

# Agricultural Refrigerated Truck

## Quarterly

Transportation Services Division  
Transportation and Marketing Programs  
Agricultural Marketing Service

4th Quarter  
2010  
Oct –Dec

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## Market Insight

### CLEAN TRUCK PROGRAM: UPDATE

The future of the employee mandate portion of the Port of Los Angeles' Clean Truck Program (CTP) remains in question awaiting a court ruling on the American Trucking Associations' (ATA) appeal.

In July 2008, ATA filed a lawsuit which resulted in an injunction against certain parts of the CTP. On August 26, 2010, however, the U.S. District Court, Central District of California, ruled in favor of the Port of Los Angeles to overturn the injunction. ATA then filed an appeal with the Ninth Circuit Court of Appeals to overturn the decision.

The greatest controversy is caused by the requirement for truckers serving the port to be employee drivers, which ATA feels is an illegal action against independent truck owner-operators based on the Federal Aviation Administration Authorization Act (FAAAA). On October 26, at the request of ATA, the District Court reinstated the injunction of the employee mandate portion of the Clean Truck Program during the appeal process. Other portions of the program enjoined under the previous injunction, such as the off-street parking regulations and the job referral service requirements, were not included in the Court's latest injunction.

FAAAA has been under attack since ATA began its lawsuit against the Port of Los Angeles. Current law under FAAAA preempts States from enacting requirements related to the price, route, or service of any motor carrier. Without a change to the law, the Port of Los Angeles will rely on the court decision that the port is a "market participant" and not a State entity, and therefore able to implement the employee mandate portion of its CTP.

Since the implementation of the CTP in Southern California, many ports around the country have implemented similar programs. All U.S. ports seeking to reduce emissions have learned from the Southern California program that progressive elimination of "dirty" trucks helps achieve pollution reduction. Most of the ports with similar programs have also learned from the California example that charging beneficial cargo owners fees for using older trucks and requiring truckers to be employee drivers are controversial. Currently only the Port of New York/New Jersey has indicated its intention to enforce an employee driver provision if the mandate is upheld in California. The Port of Oakland has not taken an official stance on the employee mandate, although the previous mayor was in support of such a requirement. If the Port of Los Angeles is allowed to enforce the employee driver provision, other ports around the country may follow the Los Angeles example.

#### Recent Additions to the Southern California CTP

In early January, the Ports of Los Angeles and Long Beach decided to include smaller Class 7 trucks in its CTP. The smaller Class 7 trucks are used primarily to move containers, often empty, between ports and terminals. Additionally, the ports established a program to impose penalties on beneficial cargo owners when the drivers of their trucks participate in a "dray-off," the practice of switching cargo from a "clean" to a "dirty" truck within the Harbor District. These recent actions help ensure that truckers are operating within the letter and spirit of the CTP.

#### California Environmental Programs

CTP is part of the overall Clean Air Action Plan (CAAP) the Ports of Los Angeles and Long Beach developed in 2006. In November 2010 the ports approved a revision to the plan, which establishes new goals through 2025, to further reduce emissions and encourage the use of technology to meet these goals. The updates direct the ports to develop the following standards for reducing air pollutant emissions and health risk, relative to the 2005 base year:

### Quarterly Overview

#### Fruit and Vegetable Shipments

- Reported U.S. truck shipments of fresh produce were 7.1 million tons, 11 percent lower than the previous quarter but 3 percent higher than the same quarter last year.
- California accounted for 23 percent of the total reported shipments of fresh fruits and vegetables during the 4th quarter 2010. California shipped a total of 1.6 million tons (mt) followed by Mexico with 1.4 mt (20 percent) and the Pacific Northwest (PNW) with 1.3 mt (18 percent).
- The following top 5 commodities accounted for 54 percent of the reported truck movements during the 4th quarter 2010 :

- ◇ Lettuce (12 %)
- ◇ Potatoes (12 %)
- ◇ Tomatoes (10 %)
- ◇ Apples (8 %)
- ◇ Grapes (6 %)

# Market Insight

- By 2014, reduce port-related emissions by 22 percent for Nitrogen Oxide (NO<sub>x</sub>), 93 percent for Oxides of Sulfur (SO<sub>x</sub>) and 72 percent for diesel particulate matter (DPM).
- By 2023, reduce port-related emissions by 59 percent for NO<sub>x</sub>, 93 percent for SO<sub>x</sub> and 77 percent for DPM.
- In addition, the ports have developed a “health-risk reduction standard” that will aim by 2020 to lower the residential cancer risk due to diesel particulate pollution by 85 percent in the port region and communities adjacent to the ports. (*San Pedro Bay Ports Clean Air Action Plan, 2010 Update*, [www.cleanairactionplan.org](http://www.cleanairactionplan.org))

The overall motivation for these port initiatives (the CAAP and the CTP) is the California Air Resource Board (CARB) environmental plan for the State. The CARB Statewide plan applies diesel emissions reduction measures to all trucks and transport refrigeration units operating in California, including trucks entering California from other States. “Heavy-duty truck and bus regulations approved in late 2008 by CARB will be phased in over the next 13 years. By 2023, all heavy-duty trucks operating on California roads and highways must have 2010 engines or the equivalent.” (*Journal of Commerce*, “Executives: Election Results Will Not Affect Clean-Air Rules,” Oct. 13, 2010)

These initiatives have an impact on how agricultural products, both domestic and international, are moved through California. The initiatives are also expected to impact the cost of transporting agricultural products to the ports. Many of these regulations hold not only the transportation provider, but also the cargo owner, responsible for the type of truck and refrigeration unit used. Agricultural shippers should closely follow changes to these regulations and their impact on the cost and availability of trucks. ([April.Taylor@ams.usda.gov](mailto:April.Taylor@ams.usda.gov))

## Truck Rates

- The 4th quarter 2010 average truck rate for U.S. produce shipments was \$2.10 per mile, 13 percent lower than the previous quarter, but 16 percent higher than last year. The average monthly rate reached a quarterly peak in October at \$2.22 per mile .
- During 4th quarter 2010, the highest average reported rate per mile ranged between \$3.30 and \$3.94 for shipments from the Great Lakes region. Rates from the PNW were the lowest .
- Mexico truck rates for crossings through Arizona averaged \$2.03 per mile, 10 percent lower than last quarter and 13 percent higher than the same quarter last year. Border crossings through Texas averaged \$1.69 per mile, up 1 percent from last quarter and 7 percent from the same quarter last year .

## Diesel Fuel

- During the 4th quarter 2010, the U.S. diesel fuel price averaged \$3.16 per gallon—7 percent higher than last quarter and 15 percent higher than the same quarter last year .

# Regulatory News/Updates

## **Improving Regulation and Regulatory Review—White House Executive Order and Memorandum**

On January 18, 2011, President Obama signed an [Executive Order](#) that improves regulation and regulatory review to promote economic growth and job creation while also protecting the health and safety of the American people. It directs agencies to seek public comment on rules, minimize burdens on the private sector, simplify and harmonize their regulations, promote flexibility and freedom of choice, and make sure benefits justify costs. It also directs agencies, by May 18, to produce plans for a government-wide review of existing regulations to determine whether they should be modified, streamlined, expanded, or repealed. Also on January 18, the President signed a [memorandum](#) requiring agencies to take new steps to reduce regulatory burdens on small business.

