Agricultural Refrigerated Truck Quarterly

Transportation Services Division
Transportation and Marketing Programs
Agricultural Marketing Service

2nd Quarter
2010
April-June

CONTENTS

REGULATORY NEWS/ UPDATES

FEATURE ARTICLE

NATIONAL SUMMARY:

Truck Rates

U.S. Diesel Fuel Prices

Truck Availability

Shipments

REGIONAL MARKETS:

California

PNW

Arizona

Great Lakes

Florida

Mexico

TERMS AND REFERENCES

CONTACT US

Market Insight

Container Service Challenges in 2010

In 2010, agricultural exporters are facing some of the most severe container equipment and vessel capacity challenges in recent history. In response to global recessionary pressures in 2009, carriers took vessels out of service and established slow steaming (reduced vessel speeds) operations, container manufacturers shut down production, and containers were stored. Trucking companies also reduced fleet sizes and the number of drivers.

This year, exporters have faced severe container shortages at inland locations and even at some port locations. Export containers have been bumped from scheduled vessels, some ocean carriers have refused to accept containers leased by the exporter, and have requested exporters pay increased surcharges and higher freight rates than provided for in their service contracts. Vessel space has been a challenge as ocean carriers slowly returned vessels to service. Truck availability has also been tight. Conditions may improve slightly through the usually slower summer months, but shippers expect vessel space, container availability, and trucking to be constrained during the fall peak season.

Vessel Capacity

Since the beginning of 2010, ocean carriers have brought vessels back online slowly to avoid flooding the market before demand can absorb the extra capacity. However, agricultural exporters say they need more capacity to avoid losing sales from overseas buyers. AXS-Alphaliner, the Paris-based container shipping consultancy, reports that only 2 percent of the global fleet remains out of service compared to the peak of 11.7 percent in 2009. Additionally, some carriers have indicated that many of the services brought back online are in the Asia-Europe trade lanes. Trade levels have increased more than 20 percent in the Asia-Europe trade lanes instead of the single digit growth originally forecast. AXS-Alphaliner reports that new deliveries of container ships in 2010 will reach the equivalent of 1.5 million TEU, equal to about 11 percent of ship capacity at the beginning of the year.

Equipment Availability

There has been a worldwide shortage of containers since the beginning of the year. In 2009, in the midst of a global recession, container manufacturers in Asia began to shut down due to lack of demand. The *2010 Institute of International Container Lessors (IICL) Annual Leased Container Fleet Survey* reported that over

Year	TEUs produced
2005	2.6 million
2006	3.1 million
2007	4.25 million
2008	3.25 million
2009	350,000

Source: Containerization International, February 2010

Quarterly Overview

Fruit and Vegetable Shipments

- Reported U.S. truck shipments of fresh produce were 8.8 million tons, 32 percent higher than the previous quarter and 4 percent above the same quarter last year.
- Together California and Mexico accounted for 48 percent of the total reported shipments of fresh fruits and vegetables during 2nd quarter 2010. A total of 4.3 million tons was shipped from these two regions.
- The following top 5 commodities accounted for 38 percent of the market during the 2nd quarter 2010:
  - Watermelons (11 Percent)
  - Potatoes (9 percent)
  - Tomatoes (7 percent)
  - Lettuce (6 percent)
  - Onions (5 percent)

Market Insight

530,000 TEU of leased containers were disposed of, including nearly 75,000 refrigerated TEU. Now that trade has improved, container manufacturers are struggling to keep up with current demand and, as a result, the global supply of containers is constrained. In 2009, container manufacturers produced only 8 percent of their previous year's production (see table). This means carriers are positioning a limited number of containers all over the world to meet demand in all trade lanes. Carriers are reporting that container supplies are not likely to catch up before this year's fall peak season, causing constrained container supplies and potentially constrained agricultural export potential during the busiest time of year. Both Maersk Line, the largest container carrier in the world, and AXS-Alphaliner have reported that demand will outpace supply during the fall peak season (August through October).

The overwhelming demand for newly manufactured containers has increased the price. Prices have risen to $2,750 per container, up from $2,000 per container at the end of 2009. Carriers drove this trend and leasing companies scrambled to obtain new containers. IICL members estimated they will purchase 43,600 TEU of refrigerated containers worth nearly $365 million during 2010. These members had approximately 471,000 TEU of refrigerated containers on hand as of January 1, 2010.

The practice of vessel 'slow steaming' allows carriers to reduce fuel consumption and cost, but has in turn helped fuel the container shortage situation. As ocean carriers operate many of their vessels at a slower speed, containers are in transit for longer periods, making them less available to the trading community. As carriers bring newly built and laid-up vessels into service, the limited supply of containers globally is moving on more vessels and in many cases on vessels operating at slower speeds.

Truck Availability Also Likely to be Constrained

Truck availability probably also will be constrained during this year's fall peak season. Some shippers have already reported difficulty finding a sufficient number of trucks. Beginning in August, ports become busier as import cargo reaches its peak shipping season. Regional movements of cargo to and from ports may experience truck shortages and delays due to constrained vessel capacity, container, and chassis supplies. Decreased demand for trucks in 2009 caused many trucking companies to reduce their owned and leased equipment and lay off drivers. Limited trucks and drivers may cause continued service challenges as transportation demand recovers.

Recent Government Activity

In response to these numerous challenges facing agricultural shippers, the Federal Maritime Commission is conducting a fact-finding investigation on issues between shippers and carriers and has taken steps to help resolve some of the problems. The House Subcommittee on Coast Guard and Maritime Transportation has convened two congressional hearings. USDA's Agricultural Marketing Service (AMS) has initiated a voluntary, small-scale pilot project to collect data on container availability. See our Feature Article for more information on these initiatives. *April.Taylor@ams.usda.gov, Brian.McGregor@ams.usda.gov*

Truck Rates

- The 2nd quarter 2010 average truck rate for U.S. produce shipments was $2.26 per mile, 28 percent higher than last quarter, and 14 percent higher than last year.
- During 2nd quarter 2010, the highest average rate per mile ranged between $2.92 and $2.94 for shipments from the Great Lakes. Rates from the PNW were the lowest, ranging from $1.63 to $1.60.
- Mexico truck rates for crossings through Arizona averaged $2.25 per mile and were 14 percent higher than last quarter and 15 percent higher than the same quarter last year. Border crossings through Texas averaged $2.02 per mile, up 19 percent from last quarter, and 18 percent from the same quarter last year.

Diesel Fuel

- During 2nd quarter 2010, the U.S. diesel fuel price averaged $3.03 per gallon—6 percent higher than last quarter and 29 percent above the same quarter last year.
- Average Ultra Low Sulfur diesel prices increased 6 percent from the last quarter to $3.03 per gallon.

Regulatory News/Updates

White House Office of Management and Budget Begins Review of Proposed Hours of Service Rule
On July 26, OMB received a draft notice of proposed rulemaking regarding drivers' hours of service, for a 90-day review. The OMB review is part of the October 26, 2009, settlement agreement between Public Citizen and the Federal Motor Carrier Safety Administration (FMCSA). The agreement delays judicial review of the current hours of service rule, pending publication of a new notice of proposed rulemaking in the Federal Register in late October 2010. Public Citizen objects to an 11th hour of driving during a 14-hour maximum on duty period. They also object to the ability of drivers to restart a 7 or 8 consecutive day period of 60 or 70 hours maximum on duty time, after taking 34 consecutive hours off duty.

FMCSA Proposes a Two-Year Limited Exemption for Anhydrous Ammonia Transportation
On July 8, the Federal Motor Carrier Safety Administration (FMCSA) proposed a two-year, limited exemption from the federal hours-of-service regulations for the transportation of anhydrous ammonia. The exemption covers shipments from any distribution point to a local farm retailer or to the ultimate consumer, and from a local farm retailer to the ultimate consumer, as long as the transportation takes place within a 100 air-mile radius of the retail or wholesale distribution point. Should FMCSA decide to grant the exemption, it would be valid for up to two years unless revoked earlier by FMCSA. Supporting documents may be viewed and comments must be submitted by August 13, 2010 at http://www.regulations.gov, under docket ID number FMCSA-2010-0230.

