-2%	-2%	-21%
Q1 Change from Same Quarter Last Year	19%	7%	3%	-22%

Diesel Fuel

During the 1st quarter 2013, the U.S. diesel fuel price averaged \$4.03 per gallon—0.3 percent higher than last quarter and 1 percent higher than the same quarter last year.

Regulatory News and Updates

U.S. Court of Appeals Rejects Challenge to U.S.-Mexico Cross-Border Trucking Pilot Program

On April 19, 2013, the U.S. Court of Appeals for the District of Columbia Circuit determined that Congress had “balanced a variety of interests, including safety, American truckers’ well-being, foreign trade, and foreign relations” and allowed the [U.S.-Mexico Cross-Border Trucking Pilot Program](#) to proceed. The Owner-Operator Independent Drivers Association, International Brotherhood of Teamsters, Public Citizen, and Sierra Club questioned Mexico’s equivalent safety standards for commercial licenses, medical certificates, vision tests, and drug testing; whether Mexican trucks met U.S. imported vehicle and environmental regulations; reciprocity for U.S. trucks; and the low Mexican participation rate in the pilot program.

As of May 3, 2013, a total of 10 Mexico-domiciled carriers, 20 trucks, and 16 drivers have been granted operating authority under the pilot program. These trucks and drivers have crossed the border 2,617 times and have undergone 934 inspections. At the outset of the pilot program on October 21, 2011, the Federal Motor Carrier Safety Administration estimated that at least 46 carriers will be needed to obtain a target of 4,100 inspections within 3 years to provide a statistically valid analysis of pilot program participant’s safety performance.

Oral Arguments Held Before the U.S. Supreme Court on Clean Trucks

On April 16, 2013, the American Trucking Associations and the Port of Los Angeles argued the legality of the port’s [Clean Truck Program](#) under Federal preemption and “market participant” doctrines. Section 601 of the Federal Aviation Administration Authorization Act of 1994 provides that a State, political subdivision of a State, or political authority of two or more States may not enact or enforce a law, regulation, or other provision having the force and effect of law related to a price, route, or service of any motor carrier. The port maintains it has the right, as a market participant, to require motor carriers to have a pending or approved concession agreement, including increasingly stringent emissions standards, compliance with vehicle safety, maintenance, marking, and off-street parking rules, and safety training of drivers. The U.S. Court of Appeals for the 9th Circuit previously ruled against the port’s requirement that drivers had to be employees of the trucking companies.

[Issuance of Presidential Permit for New International Trade Crossing](#)

On April 12, 2013, the Department of State issued a [Presidential Permit](#) to the State of Michigan for the construction, connection, operation, and maintenance of a bridge linking Detroit, Michigan, and Windsor, Ontario. Under Executive Order 11423, as amended, the Secretary of State may issue a Presidential permit for an international border crossing after finding that such a crossing will serve the national interest. After a thorough review of the Presidential Permit application for the New International Trade Crossing (NITC) received on June 21, 2012, and taking into account the public and inter-agency comments received on the matter, the Department determined that the issuance of a [Presidential Permit](#) for the NITC would serve the national interest.

The Department concluded that “consistent with the bilateral Beyond the Border Initiative, this permit contributes to ensuring that our border infrastructure supports increased competitiveness, job creation, and broad-based prosperity in the United States and Canada. The NITC will help to meet future capacity requirements in a critical travel corridor, promote cross-border trade and commerce, and advance the vital bilateral relationship with Canada.”

Coast Guard Publishes Proposed Rule Making for Port TWIC Readers

On March 22, 2013, the U.S. Coast Guard published a [Notice of Proposed Rule Making \(NPRM\) detailing the guidelines for purchasing electronic card readers](#) for port facilities to verify Transportation Workers Identification Credential cards (TWIC), with a comment deadline of May 21. A TWIC issued by the Transportation Security Administration is required for all employees needing unescorted access to

secure areas of ports around the country. The NPRM only requires ports classified in Group A (high-risk facilities) to use an electronic TWIC reader. Once the final rule is published, port officials will have 2 years to install appropriate equipment. On May 9, the Government Accountability Office released its report, [Transportation Worker Identification Credential: Card Reader Pilot Results Are Unreliable; Security Benefits Should Be Reassessed, GAO-13-610T](#).

States Reminded About Statutory Agricultural Exemptions

The "Moving Ahead for Progress in the 21st Century Act" (MAP-21) includes statutory exemptions to the Federal Motor Carrier Safety Regulations (FMCSRs) for the "transportation of agricultural commodities and farm supplies" and for "covered farm vehicles" and their drivers. On October 1, 2012, the effective date of MAP-21, the Federal Motor Carrier Safety Administration (FMCSA) published a notice in the Federal Register informing the enforcement community and industry about these exemptions.

[The final rule, which formally revises the FMCSRs](#), was effective upon publication in the Federal Register on March 14, 2013. Although prior statutory exemptions involving agriculture are unchanged, some of them overlap with MAP-21 provisions. In these cases, regulated entities will be able to choose the exemption, or set of exemptions, under which to operate. They must, however, comply fully with the terms of each exemption they claim.

[FMCSA has provided questions and answers related to the final rule on their MAP-21 homepage](#). The MAP-21 provisions do not pre-empt State laws, with the exception of the "covered farm vehicle" driver exemption from the drug- and alcohol-testing rules. However, under the Motor Carrier Safety Assistance Program (MCSAP), States receiving MCSAP grants (currently all States) are required to adopt compatible rules for interstate and intrastate operation of commercial motor vehicles (CMVs). These changes must be made within 3 years of the effective date of this rule.

Comprehensive Truck Size and Weight Limits Study Underway

Provisions in MAP-21, the Moving Ahead for Progress in the 21st Century Act (P.L. 112-141), require the USDOT to conduct a [Comprehensive Truck Size and Weight Limits Study](#) (MAP-21 §32801) addressing:

- differences in safety risks, infrastructure impacts, and the effect on levels of enforcement between trucks operating at or within federal truck size and weight limits and trucks legally operating in excess of federal limits;
- comparing and contrasting the potential safety and infrastructure impacts of alternative configurations (including configurations that exceed current federal TSW limits) to the current Federal law and regulations; and,
- estimating the effects of freight diversion due to these alternative configurations.

The first public input session was held [May 29, 2013](#), and three additional will be held over the next year and a half. A transcript of the presentations and a summary of the discussions will be available on the [Federal Highway Administration Office of Freight Management and Operations Web site](#).

Driver and Carrier Surveys Related to Electronic Onboard Recorders and Potential Harassment

[On May 28, 2013, FMCSA announced its plan](#) to submit an Information Collection Request (ICR) to broadly examine, by the collection of survey data, the issue of driver harassment and determine the extent to which Electronic Onboard Recorders (EOBRs) used to document drivers' hours of service (HOS) could be used by motor carriers or enforcement personnel to harass drivers or monitor driver productivity. FMCSA plans to publish a supplemental notice of proposed rulemaking on EOBRs. Prior to the issuance of a final rule, FMCSA will consider the survey results. Comments on the ICR are due by June 27, 2013, [under docket number FMCSA-2012-0309-0040](#).

Feature Article

EPA's SmartWay Program and Agricultural Transportation

According to the United States Environmental Protection Agency (EPA), under current fuel economy and environmental regulations, U.S. heavy-duty trucks consume roughly 39 billion gallons of oil annually and average 5.7 miles per gallon. They are also responsible for 22 percent of greenhouse gas pollution related to transportation.¹ Preliminary estimates suggest that large tractor-trailers, responsible for half of all greenhouse gas emissions from the heavy-duty vehicle sector, have the most potential for gains in fuel efficiency and reductions in greenhouse gas emission. There has been a flood of programs in recent years aimed at reducing the carbon footprint, including agricultural transportation.

What is the SmartWay Program?

Launched in February 2004 and administered by the EPA, the [SmartWay Transport Partnership](#) is a collaborative effort between freight shippers, multimodal carriers, and logistics companies to improve fuel efficiency and reduce emissions from freight transport. The program was launched with 15 charter members and support from the American Trucking Associations (ATA), and has since grown to include more than 600 companies and affiliates.

SmartWay truck carriers often reduce idling time and upgrade their fleet using fuel-saving technologies in order to meet SmartWay goals. Prominent SmartWay strategies include wide deflectors to reduce aerodynamic drag, improved tires and tire systems to reduce rolling resistance, idle reduction equipment, speed governors, and hybrid powertrain systems.

How Does the SmartWay Program Work?

There are no set requirements that a vehicle must meet to become SmartWay certified. The EPA annually rates vehicles for greenhouse gas and smog-forming emissions on a scale of 1 to 10. A SmartWay-certified vehicle is one that received a combined score within the top 20 percent of vehicles for the year measured. SmartWay certifications can be given to vehicle manufacturers of long-haul tractors and trailers as well as to manufacturers of fuel-saving and/or emission reducing equipment.

Who Does the SmartWay Program Affect?

The SmartWay Program is a free-to-join, voluntary program on the National level. However, the SmartWay Program is mandatory for select tractors and trailers in California under [California Air Resources Board \(CARB\) regulations](#).² For these vehicles, all owners, regardless of where their agricultural transportation vehicles are registered, must comply with the CARB regulations when operating in California.³

¹ This includes medium- and heavy-duty trucks.