## **FMCSA Issues Proposed Rule on Hours-of-Service Requirements for Commercial Truck Drivers**

On December 29, 2010, the Federal Motor Carrier Safety Administration's (FMCSA) published a *Federal Register* [notice of proposed rulemaking](#) reducing truck drivers' maximum hours of service and increasing their required off-duty time. The proposed rule provides flexibility for drivers to take breaks when needed, limits drivers to either 10 or 11 hours of driving time, and requires at least a 30-minute rest break after 7 hours of driving. Drivers would be allowed a maximum of 13 hours on-duty time within a 14-hour window. The window could be extended to 16 hours twice a week to allow for delays in loading and unloading, but must include a minimum 3 hours off-duty time. Drivers will be able to restart their work week only once every 7 days, after taking at least 34 consecutive hours off-duty. This off-duty period must include two periods between midnight and 6 a.m. Comments and supporting documents, due by March 4, 2011, may be viewed at <http://www.regulations.gov>, under [docket number FMCSA-2004-19608](#). The [statutory limited agricultural exemption](#) from the hours of service rule is not changed by this rulemaking.

## **FMCSA Proposes Electronic On-Board Recorders for All Interstate Trucks**

On February 1, 2011, FMCSA published a *Federal Register* [notice of proposed rulemaking](#) to require interstate truck and bus companies to install electronic on-board recorders to document their drivers' hours of service. The proposed regulation would replace paper logbooks with electronic devices; truckers would no longer have to keep delivery and toll receipts to support their logbooks. Motor carriers would have 3 years to comply with the rule. FMCSA estimates the rule would affect 500,000 carriers. Comments and supporting documents are due by April 4, 2011, and may be viewed at <http://www.regulations.gov>, under [docket number FMCSA-2010-0167](#).

## **FMCSA Motor Carrier Safety Measurement System Available Online**

The FMCSA [Motor Carrier Safety Measurement System](#) to evaluate unsafe driving, fatigued driving (hours-of-service violations), driver fitness, controlled substance/alcohol testing, and vehicle maintenance became public on December 13, 2010. The system allows FMCSA to reach more carriers earlier and deploy a range of corrective interventions to address a carrier's specific safety problems. The measurements, based on roadside inspections, crashes, and investigation findings, are of interest to trucking companies, shippers, brokers, logistics companies, intermodal equipment providers, insurers, enforcement personnel, and the legal community. Cargo-related measurements, such as shifting loads, spilled or dropped cargo, unsafe handling of hazardous materials, and crash history will remain private, available only to trucking companies and enforcement personnel.

# Regulatory News/Updates

## **Food Transportation Study to Be Conducted Under the FDA Food Safety Modernization Act**

On January 4, 2011, President Obama signed [H.R. 2751](#) into Public Law 111-353. Section 111 directs the Food and Drug Administration (FDA) to “conduct a study of the transportation of food for consumption in the United States, including transportation by air, that includes an examination of the unique needs of rural and frontier areas with regard to the delivery of safe food.” Section 111 also requires FDA to publish final regulations on implementing the Sanitary Food Transportation Act of 2005 by July 4, 2012. Supporting documents and comments by the grain, feed, railroad, and trucking industry on sanitary food transportation may be viewed at <http://www.regulations.gov>, under [docket number FDA-2010-N-0013](#). After evaluating the comments, FDA will propose specific regulations to implement the statute for additional public comment. FDA will coordinate with the U.S. Departments of Agriculture and Transportation in this rulemaking process.

## **OMB Reviewing TWIC Reader Requirements**

On January 12, 2011, the Office of Management and Budget (OMB) received the Coast Guard’s notice of proposed rulemaking to establish Transportation Worker Identification Credential (TWIC) reader requirements for maritime facilities and vessels. After review by OMB, the proposed rule will be published in the *Federal Register* and made available for comment at <http://www.regulations.gov> under [docket number USCG-2007-28915](#). According to *Land Line Magazine*, over 1.6 million TWICs have been issued to transportation professionals, including over 300,000 truck drivers and nearly 232,000 merchant mariners and 12,000 rail crew members.

# Feature Article

## Annual Railcar and Piggyback Shipments from California, Arizona, and the Pacific Northwest Increase

From 2009 to 2010 reported<sup>1</sup> railcar shipments of fresh fruit and vegetables from California increased by 24 percent to nearly 702.8 million pounds, as seen in table 1. They accounted for 35 percent of U.S. railcar shipments of fresh fruit and vegetables in 2010. While California railcar shipments of carrots and potatoes decreased, shipments of oranges, celery, grapes, broccoli, and cantaloupes increased significantly.

California trailer-on-flatcar and container-on-flatcar (piggyback) shipments increased by 6 percent to 742.5 million pounds and accounted for 77 percent of U.S. piggyback shipments of fresh fruit and vegetables in 2010. Increases in piggyback shipments of carrots, onions, lemons, and cantaloupes were the most significant.

Railcar shipments of fresh fruit and vegetables from Arizona increased 34 percent to 26.9 million pounds, as seen in table 2. They accounted for over 1 percent of U.S. railcar shipments of fresh fruit and vegetables in 2010. Railcar shipments of broccoli and cantaloupe increased significantly.

Arizona piggyback shipments increased by 8 percent to 113.4 million pounds and accounted for nearly 12 percent of U.S. piggyback shipments of fresh fruit and vegetables in 2010. The increase in piggyback shipments of cantaloupes was the most significant.

Railcar shipments of fresh fruit and vegetables from the Pacific Northwest (Washington, Idaho, and Oregon) increased 13 percent to nearly 1.2 billion pounds, as seen in table 3 below. They accounted for 60 percent of

**Table 1: California Railcar and Piggyback Shipments, 2009 and 2010 (100,000 pounds)**

Major Commodities	2009		2010		% change 2009 to 2010	
	Railcar	Piggyback	Railcar	Piggyback	Railcar	Piggyback
Carrots	2,075	348	857	530	-59%	52%
Potatoes	1,048	68	849	71	-19%	4%
Oranges	1,043	1,244	2,635	1,301	153%	5%
Celery	365	1,029	540	1,049	48%	2%
Onions	241	352	275	502	14%	43%
Grapes	208	182	434	167	109%	-8%
Broccoli	180	365	319	332	77%	-9%
Lemons	146	257	52	344	-64%	34%
Bell Peppers	85	218	15	195	-82%	-11%
Cantaloupes	84	230	604	317	619%	38%
Honeydews	52	69	139	112	167%	62%
Iceberg Lettuce	9	1,193	77	1,169	756%	-2%
Romaine Lettuce	-	673	-	687	--	2%
Tomatoes	10	276	61	158	--	-43%
Other*	125	517	171	491	37%	-5%
<b>Total</b>	<b>5,671</b>	<b>7,021</b>	<b>7,028</b>	<b>7,425</b>	<b>24%</b>	<b>6%</b>

\*Including apples, cauliflower, juice grapes, grapefruit, other lettuce, peaches, seedless watermelon

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

**Table 2: Arizona Railcar and Piggyback Shipments, 2009 and 2010 (100,000 pounds)**

Major Commodities	2009		2010		% change 2009 to 2010	
	Railcar	Piggyback	Railcar	Piggyback	Railcar	Piggyback
Iceberg Lettuce	2	440	-	490	--	11%
Romaine Lettuce	-	312	-	324	--	4%
Broccoli	48	50	98	55	104%	10%
Cantaloupes	5	58	36	92	620%	59%
Potatoes	120	4	105	3		-25%
Other*	26	183	30	170	15%	-7%
<b>Grand Total</b>	<b>201</b>	<b>1,047</b>	<b>269</b>	<b>1,134</b>	<b>34%</b>	<b>8%</b>

\*Including other lettuce, onions, cauliflower, honeydews, lemons, seedless watermelons, celery

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

<sup>1</sup> Railcar and piggyback shipments are reported by rail carriers that issue the initial line-haul revenue waybills. USDA AMS Fruit and Vegetable Programs, Market News Branch reports the shipments in units of 100,000 pounds. Cooperation of the railroads is gratefully acknowledged.