Comparing the Structure, Size, and Performance of Local and Mainstream Food Supply Chains
In June, ERS released a study that compared three different supply chains for five different commodities and locations, looking at prices, revenues, wages, farm income, social benefits, and transportation fuel use. The study found that "fuel use is more closely related to supply chain structure and size than to the distance the products travel. Products in local supply chains travel fewer miles from farms to consumers, but fuel use per unit of product in local chains can be greater than in the corresponding mainstream chains. In these cases, greater fuel efficiency per unit of product is achieved with larger loads and logistical efficiencies that outweigh longer distances."

The three supply chains were: (1) direct marketing by the producer; (2) use of local intermediaries to distribute products; and (3) mainstream distribution to major grocery stores. The five commodities and locations were: (1) apples in the Syracuse, NY, area; (2) blueberries in the Portland, OR, and Vancouver, WA, area; (3) spring mix in the Sacramento, CA, area; (4) beef in the Minneapolis-St. Paul, MN, and Bloomington, WI, area; and (5) fluid milk in the Washington, DC, area.

Focusing Resources, Economic Investment, and Guidance to Help Transportation (FREIGHT) Act of 2010
On July 22, Senators Frank R. Lautenburg (D-NJ), Patty Murray (D-WA), and Maria Cantwell (D-WA) introduced S. 3629, to ensure the transportation infrastructure supports the United States' global economic competitiveness. The bill would create a new Office of Freight Planning and Development in the U.S. Department of Transportation to develop a multimodal strategic plan to improve and invest in freight projects to reduce congestion, delays, and fatalities. The goals of competitive grants under the program are to make freight transportation more efficient and better for the environment by reducing carbon dioxide levels and air, water, and noise pollution.

House and Senate Move Forward on FY 2011 Transportation Appropriations
On July 29, the House approved H.Rept 111-564 to accompany H.R. 5850 to provide $45.9 billion for Federal-aid highways in FY 2011. In comparison, on July 23, the Senate Committee on Appropriations issued S.

Rept. 111-230 to accompany S. 3644 to provide nearly $41.8 billion for the same purpose. The full House and Senate will now consider the reports.

Senate Appropriations Report and Bill Sets Deadline of October 1 to Establish and Report on a Cross-border Trucking Program with Mexico

On July 26, Senator Patty Murray (D-WA) announced language in S. Rept. 111-230 and S. 3644, the transportation appropriations bill for FY 2011, that "directs the Secretary of Transportation, in coordination with the Ambassador of the United States Trade Representative, no later than October 1, 2010, to establish and report on a proposal to implement a cross-border trucking program that maintains the safety of our roads and highways, enhances the efficient movement of commerce, and eliminates harmful and retaliatory tariffs on agricultural products."

California Air Resources Board Transport Refrigeration Unit Revision Workshop Will be Held August 18

Workshop #3 is to be held on August 18, 2010, from 10:00 to 12:00 Noon, at the Byron Sher Auditorium at CalEPA Headquarters, 1001 I Street, Sacramento, CA. A webcast and conference call-in will be available. Changes to the regulations will be considered at future board meetings in November 2010 and July 2011.

Few Public Comments To-Date on the Sanitary Food Transportation Act Rulemaking

As of August 4, only six public comments have been received on the U.S. Food and Drug Administration's Center for Food Safety and Applied Nutrition (CFSAN) and Center for Veterinary Medicine (CVM) Advanced Notice of Proposed Rulemaking (ANPR) on implementing the Sanitary Food Transportation Act of 2005 (2005 SFTA). The deadline for comments is August 30. The ANPR is the first step in writing federal regulations that will govern sanitary practices by shippers, carriers by motor vehicle or rail vehicle, receivers, and others engaged in the transportation of food products for humans and animals. The 2005 SFTA provides broad authority to FDA to regulate the transportation of human and animal food products to protect products from food-safety hazards during transport. Those concerned may view the submitted documents online by entering the Docket ID Number FDA-2010-N-0013 at Regulations.gov. After evaluating comments received in response to the ANPR, FDA will propose specific regulations to implement the statute. FDA will coordinate with the U.S. Departments of Agriculture and Transportation in this rulemaking process.

Feature Article

FMC Responds to Vessel Capacity and Equipment Challenges

In mid-March, the Federal Maritime Commission (FMC) began a fact-finding investigation to examine vessel capacity and equipment availability in the United States export and import liner trade lanes. During the first phase of the investigation, FMC conducted interviews around the country with all sectors of the maritime industry. The FMC then provided their initial findings to the House Subcommittee on the Coast Guard and Maritime Transportation at the end of June.

The investigation showed that while vessel capacity has increased in recent months, this increase has not kept pace with growth in U.S. trade. Both shipper and carrier practices with regard to cargo bookings have exacerbated the capacity problems. In addition, growth in demand for container imports and exports in the upcoming peak shipping season may strain current vessel capacity. Container availability for export cargo in some regions of the country may continue to be difficult and expensive to arrange.

FMC Actions

FMC has taken the following actions to address these challenges:

- Rapid Response Teams: Teams within FMC's Office of Consumer Affairs and Dispute Resolution Services have been organized to quickly address and help resolve disputes between shippers and carriers—particular problems involve cancelled bookings, rolled cargo, and container availability.
- TSA and WTSA Oversight: FMC will increase oversight of the Transpacific Stabilization Agreement (TSA) and the Westbound Transpacific Stabilization Agreement (WTSA) by requiring transcripts of certain Agreement meetings.
- Global Alliance Oversight: FMC has directed staff to prepare recommendations for prompt commission action on ways to increase oversight of global vessel alliances.
- Extend Fact-Finding Investigation: The fact-finding investigation is extended to November 30, 2010. This will allow FMC to continue the investigation through the peak shipping season and fully develop additional solutions. The interview process also will continue during this time.

The following solutions are also underway, and continue to be developed during the second phase of the investigation:

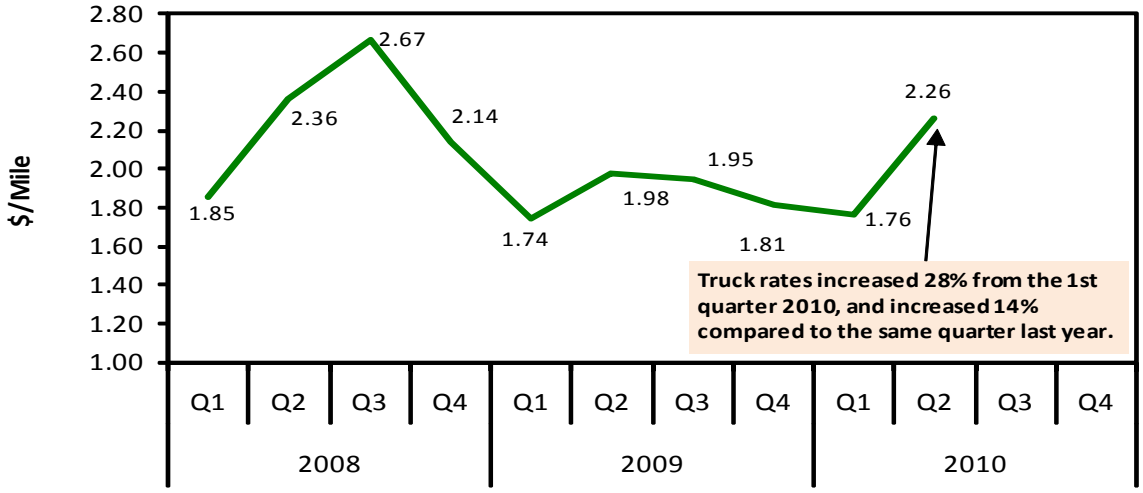
- Best practice discussions between shippers and carriers
- Carrier representatives to serve on Rapid Response Teams
- Development of model service contract terms
- Establishment of industry and FMC staff working groups to address export capacity and container availability