² CARB is a department within the California Environmental Protection Agency. California is the only State permitted to have such a regulatory agency, since it is the only State to have had one before the passage of the Clean Air Act. States can either adopt Federal or CARB standards; they cannot adopt their own. CARB standards are usually stricter than that of the Federal government.

³ It is expected that CARB will establish a grace period for compliance applicable to future changes in regulation.

What SmartWay Standards Does CARB Require?

CARB required 2010 and earlier model year 53-foot or longer box-type trailers pulled by tractors on California highways to be retrofitted with SmartWay approved technologies by January 1, 2013, identical to the second option for 2011-and-later-model-year trailers. This is the latest step since 2008, when CARB proposed its plan to reduce the greenhouse gas emissions of heavy-duty vehicles by improving their fuel efficiency.

Beginning January 1, 2010, tractors with model years 2011 and later with sleeper berths pulling 53-foot or longer box-type trailers on California highways were required to be EPA-certified SmartWay tractors. They were also required to use low-rolling-resistance tires, regardless of whether or not they have sleeper berths. In addition, model year 2011 and later 53-foot or longer box-type trailers pulled by these tractors were required to be either EPA-certified SmartWay trailers or retrofitted with SmartWay approved technologies. The first option is only available for dry-van trailer applications, while the second option is a good choice for refrigerated-van trailers.

Beginning January 1, 2012, tractors with model years 2010 and earlier pulling 53-foot or longer box-type trailers on California highways were required to use low-rolling-resistance tires, regardless of whether they have sleeper berths. This is the only retrofit requirement for these tractors, and allows most of these models to use their existing tires for the remainder of their useful life before replacing them with low-rolling-resistance tires.

On March 7, 2013, CARB provided a workshop presentation on its proposal to require 2014 and subsequent model year tractors with sleeper berths to be equipped and maintained with Federally-certified original equipment manufacturer (OEM) parts. There is technical assistance from all levels of government to aid tractor and trailer owners in complying with the proposed requirements.

How Does This Affect Agriculture and Small Businesses?

Due to the nature of agricultural transportation, CARB amended its SmartWay regulations for agricultural vehicles in December 2010. The agricultural vehicle provisions apply to diesel trucks and buses with a manufacturer gross vehicle weight rating greater than 14,000 pounds (this excludes pickups) and includes agricultural vehicles, such as trucks owned by farming businesses, and certain trucks that are not farmer-owned but support agricultural operations.^{4,5} The provisions delay compliance for vehicles that operate less than a pre-determined mileage and for a number of specialized trucks.

⁴ These provisions do not apply to truck tractors that enter ports or intermodal rail yards or transport marine cargo. Instead, these vehicles must comply with drayage truck regulations.

⁵ A farming business is defined as one that operates or manages a farm for profit but does not include farm support businesses. Most trucks and buses owned by farming businesses can qualify if they are used exclusively for growing or harvesting crops for the primary purpose of making a profit or delivering harvested crops. Vehicles that are part of a transportation business or leased for non-agricultural uses are not included. Trucks owned by non-farming businesses qualify for mileage based extensions if used solely for agricultural purposes.

Beginning in 2011, all eligible vehicles with the exception of trucks approved for the specialty agricultural vehicle extension must abide by annual mileage limits to qualify for the compliance extension.⁶ Until January 1, 2017, vehicles must stay below the limits shown in Table 1. Starting January 1, 2017, only vehicles that have operated less than 10,000 miles a year since January 1, 2011, can continue to have the extension until January 1, 2023, provided they continue to operate less than 10,000 miles per year. Vehicles that exceeded the mileage limits at any time from 2011 to 2017 must comply with the general requirements like other trucks.

Table 1: Annual Mileage Thresholds

Engine Model Year	Annual Limit
2006 or newer	25,000 miles
1996 to 2005	20,000 miles
1995 and older	15,000 miles

In 2011, CARB extended the deadline for California's SmartWay regulation to small trucking fleets, providing an additional 4 months to retrofit or replace trailer equipment. Fleets with 20 or fewer trailers had to sign up before January 1, 2013, to get additional time to meet CARB requirements. The previous deadline was September 1, 2012.

What is the Cost of Compliance?

CARB estimates the average cost increase for the purchase of a SmartWay certified trailer with aerodynamic devices and low-rolling resistance tires to be \$2,100 per tractor. The average cost of trailer compliance is estimated to be \$2,900 per trailer. Yearly maintenance costs for inspection, repair, and tire replacement are estimated to be \$143 and \$120 for tractors and trailers, respectively. Thus, the initial capital cost is estimated to be \$5,000 with a yearly maintenance cost of \$263. Using the industry average trailer-to-tractor ratio of 2.5:1 per owner, this is an average cost of \$9,200 per owner.

CARB estimates the average fuel savings for a tractor-trailer combination to range from \$4,000 to \$5,700 per year, allowing the owner of a tractor-trailer combination to recover their initial capital and maintenance costs in less than a year and a half.

The proposed regulation is estimated to bear a lifetime cost of \$10.4 billion. However, the estimated fuel savings are \$14.7 billion of the same time period, a net savings of \$4.3 billion in 2008 dollars.

What are the Projected Effects of the SmartWay Regulation?

The regulation is expected to reduce statewide greenhouse gas emissions by approximately 0.7 million metric tons of carbon dioxide equivalents by 2020. Truckers and trucking companies are projected to save \$5.1 billion between 2010 and 2020. Diesel fuel consumption is expected to be reduced by as much as 750 million gallons in California and 3.3 billion gallons across the United States during this same period. Joyce.Zhang@ams.usda.gov

⁶ The specialty agricultural vehicle extension delays compliance with the general requirements until January 1, 2023 without a mileage restriction, and is granted to a maximum 2,200 trucks in California, with 1,100 of them operating in the San Joaquin Valley.

National Summary

U.S. Truck Rates

Figure 1: Average Truck Rates for Selected Routes (\$/Mile)



Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division

Table 1: Average U.S. Truck Rates for Selected Routes between 501 and 1500 miles (\$/Mile)

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	*Annual
2013	2.24				2.24
2012	2.10	2.54	2.45	2.29	2.35
2011	2.02	2.60	2.77	2.26	2.41
2010	1.82	2.21	2.33	1.94	2.08
2009	1.85	1.99	2.02	1.86	1.93
2008	2.02	2.56	2.77	2.24	2.40
2007	1.89	2.23	2.25	2.03	2.10
2006	1.92	2.10	2.21	2.02	2.06
2005	1.72	2.00	2.26	2.34	2.08

*Annual: Weighted average rate for all 4 quarters.

Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division
 U.S. average truck rates are weighted by regional rates and volumes. After the 4th Quarter 2012 RTQ edition, volumes for past quarters were recalculated to exclude chipper and seed potatoes. Thus, U.S. average truck rates were reweighted for previous quarters and may not correspond with published data from last quarter. The values in this edition are considered more accurate.

Table 2: Quarterly Rates for Key Origins by Month; 501-1500 miles (\$/Mile)

Origin	4th Qtr 2012			1st Qtr 2013		
	Oct	Nov	Dec	Jan	Feb	Mar
Arizona	2.99	2.79	2.68	3.06	2.44	2.59
California	2.86	2.89	2.72	2.74	2.50	2.63
Florida	2.09	2.03	2.07	2.07	2.04	2.19
Great Lake	2.78	2.80	2.80	2.82	2.87	2.89
Mexico-Ari	1.50	1.87	2.06	2.33	2.34	2.36
Mexico-Tex	1.92	2.19	2.19	2.22	2.00	2.21
New York	2.16	2.11	2.11	2.06	1.97	2.48
PNW	1.94	1.96	2.04	1.99	2.00	2.00
Southeast	3.08	2.96	2.94	3.09	3.14	3.26
Texas	2.29	2.34	2.35	2.34	2.15	2.35

Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division

Note: "n/a" indicates rates not available.

Note: The rates for 8 long-haul fruit and vegetable truck corridors are included in the national rate, weighted by commodity and origin volume.

Truck Rates for Selected Routes

Table 3: Origin-Destination Truck Rates for Selected Routes , 1st Quarter 2013 (\$/Mile)

Origin	Destination									
	Atlanta	Baltimore	Boston	Chicago	Dallas	Los Angeles	Miami	New York	Philadelphia	Seattle
Arizona	2.24	2.17	2.21	2.05	2.57	6.79	2.05	2.23	2.18	2.59
California	2.19	2.16	2.16	2.07	2.58	6.62	1.96	2.18	2.16	2.59
Florida	2.3	2.08	2.13	1.71	.	.	3.33	2.37	2.11	.
Great Lake	2.65	3	2.99	3.43	2.68	.	2.61	3.14	2.83	.
Mexico-AZ	2.13	.	.	1.98	2.31	2.37	2.25	2.28	2.25	.
Mexico-TX	2.26	2.29	2.35	2.04	2.65	1.99	2.15	2.32	2.28	.
New York	2.02	4.25	8.16	1.54	.	.	2.3	8.8	5.66	.
Other	2.34	2.4	2.82	2.14	2.75	1.76	2.33	2.43	2.48	.
PNW	2.2	2.29	2.27	2.11	2.3	2	2.21	2.37	2.25	6.75
Southeast	4.23	4.3	3.16	3.03	.	.	2.45	3.62	3.9	.
Texas	2.45	2.39	2.43	2.15	3.08	2.09	2.25	2.45	2.38	.

