



## Contents:

Market Insight

Quarterly Overview

Regulatory News  
and Updates

Feature Article

National Summary

- Truck Rates
- U.S. Diesel Fuel Prices
- Truck Availability
- Shipments

Regional Markets

- California
- Pacific Northwest
- Florida
- Mexico
- Arizona

Terms and References

Contact Information

# Agricultural Refrigerated Truck Quarterly

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## Market Insight

### Rail and Piggyback Shipments from California, the Pacific Northwest, and Arizona Decreased

Reported rail and piggyback shipments<sup>1</sup> of fresh fruit and vegetables from Arizona, California, Idaho, Oregon, and Washington decreased overall by 155,400 tons in calendar year 2013, compared to 2012 (Tables 1-3). The National Agricultural Statistics Service's (NASS) *Crop Production*, and Economic Research Service's (ERS) *Fruit and Tree Nuts Outlook* and *Vegetables and Pulses Outlook* reports,<sup>2</sup> and articles in *The Packer* cited adverse weather conditions and decreased production of key commodities during the year. These factors contributed to an overall drop in reported shipments by rail and piggyback in 2013, as well as by truck.<sup>3</sup>

<sup>1</sup> Rail and piggyback shipments were reported by rail carriers that issue the initial line-haul revenue waybills. Rail shipments are those moving in refrigerated railcars. Piggyback shipments include those moving in trailer-on-flat-car, container-on-flat-car service, and intermodal. In the [calendar year 2013 Fresh Fruit and Vegetables Shipments](#), USDA's AMS Fruit and Vegetable Programs, Market News Division reports rail and piggyback shipments in units of 100,000 lbs. They are converted here to tons (2,000 lbs per ton). Cooperation of the railroads, members of the produce industry, and officials of State Departments of Agriculture is gratefully acknowledged.

<sup>2</sup> [Crop Production: January 10, 2014](#), [Fruit and Tree Nuts Outlook: July 26, 2013](#), [Fruit and Tree Nut Outlook: March 29, 2013](#), [Vegetables and Pulses Outlook: March 29, 2013](#)

<sup>3</sup> Truck shipment data for all commodities and origins are not available. Those obtainable are reported by the Market News Division, but should not be interpreted as representing complete movements of a commodity by truck.

**Table 1: California Rail and Piggyback Shipments, 2012 and 2013 (tons)**

Major Commodities	2012		2013		% change 2012 to 2013	
	Rail	Piggyback	Rail	Piggyback	Rail	Piggyback
Oranges	152,850	53,400	158,300	47,250	4%	-12%
Celery	41,150	45,150	38,650	44,950	-6%	0%
Lettuce-Iceberg	1,900	67,850	1,750	64,850	-8%	-4%
Carrots	57,650	20,850	41,950	20,350	-27%	-2%
Cantaloups	35,200	12,700	31,150	13,600	-12%	7%
Lettuce-Romaine	-	40,750	-	39,600	-	-3%
Onions, Dry	18,850	24,750	20,100	19,150	7%	-23%
Potatoes	50,650	3,700	31,450	3,600	-38%	-3%
Lemons	5,400	16,500	5,200	13,800	-4%	-16%
Broccoli	9,900	16,650	3,100	14,850	-69%	-11%
Honeydews	10,600	3,300	6,950	3,550	-34%	8%
Grapes	18,300	5,950	4,300	6,050	-77%	2%
Peppers, Bell Type	1,800	8,300	1,100	6,300	-39%	-24%
Tomatoes	3,150	6,800	500	5,600	-84%	-18%
Other*	11,100	23,600	5,400	18,050	-51%	-24%
<b>Totals</b>	<b>418,500</b>	<b>350,250</b>	<b>349,900</b>	<b>321,550</b>	<b>-16%</b>	<b>-8%</b>
<b>Rail + Piggyback</b>	<b>768,750</b>		<b>671,450</b>		<b>-13%</b>	