USDA Container Availability Pilot Project

Coinciding with FMC's investigation, USDA's Agricultural Marketing Service (AMS), in cooperation with FMC, began a voluntary, small-scale container availability pilot project in conjunction with four ocean carriers (from the Westbound Transpacific Stabilization Agreement) and six shippers to confidentially identify and collect data on the availability of ocean containers at select inland locations. The project aims to help agricultural exporters locate available containers by providing more transparency about the flow of containers throughout the country, especially in inland areas. Once consensus is achieved on data content and format, the project will likely be broadened to include all major ocean carriers that want to participate. The resulting container flow data will be published regularly on the AMS website. The voluntary pilot project is in the early stages of development, substantial progress is being made, and both the carriers and exporters are actively engaged and cooperating. Brian.McGregor@ams.usda.gov and April.Taylor@ams.usda.gov

U.S. Truck Rates

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



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

Table 1: Average U.S. Truck Rates for Selected Long-Haul Routes ($/Mile)

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	*Annual
2010	1.76	2.26			2.01
2009	1.74	1.98	1.95	1.81	1.87
2008	1.85	2.36	2.67	2.14	2.26
2007	1.70	2.11	2.08	2.00	1.97
2006	1.79	1.84	2.14	1.84	1.90
2005	1.56	1.88	2.10	2.08	1.91

*Annual: Weighted average rate for all 4 quarters.
Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Branch

Table 2: Quarterly Rates for Key Origins by Month ($/Mile)

	2nd Qtr 2010			1st Qtr 2010		
Origin	Apr	May	June	Jan	Feb	Mar
Arizona	2.20	2.12	2.78	1.98	1.97	2.05
California	2.30	2.47	2.59	1.91	1.89	1.99
Florida	1.82	2.60	2.44	1.75	1.70	1.60
Great Lakes	2.93	2.94	2.92	2.83	2.84	2.92
Mexico - Arizona	2.22	2.28	2.28	2.03	1.81	2.05
Mexico - Texas	1.88	2.10	2.06	1.65	1.65	1.79
PNW	1.61	1.63	1.60	1.59	1.58	1.60
Texas	2.19	2.45	2.42	1.90	1.93	2.08

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

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 and Commodities

Table 3: Origin-Destination Truck Rates for Selected Routes and Commodities, 2nd Quarter 2010 ($/Mile)

Origin	Commodity	Destination							
		New York	Atlanta	Chicago	Boston	Baltimore	Miami	Philadelphia	Seattle
Arizona	Lettuce	2.43	2.49	2.08	2.26	2.41		2.31	1.43
	Melons	2.84	2.92		2.81	2.81		2.81	
	Onions	2.11		1.88	1.65			1.99	
California	Asparagus	2.22	2.23		2.19	2.18		2.21	
	Broccoli	2.14	2.18	2.14	2.07				
	Carrots	2.38	2.35	2.47	2.35	2.28	2.06	2.29	3.64
	Lettuce	2.45	2.41	2.48	2.39	2.38	2.10	2.38	3.69
	Melons	2.51	2.45		2.51	2.42		2.41	
	Onions	1.86		1.70	1.48			1.71	
	Other Citrus	2.42	2.39	2.44	2.34	2.34		2.34	3.33
	Peaches	2.50	2.46	2.63	2.39	2.36	2.16	2.43	
	Sweet Potato		2.18						
Florida	Melons	3.26	3.10	2.22	2.62	2.62		2.66	
	Mixed Vegetables	2.99	3.31	2.13	2.42	2.36		2.43	
	Potatoes	2.23	2.44	1.59	1.82	1.68	0.23	1.66	
	Tomatoes	2.99	3.31	2.13	2.42	2.36		2.43	
Great Lakes	Apples	3.14	2.37	2.31	2.68	2.94	2.23	2.90	
	Blueberries			2.93					
	Cucumbers	3.00	2.41	2.59	2.59			2.83	
	Potatoes	3.96	2.41	2.93	3.01	3.87	2.27	3.25	
Mexico - AZ	Mixed Veg., Tomatoes, Melons, Mangoes	2.38	2.21	1.88	2.38		2.17	2.48	
Mexico - TX	Citrus, Avacodoes, Mixed Fruit and Veg., Mangoes	2.17	2.00	1.71	2.14	2.07	1.94	2.12	
Pacific Northwest	Apples	1.90	2.05	1.88	1.71	1.73	1.60	1.68	0.26
	Onions	2.04	1.73	1.59	1.74	1.72	1.71	1.69	
	Potatoes	1.82	1.62	1.46	1.62	1.68	1.48	1.61	
Texas	Beets	2.65	2.47	2.33	2.56	2.49	2.23	2.55	
	Oranges, Other Citrus	2.28	2.38	1.98	2.21	2.30		2.28	
	Watermelon	2.59	2.32	2.26	2.49	2.43	2.19	2.50	

Note: "n/a" indicated rate were not available or there was insufficient data to report rates for that route and commodity

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

Truck Rates for Selected Routes and Commodities

Table 4: Origin-Destination Truck Rates for Selected Routes and Commodities, 2nd Quarter 2010 ($/Truck)

Origin	Commodity	Destination							
		New York	Atlanta	Chicago	Boston	Baltimore	Miami	Philadelphia	Seattle
Arizona	Lettuce	6,000	4,600	3,750	6,100	5,650		5,550	2,350
	Melons	7,021	5,393		7,586	6,607		6,729	
	Onions	5,206		3,400	4,462			4,781	
California	Asparagus	6,210	4,905		6,605	5,970		6,165	
	Broccoli	6,000	4,800	4,275	6,250				
	Carrots	6,677	5,165	4,946	7,081	6,231	6,432	6,396	2,738
	Lettuce	6,859	5,312	4,967	7,209	6,504	6,555	6,628	2,778
	Melons	7,021	5,393		7,586	6,607		6,729	
	Onions	5,206		3,400	4,462			4,781	
	Other Citrus	6,765	5,265	4,885	7,073	6,396		6,523	2,508
	Peaches	7,000	5,412	5,262	7,225	6,450	6,738	6,775	
	Sweet Potato		4,790						
Florida	Melons	3,590	1,240	2,660	3,970	2,900		3,200	
	Mixed Vegetables	3,291	1,323	2,555	3,668	2,605		2,923	
	Potatoes	2,450	975	1,912	2,750	1,856	575	2,000	
	Tomatoes	3,291	1,323	2,555	3,668	2,605		2,923	
Great Lakes	Apples	2,516	2,058	670	2,585	2,122	3,331	2,259	
	Blueberries			850					
	Cucumbers	2,400	2,100	750	2,500			2,200	
	Potatoes	3,172	2,096	850	2,902	2,795	3,386	2,526	
Mexico - AZ	Mixed Veg., Tomatoes, Melons, Mangoes	6,081	3,967	3,773	6,288		4,938	5,842	
Mexico - TX	Citrus, Avacodoes, Mixed Fruit and Veg., Mangoes	4,315	2,304	2,519	4,696	3,708	3,000	3,996	
Pacific Northwest	Apples	4,950	4,931	3,385	5,235	4,792	5,385	4,750	650
	Onions	5,312	4,144	2,869	5,312	4,782	5,738	4,782	
	Potatoes	4,743	3,886	2,622	4,951	4,663	4,965	4,542	
Texas	Beets	4,610	2,390	2,710	5,030	3,890	3,012	4,230	
	Oranges, Other Citrus	3,980	2,300	2,300	4,340	3,590		3,780	
	Watermelon	4,520	2,240	2,630	4,900	3,790	2,967	4,150	