Source: AMS, Fruit and Vegetable Programs, Market News Division, Fruit and Vegetable Truck Rate Reports

Truck Rates for Selected Routes

Table 4: Origin-Destination Truck Rates for Selected Routes , 1st Quarter 2013 (\$/Truck)

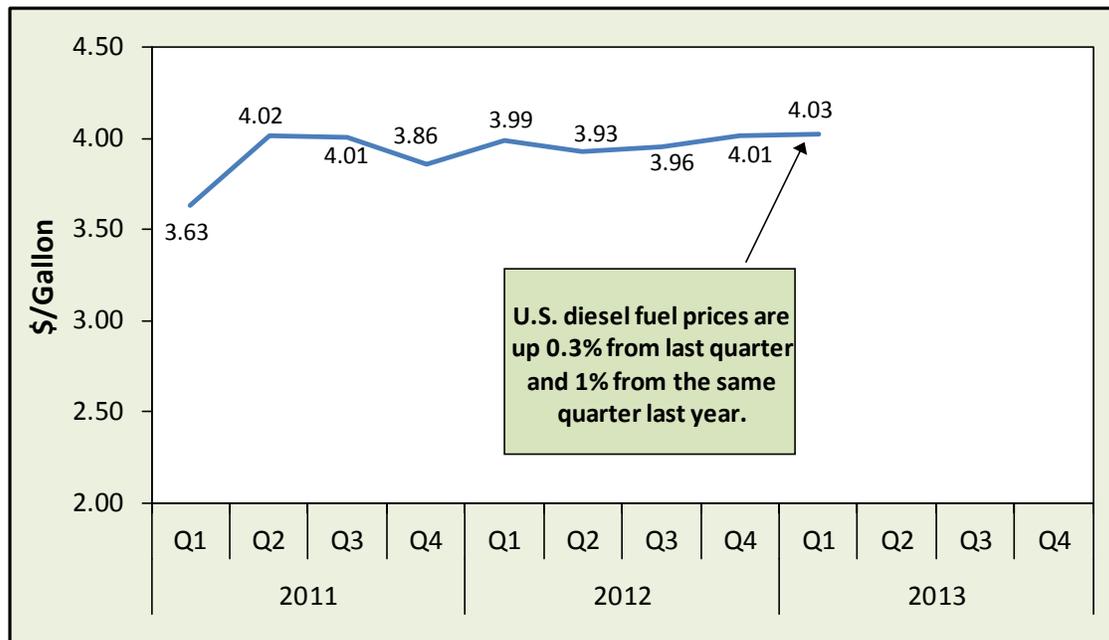
Origin	Destination									
	Atlanta	Baltimore	Boston	Chicago	Dallas	Los Angeles	Miami	New York	Philadelphia	Seattle
Arizona	4,783	5,986	6,632	4,025	3,550	1,034	6,067	6,400	6,217	3,675
California	5,349	6,507	7,218	4,503	4,186	1,058	6,256	6,848	6,637	2,802
Florida	1,091	1,990	2,922	2,145	.	.	.	2,635	2,374	.
Great Lake	3,018	3,342	3,934	1,170	2,865	.	4,356	3,747	3,312	.
Mexico-AZ	3,880	.	.	3,525	2,208	963	5,233	5,840	5,565	.
Mexico-TX	2,604	3,846	4,873	2,735	1,250	2,258	3,350	4,414	4,129	.
New York	2,000	925	1,578	1,569	3,000	.	3,315	1,385	1,025	.
Other	2,197	3,412	3,746	1,801	1,632	2,010	4,606	3,513	3,465	.
PNW	5,262	5,669	6,339	3,882	4,276	2,051	6,481	6,146	5,647	852
Southeast	1,150	1,691	2,773	2,458	.	.	1,529	2,402	1,952	.
Texas	2,650	4,006	5,050	2,878	1,233	2,417	3,394	4,588	4,261	.

Source: AMS, Fruit and Vegetable Programs, Market News Division, Fruit and Vegetable Truck Rate Reports

U.S. Diesel Fuel Prices

The diesel fuel price provides a proxy for trends in U.S. truck rates. Diesel fuel is a significant expense for fruit and vegetable movements.

Figure 2: U.S. Average On-Highway Diesel Fuel Prices



Source: Energy Information Administration/U.S. Department of Energy

Table 5: 1st Quarter 2013 Average Diesel Fuel Prices (All Types - \$/Gallon)

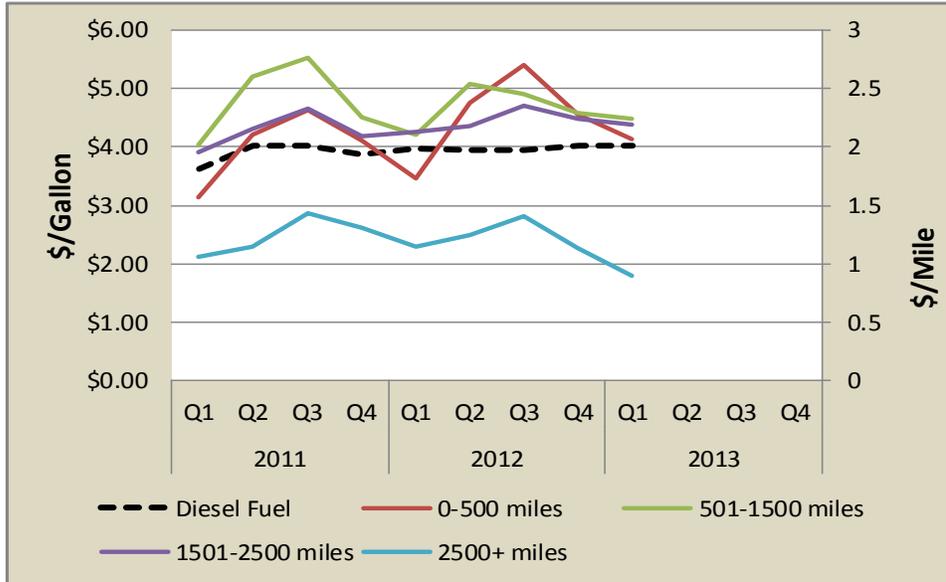
Location	Price	Change From	
		Last Quarter	Same Qtr Last Year
East Coast	4.09	0.03	0.03
New England	4.23	0.03	0.06
Central Atlantic	4.16	0.00	0.01
Lower Atlantic	4.01	0.06	0.04
Midwest	3.99	0.01	0.05
Gulf Coast	3.95	0.05	0.05
Rocky Mountain	3.89	-0.16	-0.05
West Coast	4.15	0.02	-0.07
California	4.22	0.02	-0.07
U.S.	4.03	0.01	0.04

Source: Energy Information Administration/U.S. Department of Energy

Relationship Between Diesel Fuel & Truck Rates

The diesel fuel price provides a proxy for trends in U.S. truck rates. Diesel fuel is a significant expense for fruit and vegetable movements.

Figure 3: U.S. Average On-Highway Diesel Fuel Prices and Truck Rates



Sources:

Diesel Fuel: Energy Information Administration/U.S. Department of Energy

Truck Rate: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division

Table 6: Average Diesel Fuel Prices and Truck Rates

		Diesel Fuel (\$/gallon)	Truck Rates (\$/mile) 501-1500 miles	% Change From:			
				Last Qtr		Same Qtr Last Year	
				Diesel	Truck	Diesel	Truck
2011	Q1	3.63	2.02	15%	4%	27%	11%
	Q2	4.02	2.60	11%	28%	33%	17%
	Q3	4.01	2.77	0%	7%	37%	19%
	Q4	3.87	2.26	-3.5%	-19%	23%	16%
2012	Q1	3.97	2.10	3%	-7%	10%	4%
	Q2	3.95	2.54	-1%	21%	-2%	-2%
	Q3	3.94	2.45	0%	-4%	-2%	-12%
	Q4	4.02	2.29	2%	-6%	4%	1%
2013	Q1	4.03	2.24	0.3%	-2%	1%	7%
	Q2						
	Q3						
	Q4						

Sources:

Diesel Fuel: Energy Information Administration/U.S. Department of Energy

Truck Rates: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division

U.S. average truck rates are weighted by regional rates and volumes. After the 4th Quarter 2012 RTQ edition, volumes for past quarters were recalculated to exclude chipper and seed potatoes. Thus, U.S. average truck rates were reweighted for previous quarters and may not correspond with published data from last quarter.

The values in this edition are considered more accurate.

1st Quarter 2013 Comparison Analysis

Diesel fuel prices averaged \$4.03 per gallon this quarter, 0.3 percent higher than last quarter and 1 percent higher than the same quarter last year. Average truck rates for shipments between 501 and 1,500 miles were \$2.24 per mile, 2 percent lower than the previous quarter but 7 percent higher than the same quarter last year.

The effect of a change in diesel fuel prices is compounded for produce haulers because the fuel is needed to run the refrigeration unit as well as the truck.