\*including apples, artichokes, avocados, cauliflower, grapefruit, grapes-mixed juice, lettuce-other, nectarines, peaches, pears, plums, sweet potatoes, and watermelon-seedless

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

**California:** Overall rail and piggyback shipments from California decreased 97,300 tons, or 13 percent overall in 2013 compared to 2012 (Table 1). These decreases were led by potato with shipments of 19,550 tons, carrots by 16,200 tons, grapes by 13,900 tons, and broccoli by 8,600 tons. Exceptions to reduced tonnages included increased rail shipments of oranges by 5,450 tons, and onions by 1,250 tons, and increased piggyback shipments of cantaloups by 900 tons.

**Pacific Northwest:** Reported rail and piggyback shipments of fresh fruit and vegetables from the Pacific Northwest decreased by 55,000 tons or 7 percent overall in 2013 compared to 2012 (Table 2). Potato shipments declined in Idaho by 32,200 tons; in Washington State by 5,050 tons; and in Oregon by 1,300 tons. Onion shipments declined in Idaho by 11,700 tons; and in Oregon by 10,900 tons.

Washington helped offset some of the overall Pacific Northwest tonnage losses, with increased piggyback shipments of apples by 18,500 tons, and onions by 3,300 tons, and increased rail shipments of pears by 1,900 tons.

State, commodities	2012		2013		% change 2012 to 2013	
	Rail	Piggyback	Rail	Piggyback	Rail	Piggyback
<b>Idaho</b>						
Potatoes	380,550	5,300	349,000	4,650	-8%	-12%
Onions, Dry	56,350	-	44,650	-	-21%	-
<b>Subtotal</b>	<b>436,900</b>	<b>5,300</b>	<b>393,650</b>	<b>4,650</b>	<b>-10%</b>	<b>-12%</b>
<b>Washington</b>						
Apples	139,050	36,750	126,100	54,800	-9%	49%
Onions, Dry	86,200	7,700	85,300	11,000	-1%	43%
Potatoes	25,350	8,650	20,600	8,350	-19%	-3%
Pears	2,700	350	4,600	-	70%	-100%
Other*	1,800	-	200	-	-89%	-
<b>Subtotal</b>	<b>255,100</b>	<b>53,450</b>	<b>236,800</b>	<b>74,150</b>	<b>-7%</b>	<b>39%</b>
<b>Oregon</b>						
Onions, Dry	59,800	150	48,950	-	-18%	-
Potatoes	10,450	150	9,200	100	-12%	-33%
Apples	2,850	4,200	2,550	3,250	-11%	-23%
Pears	350	1,900	350	1,950	0%	3%
<b>Subtotal</b>	<b>73,450</b>	<b>6,400</b>	<b>61,050</b>	<b>5,300</b>	<b>-17%</b>	<b>-17%</b>
<b>Grand Total</b>	<b>765,450</b>	<b>65,150</b>	<b>691,500</b>	<b>84,100</b>	<b>-10%</b>	<b>29%</b>
<b>Rail + Piggyback</b>		<b>830,600</b>		<b>775,600</b>		<b>-7%</b>

\*including carrots, cherries, and peaches in 2012; cherries only in 2013

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

**Arizona:** Reported rail and piggyback shipments of fresh fruit and vegetables from Arizona decreased by 3,900 tons, or 5 percent overall in 2013 from 2012 (Table 3). Potato shipments by rail declined in Arizona by 1,900 tons; broccoli shipments by rail declined by 1,700 tons, and romaine lettuce shipments by piggyback declined by 1,300 tons. These declines were partially offset by the 1,700 ton increase in iceberg lettuce shipments by piggyback