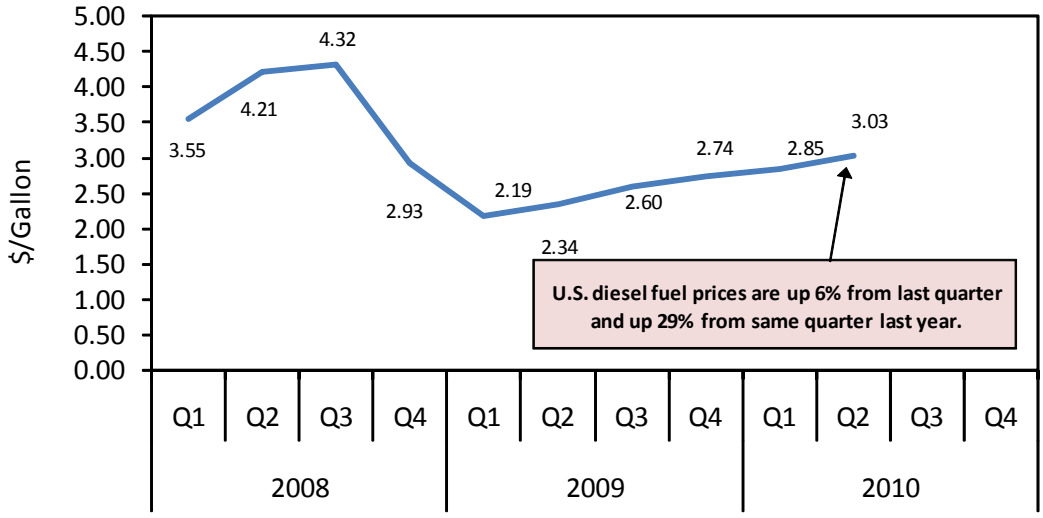
Note: "n/a" indicated rate were not available or there was insufficient data to report rates for that route and commodity

Source: AMS, Fruit and Vegetable Market News Branch, 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: 2nd Quarter 2010 Average Diesel Fuel Prices (All Types - $/Gallon)

		Change From	
Location	**Price**	**Last Quarter**	**Same Qtr Last Year**
East Coast	3.04	0.15	0.67
New England	3.08	0.06	0.60
Central Atlantic	3.16	0.16	0.67
Lower Atlantic	2.99	0.15	0.67
Midwest	3.00	0.18	0.70
Gulf Coast	2.98	0.17	0.67
Rocky Mountain	3.08	0.23	0.72
West Coast	3.15	0.20	0.70
California	3.17	0.17	0.69
U.S.	3.03	0.17	0.69

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

Ultra Low Diesel Fuel Prices

Table 6: U.S. Average Ultra Low Diesel Prices ($/Gallon)

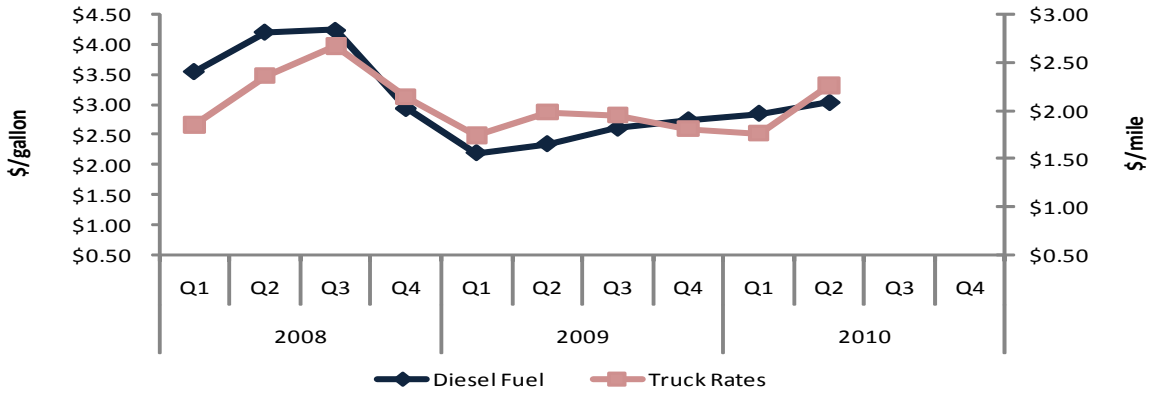
	2009		2010	
	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter
Ultra Low	2.57	2.76	2.86	3.03

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

Relationship Between Diesel Fuel Prices and 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 Branch

Table 7: Average Diesel Fuel Prices and Truck Rates

		Diesel Fuel ($/Gallon)	Truck Rates ($/mile)	% Change From: Last Qtr		% Change From: Same Qtr Last Year	
				Diesel	Truck	Diesel	Truck
2008	Q1	3.55	1.85	9%	-8%	40%	9%
	Q2	4.21	2.36	19%	28%	50%	12%
	Q3	4.32	2.67	3%	13%	49%	22%
	Q4	2.93	2.14	-32%	-20%	-10%	7%
2009	Q1	2.19	1.74	-25%	-19%	-38%	-6%
	Q2	2.34	1.98	7%	14%	-44%	-16%
	Q3	2.60	1.95	11%	-2%	-40%	-27%
	Q4	2.74	1.81	5%	-7%	-6%	-15%
2010	Q1	2.85	1.76	4%	-3%	30%	1%
	Q2	3.03	2.26	6%	28%	29%	14%
	Q3						
	Q4						

Sources:
Diesel Fuel: Energy Information Administration/U.S. Department of Energy
Truck Rates: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Branch

2nd Quarter 2010 Comparison Analysis

Diesel fuel prices averaged $3.03 per gallon this quarter, 6 percent higher than last quarter, and 29 percent higher than the same quarter last year. Truck rates increased 28 percent compared to the previous quarter and 14 percent compared to 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. Some shippers offer enough business to a company that the fuel surcharge is waived. The total surcharge collected, however, may not be reported or fully reimbursed to those paying for the fuel.