In many cases, trucking companies and owner-operator independent drivers are not able to pass on the full increase in fuel cost to shippers due to existing contracts, competition, and the need for backhaul cargo to cover at least some of the costs of operation. In addition, some shippers offer enough business to a company that the fuel surcharge is waived. In these cases, the total surcharge collected may not be reported or fully reimbursed to those paying for the fuel.

Quarterly Truck Availability

Table 7: U.S. Fresh Fruit and Vegetable Truck Availability, 1st Quarter 2013

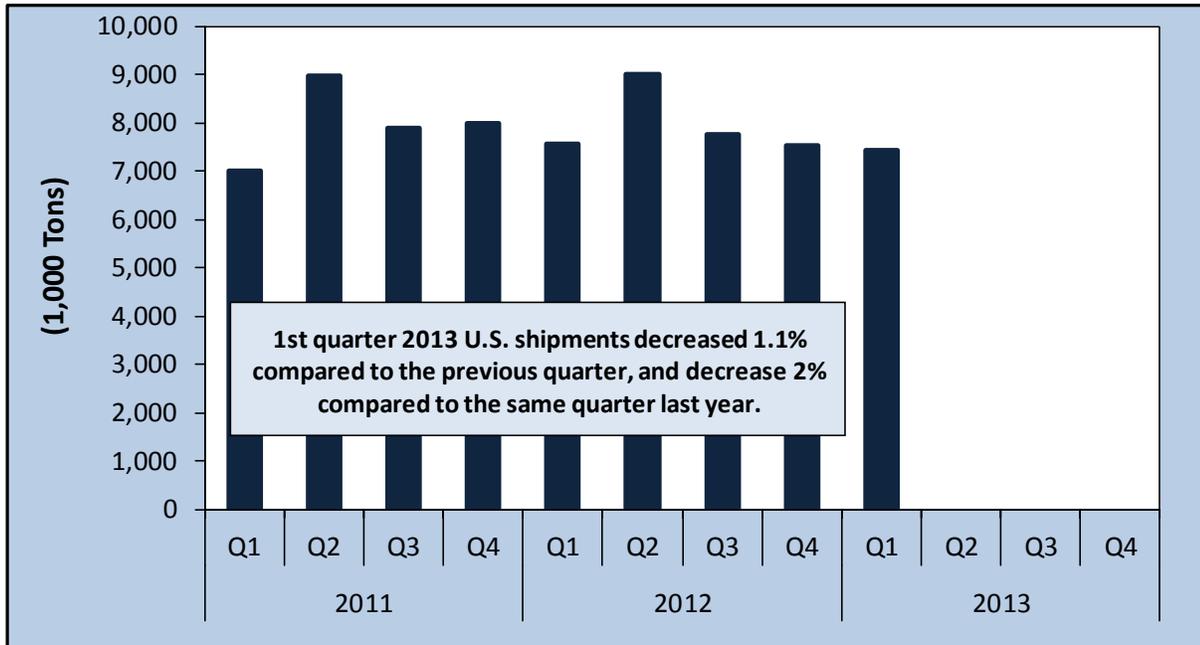
Region ¹	Commodity ¹	Truck Availability												
		Surplus - 1			Slight Surplus - 2			Adequate - 3			Slight Shortage - 4			Shortage - 5
		Week Ending ¹												
		1/2	1/8	1/15	1/22	1/29	2/5	2/12	2/19	2/26	3/5	3/12	3/19	3/26
CALIFORNIA, CENTRAL AND WESTERN														
ARIZONA														
Imperial, Palo Verde, and Coachella Valleys, CA, and Central and Western AZ	Broccoli, Cauliflower, Iceberg Lettuce, Leaf Lettuce, Peppers, Romaine Lettuce	5	3	3	3	2	2	2	2	3	3	3	4	3
Kern District, CA	Carrots, Grapes	5	3	3	3	2	2	2	2	3	3	3	4	3
Salinas-Watsonville, CA	Broccoli, Cauliflower											3	4	3
San Joaquin Valley, CA	Kiwi	3	3	1										
Santa Maria, CA	Broccoli, Cauliflower, Celery, Strawberries	5	3	3	3	2	2	2	2	3	3	3	4	3
South District, CA	Avocados, Citrus, Raspberries, Strawberries	3	2	1	1	1	1	2	2	2	3	3	3	3
PACIFIC NORTHWEST (ID, OR, WA)														
Columbia Basin, WA	Onions, Potatoes	3	3	3	3	3	2	2	2	3	3	4	4	3
Idaho and Malheur County, OR	Onions	4	4	4	3	3	2	2	2	3	3	3	3	3
Northwestern WA	Potatoes	4	4	4	4	4	4	4	4	3	3	3	3	3
Upper Valley, Twin Falls-Burley District, ID	Potatoes	3	3	3	3	3	3	3	3	3	3	3	3	3
Yakima Valley & Wenatchee District, WA	Apples, Pears	3	3	3	3	3	3	3	3	3	3	3	3	3
FLORIDA														
Central and South	Berries, Mixed Vegetables, Tomatoes	5	3	3	2	1	3	3	2	3	1	3	3	3
South	Melons	5	4	3	3	3	3	3	3	3			3	3
Statewide	Potatoes								3	3	3	3	3	3
GREAT LAKES (MI & WI)														
Michigan	Onions	3	3	3	3	3	3							
Central Wisconsin	Potatoes	3	3	3	3	3	3	3	3	3	3	3	3	5
MEXICO BORDER CROSSINGS														
Through Nogales, AZ	Mangoes, Melons, Mixed Veg., Tomatoes	5	4	3	1	1	3	1	3	3	3	4	4	5
Through Texas	Broccoli, Carrots, Limes, Mangoes, Mixed Fruit and Vegetables, Onions, Plum Tomatoes, Tomatoes, Watermelons	5	5	4	3	2	2	2	3	3	4	4	4	4
TEXAS, OKLAHOMA														
Lower Rio Grande Valley, TX	Cabbage, Citrus, Herbs, Onions	5	5	4	3	2	2	2	3	3	4	4	4	4

¹ Regions reported and commodities shipped vary by week, month, season, and year.

Source: weekly Fruit and Vegetable Truck Rate Report, Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division

Reported U.S. Shipments

Figure 4: Reported U.S. Fruit and Vegetable Shipments (1,000 Tons)



Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division

Table 8: Reported U.S. Fruit and Vegetable Shipments (1,000 Tons)

Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annual
2013	7,423				7,423
2012	7,577	9,008	7,774	7,532	31,890
2011	7,007	8,981	7,887	7,988	31,863
2010	7,065	8,881	7,985	7,522	31,454
2009	7,158	8,728	7,990	7,270	31,147
2008	7,059	8,666	7,426	6,904	30,057
2007	6,959	8,585	7,475	7,099	30,118
2006	6,335	8,400	7,854	6,962	29,551
2005	6,877	8,324	7,737	7,387	30,325
2004	6,867	8,331	6,876	6,732	28,807
2003	6,824	8,013	7,043	6,684	28,564
2002	6,787	8,094	6,414	6,460	27,756
2001	6,822	8,144	6,314	6,471	27,751
2000	6,776	8,155	6,916	6,395	28,242

Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division

After the 4th Quarter 2012 RTQ edition, volumes for past quarters were recalculated to exclude chipper and seed potatoes. Thus, volumes for previous quarters may not correspond with published data from last quarter. The values in this edition are considered more accurate.

Reported Shipments by Selected Commodities

Table 9: Reported Top 10 Commodity Shipments for 1st Quarter 2013 (1,000 Tons)

Commodity	1st Quarter 2013	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
				Previous Qtr	Same Qtr Last Year
Potatoes	1,149	1,200	1,150	-4%	-0.1%
Apples	818	818	789	0%	4%
Onions, dry	485	465	585	4%	-17%
Tomatoes	464	452	509	3%	-9%
Lettuce, iceberg	346	338	326	3%	6%
Peppers, bell type	274	212	271	29%	1%
Strawberries	264	112	239	136%	11%
Lettuce, romaine	230	241	264	-5%	-13%
Avocados	223	185	145	21%	54%
Celery	219	205	200	7%	9%

Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division

Regional Markets

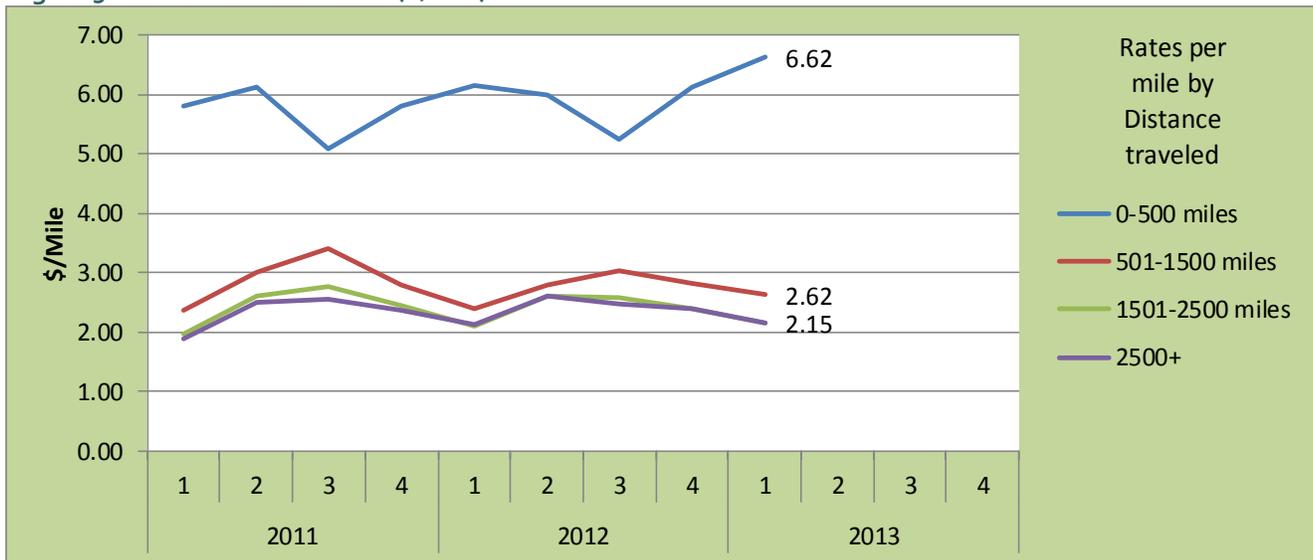
California

Table 10: Reported Top Five Commodities Shipped from California (1,000 tons)

Commodity	1st Quarter 2013	Share of California Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
					Previous Qtr	Same Qtr Last Year
Celery	111	17%	188	109	-41%	2%
Strawberries	92	14%	79	93	16%	-1%
Carrots	82	12%	76	83	8%	-1%
Lettuce, Iceberg	69	11%	166	74	-58%	-7%
Lettuce, Romaine	59	9%	133	59	-56%	0%
Top 5 Total	413	63%	642	418	-36%	-1%
California Total	657	100%	1,513	697	-57%	-6%

Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division
 "-" indicates no reported shipments during the quarter.

Figure 5: California Truck Rates (\$/Mile)



Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division

Figure 6: California Truck Overview

Region/Reporting District	Diesel Fuel	Truck Rate 501 to 1500 miles	January	February	March
			Monthly Rating		
	\$/per gallon	\$/per mile	1=Surplus to 5=Shortage		
Regional Average	\$4.22	\$2.62	2.78	2.19	3.22
Kern District, CA			3.43	2.25	3.25
Salinas-Watsonville, CA					3.33
San Joaquin Valley, CA			2.33		
Santa Maria, CA			3.29	2.25	3.27
South District, CA			1.60	2.00	3.00

n/a: availability data not reported

Diesel Fuel Source: Energy Information Administration/U.S. Department of Energy

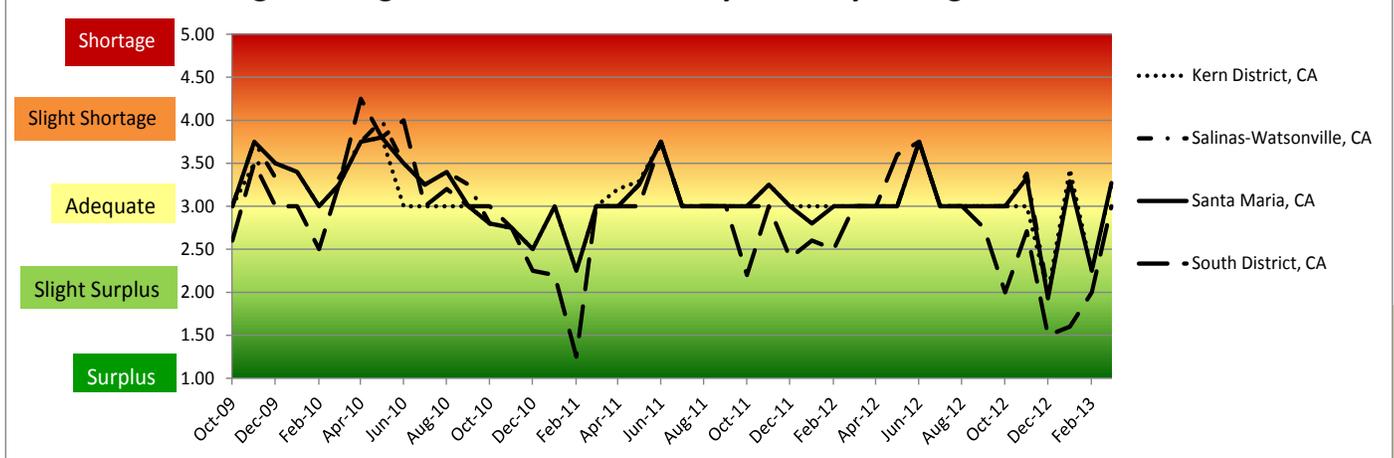
For the purpose of this report the California sub-group of the West Coast PAD District 5 was used to represent the diesel fuel price.

Volume: Total shipments from California fell 6 percent in the first quarter compared to the first quarter of 2012. Most commodities remained fairly unchanged from the same quarter last year. However, iceberg lettuce decreased 7 percent. According to the latest Fruit and Tree Nuts Outlook, warm, dry weather reduced California’s citrus production. Grapefruit and Valencia orange production are down 9 and 7 percent from last season, respectively, while the lemon and orange crop remained unchanged. Furthermore, cold snaps in January created temporary supply gaps in California strawberries. These crop changes are responsible for decreased shipments.

Rates: The quarterly average truck rate for shipments between 501 and 1,500 miles was \$2.62 per mile, 7 percent lower than last quarter. The average rate per mile during this same period last year was \$2.40, 9 percent higher than last year.

Truck Overview: Diesel fuel prices averaged \$4.22 per gallon, 0.5 percent higher than last quarter, and 1 percent lower than the same period last year. California truck availability began the quarter as mostly adequate before experiencing a surplus towards the end of January and into February. Availability then declined to adequate levels to end the quarter.

Fig 7: Refrigerated Truck Availability Monthly Ratings for California



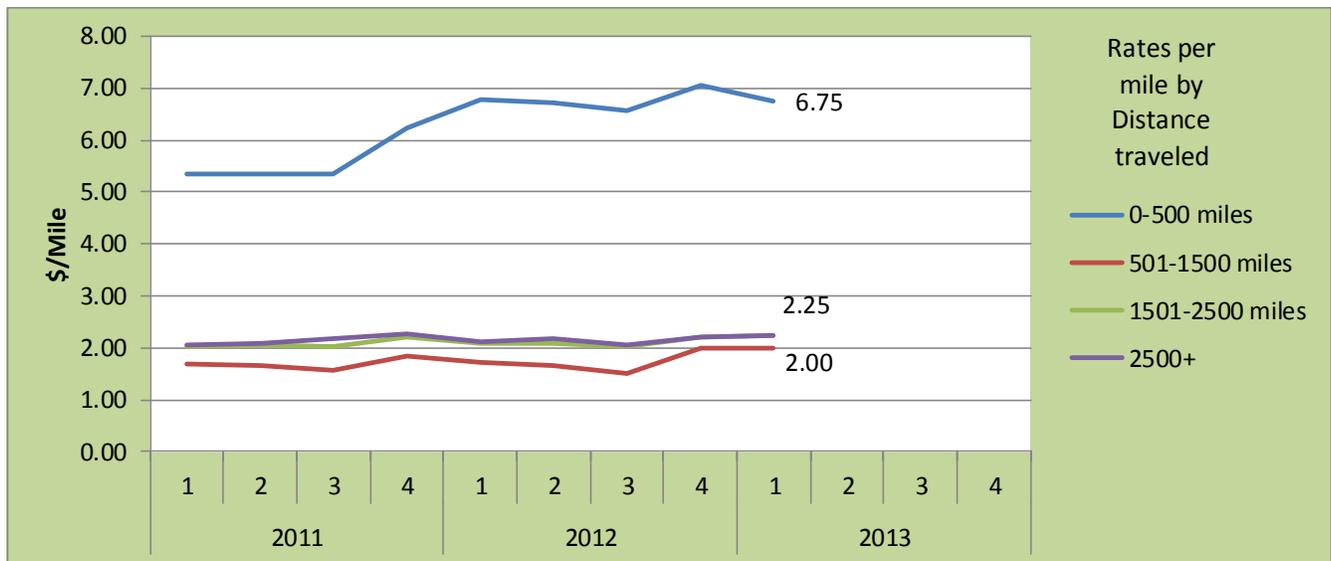
Pacific Northwest (PNW)

Table 11: Reported Top 4 Commodities Shipped from PNW (1,000 tons)

Commodity	1st Quarter 2013	Share of PNW Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
					Previous Qtr	Same Qtr Last Year
Apples	770	44%	724	671	6%	15%
Potatoes	519	30%	523	481	-1%	8%
Onions, dry	300	17%	312	335	-4%	-10%
Pears	152	9%	206	162	-26%	-6%
Top 4 Total	1,741	100%	1,765	1,649	-1%	6%
PNW Total	1,741	100%	1,767	1,649	-1%	6%

Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division
 Note: "-" indicates no reported shipments during the quarter.