U.S. railcar shipments of fresh fruit and vegetables in 2010. Railcar shipments of apples, potatoes, and onions increased, while pear shipments decreased.

Idaho was the largest U.S. origin of fresh fruit and vegetables railcar shipments at 724.4 million pounds, followed by California at 702.8 million pounds, Washington at 371.8 million pounds, and Oregon at 97.6 million pounds. Washington railcar movements decreased 1 percent because of fewer pear shipments. Idaho movements increased 17 percent and Oregon shipments increased 52 percent because of onion and potato shipments.

Pacific Northwest piggyback shipments increased 32 percent to 101.8 million pounds, accounting for over 10 percent of U.S. shipments in 2010. Washington shipments increased 71 percent to 78.3 million pounds because of apples and onions. Oregon shipments decreased 22 percent to 16.1 million pounds, also because of apples and onions. Idaho piggyback shipments decreased 30 percent to 7.4 million pounds because of onions and potatoes.

Market outlook, seasonality, supply, demand, prices, weather, irrigation water supply, fuel costs, freight rates, buyer and shipper preferences, and competition from other commodities, growing areas, and imports, all affect the volume of shipments and the availability of trucks on a weekly basis.

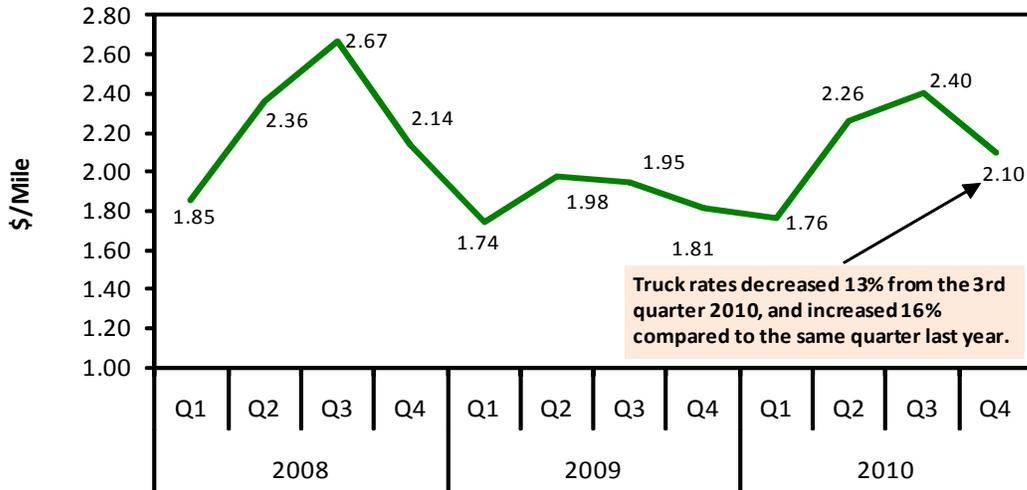
From April through June 2010, each growing region in California experienced a slight shortage of trucks. Most Pacific Northwest growing regions faced shortages and slight shortages of trucks from mid-September through December 2010. Many shippers utilized larger capacity railcars, as well as piggyback services including double-stack containers-on-flatcars, to move fresh fruit and vegetables at competitive rates.

[Brian.McGregor@ams.usda.gov](mailto:Brian.McGregor@ams.usda.gov)

Table 3: Pacific Northwest Railcar and Piggyback Shipments, 2009 and 2010 (100,000 pounds)						
Location	2009		2010		% change 2009 to 2010	
Major Commodities	Railcar	Piggyback	Railcar	Piggyback	Railcar	Piggyback
<b>Washington</b>						
Apples	1,405	245	1,709	418	22%	71%
Onions	1,182	115	1,321	227	12%	97%
Pears	540	1	175	1	-68%	0%
Potatoes	581	98	507	137	-13%	40%
Other*	37	-	6	-	-84%	--
<b>Subtotal</b>	<b>3,745</b>	<b>459</b>	<b>3,718</b>	<b>783</b>	<b>-1%</b>	<b>71%</b>
<b>Idaho</b>						
Onions	637	4	787	-	24%	--
Potatoes	5,543	101	6,457	74	16%	-27%
<b>Subtotal</b>	<b>6,180</b>	<b>105</b>	<b>7,244</b>	<b>74</b>	<b>17%</b>	<b>-30%</b>
<b>Oregon</b>						
Apples	10	67	31	53	210%	-21%
Onions	535	96	818	40	53%	-58%
Pears	15	41	7	65	-53%	59%
Potatoes	84	2	120	3	43%	50%
<b>Subtotal</b>	<b>644</b>	<b>206</b>	<b>976</b>	<b>161</b>	<b>52%</b>	<b>-22%</b>
<b>Grand Total</b>	<b>10,569</b>	<b>770</b>	<b>11,938</b>	<b>1,018</b>	<b>13%</b>	<b>32%</b>
*Including cherries, peaches						
Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Branch						

# 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	2.40	2.10	2.13
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)**

Origin	4th Qtr 2010			3rd Qtr 2010		
	Oct	Nov	Dec	July	August	Sept
Arizona	2.57	2.57	2.35	2.95	n/a	n/a
California	2.49	2.37	2.19	2.66	2.57	2.57
Great Lakes	2.88	2.90	3.19	2.64	2.79	2.85
Mexico - Arizona	2.05	2.05	2.02	2.26	n/a	n/a
Mexico - Texas	1.58	1.65	1.81	1.72	1.64	1.61
PNW	1.71	1.75	1.84	1.72	1.64	1.61
Florida	n/a	1.57	1.88	n/a	n/a	n/a

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, 4th Quarter 2010 (\$/Mile)