Quarterly Truck Availability

Table 8: U.S. Fresh Fruit and Vegetable Truck Availability, 2nd Qtr 2010

Region	Commodity	Truck Availability												
		Surplus - 1		Slight Surplus - 2			Adequate - 3			Slight Shortage - 4			Shortage - 5	
		Week Ending												
		4/6	4/13	4/20	4/27	5/4	5/11	5/18	5/25	6/1	6/8	6/15	6/22	6/29
CALIFORNIA, ARIZONA														
Imperial & Coachella Valley, CA; Western & Central AZ	Lettuce, Mixed Vegetables	4												
Imperial & Coachella Valley, CA	Melons, Bell Peppers							5	4	3	3	3	4	4
	Corn							5	4	3	3	3	4	
	Grapes										3	3	4	4
Imperial Valley, CA	Onions*					3	3	3**	5	5	5			
Central and Southern San Joaquin Valley, CA	Peaches, Nectarines, Plums, Apricots										4	4	4	4
Kern District, CA	Carrots	4	4	4	3	3	4	5	4	3	3	3	3	3
	Potatoes							5	4	3	3	3	3	3
Salinas-Watsonville, CA	Broccoli, Cauliflower	4	4	4										
	Asparagus	4	4	4	3	4	4	4	4	3	3	3	4	
	Mixed Vegetables		4	4	3	4	4	4	4	3	3	3	4	4
	Lettuce			4	3	4	4	4	4	3	3	3	4	4
	Strawberries				3	4	4	4	4	3	3	3	4	4
	Raspberries						4	4	4	3	3	3	4	4
Stockton Delta District, CA	Asparagus	3	4	4	4	4	4	4	4	4	4			
Central San Joaquin Valley, CA	Lettuce	4	4	3	3									
	Leaf Lettuce, Romaine	4	4											
South District, CA	Citrus, Avocados	5	4	4	4	4	4	4	4	3	4	4	4	4
	Strawberries	5	4	4	4	4	4	4	4	3				
	Raspberries	5	4	4	4	4								
Atwater Livingston, CA	Sweet Potatoes	4	4	4	4	4								
Santa Maria, CA	Lettuce, Mixed Vegetables	4	4	4	3	3	4	5	4	3	3	3	4	4
	Strawberries							5	4	3	3	3	4	4
FLORIDA														
Central & South FL	Mixed Vegetables	3	4	4	4	5	5	4	5	5	5	5		
Central FL	Tomatoes	3	4	4	4	5	5	4	5	5	5	5		
FL	Potatoes	4	4	4	4	5	3	3	3	5	5	5	5	
	Melons								5	5	5	5	5	
Caribbean Basin Imports--Ports of Entry, South FL	Melons	3	3	3	3	3								
PACIFIC NORTHWEST (WA, ID, OR)														
Northwest WA	Potatoes	3												
Columbia Basin, WA	Potatoes	3	3	3	1	3	3	3	3	3	3	3	3	4
	Onions	3	3	3	1									
Yakima Valley & Wenatchee District, WA	Apples, Pears	3	3	3	3	3	3	3	3	3	3	3	3	3
Upper Valley, Twin Falls-Burley District, ID	Potatoes	4	3	3	2	3	3	3	3	3	3	3	3	5
Idaho and Malheur County, OR	Onions	4	4	4										
GREAT LAKES (MI & WI)														
MI	Apples	3	3	4***	5	5	3	3	3	3	3	3	3	3
	Blueberries, Cucumbers													3
Central WI	Potatoes	3	3	3	3	3	3	3	3	3	3	3	3	
	Onions	3	3	3	3	3								
MEXICO BORDER CROSSINGS														
Through TX	Citrus, Avocado, Mix Fruit & Veg, Mango, Other Citrus	3	4	4	5	5	5	4	5	5	5	3	3	5
Through Nogales, AZ	Mixed Veg, Tomatoes, Melons, Mangoes	3	4	3	3	4	5	3	3	4	4	4	3	3
	Grapes						5	3	3	4	4	4	3	3
TEXAS, NEW MEXICO														
Lower Rio Grande Valley, TX	Beets	3	4	4	5	5	5	4	5	5	5			
	Cabbage	3	4	4	5	5	5	4	5					
	Citrus	3	4	4	5	5								
	Greens	3	4	4	5									
	Herbs	3												
	Onions						5	4						
	Watermelons						5	4	5					
South Texas	Watermelons									5	5			
Texas	Watermelons											3	3	4
Southern New Mexico	Onions										5	4	4	5

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

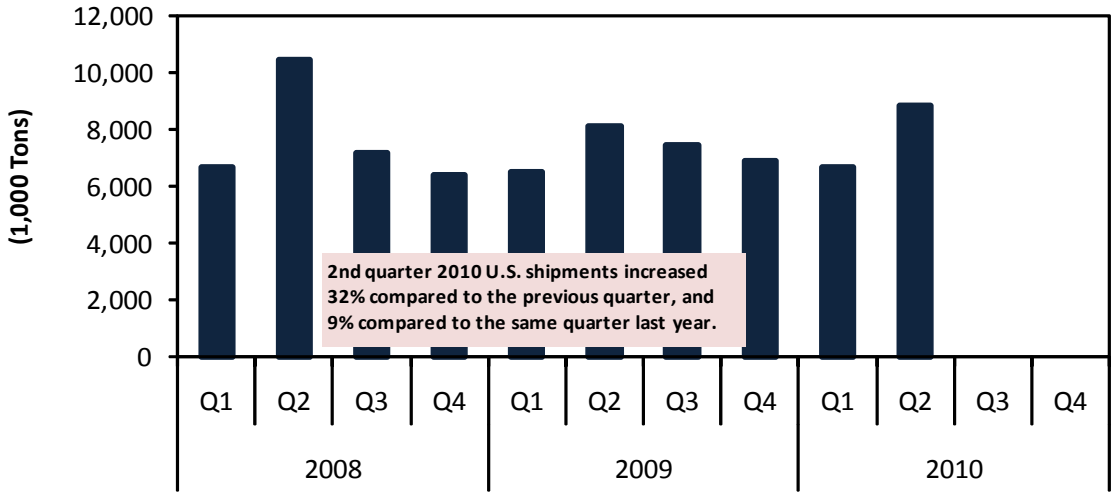
* freight rates are generally for flatbeds, open trucks, or dry vans

** barely adequate

***slight shortage to Chicago and northeast destinations, others adequate

U.S. Shipments

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



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

Table 9: U.S. Refrigerated Fruit and Vegetable Shipments (1,000 Tons)

Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annual
2010	6,690	8,849	-	-	15,539
2009	6,505	8,139	7,464	6,897	29,005
2008	6,669	10,462	7,173	6,368	30,672
2007	6,704	8,683	7,324	6,640	29,351
2006	6,542	8,595	7,140	6,733	29,010
2005	6,610	8,405	7,351	6,618	28,984

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

Shipments by Selected Commodities

Table 10: Top 10 Commodity Shipments for 2nd Quarter 2010 (1,000 Tons)

Commodity	2nd Quarter 2010	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from: Previous Qtr	Current Quarter as % change from: Same Qtr Last Year
Watermelon	942	82	1,098	-	-14%
Potatoes	789	725	1,167	9%	-32%
Tomatoes	608	666	501	-9%	21%
Lettuce	574	761	601	-25%	-4%
Onions	463	410	617	13%	-25%
Strawberries	360	190	337	90%	7%
Apples	350	471	398	-26%	-12%
Corn	339	51	415	565%	-18%
Cantaloupe	303	0	394	-	-23%
Peppers	237	291	247	-18%	-4%

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

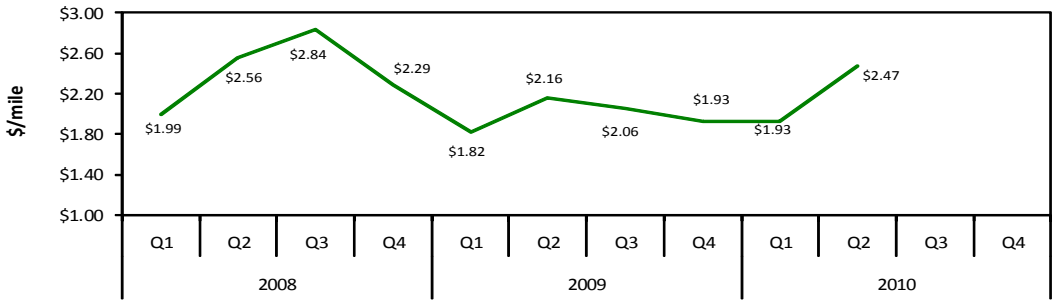
California

Table 11: Top Five Commodities Shipped from California (1,000 tons)

Commodity	2nd Quarter 2010	Share of California Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from: Previous Qtr	Same Qtr Last Year
Lettuce	498	23%	146	552	241%	-10%
Strawberries	344	16%	91	327	278%	5%
Celery	162	8%	139	154	16%	5%
Potatoes	107	5%	36	92	198%	16%
Cherries	100	5%	-	108	-	-8%
Top 5 Total	**1,211**	**56%**	**412**	**1,234**	**194%**	**-2%**
California Total	**2,152**	**100%**	**674**	**2,186**	**219%**	**-2%**

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

Figure 5: California Truck Rates ($/Mile)



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

Figure 6: Truck Overview

Region/Reporting District	Diesel Fuel	Truck Rate	April	May	June
			Monthly Rating		
	$/per gallon	$/per mile	1=Surplus to 5=Shortage		
Regional Average	**$3.17**	**$2.47**	**3.85**	**4.08**	**3.80**
Imperial & Coachella Valley, CA; Western & Central AZ			4.00	n/a	n/a
Imperial & Coachella Valley, CA			n/a	4.50	3.44
Imperial Valley, CA			n/a	3.67	5.00
Central and Southern San Joaquin Valley,			n/a	n/a	4.00
Kern District, CA			3.75	4.25	3.00
Salinas-Watsonville, CA			3.58	4.00	3.47
Stockton Delta District, CA			3.75	4.00	4.00
Central San Joaquin Valley, CA			3.75	n/a	n/a
South District, CA			4.25	4.00	4.00
Atwater Livingston, CA			4.00	4.00	n/a
Santa Maria, CA			3.75	4.25	3.50

n/a: availability data not reported
Deisel 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.