Figure 8: PNW Truck Rates (\$/Mile)



Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division

Figure 9: PNW Truck Overview

Region/Reporting District	Diesel Fuel	Truck Rate 501 to 1500 miles	January	February	March
			Monthly Rating		
	\$/per gallon	\$/per mile	1=Surplus to 5=Shortage		
Regional Average	\$4.07	\$1.99	3.32	2.85	3.10
Columbia Basin, WA			3.00	2.25	3.50
Idaho and Malheur County, OR			3.60	2.25	3.00
Northwestern WA			4.00	3.75	3.00
Upper Valley, Twin Falls-Burley District, ID			3.00	3.00	3.00
Yakima Valley & Wenatchee District, WA			3.00	3.00	3.00

n/a: availability data not reported

Diesel Fuel Source: Energy Information Administration/U.S. Department of Energy

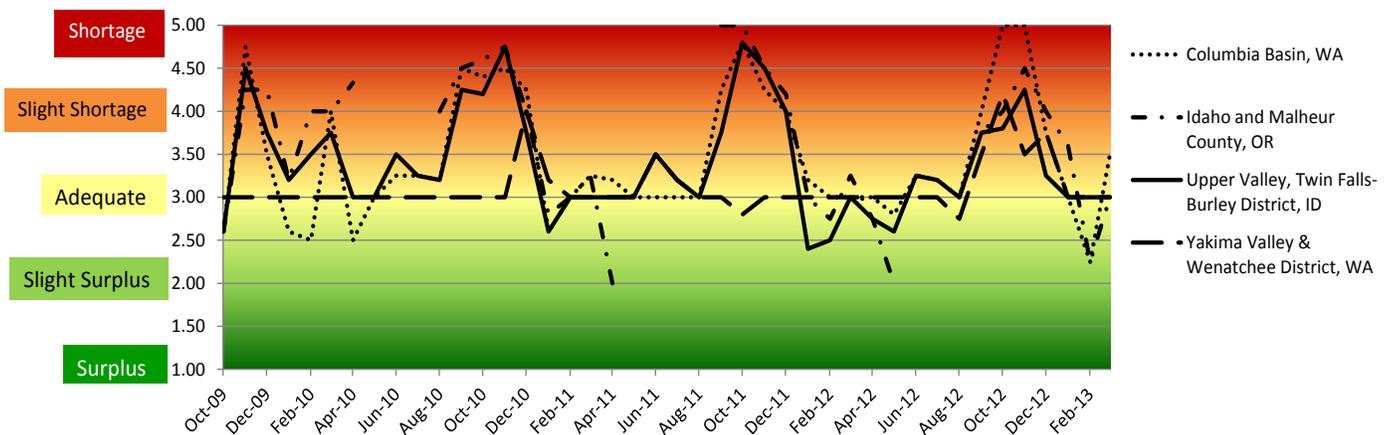
For the purpose of this report the West Coast less California District was used to represent the diesel fuel price for PNW.

Volume: Total shipments of fruit and vegetables from the Pacific Northwest in the first quarter of 2013 were up 6 percent from the same quarter in 2012. Shipments of apples and potatoes, the top 2 commodities, increased by 15 and 8 percent, respectively. The *Fruit and Tree Nuts Outlook* reports that a large Washington apple crop continues to offset crop losses in other parts of the country. Despite losses in other regions, the Washington supplies are large enough to increase overall national apple holdings from last season. The size and quality of the crop is also increasing demand from top export markets, Mexico and Canada, where production is expected to be down this season.

Rates: The quarterly average truck rate for shipments between 501 and 1,500 miles was \$2.00, an increase of 0.5 percent from last quarter and a 16 percent increase from the same quarter last year.

Truck Overview: Diesel fuel prices averaged \$4.07 per gallon, \$0.01 higher than last quarter, and \$0.06 less than the same period last year. Availability was mostly adequate during the quarter, with a slight shortage in January and a slight surplus in February.

Fig 10: Refrigerated Truck Availability Monthly Ratings for the Pacific Northwest



Mexico Border Crossings

Table 12: Reported Top 5 Commodities Shipped from Mexico (1,000 tons)

Commodity	1st Quarter 2013	Share of Mexico Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
					Previous Qtr	Same Qtr Last Year
Tomatoes	246	11%	160	265	54%	-7%
Avocados	195	9%	159	127	23%	54%
Cucumbers	194	9%	152	213	28%	-9%
Peppers, bell type	186	8%	95	190	96%	-2%
Tomatoes, plum type	173	8%	108	200	60%	-14%
Top 5 Total	994	44%	674	995	47%	0%
Mexico Total	2,271	100%	1,697	2,280	34%	0%

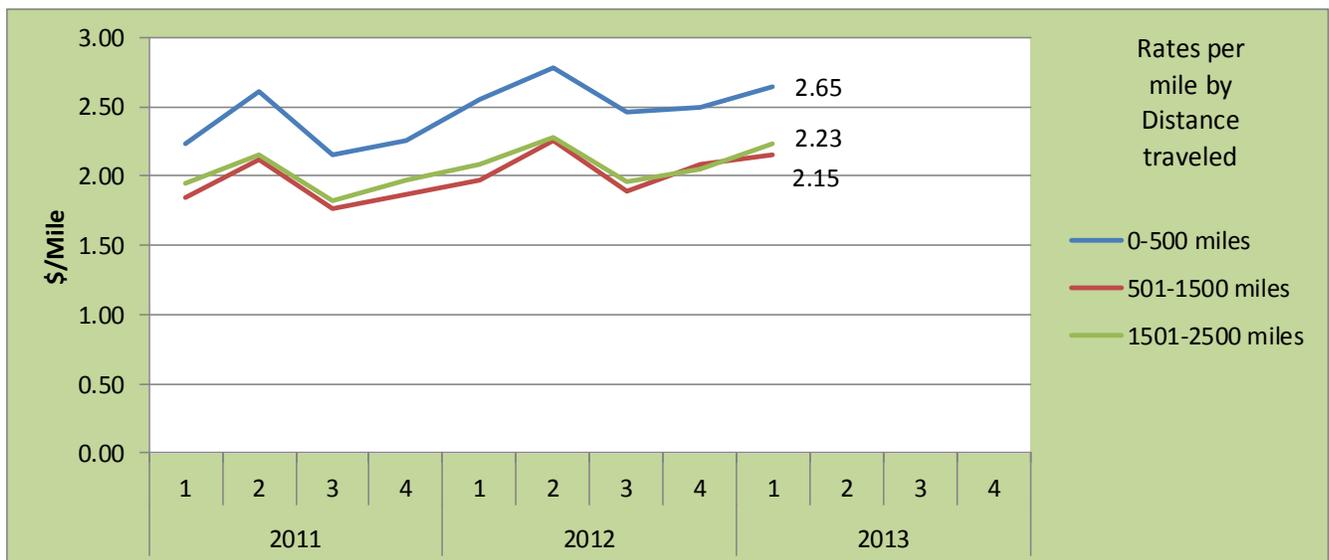
Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division

Note: "-" indicates no reported shipments during the quarter.

Table 13: Top 5 Commodities Shipped to U.S from Mexico by State of Entry (1,000 tons)

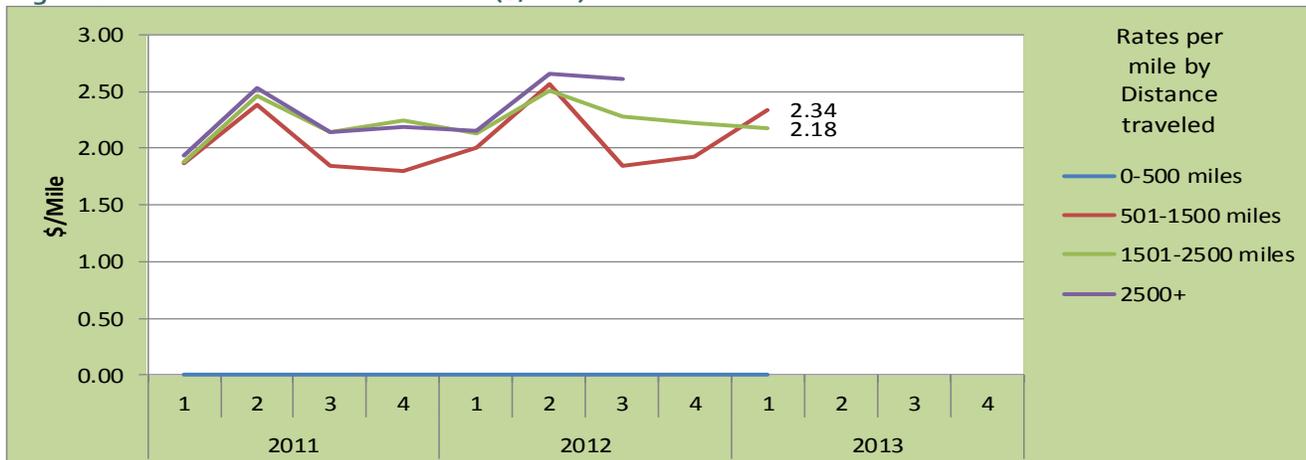
Texas		California		Arizona	
Avocados	129	Tomatoes, plum type	37	Watermelons, Seedless	276
Limes	111	Misc. tropical	30	Grapes	138
Mangos	106	Onions, green	27	Tomatoes	91
Tomatoes	85	Cucumbers	26	Tomatoes, plum type	89
Watermelons	68	Tomatoes	22	Cucumbers	81
Other	446	Other	168	Other	360
Total	944	Total	310	Total	1,036

Figure 11: Mexico - Texas Truck Rates (\$/Mile)



Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division

Figure 12: Mexico - Arizona Truck Rates (\$/Mile)



Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division

Figure 13: Mexico Border Truck Overview

Region/Reporting District	Diesel Fuel	Truck Rate	January	February	March
			Monthly Rating		
	\$/per gallon	\$/per mile	1=Surplus to 5=Shortage		
Regional Crossing Average			3.30	2.54	4.04
Through Texas	\$3.95	\$2.06	3.80	2.58	4.00
Through Nogales, AZ	\$4.07	\$2.41	2.80	2.50	4.08

Diesel Fuel Source: Energy Information Administration/U.S. Department of Energy

For the purpose of this report the Gulf Coast PAD District 3 was used to represent the diesel fuel price through Texas.