Location	2012		2013		% change 2012 to 2013	
	Rail	Piggyback	Rail	Piggyback	Rail	Piggyback
Lettuce-Iceberg	450	27,950	150	29,650	-67%	6%
Lettuce-Romaine	-	21,400	-	20,100	-	-6%
Potatoes	6,800	750	4,900	800	-28%	7%
Broccoli	2,100	3,150	400	3,050	-81%	-3%
Cantaloups	300	3,850	-	3,550	-100%	-8%
Other*	400	8,550	300	8,900	-25%	4%
<b>Total</b>	<b>10,050</b>	<b>65,650</b>	<b>5,750</b>	<b>66,050</b>	<b>-43%</b>	<b>1%</b>
<b>Rail + Piggyback</b>		<b>75,700</b>		<b>71,800</b>		<b>-5%</b>

\*including cauliflower, celery, honeydews, lemons, lettuce-other, onions, and watermelon-seedless

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

**Factors Influencing Rail and Piggyback Movements:** The availability of over-the-road trucks, fuel costs, freight rates, and buyer and shipper preferences help determine the number of rail and piggyback shipments of fresh fruit and vegetables each year. Market outlook, seasonality, planted acreage, weather, harvest yields, domestic demand, export demand, prices, availability of H-2A visas for guest farm workers, and the availability of water for irrigation also impact the number and mode of shipments.

The NASS Crop Production report of November 8, 2013, discussed reduced acreage for potatoes in 2013—especially in Idaho, which had an 8 percent reduction. Yields were lower in Idaho and Washington as well because of an early harvest in response to market demand and higher temperatures, according to *The Packer*.

The ERS Vegetable and Pulses Outlook report of March 29, 2013, discussed how weather impacted the production of fresh vegetables in the U.S. desert growing regions in Arizona and California. February 2013 shipments were down 14 percent from the previous year and 11 percent from the previous month. Freezing temperatures in early to mid-January 2013 reduced quality, volume, and production. *The Packer* reported freezing weather impacts on broccoli and cauliflower in Arizona and California during December 2013, and October rains that damaged newly planted fields and yields.

The NASS *Crop Production* report of January 10, 2014, showed a 4-percent forecast reduction in the production of lemons in California for the 2013/2014 season, where the usual marketing dates for the 3 growing areas began on August 1, August 20, and October 15, 2013.<sup>1</sup> Freezing temperatures in December 2013 slowed the harvest of citrus fruit in California, where damaged fruit was juiced. The Economic Research Service's Fruit and Tree Nuts Outlook report of July 26, 2013, discussed an 18-percent increase in lemon exports during the 2012/2013 season, from August 2012 through May 2013.

Shippers and receivers looking for trucks and trucking companies looking for drivers compete with seasonal freight such as Christmas trees; other growing areas; and other industries, such as construction, oil, and natural gas. Rail and piggyback shipments provide a competitive option.

California growing regions reported a slight surplus of trucks in February, July, and October 2013, and a slight shortage of trucks in May and June. Pacific Northwest growing regions reported slight shortages of trucks in August, October and November 2013, and shortages of trucks in September and December. Central and Western Arizona growing regions reported a slight surplus of trucks in February 2013, and slight shortages of trucks in May, June, and December. [Brian.McGregor@ams.usda.gov](mailto:Brian.McGregor@ams.usda.gov)

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<sup>1</sup> [Fruits and Tree Nuts: Blooming, Harvesting, and Marketing Dates: December 2006](#)

## Quarterly Overview

### Fruit and Vegetable Shipments

Reported U.S. truck shipments of fresh produce during the fourth quarter 2013 were 7.44 million tons, 4 percent lower than the previous quarter and 1 percent lower than the same quarter last year.

Shipments from the Pacific Northwest (PNW) were highest in the fourth quarter, totaling more than 1.73 million tons and accounting for 23 percent of the total reported shipments of fresh fruits and vegetables. Shipments from Mexico followed the PNW closely, with more than 1.71 million tons representing 23 percent of the reported shipments. Movements from the California totaled more than 1.54 million tons (21 percent).