Regional Overview, 2nd Quarter, 2010

Volume: Volume for the top five commodities shipped from California declined 2 percent compared to the same quarter last year; overall shipments also decreased by 2 percent. The only significant increase during the quarter was seen in potato shipments, which increased 16 percent over the same quarter last year. Strawberries and celery also saw small increases of 5 percent from the previous year. Lettuce and cherry volumes decreased by 10 and 8 percent respectively. Lettuce shipments from California likely decreased due to the slow recovery of the economy and the tepid foodservice demand. This year's potato production has been in high demand particularly for processing potatoes due partially to the insufficient quality of fall potatoes in storage. According to ERS, as of June 1, 51.3 million cwt were in storage compared with 45.3 million cwt in 2009. Strawberry shipments from California were slightly above last year despite a cold and wet spring that reduced yields intermittently and disrupted harvest. According to NASS, California strawberry production and acreage are forecast to be down in 2010. A production surge from Florida late in the season overlapped with California supplies and drove strawberry prices down during spring production season.

Rates: The quarterly average truck rate was $2.47 per mile, 28 percent higher than last quarter, and 14 percent higher than the same quarter last year. The average rate per mile during this same period last year was $2.16.

Truck Overview: Diesel fuel prices averaged $3.17 per gallon, a 5.7 percent increase from last quarter, and a 28 percent increase from the same period last year. Truck availability was particularly challenging this quarter; on average trucks were in slightly short supply. The most difficult period was May, particularly the last 2 weeks in May when the Imperial Valley, Coachella Valley, Kern District, and Santa Maria areas all reported severe truck shortages. June brought mostly adequate truck supplies with some lingering slight shortages in the Imperial Valley, San Joaquin Valley, and the South District.

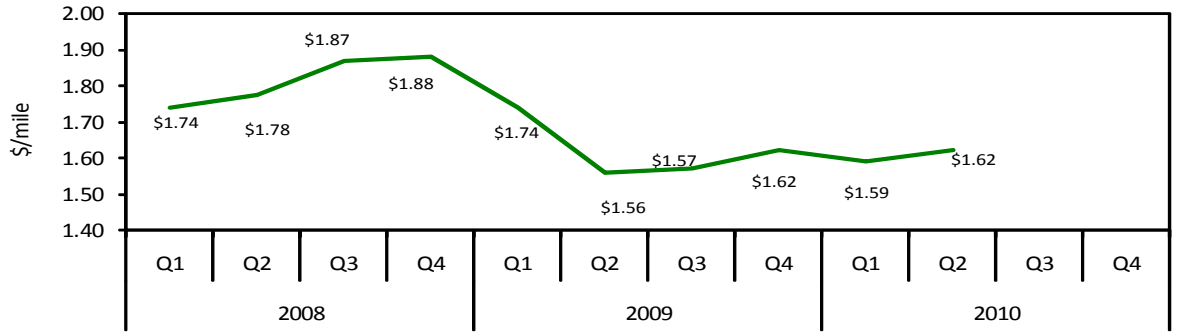
Pacific Northwest

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

Commodity	2nd Quarter 2010	Share of PNW Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from: Previous Qtr	Same Qtr Last Year
Potatoes	463	49%	493	439	-6%	5%
Apples	307	33%	411	336	-25%	-9%
Onions	74	8%	283	63	-74%	17%
Pears	56	6%	151	40	-63%	40%
Cherries	30	3%	-	35		-13%
Top 5 Total	**900**	**96%**	**1,338**	**913**	**-33%**	**-1%**
PNW Total	**939**	**100%**	**1,338**	**924**	**-30%**	**2%**

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

Figure 7: PNW Truck Rates ($/Mile)



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

Figure 8: Truck Overview

Region/Reporting District	Diesel Fuel	Truck Rate	April	May	June
			Monthly Rating		
	$/per gallon	$/per mile	1=Surplus to 5=Shortage		
Regional Average	**$3.15**	**$1.62**	**3.10**	**3.00**	**3.25**
Northwest WA			3.00	n/a	n/a
Columbia Basin, WA			2.50	3.00	3.25
Yakima Valley & Wenatchee District, WA			3.00	3.00	3.00
Upper Valley, Twin Falls-Burley District, ID			3.00	3.00	3.50
Idaho and Malheur County, OR			4.00	n/a	n/a

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 PAD District 5 was used to represent the diesel fuel price for PNW.

Regional Overview, 2nd Quarter, 2010

Volume: The top five commodities moved by truck from the PNW decreased 33 percent compared to the previous quarter and 1 percent compared to the same quarter last year. Pear shipments, however, increased by 40 percent, onion shipments increased by 17 percent, and potatoes shipments increased 5 percent from the same quarter last year. Apple shipments decreased 9 percent and cherry shipments decreased 13 percent. According to ERS, the 2009/2010 apple and pear crops were bigger and of good quality. The Washington cherry crop forecast of 160,000 tons is down 35 percent from 2009, according to NASS. The crop has fallen behind on maturity due to cool, wet weather this spring.

Rates: The average rate per mile in PNW was $1.62, an increase of nearly 2 percent from last quarter, and over 3 percent from the same quarter last year.

Truck Overview: Diesel fuel prices averaged $3.15 per gallon, over 7 percent higher than last quarter, and nearly 29 percent higher than the same quarter last year. Truck availability was adequate for the most part. There was a slight shortage for Idaho and Malheur County, OR, onions for three weeks in April, and a shortage of trucks for Idaho and Washington potatoes during the last week of June. The volume of the top five commodities from the PNW moved by trailers and containers on flatcars (piggyback), and boxcars, increased by 13,200 tons, or nearly 12 percent, compared to the same quarter last year.

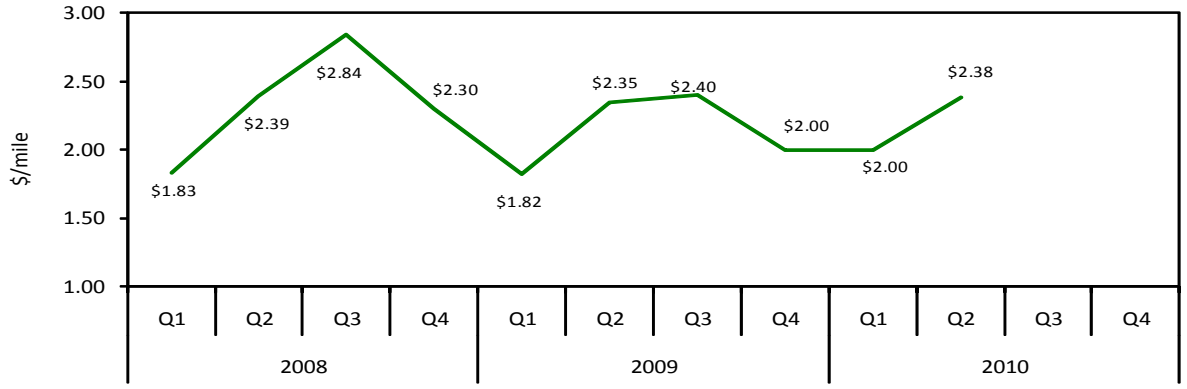
Arizona

Table 13: Top Five Commodities Shipped from Arizona (1,000 tons)

Commodity	2nd Quarter 2010	Share of Arizona Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from: Previous Qtr	Same Qtr Last Year
Cantaloupe	159	35%	-	205	-	-22%
Corn	73	16%	-	51	-	43%
Watermelon	66	14%	-	96	-	-32%
Onions	58	13%	-	55	-	6%
Lettuce	41	9%	569	21	-	96%
Top 5 Total	**397**	**86%**	**569**	**428**	-30%	**-7%**
Arizona Total	**460**	**100%**	**698**	**498**	**-34%**	**-8%**

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

Figure 9: Arizona Truck Rates ($/Mile)



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

Figure 10: Truck Overview

Region/Reporting District	Diesel Fuel	Truck Rate	April	May	June
			Monthly Rating		
	$/per gallon	$/per mile	1=Surplus to 5=Shortage		
Regional Average	**$3.15**	**$2.38**	**3.63**	**3.71**	**3.50**
Imperial & Coachella Valley, CA; Western & Central AZ			4.00	n/a	n/a
Through Nogales, AZ			3.25	3.71	3.50

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 PAD District 5 was used to represent the diesel fuel price for Arizona.