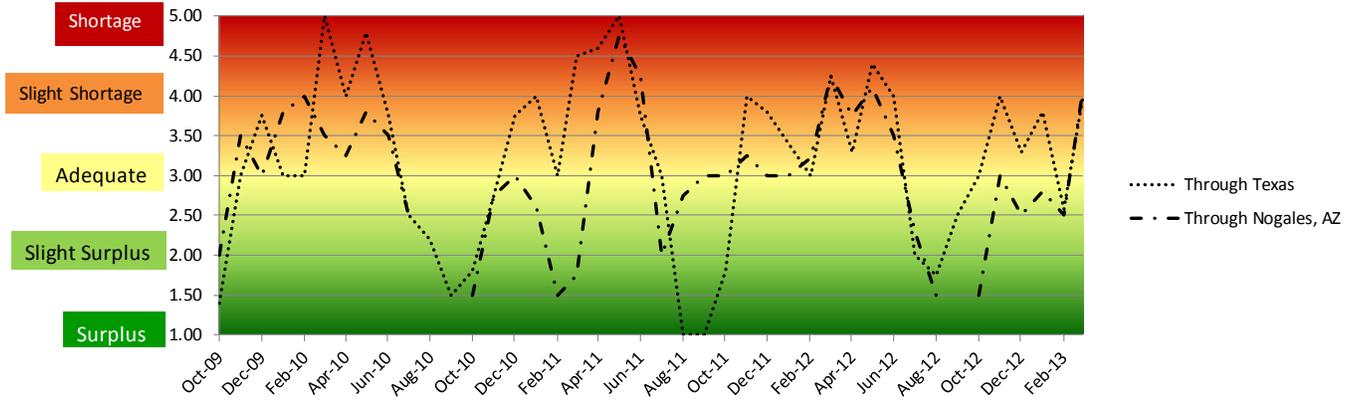
For the purpose of this report the West Coast less California District was used to represent the diesel fuel price through Arizona.

Volume: Total fruit and vegetable shipments from Mexico did not change from the same quarter in 2012. Within the top 5 commodities, a 54 percent increase in avocado shipments offset smaller decreases in tomatoes, cucumbers, bell peppers, and plum tomatoes to create no overall change in shipments of the top 5 commodities from the same quarter last year. These decreases in fresh vegetable shipments are partly attributed to freezes in the Mexican deserts earlier this year, according to the *Vegetables and Pulses Outlook*. Furthermore, the *Fruit and Tree Nut Outlook* reports that shipments of citrus from Mexico have helped to offset the effects of decreased citrus shipments domestically.

Rates: Truck rates for shipments between 501 and 1,500 miles through the Texas border crossings averaged \$2.15 per mile, 3 percent higher than last quarter and 9 percent higher than the same quarter last year. Rates for shipments between 501 and 1,500 miles through the Arizona border crossings averaged \$2.34 per mile, 22 percent higher than last quarter and 17 percent higher than the same quarter last year.

Truck Overview: Diesel fuel prices for border crossings through Texas averaged \$3.95 per gallon, 1 percent more than the previous quarter. Diesel fuel prices for border crossings through Arizona averaged \$4.07 per gallon, 2 percent less than last quarter. Trucking availability through Texas and Arizona began at adequate and slight surplus in January and increased in availability until February when it peaked with a slight surplus. Both spiked to a shortage at the end of the quarter.

Fig 14: Refrigerated Truck Availability Monthly Ratings for Mexico Border Crossings



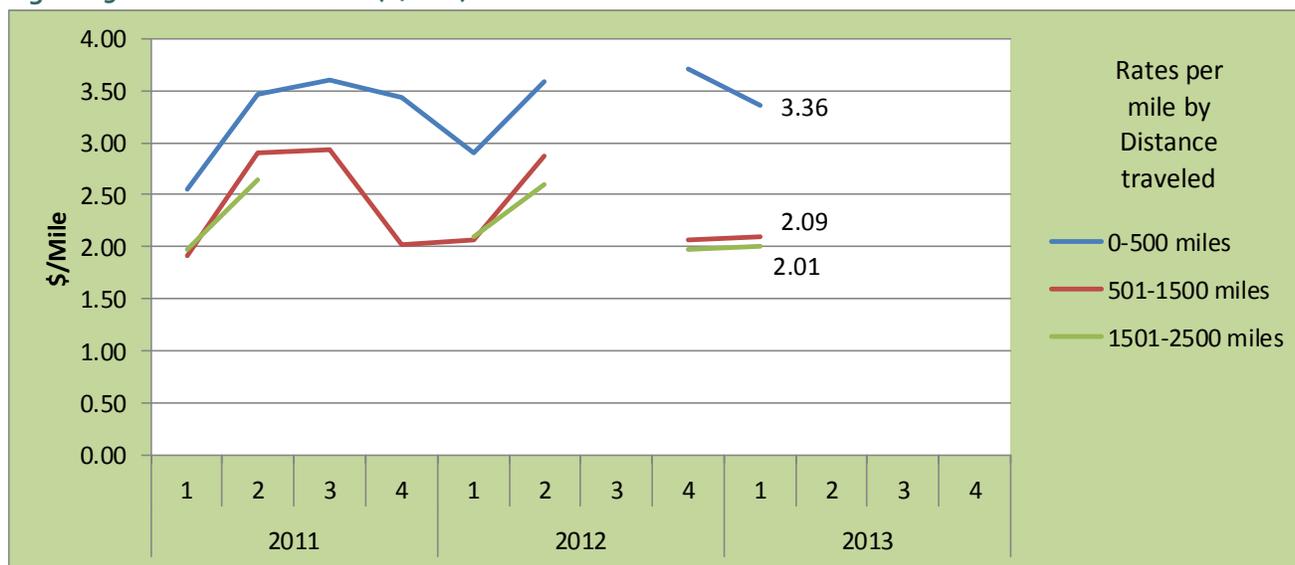
Florida

Table 14: Reported Top 5 Commodities Shipped from Florida (1,000 tons)

Commodity	1st Quarter 2013	Share of Florida Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
					Previous Qtr	Same Qtr Last Year
Tomatoes	184	18%	130	189	42%	-3%
Grapefruit	129	13%	114	152	13%	-15%
Strawberries	109	11%	14	84	679%	30%
Cabbage	87	8%	2	82	4250%	6%
Peppers, bell type	86	8%	47	79	83%	9%
Top 5 Total	595	58%	307	586	94%	2%
Florida Total	1,031	100%	626	1,001	65%	3%

Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division
 Note: "-" indicates no reported shipments during the quarter.

Figure 15: Florida Truck Rates (\$/Mile)



Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division

Figure 16: Florida Truck Overview

Region/Reporting District	Diesel Fuel	Truck Rate	January	February	March
			Monthly Rating		
	\$/per gallon	\$/per mile	1=Surplus to 5=Shortage		
Regional Average	\$4.01	\$2.09	3.20	2.92	2.83
Central and South			2.80	2.75	2.50
South (melons)			3.60	3.00	3.00
Statewide (potatoes)				3.00	3.00

n/a: availability data not reported

Diesel Fuel Source: Energy Information Administration/U.S. Department of Energy

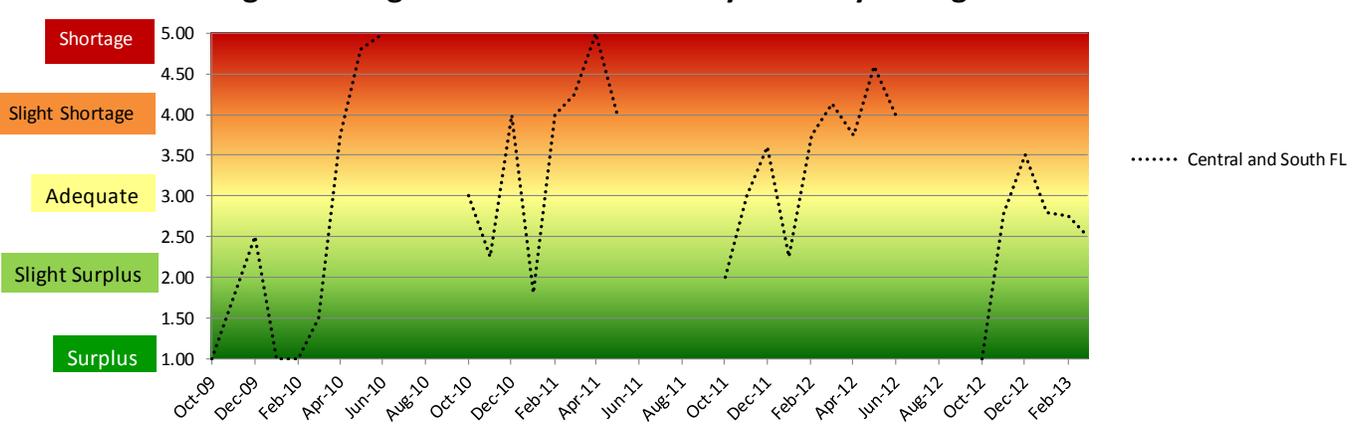
For the purpose of this report the Lower Atlantic Area (PADD 1C) of the East Coast PAD District 1 was used to represent the diesel fuel price for Florida.