Origin	Commodity	Destination							
		New York	Atlanta	Chicago	Boston	Baltimore	Miami	Philadelphia	Seattle
Arizona	<b>Cantaloupe</b>	2.58	2.73		2.41	2.56		2.56	
	<b>Lettuce</b>	2.34	2.50	2.30	2.21	2.32	2.44	2.33	
California	<b>Broccoli</b>	2.16	2.19	2.30	2.07	2.13	1.97	2.11	3.31
	<b>Carrots</b>	2.26	2.28	2.33	2.18	2.20	2.05	2.19	3.34
	<b>Grapes</b>	2.22	2.19	2.00	2.12	2.20	2.03	2.14	
	<b>Kiwifruit</b>	1.98	2.09	2.08	2.02	2.01	1.84	1.95	
	<b>Lettuce</b>	2.36	2.39	2.30	2.28	2.32	2.10	2.30	3.37
	<b>Mixed Vegetables</b>	2.34	2.36		2.19	2.29		2.24	3.13
	<b>Citrus</b>	2.38	2.43	2.25	2.37	2.25		2.28	3.59
	<b>Peaches</b>	2.39	2.41	2.28	2.34	2.34	2.23	2.33	
	<b>Pears</b>	2.35	2.39		2.30	2.33		2.28	
	<b>Plums</b>	2.32	2.36	2.13	2.28	2.30	2.21	2.26	
	<b>Strawberries</b>	2.20	2.25	2.03	2.15	2.20		2.14	3.27
Great Lakes	<b>Apples</b>		2.53	3.10					
	<b>Cabbage</b>		1.90	2.16					
	<b>Onions</b>		2.47	1.90			2.31		
	<b>Potatoes</b>	3.94	2.73	3.01	2.96	3.69	2.44	3.30	
Mexico - AZ	<b>Melons</b>	2.10	2.04	1.64	2.16		2.10	2.16	
Mexico - TX	<b>Citrus</b>	1.74	1.78	1.38	1.75	1.70	1.72	1.75	
Pacific Northwest	<b>Apples</b>	2.11	2.21	1.92	1.84	1.85	1.70	1.84	0.26
	<b>Onions</b>	2.12	1.86	1.82	1.86	1.87	1.82	1.82	
	<b>Potatoes</b>	2.00	1.68	1.49	1.81	1.79	1.71	1.73	
Florida	<b>Mixed Vegetables</b>	1.98	2.53	1.54	1.66	1.61		1.63	
	<b>Tomatoes</b>	1.85	2.14	1.36	1.53	1.48		1.49	

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, 4th Quarter 2010 (\$/Truck)**

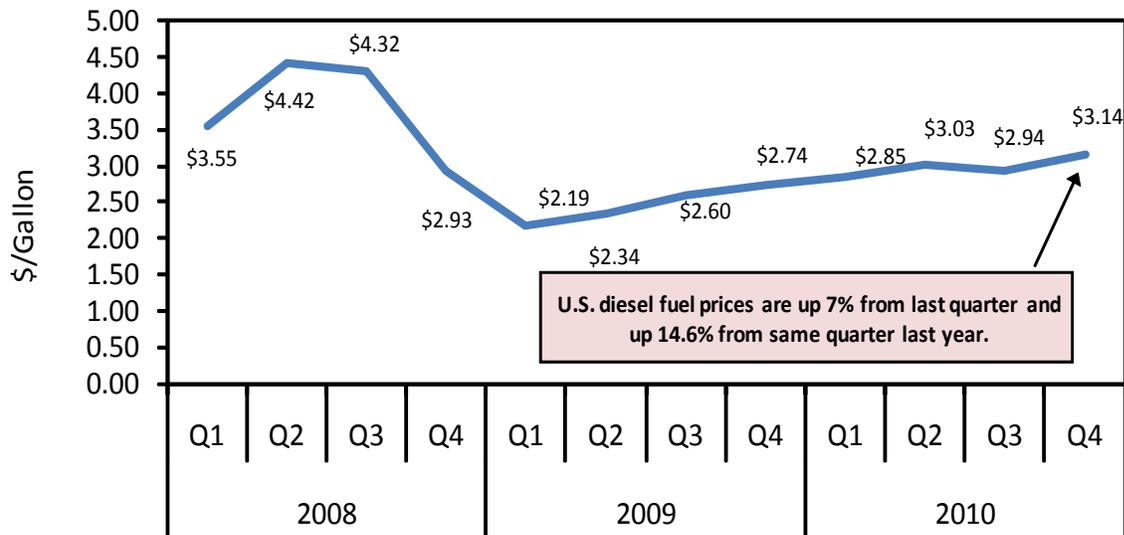
Origin	Commodity	Destination							
		New York	Atlanta	Chicago	Boston	Baltimore	Miami	Philadelphia	Seattle
Arizona	Cantaloupe	6,367	5,042		6,492	6,025		6,150	
	Lettuce	5,764	4,607	4,150	5,964	5,450	5,780	5,586	
California	Broccoli	6,050	4,829	4,600	6,257	5,821	6,150	5,900	2,486
	Carrots	6,327	5,019	4,650	6,569	6,015	6,408	6,108	2,515
	Grapes	6,219	4,825	4,006	6,406	6,012	6,338	5,962	
	Kiwifruit	5,550	4,600	4,150	6,100	5,500	5,750	5,450	
	Lettuce	6,607	5,261	4,600	6,868	6,339	6,544	6,411	2,538
	Mixed Vegetables	6,550	5,200		6,600	6,250		6,250	2,350
	Citrus	6,650	5,350	4,500	7,150	6,150		6,350	2,700
	Peaches	6,700	5,300	4,550	7,050	6,400	6,950	6,500	
	Pears	6,583	5,258		6,950	6,383		6,358	
	Plums	6,500	5,200	4,250	6,875	6,300	6,900	6,300	
	Strawberries	6,171	4,939	4,064	6,475	6,007		5,961	2,457
Great Lakes	Apples		2,200	900					
	Cabbage		1,650	625					
	Onions		2,150	550			3,450		
	Potatoes	3,155	2,378	874	2,853	2,663	3,647	2,564	
Mexico - AZ	Melons	5,375	3,650	3,295	5,725		4,795	5,085	
Mexico - TX	Citrus	3,454	2,046	2,038	3,850	3,050	2,656	3,300	
Pacific Northwest	Apples	5,473	5,315	3,454	5,612	5,135	5,727	5,200	662
	Onions	5,502	4,462	3,278	5,672	5,174	6,113	5,157	
	Potatoes	5,190	4,038	2,677	5,525	4,970	5,747	4,904	
Florida	Mixed Vegetables	2,175	1,012	1,844	2,519	1,780		1,962	
	Tomatoes	2,036	855	1,636	2,314	1,635		1,791	

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: 4th Quarter 2010 Average Diesel Fuel Prices (All Types - \$/Gallon)**