Regional Overview, 2nd Quarter, 2010

Volume: Total shipments from Arizona during the 2nd quarter were down 8 percent. However, within the top five commodities, changes from the previous year varied greatly. Lettuce and corn shipments saw the greatest increases at 96 and 43 percent respectively from the previous year; while cantaloupe and watermelon saw significant decreases at 22 and 32 percent respectively. ERS reported that producer prices for melons (including cantaloupe and watermelon) averaged 2 percent below the strong levels of a year earlier during the January-May period, possibly lowering shipments from Arizona. Supplies from Arizona have begun to improve, but shipments were also likely lowered by a late start caused by another cool, wet spring. Arizona vegetables saw a surge over the year, because as ERS reported, for the first five months of 2010, point-of-first-sale (grower or shipping point) prices for commercial vegetables surged 16 percent above those of a year earlier, encouraging shippers to sell.

Rates: The truck rate per mile averaged $2.38 during 2nd quarter 2010, 19 percent higher than last quarter and 1 percent higher than the same period last year.

Truck Overview: Diesel fuel prices averaged $3.15 per gallon, 7 percent higher than last quarter, and 29 percent higher than the same quarter last year. On average, truck availability was adequate to a slight shortage for the 2nd quarter. During the week ending May 11, trucks were in short supply through the Nogales, AZ, border crossing.

Great Lakes

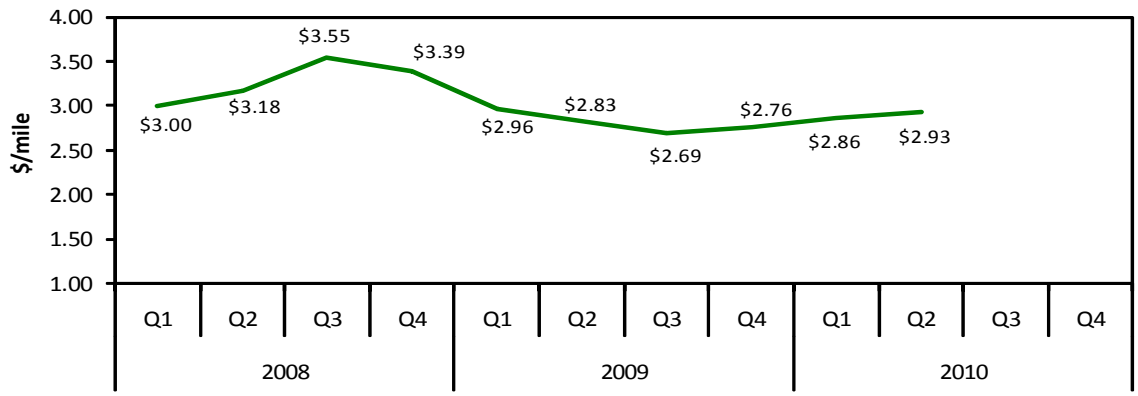
Table 14: Top 5 Commodities Shipped from Great Lakes (1,000 tons)

Commodity	2nd Quarter 2010	Share of Great Lakes Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from: Previous Qtr	Same Qtr Last Year
Potatoes	83	62%	161	89	-49%	-8%
Apples	43	32%	59	8	-27%	410%
Asparagus	3	2%	-	3	-	1%
Cucumbers	3	2%	-	1	-	-
Cabbage	1	1%	-	-	-	-
Top 5 Total	**128**	**96%**	**220**	**102**	-42%	**26%**
Great Lakes Total	**134**	**100%**	**247**	**102**	**-46%**	**31%**

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

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

Figure 11: Great Lakes Truck Rates ($/Mile)



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

Figure 12: Truck Overview

Region/Reporting District	Diesel Fuel	Truck Rate	April	May	June
			Monthly Rating		
	$/per gallon	$/per mile	1=Surplus to 5=Shortage		
Regional Average	**$3.00**	**$2.93**	**3.38**	**3.25**	**3.00**
Michigan			3.75	3.50	3.00
Central Wisconsin			3.00	3.00	3.00

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

For the purpose of this report the Midwest PAD District 2 was used to represent the diesel fuel price.

Regional Overview, 2nd Quarter, 2010

Volume: Shipments of the top five commodities increased 26 percent compared to the same quarter last year. Potatoes remained the top commodity, although shipments were down 7 percent from the same quarter last year. ERS reported persistent stocks and sluggish demand for fresh potatoes during first five months of 2010, with grower prices averaging 18 percent lower through April compared to last year's high level. Apple shipments increased 436 percent compared to the same quarter last year, reflecting last year's bumper crop, with rebates for retailers, and lower retail prices according to *The Packer* and ERS.

Rates: The average rate per mile in the Great Lakes region was $2.93, up 2.4 percent from last quarter, and up 3.5 percent compared to the same quarter last year.

Truck Overview: Diesel fuel prices averaged $3.00 per gallon. Truck availability was adequate for Michigan apples, except for the last two weeks of April into the first week of May, and adequate for central Wisconsin potatoes and onions.

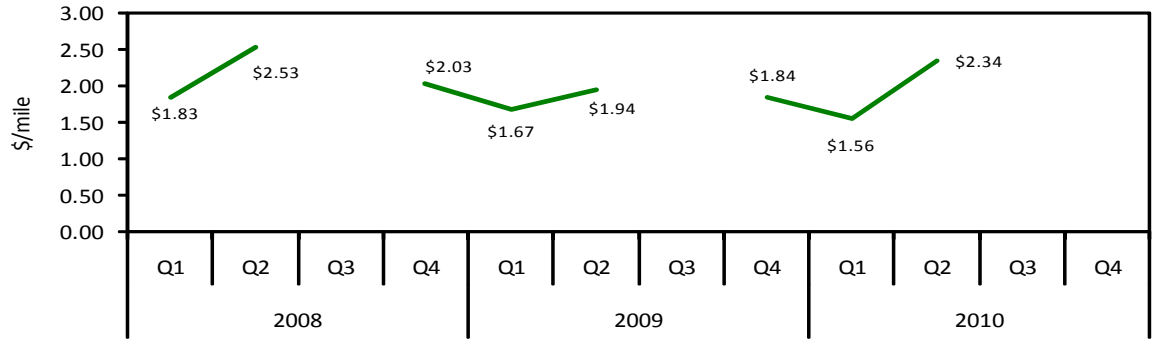
Florida

Table 15: Top Five Commodities Shipped from Florida (1,000 tons)

Commodity	2nd Quarter 2010	Share of Florida Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from: Previous Qtr	Same Qtr Last Year
Watermelon	278	26%	-	261	-	7%
Tomatoes	219	20%	99	283	121%	-23%
Corn	154	14%	12	155	-	0%
Potatoes	92	9%	14	87	-	6%
Cantaloupe	55	5%	-	-	-	-
Top 5 Total	**798**	**74%**	**125**	**786**	**-**	**2%**
Florida Total	**1,078**	**100%**	**464**	**1,099**	**132%**	**-2%**

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

Figure 13: Florida Truck Rates ($/Mile)



Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Branch
Note: Reported rates for some quarters could not be determined.