Volume: Total shipments from Florida in the first quarter of 2013 were up 3 percent from the same quarter last year. Of Florida’s top 5 commodities, strawberries saw the greatest increase (30 percent) from the same quarter last year. Grapefruit shipments decreased 15 percent from the same quarter last year. ERS’ latest *Fruit and Tree Nuts Outlook* attributes warm, dry weather to the decrease in Florida grapefruit shipments. Decreased citrus production greatly decreased Florida shipping volume. Other citrus fruits affected by the weather included lemons, tangerines, and oranges.

Rates: The quarterly average truck rate for shipments between 501 and 1,500 miles was \$2.09 per mile. The average rate per mile during this same period last year was \$2.07, 0.5 percent lower than last year.

Truck Overview: Diesel fuel prices averaged \$4.01 per gallon, 1 percent higher than last quarter, and 1 percent higher than the same period last year. Truck availability began as adequate and ended the quarter with a slight surplus.

Fig 17: Refrigerated Truck Availability Monthly Ratings for Florida



Arizona

Table 16: Reported Top 5 Commodities Shipped from Arizona (1,000 tons)

Commodity	1st Quarter 2013	Share of Arizona Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
					Previous Qtr	Same Qtr Last Year
Lettuce, iceberg	235	39%	151	223	-	5%
Lettuce, romaine	161	27%	104	200	-	-20%
Lettuce, processed	47	8%	32	88	47%	-47%
Celery	37	6%	1	30	-	23%
Spinach	33	5%	28	36	-	-8%
Top 5 Total	513	85%	316	577	62%	-11%
Arizona Total	604	100%	441	691	37%	-13%

Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division

Figure 18: Truck Overview

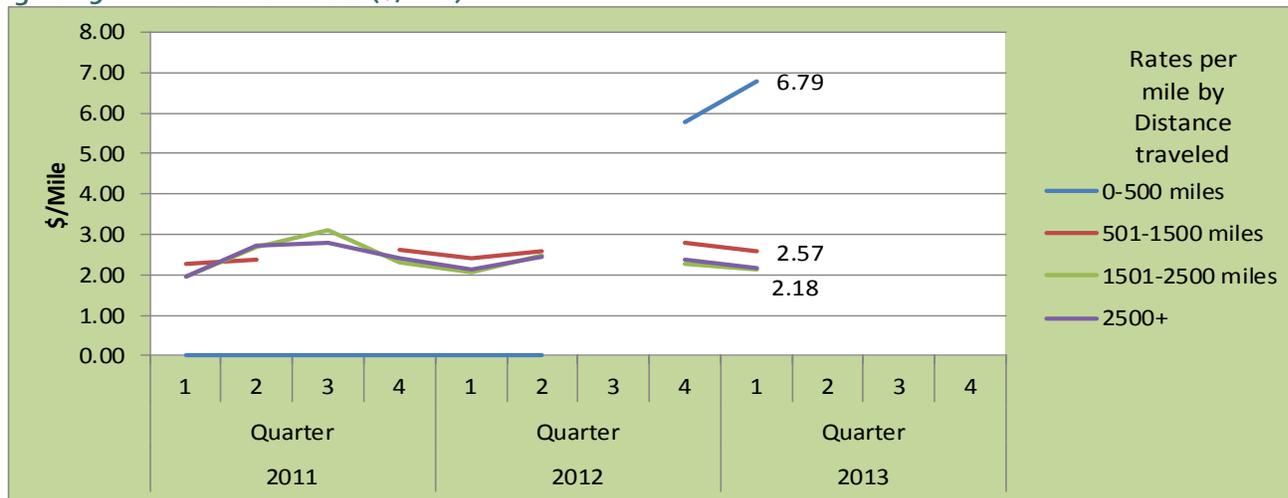
Region/Reporting District	Diesel Fuel	Truck Rate 501 to 1500 miles	January	February	March
			Monthly Rating		
	\$/per gallon	\$/per mile	1=Surplus to 5=Shortage		
Regional Average	\$4.07	\$2.57	2.78	2.19	3.22
Imperial, Palo Verde, Coachella Valleys, CA; and Central and Western AZ			3.27	2.25	3.25

n/a: availability data not reported

Diesel Fuel Source: Energy Information Administration/U.S. Department of Energy

For the purpose of this report the West Coast less California of PAD District 5 was used to represent the diesel fuel price for Arizona.

Figure 19: Arizona Truck Rates (\$/Mile)



Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division

Volume: In the first quarter of 2013, total shipments of fruits and vegetables from Arizona decreased by 13 percent from the same quarter in 2012. The decrease was spread across all commodities except iceberg lettuce and celery, which increased 5 and 23 percent, respectively, from the same quarter last year. Processed lettuce decreased 47 percent, and top 5 commodities shipped decreased 11 percent overall. According to the ERS' latest *Vegetable and Pulses Outlook*, warm weather in late 2012 increased lettuce, broccoli, and cauliflower production in the first quarter of 2013.

Rates: The quarterly average truck rate for shipments between 501 and 1,500 miles was \$2.57 per mile, 7.6 percent lower than last quarter but 7.5 percent higher than the same quarter last year. The average rate per mile during this same period last year was \$2.23.

Truck Overview: Diesel fuel prices averaged \$4.07 per gallon, \$0.01 higher than last quarter, and \$0.06 lower than the same period last year. Truck availability began with a shortage for the first week of January, was adequate for three weeks, at a slight surplus for four weeks, and finished the quarter with availability in the adequate to slight shortage range.

Terms and References

Data Sources: This information is compiled from the weekly *Fruit and Vegetable Truck Rate Report* by USDA, Agricultural Marketing Service (AMS), Fruit and Vegetable Programs, Market News Division. The website is: <http://marketnews.usda.gov/portal/fv>.

Regional Markets: For the regional markets, some States are grouped into producing regions. The Pacific Northwest region includes Idaho, Oregon, and Washington. The Great Lakes region includes Michigan, Minnesota, and Wisconsin.

Shipment Volumes: Truck shipments for all commodities and origins are not available. Those obtainable are reported, but should not be interpreted as representing complete movements of a commodity. Truck shipments from all States are collected at shipping points and include both interstate and intrastate movements. They are obtained from various sources, including Federal marketing orders, administrative committees, Federal State Inspection Service, and shippers. Volume amounts are represented in 10,000 pound units, or 1,000 10-lb packages but are converted to 1,000 tons for this report. Mexican border crossings through Arizona and Texas data is obtained from the Department of Homeland Security (DHS), U.S. Customs and Border and Protection (CBP) through USDA, AMS, Market News.

Rates: This information is compiled from the weekly *Fruit and Vegetable Truck Rate Report*. Rates quoted represent open (spot) market rates that shippers or receivers pay depending on basis of sale, per load, including truck brokers fees for shipments in truck load volume to a single destination. Extra charges for delivery to terminal markets, multipickup and multidrop shipments are not included unless otherwise stated. Rates are based on the most usual loads in 48-53 foot trailers from the origin shipping area to the destination receiving city. In areas where rates are based on package rates, per load rates were derived by multiplying the package rate by the number of packages in the most usual load in a 48-53 foot trailer. Slightly cheaper rates will be reported during Quarters 2 and 3 as about 50 percent of onion shipments from California are hauled on open flatbed trailers. During Quarter 3, less than 20 percent of onions hauled from Washington, Idaho, and Oregon are on open flatbeds.

Regional Rates: Rate data for 10 destination markets are used to calculate average origin regional rates.

National Rates: The national rates reflect the average of the regional rates, separated by mileage category and weighted by volume between origin and destination.

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Related Websites:

Fruit and Vegetable Programs

<http://www.ams.usda.gov/fv>

Fruit and Vegetable Truck Report

<http://search.ams.usda.gov/mnsearch/MNSearchResults.aspx>

Economic Research Service Vegetable and Pulses Outlook

<http://www.ers.usda.gov/publications/vgs/>

Economic Research Service Fruit and Tree Nuts Outlook

<http://www.ers.usda.gov/publications/fts/>

National Agricultural Statistics Service

<http://www.nass.usda.gov/>

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