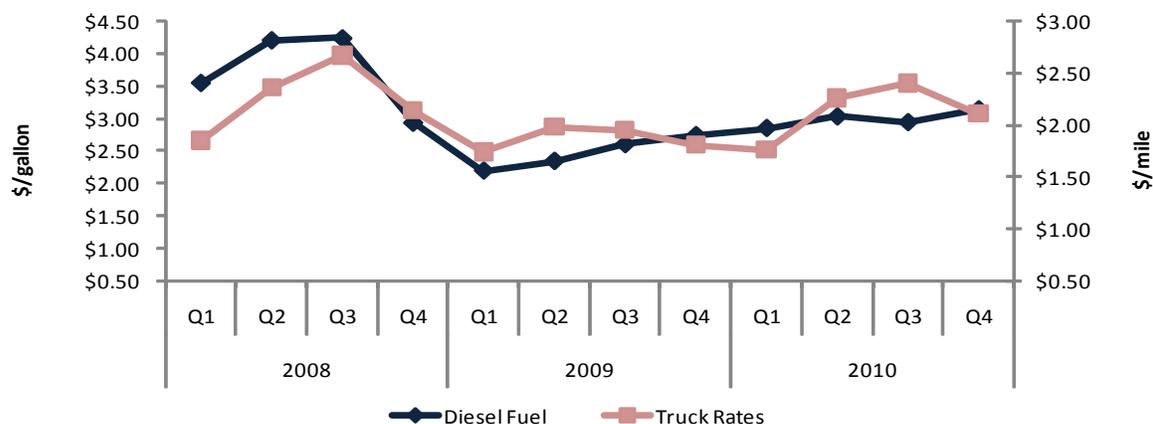
Location	Price	Change From	
		Last Quarter	Same Qtr Last Year
East Coast	3.15	0.21	0.39
New England	3.22	0.22	0.40
Central Atlantic	3.26	0.23	0.40
Lower Atlantic	3.09	0.19	0.39
Midwest	3.13	0.22	0.41
Gulf Coast	3.07	0.18	0.38
Rocky Mountain	3.21	0.23	0.44
West Coast	3.29	0.20	0.44
California	3.31	0.16	0.39
U.S.	3.14	0.20	0.40

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 6: Average Diesel Fuel Prices and Truck Rates**

		Diesel Fuel (\$/Gallon)	Truck Rates (\$/mile)	% Change From:			
				Last Qtr		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	2.94	2.40	-3%	6%	13%	23%
	Q4	3.14	2.11	7%	-12%	15%	17%

**Sources:**

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

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

### 4th Quarter 2010 Comparison Analysis

Diesel fuel prices averaged \$3.14 per gallon this quarter, 7 percent higher than last quarter and 15 percent higher than the same quarter last year. Average truck rates were \$2.11 per mile, 12 percent lower than the previous quarter but 16.5 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, 4th Quarter 2010**

Region	Commodity	Truck Availability													
		Surplus - 1					Slight Surplus - 2			Adequate - 3		Slight Shortage - 4		Shortage - 5	
		Week Ending													
		10/5	10/12	10/19	10/26	11/2	11/9	11/16	11/23	11/30	12/7	12/14	12/21	12/28	
<b>CALIFORNIA, CENTRAL AND WESTERN ARIZONA</b>															
Central and Southern San Joaquin Valley, CA	Peaches, Nectarines	2	3												
	Plums, Melons	2	3	3	3										
	Pomegranates	2	3	3	3	3	3	3	3						
	Grapes	2	3	3	3	3	3	3	3	3	1	2	2		
	Kiwi				3	3	3	3	3	3	1	2	2	3	
	Iceberg Lettuce				3	3	3	3							
	Persimmons						3	3	3	3	1				
Kern District, CA	Carrots	3	3	3	3	2	2	3	3	3	2	2	3	3	
	Grapes	3	3	3	3	2	2	3	3	3	2	2	3		
Salinas-Watsonville, CA	Lettuce	3	3	3	3	2	2								
	Strawberries, Raspberries	3	3	3	3	2	2	3	3						
	Mixed Vegetables	3	3	3	3	2	2	3	3	3					
Sacramento and San Joaquin Valley, CA	Pears	3	3	3	3	3	3								
South District, CA	Avocados	3	3	3	3	3	3	3							
	Citrus	3	3	3	3	3	3	3	3	2	1	2	3	3	
	Strawberries		3	3	3	3	3	3	3	2	1	2	3	3	
	Raspberries			3	3	3	3	3	3	2	1	2	3	3	
Santa Maria, CA	Lettuce	3	3	3	3	2	2								
	Mixed Vegetables	3	3	3	3	2	2	3	3	3	2	2	3	3	
	Strawberries	3	3	3	3	2	2	3	3	3	2	2			
	Broccoli							3	3	3	2	2	3	3	
Central and Western Arizona	Cantaloupes, Honeydews			3	3	2	2	3	3	3	2				
	Lettuce, Mixed Vegetables						2	3	3	3	2	2			
Imperial, Palo Verde, Coachella Valleys, CA; Central, Western AZ	Lettuce, Mixed Vegetables												3	3	
<b>PACIFIC NORTHWEST (WA, ID, OR)</b>															
Columbia Basin, WA	Potatoes, Onions	5	4	5	5	3	3	5	5	5	4	4	5	4	
Yakima Valley & Wenatchee District, WA	Apples, Pears	3	3	3	3	3	3	3	3*	3	4	4	4	4	
Northwestern WA	Potatoes									5	5	5	5	4	
Upper Valley, Twin Falls-Burley District, ID	Potatoes	4	4	5	5	3	4	5	5	5	4	4	4	3	
Idaho and Malheur County, OR	Onions	4	4	5	5	5	4	5	5	5	4	4	5	3**	
<b>GREAT LAKES (MI &amp; WI)</b>															
Michigan	Apples, Onions	3	3	3	3	3	3	3	3	3	3	3	3	3	
Southeastern Wisconsin	Cabbage	3	3	3	3	3	3	3							
Central Wisconsin	Potatoes	5	4	4	4	3	3	5	5	4	4	4	4	3	
<b>FLORIDA</b>															
Central and South Florida	Mixed Vegetables					3	3	1	3	2	4	4	3	5	
	Tomatoes												3	5	
Central Florida	Tomatoes						3	1	3	2	4	4	3		
West Florida	Tomatoes					3	3	1							
<b>MEXICO BORDER CROSSINGS</b>															
Through Texas	Citrus, Mixed Fruit & Vegetables	1	2	2	2	2	2	2	3	3	3	3	4	5	
	Tomatoes						2	2	3	3	3	3	4	5	
	Watermelon												4	5	
Through Nogales, AZ	Melons, Mixed Vegetables				1	2	2	2	4	3	3	2	3	5	
<b>TEXAS, OKLAHOMA</b>															
Texas and Oklahoma	Watermelons	4	3												
Lower Rio Grande Valley, TX	Oranges, Grapefruit			2	2	2	2	3	3	3	3	3	4	5	
	Greens, Herbs				2	2	2	3	3	3	3	3	4	5	
	Cabbage								3	3	3	3	4	5	
	Beets									3	3	3	4	5	
	Parsley											3	4	5	

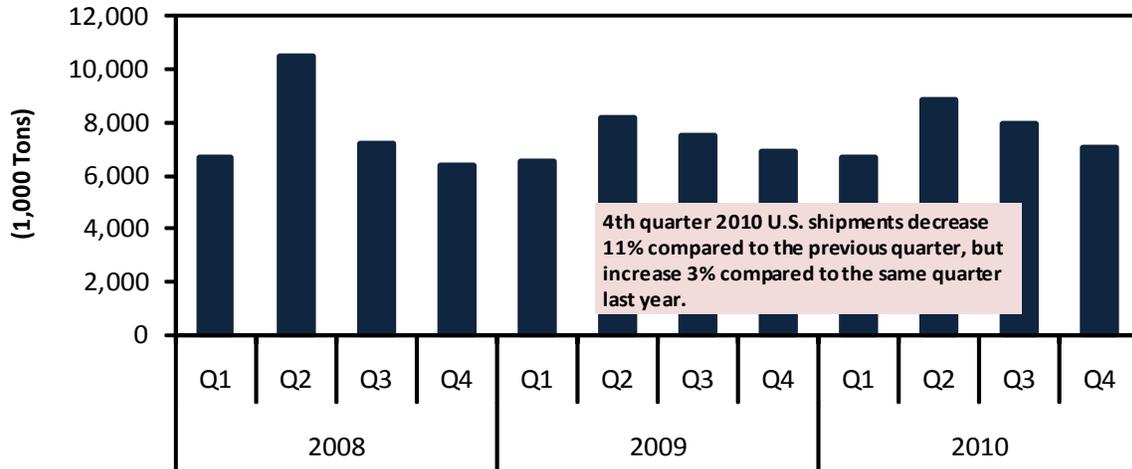
Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Branch, *Fruit and Vegetable Truck Rate Report*