The following top 5 commodities accounted for 43 percent of the reported truck movements during the fourth quarter 2013:

- ▶ Potatoes (15%)
- ▶ Apples (11 %)
- ▶ Onions, dry (7 %)
- ▶ Tomatoes (5 %)
- ▶ Lettuce, iceberg (4 %)

### Truck Rates

Due to the Government shutdown, USDA was unable to collect truck rate data from October 1 to 16. This may have impacted October and quarterly averages for rates, causing the reported averages in this report to be slightly higher or lower than the true amounts. The possibility of this error should be taken into consideration when making comparisons between time periods. The table below provides a snapshot of quarterly rates for U.S. produce shipments over 4 mileage categories: 0-500, 501-1,500, 1,501-2,500, and 2,500+ miles. U.S. average truck rates are weighted by regional rates and volumes. Compared with the previous quarter, each mileage category experienced a decrease except the 1,501-2,500 mile range. The short-haul (0-500 miles) saw the largest decrease at 20 percent. When compared with the fourth quarter 2012, each category increased with the largest increase in the long-haul category increasing 14 percent.

U.S. Average Fruit and Vegetable Truck Rates per Mile				
	0-500 miles	501-1500 miles	1501-2500 miles	2500 miles +
<b>Q4 2012</b>	4.56	2.29	2.24	1.14
<b>Q1 2013</b>	4.14	2.24	2.19	0.89
<b>Q2 2013</b>	4.37	2.60	2.26	1.05
<b>Q3 2013</b>	5.73	2.62	2.25	1.42
<b>Q4 2013</b>	4.56	2.31	2.31	1.29
<b>Q4 Change from Previous Quarter</b>	-20%	-12%	3%	-9%
<b>Q4 Change from Same Quarter Last Year</b>	0.1%	1%	3%	14%

### Diesel Fuel

During the fourth quarter 2013, the U.S. diesel fuel price averaged \$3.87 per gallon—1.2 percent lower than last quarter and 3.6 percent lower than the same quarter last year.

## Regulatory News and Updates

**DOT Proposes Use of Electronic Logbooks to Improve Efficiency, Safety in Commercial Bus and Truck Industries:** On March 13, 2014, the U.S. Department of Transportation's Federal Motor Carrier Safety Administration (FMCSA) announced a [proposal to require interstate commercial truck and bus companies to use Electronic Logging Devices \(ELDs\)](#) in their vehicles to improve compliance with the safety rules that govern the number of hours a driver can work. The proposed rulemaking would significantly reduce the paperwork burden associated with hours-of-service recordkeeping for interstate truck and bus drivers—the largest in the federal government after tax-related filings—and improve the quality of logbook data. The proposed rule will ultimately reduce hours-of-service violations by making it more difficult for drivers to misrepresent their time on logbooks and avoid detection by FMCSA and law enforcement personnel. Analysis shows it will also help reduce crashes by fatigued drivers and prevent approximately 20 fatalities and 434 injuries each year for an annual safety benefit of \$394.8 million.

**Highway Trust Fund Replenishment Proposal Announced:** On February 26, 2014, [President Obama Laid Out his Vision for 21st Century Transportation Infrastructure](#) with a \$302 billion, 4-year surface transportation reauthorization proposal. The President's Budget outlines his proposal to dedicate \$150 billion in one-time transition revenue from pro-growth business tax reform to address the funding crisis facing our surface transportation programs and increase infrastructure investment. This amount is sufficient to not only fill the current funding gap in the Highway Trust Fund, but increase surface transportation investment over current projected levels by nearly \$90 billion over the next four years. When taking into account existing funding for surface transportation, this plan will result in a total of \$302 billion being invested over 4 years, putting people back to work modernizing our transportation infrastructure.

**Fiscal Year 2014 TIGER Grant Program Announced:** On February 26, 2014, President Obama announced the competition for [\\$600 million in Transportation Investment Generating Economic Recovery \(TIGER\)](#) grants to fund transformative transportation infrastructure projects. Since the President took office, America has made historic investments to improve our nation's infrastructure, including the highly successful competitive TIGER grant program that has invested \$3.5 billion in 270 projects across the country. The TIGER grant program, which was initially funded as part of the American Recovery and Reinvestment Act, was recently funded in the bipartisan Consolidated Appropriations Act, signed by the President on January 17, 2014.