Figure 14: Truck Overview

Region/Reporting District	Diesel Fuel	Truck Rate	April	May	June
			Monthly Rating		
	$/per gallon	$/per mile	1=Surplus to 5=Shortage		
	$2.99	**$2.34**	**3.63**	**4.19**	**5.00**
Central & South, FL			3.75	4.75	5.00
Central, FL			3.75	4.75	5.00
Florida			4.00	4.25	5.00
Caribbean Basin Imports--Ports of Entry, South, FL			3.00	3.00	n/a

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.

Regional Overview, 2nd Quarter, 2010

Volume: Volume for the top five commodities shipped declined 2 percent compared to the same quarter last year and total volume increased 132 percent from the previous quarter. Tomato shipments declined the most by 23 percent. According to ERS, several months after a long stretch of freezing weather in January devastated the Florida winter tomato crop, and a cool spring slowed growth of the spring crop, domestic fresh-market tomato shipments have started to recover. By mid-May, shipments from Florida were back to about half of normal volume, with full seasonal volume in place. Watermelon shipments increased 7 percent over the year, and gained the top spot for overall shipments. According to ERS, watermelon producer prices in the April-May timeframe averaged 3 percent above a year ago.

Rates: Truck rates averaged $2.34 per mile, 50 percent higher than the previous quarter.

Truck Overview: Diesel fuel prices averaged $2.99 per gallon, 3 percent higher than last quarter, and 26 percent higher than the same quarter last year. Florida experienced slight truck shortages during April and May, which worsened during June.

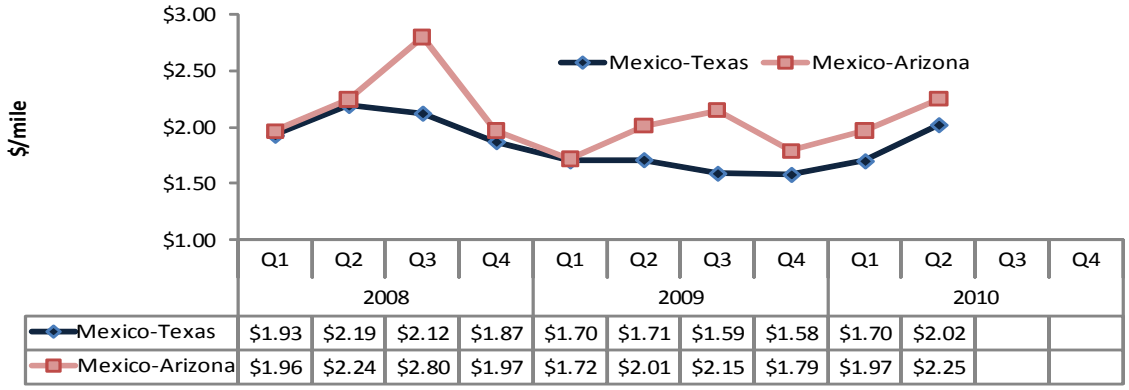
Mexico

Table 16: Top Five Commodities Shipped from Mexico (1,000 tons)

Commodity	2nd Quarter 2010	Share of Mexico Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from: Previous Qtr	Same Qtr Last Year
Watermelon	387	18%	79	325	390%	19%
Tomatoes	385	18%	567	174	-32%	121%
Peppers	146	7%	262	117	-44%	25%
Grapes	140	7%	-	115	-	21%
Mangoes	125	6%	18	115	592%	8%
Top 5 Total	**1,182**	**56%**	**926**	**846**	**28%**	**40%**
Mexico Total	**2,109**	**100%**	**1,396**	**1,690**	**51%**	**25%**

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

Figure 15: Mexico Truck Rates ($/Mile)



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

Figure 16: Truck Overview

Region/Reporting District	Diesel Fuel	Truck Rate	April	May	June
			Monthly Rating		
	$/per gallon	$/per mile	1=Surplus to 5=Shortage		
Regional Crossing Average			**3.63**	**4.23**	**3.90**
Through Texas	$2.98	$2.02	4.00	4.75	4.20
Through Arizona	$3.15	$2.25	3.25	3.71	3.60

n/a: availability data not reported
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 PAD District 5 was used to represent the diesel fuel price through Arizona.

Regional Overview, 2nd Quarter, 2010

Volume: Total shipments from Mexico increased 51 percent as compared to last quarter, and increased 25 percent compared to the same period last year. This increase was driven mainly by large increases in watermelon and tomato shipments. Tomato shipments were greatly increased from Mexico as Florida and California dealt with weather that hampered spring crops and raised prices, stimulating Mexican shipments. ERS predicts that volumes are likely to be up this summer as early indications suggest that grape production in Mexico will be larger for the 2010/11 marketing season.

Rates: Truck rates for border crossings through Texas averaged $2.02 per mile, 18 percent above last quarter, and 18 percent higher than the same quarter last year. Rates for crossings through Arizona averaged $2.25 per mile, 14 percent above last quarter, and 12 percent above the same quarter last year.

Truck Overview: Diesel fuel rates for border crossings through Texas averaged $2.98 per gallon, a 5 percent increase compared to the previous quarter. Diesel fuel rates for border crossings through Nogales, AZ, averaged $3.15per mile, a 7 percent increase compared to the previous quarter. Truck availability experienced a slight shortage for both border crossings during the 2nd quarter 2010.

Terms and References

Data Sources: This information is compiled from the weekly *Fruit and Vegetable Truck Rate Reports* by USDA, Agricultural Marketing Service (AMS), Fruit and Vegetable Programs, Market News Branch. 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 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 Reports*. 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. This information is compiled from the weekly Fruit and Vegetable Truck Rate Reports by USDA, Agricultural Marketing Service (AMS), Fruit and Vegetable Programs, Market News Branch.

Regional Rates: Rate data for 8 destination markets are used to calculate average origin regional rates.

Long-Haul Route Detail: The national rates reflect long-haul truck rates. The rates include the national rate, weighted by commodity and origin volume. For the purpose of this report long-hauls considered as distance traveled over 100 miles from point of origin to the destination.

Contact Us

Market Insight	April.Taylor@ams.usda.gov	202-295-7374
April Taylor, Brian McGregor	Brian.McGregor@ams.usda.gov	202-694-2509
Quarterly Overview		
Daniel Nibarger	Daniel.Nibarger@ams.usda.gov	202-436-9713
Regulatory News/Updates		
Brian McGregor	Brian.McGregor@ams.usda.gov	202-694-2509
Feature Article	April.Taylor@ams.usda.gov	202-295-7374
April Taylor, Brian McGregor	Brian.McGregor@ams.usda.gov	202-694-2509
U.S. Truck Rates and Shipments		
Daniel Nibarger	Daniel.Nibarger@ams.usda.gov	202-436-9713
U.S. Diesel Prices		
Daniel Nibarger	Daniel.Nibarger@ams.usda.gov	202-436-9713
Truck Availability		
Brian McGregor	Brian.McGregor@ams.usda.gov	202-694-2509
Florida, Mexico		
Pierre Bahizi	Pierre.Bahizi@ams.usda.gov	202-694-2503
Great Lakes		
Daniel Nibarger	Daniel.Nibarger@ams.usda.gov	202-436-9713
PNW		
Brian McGregor	Brian.McGregor@ams.usda.gov	202-694-2509
California, Arizona		
April Taylor	April.Taylor@ams.usda.gov	202-295-7374
For Subscriptions Email:	Daniel.Nibarger@ams.usda.gov	
	(printed copies are also available upon request)	

Related Websites

Fruit and Vegetable Programs	http://www.ams.usda.gov/AMSv1.0/fv
Fruit and Vegetable Truck Rate Report	http://search.ams.usda.gov/mnsearch/MNSearchResults.aspx
Economic Research Service Vegetable and Melons 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 Statistic Service	http://www.nass.usda.gov