\* ice/snow and poor road conditions limiting trucks in some areas

\*\*barely 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 8: 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	7,947	7,079	30,565
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 9: Top 10 Commodity Shipments for 4th Quarter 2010 (1,000 Tons)

Commodity	4th Quarter 2010	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
				Previous Qtr	Same Qtr Last Year
Lettuce	702	510	648	38%	8%
Potatoes	674	723	1,289	-7%	-48%
Tomatoes	589	379	621	55%	-5%
Apples	486	225	617	116%	-21%
Grapes	343	345	272	-1%	26%
Onions	333	304	589	10%	-43%
Peppers	241	209	292	15%	-18%
Celery	211	143	209	48%	1%
Cucumbers	164	120	200	36%	-18%
Pears	145	69	158	110%	-8%

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

## California

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

Commodity	4th Quarter 2010	Share of California Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
					Previous Qtr	Same Qtr Last Year
Grapes	342	21%	331	272	3%	26%
Lettuce	315	19%	496	325	-37%	-3%
Celery	197	12%	128	198	54%	0%
Carrots	110	7%	114	67	-4%	64%
Tomatoes	97	6%	187	86	-48%	12%
<b>Top 5 Total</b>	<b>1,060</b>	<b>65%</b>	<b>1,256</b>	<b>948</b>	<b>-16%</b>	<b>12%</b>
<b>California Total</b>	<b>1,619</b>	<b>100%</b>	<b>3,441</b>	<b>1,414</b>	<b>-53%</b>	<b>15%</b>

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	October	November	December
			Monthly Rating		
	\$/per gallon	\$/per mile	1=Surplus to 5=Shortage		
<b>Regional Average</b>	<b>\$3.31</b>	<b>\$3.35</b>	<b>2.97</b>	<b>2.73</b>	<b>2.14</b>
Central and Southern San Joaquin Valley, CA			2.79	3.00	1.56
Kern District, CA			3.00	2.60	2.42
Salinas-Watsonville, CA			3.00	2.37	n/a
Sacramento and San Joaquin Valley, CA			3.00	3.00	n/a
South District, CA			3.00	2.85	2.25
Santa Maria, CA			3.00	2.55	2.33

**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, 4th Quarter, 2010

**Volume:** The volume for the top five commodities shipped from California increased 12 percent from the same quarter last year. Overall shipments increased by 15 percent. Reported carrot shipments increased 64 percent because more went by truck and piggyback instead of railcars than last year. Grape shipments increased 26 percent and tomato shipments increased 12 percent. These increased shipments, later in the season, were due to cold and wet weather in spring and early summer which slowed crop maturity and delayed harvest, according to the USDA Economic Research Service's (ERS) *Fruit and Tree Nuts Outlook* and *Vegetable and Melons Outlook*.

**Rates:** The quarterly average truck rate was \$3.35 per mile, over 29 percent higher than last quarter and nearly 74 percent higher than the same quarter last year. The average rate per mile during this same period last year was \$1.93.

**Truck Overview:** Diesel fuel prices averaged \$3.31 per gallon, 5 percent higher than last quarter, and a 13.5 percent increase from the same period last year. Truck availability was mostly adequate during the 4th quarter with some surpluses and slight surpluses being experienced during early November and early December. The Kern District, Salinas-Watsonville area, and Santa Maria regions all experienced slight surpluses during the first 2 weeks in November. All reporting regions during the first 2 weeks of December reported at least a slight surplus with surpluses reported in the South District as well as the Central and Southern San Joaquin Valley. All reporting regions experienced adequate availability during the last 2 weeks of the year.

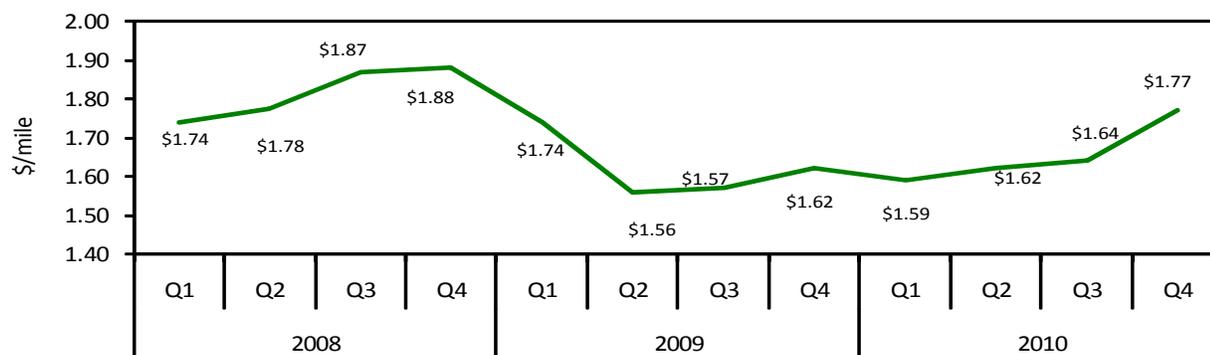
## Pacific Northwest

**Table 11: Top 5 Commodities Shipped from PNW (1,000 tons)**

Commodity	4th Quarter 2010	Share of PNW Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
					Previous Qtr	Same Qtr Last Year
Potatoes	466	37%	499	493	-7%	-5%
Apples	419	33%	192	423	118%	-1%
Onions	249	20%	91	271	174%	-8%
Pears	135	11%	10	136	1251%	-1%
Peaches	1	0%	7	14	-86%	-93%
<b>Top 5 Total</b>	<b>1,271</b>	<b>100%</b>	<b>799</b>	<b>1,337</b>	<b>59%</b>	<b>-5%</b>
<b>PNW Total</b>	<b>1,272</b>	<b>100%</b>	<b>940</b>	<b>1,325</b>	<b>35.3%</b>	<b>-4%</b>

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	October	November	December
			Monthly Rating		
	\$/per gallon	\$/per mile	1=Surplus to 5=Shortage		
<b>Regional Average</b>	<b>\$3.29</b>	<b>\$1.77</b>	<b>4.19</b>	<b>4.28</b>	<b>4.15</b>
Columbia Basin, WA			4.75	4.20	4.25
Yakima Valley & Wenatchee District, WA			3.00	3.00	4.00
Northwestern WA			n/a	5.00	4.75
Upper Valley, Twin Falls-Burley District, ID			4.50	4.40	3.75
Idaho and Malheur County, OR			4.50	4.80	4.00

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

### Regional Overview, 4th Quarter, 2010

**Volume:** The top five commodities moved by truck from the PNW decreased 5 percent from the same quarter last year. Reported potato and onion shipments decreased by 5 and 8 percent, respectively, reflecting lower output in Idaho and Washington due to the cool wet spring, reduced yields, and smaller harvested area according to ERS's *Vegetable and Melon Outlook*.