**Truck Fuel Efficiency Rulemaking Announced:** On February 18, 2014, President Obama [directed the Environmental Protection Agency \(EPA\) and the Department of Transportation \(DOT\) to set the next round of fuel efficiency standards for medium- and heavy-duty vehicles by March 16, 2016](#). The President also discussed the continued partnership with private sector leaders to deploy advanced vehicles, and the need for Congress to expand fuel choices for drivers by creating an Energy Security Trust Fund for research and development of advanced vehicle technologies.

**\$250 Million Needed for a U.S. Federal Plaza for the New Detroit River Crossing with Canada:** On February 21, 2014, Michigan Senators Levin and Stabenow, and Michigan Representatives Conyers, Dingell, Kildee, Levin, and Peters [asked President Obama to resolve the funding concerns](#) about the \$250 million U.S. Federal Plaza for the [New International Trade Crossing \(NITC\)](#) between Detroit and Windsor, Ontario, by designating a senior White House official to coordinate and negotiate a way forward. [Canada is financing the \\$2.3 billion](#) of the cost of the 6-lane bridge, land acquisition, and highway connections on both sides of the border. This includes \$550 million of costs in Michigan, which

the State of Michigan is authorized to leverage as the required match for U.S. Federal highway projects throughout the State. A private sector partner will provide an additional \$949 million for the project. U.S. funds are needed for the plaza for U.S. Customs and Border Protection. On April 12, 2013, the Department of State issued the [Presidential Permit](#) to the State of Michigan for the construction, connection, operation, and maintenance of the bridge, after determining the NITC would serve the national interest.

**Safety Measurement Safety Study Released:** On February 5, 2014, the Federal Motor Carrier Safety Administration (FMCSA) released [new research that shows FMCSA's Safety Measurement System \(SMS\) is an improvement for identifying at-risk bus and trucking companies](#). Researchers analyzed the association between historical carrier data and future crash involvement by taking two years of pre-SMS safety data for a subset of carriers, running it through the system's algorithm, and then following those companies' crash records for eighteen months. Results show that the companies the SMS would have identified for interventions, such as roadside inspections, warning letters and on-site investigations, had a future crash rate of more than double the national average. In addition, 79 percent of the carriers that SMS would have ranked as high risk in at least one of the seven safety categories it monitors, had higher future crash rates compared to those it would not have identified. SMS, a component of the FMCSA's Compliance, Safety, Accountability (CSA) program, was launched in 2010 to identify and prioritize motor carriers that pose the highest threat to public safety for enforcement interventions. On March 5, 2014 the U.S. Department of Transportation's Office of Inspector General released its audit report, [Actions Are Needed To Strengthen FMCSA's Compliance, Safety, Accountability Program](#). FMCSA concurred with all six recommendations to strengthen the CSA program.

**Hours of Service of Drivers Study Released:** On January 30, 2014, the Federal Motor Carrier Safety Administration (FMCSA) released findings from a [real world, third-party study](#) providing further scientific evidence that the 34-hour rest break restart provision in the current hours-of-service rule for truck drivers is more effective at combatting fatigue than the prior version. On December 27, 2011, FMCSA published the updated hours-of-service rules for truck drivers that amended the 34-hour restart provision to include at least two nighttime periods from 1 to 5 a.m. instead of one, and limited the use of the restart of the drivers work week clock to once per week, effective July 1, 2013.