**Rates:** The average rate per mile in the PNW was \$1.77, an increase of 8 percent from last quarter and a 9 percent increase from the same quarter last year.

**Truck Overview:** Diesel fuel prices averaged \$3.29 per gallon, 6 percent higher than last quarter, and 15 percent higher than the same quarter last year. Shippers in the PNW experienced truck shortages throughout the 4th quarter with only pockets of adequate availability. The two exceptions were apple and pear shippers in the Yakima Valley and Wenatchee District, who enjoyed adequate availability throughout October and November before slight shortages began in December.

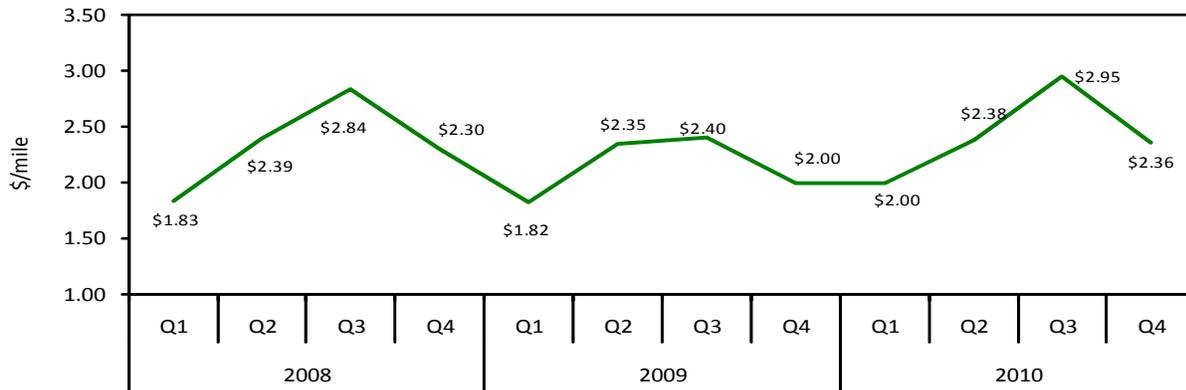
## Arizona

**Table 12: Top Five Commodities Shipped from Arizona (1,000 tons)**

Commodity	4th Quarter		Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
	2010	Share of Arizona Total			Previous Qtr	Same Qtr Last Year
Lettuce	347	69%	-	282	-	23%
Cantaloupe	80	16%	30	85	165%	-7%
Broccoli	19	4%	-	12	-	57%
Spinach	12	2%	-	9	-	37%
Honeydew	12	2%	4	12	194%	-2%
<b>Top 5 Total</b>	<b>470</b>	<b>94%</b>	<b>34</b>	<b>401</b>	<b>1283%</b>	<b>17%</b>
<b>Arizona Total</b>	<b>500</b>	<b>100%</b>	<b>65</b>	<b>432</b>	<b>670%</b>	<b>16%</b>

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	October	November	December
			Monthly Rating		
	\$/per gallon	\$/per mile	1=Surplus to 5=Shortage		
<b>Regional Average</b>	<b>\$3.29</b>	<b>\$2.36</b>	<b>2.00</b>	<b>2.64</b>	<b>2.75</b>
Central and Western Arizona			3.00	2.68	2.00
Imperial, Palo Verde, Coachella Valleys, CA; Central, Western AZ			n/a	n/a	3.00
Through Nogales, AZ			1.00	2.60	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 PAD District 5 was used to represent the diesel fuel price for Arizona.

### Regional Overview, 4th Quarter, 2010

**Volume:** The top 5 commodities shipped from Arizona represented 94 percent of shipments during the 4th quarter. Total shipments were up 16 percent from the same quarter last year. Lettuce, broccoli, and spinach shipments saw significant increases—23 percent, 62 percent and 33 percent, respectively, indicating stronger demand for these products than the previous year. Despite wide temperature variations in November and December in Arizona, movements of these fresh-market products were significantly above last year due to strong prices and weather damage and delays in California for similar products such as lettuce and broccoli. Cantaloupe and honeydew shipments decreased by 7 and 2 percent, respectively. According to ERS's *Vegetable and Melon Outlook*, the U.S. market is transitioning to imported melons, largely from Central America, with the early winter outlook tilted toward weather-reduced supplies and higher prices than a year earlier.

**Rates:** The truck rate per mile averaged \$2.36 during the 4th quarter, 20 percent lower than last quarter but 18 percent higher than the same period last year.

**Truck Overview:** Diesel fuel prices averaged \$3.29 per gallon, 6 percent higher than last quarter and 15 percent higher than the same quarter last year. On average, truck availability was adequate to a slight surplus during the 4th quarter—particularly during November—except for the week of Thanksgiving when availability through the Nogales border crossing fell to a slight shortage. Availability was favorable again in December until the last week of the year when shortages again occurred at the Nogales border crossing.

## Great Lakes

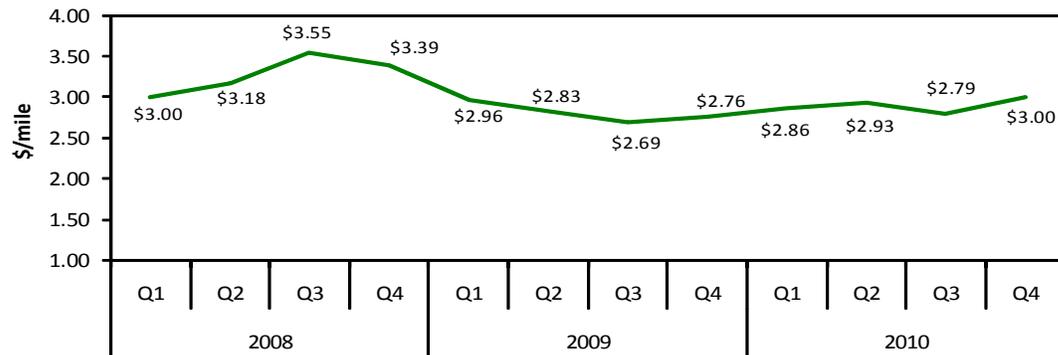
**Table 13: Top 5 Commodities Shipped from Great Lakes (1,000 tons)**

Commodity	4th Quarter		Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
	2010	Share of Great Lakes Total			Previous Qtr	Same Qtr Last Year
Potatoes	160	64%	65	196	146%	-18%
Apples	46	18%	13	69	257%	-33%
Onions	20	8%	5	35	291%	-44%
Cabbage	11	4%	21	14	-49%	-23%
Cranberries	6	2%	0	6	-	3%
<b>Top 5 Total</b>	<b>243</b>	<b>97%</b>	<b>104</b>	<b>320</b>	<b>133%</b>	<b>-24%</b>
<b>Great Lakes Total</b>	<b>251</b>	<b>100%</b>	<b>302</b>	<b>334</b>	<b>-17%</b>	<b>-25%</b>

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	October	November	December
			Monthly Rating		
	\$/per gallon	\$/per mile	1=Surplus to 5=Shortage		
<b>Regional Average</b>	<b>\$3.13</b>	<b>\$3.00</b>	<b>3.42</b>	<b>3.33</b>	<b>3.38</b>
Michigan			3.00	3.00	3.00
Southeastern Wisconsin			3.00	3.00	n/a
Central Wisconsin			4.25	4.00	3.75

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, 4th Quarter, 2010

**Volume:** Shipments of the top five commodities decreased 25 percent from the same quarter last year. All but one of the top five commodities experienced significant decreases. ERS's *Vegetable and Melon Outlook* reports that States along the Great Lakes region such as Minnesota and Wisconsin experienced abnormally wet conditions in 2010, reducing potato production by 16 percent. Potatoes were the top shipments during the fourth quarter, but decreased by 18 percent from the same quarter last year. Strong domestic and international demand for onions in 2010 increased prices, but dwindled stocks. ERS reports that imports will probably need to supplement the demand until the spring harvest begins in April. Apple shipments also decreased during the fourth quarter. ERS's *Fruit and Tree Nut Outlook* reports that lower-than-average fresh-market apple supplies are being reported in storage facilities, resulting from the smaller harvest this fall.

**Rates:** The average rate per mile in the Great Lakes region was \$3.00, up 8 percent from last quarter and 9 percent from the same quarter last year.

**Truck Overview:** Diesel fuel prices averaged \$3.13 per gallon, 7 percent higher than the previous quarter and 15 percent higher than the same quarter last year. Truck availability was adequate for Michigan apples and onions and southern Wisconsin cabbage throughout the quarter. Agricultural shippers in central Wisconsin, however, experienced slight shortages and shortages throughout the quarter with only small pockets of adequate availability in early November and the last week of December.

## Florida

**Table 14: Top Five Commodities Shipped from Florida (1,000 tons)**

Commodity	4th Quarter	Share of Florida Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
	2010				Previous Qtr	Same Qtr Last Year
Tomatoes	275	49%	-	215	-	28%
Oranges	80	14%	-	80	-	0%
Tangerines	56	10%	-	50	-	13%
Grapefruit	49	9%	-	51	-	-4%
Peppers	22	4%	-	44	-	-49%
<b>Top 5 Total</b>	<b>484</b>	<b>85%</b>	-	<b>440</b>	-	<b>10%</b>
<b>Florida Total</b>	<b>566</b>	<b>100%</b>	-	<b>581</b>	-	<b>-3%</b>

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	October	November	December
			Monthly Rating		
	\$/per gallon	\$/per mile	1=Surplus to 5=Shortage		
	<b>\$3.09</b>	<b>\$1.72</b>	<b>n/a</b>	<b>2.33</b>	<b>3.83</b>
Central and South Florida			n/a	2.40	4.00
Central Florida			n/a	2.25	3.67
West Florida			n/a	2.33	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, 4th Quarter, 2010

**Volume:** Volume for the top five commodities shipped from Florida increased 10 percent during the 4th quarter compared to the same quarter last year, but the total volume shipped decreased 3 percent from the 4th quarter of 2009. Increases in tomato shipments (28 percent) and tangerine shipments (13 percent) from the same quarter last year were not enough to offset the decreases in most of the other commodities shipped during the quarter. Two periods of freezing temperatures in southern Florida in December disrupted growth and production of warm-season vegetables such as peppers, squash, and cucumbers. According to ERS's *Vegetable and Melon Outlook*, many growers took the opportunity to pick and store crops that were at a harvestable stage and/or implement crop protection measures to save as much of the crops as possible.

**Rates:** Truck rates averaged \$1.72 per mile, 7 percent lower than the same quarter last year.

**Truck Overview:** Diesel fuel prices averaged \$3.09 per gallon, 7 percent higher than last quarter and 14 percent higher than the same quarter last year. Florida experienced slight surpluses to adequate truck availability on average throughout November, but December availability was tight overall, with slight shortages during the first 2 weeks and shortages during the last week of the year.

## Mexico

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

Commodity	4th Quarter	Share of Mexico Total	Previous	Same Quarter	Current Quarter as % change from:	
	2010		Quarter	Last Year	Previous Qtr	Same Qtr Last Year
Tomatoes	216	16%	171	223	27%	-3%
Peppers	169	12%	92	170	83%	-1%
Cucumbers	151	11%	47	149	221%	1%
Squash	99	7%	14	98	605%	1%
Limes	92	7%	127	99	-27%	-7%
Top 5 Total	727	52%	451	739	61%	-2%
<b>Mexico Total</b>	<b>1,386</b>	<b>100%</b>	<b>950</b>	<b>1,396</b>	<b>46%</b>	<b>-1%</b>

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	October	November	December
			Monthly Rating		
	\$/per gallon	\$/per mile	1=Surplus to 5=Shortage		
<b>Regional Crossing Average</b>			<b>1.38</b>	<b>2.53</b>	<b>3.63</b>
Through Texas	\$3.07	\$1.69	1.75	2.45	4.00
Through Nogales, AZ	\$3.29	\$2.03	1.00	2.60	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 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, 4th Quarter, 2010

**Volume:** Fruit and vegetable shipments from Mexico during the 4th quarter remained fairly stable compared to the same quarter last year. Most of the top five commodities experienced small changes from last year. During the fourth quarter, overall shipments from Mexico decreased 1 percent from the same quarter last year. According to ERS's latest *Vegetable and Melon Outlook*, retail prices in the fall for tomatoes, peppers, and cucumbers were reportedly lower than last year, which may have discouraged some imports from Mexico. Despite a 3 percent decrease in tomatoes and a 1 percent decrease in peppers for the quarter, imports of these products from Mexico in December were strong, responding to weather interruptions in California and Florida.

**Rates:** Truck rates for border crossings through Texas averaged \$1.69 per mile, 1 percent below last quarter but 7 percent higher than the same quarter last year. Rates for crossings through Arizona averaged \$2.03 per mile, 10 percent lower than last quarter but 13 percent higher than the same quarter last year.

**Truck Overview:** Diesel fuel prices for border crossings through Texas averaged \$3.07 per gallon, a 6 percent increase from the previous quarter. Diesel fuel prices for border crossings through Nogales, AZ, averaged \$3.29 per mile, a 5 percent increase from the previous quarter. Truck availability on average ranged from a surplus to adequate during October and November for both border-crossing locations. December brought adequate conditions during the first 2 weeks, then shortages during the final 2 weeks of the year.

## 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.

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### **Related Websites**

Fruit and Vegetable Programs	<a href="http://www.ams.usda.gov/AMSV1.0/fv">http://www.ams.usda.gov/AMSV1.0/fv</a>
Fruit and Vegetable Truck Rate Report	<a href="http://search.ams.usda.gov/mnsearch/MNSearchResults.aspx">http://search.ams.usda.gov/mnsearch/MNSearchResults.aspx</a>
Economic Research Service Vegetable and Melons Outlook	<a href="http://www.ers.usda.gov/publications/vgs/">http://www.ers.usda.gov/publications/vgs/</a>
Economic Research Service Fruit and Tree Nuts Outlook	<a href="http://www.ers.usda.gov/publications/fts/">http://www.ers.usda.gov/publications/fts/</a>
National Agricultural Statistic Service	<a href="http://www.nass.usda.gov">http://www.nass.usda.gov</a>