**Sanitary Food Transportation Act Proposed Rule Released:** On January 31, 2014, the U.S. Food and Drug Administration proposed a rule that would require certain shippers, receivers, and carriers who transport food by motor or rail vehicles to take steps to prevent the contamination of human and animal food during transportation. Part of the implementation of the Sanitary Food Transportation Act of 2005, the proposal marks the seventh and final major rule in the FDA Food Safety Modernization Act's (FSMA) central framework aimed at systematically building preventive measures across the food system. The proposed regulation would establish criteria for sanitary transportation practices, such as properly refrigerating food, adequately cleaning vehicles between loads, and properly protecting food during transportation.

The proposed rule would apply to shippers, carriers, and receivers who transport food that will be consumed or distributed in the United States and is intended to ensure that persons engaged in the transportation of food that is at the greatest risk for contamination during transportation follow appropriate sanitary transportation practices. The requirements in the proposed rule would not apply to the transportation of fully packaged shelf-stable foods, live food animals, and raw agricultural commodities when transported by farms. The FDA held three public meetings on the proposed rule on February 27, 2014 in Chicago, March 13, 2014 in Anaheim, CA, and March 20, 2014, in College Park, MD. The proposed rule is available for public comment until May 31, 2014 under [docket number FDA-2013-N-0013](#).

## Feature Article

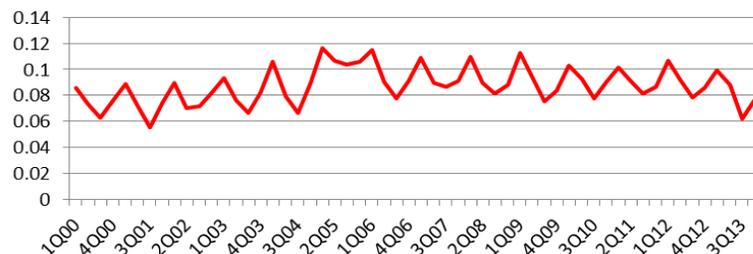
### Processed Lettuce Shipments Offset Decreased Tomatoes and Potatoes

Total reported<sup>1</sup> fruit and vegetable shipments decreased 1 percent year to year as increased shipments of processed lettuce mostly offset large volume declines in tomatoes and potatoes. Shipments of processed lettuce made a comeback during the fourth quarter of 2013 with the highest reported volume of shipments since the fourth quarter of 2011. Shipments had been sluggish for 2 years following several health recalls in 2012.

#### Tomato and Potato Shipments Down

Weather has had greater-than-usual impacts on different sectors of the economy this year, reducing the quarterly shipments of tomatoes 18 percent below the same time last year. Tomatoes comprised the smallest percentage of overall fourth quarter fruit and vegetable shipments since 2001—7.6 percent, less than the typical 9- to 10-percent (figure 1). Winter weather disrupted both the production of tomatoes in Florida and Mexico during the fourth quarter of 2013 through heavy rains, cold, and storms, which delayed plantings and impacted yields. Weather also impacted truck movements, preventing some Mexican tomatoes from leaving the country. Tomato shipments from Mexico were 9 percent less during the fourth quarter of 2013 than the same quarter last year. Shipments of other commodities did not suffer as large an impact from the weather. However, potato shipments dropped 4 percent, from 1.2 to 1.15 million tons, reflecting a 5 percent decrease in production from the previous year and 58,000 fewer planted acres.

**Figure 1: Tomato Shipments as Percentage of Quarterly Fruit and Vegetable Shipments**



#### Processed Lettuce Recovers

A marked increase in processed lettuce offset most of the decline in tomatoes and potatoes, keeping total shipments of fruit and vegetables in the fourth quarter of 2013 at almost the same level as last year. Following four major bagged salad recalls during 2012, annual shipments of processed lettuce (the primary component in bagged salads) fell to their lowest levels in over ten years. Beginning in the second quarter of 2012, average quarterly shipments of processed lettuce fell to 28.6 thousand tons per quarter, down from an average of 177.7 thousand tons per quarter throughout 2009, 2010, and 2011. Only in the fourth quarter of 2013 did shipments finally start to make a noticeable recovery, climbing back to 128 thousand tons (figure 2).

<sup>1</sup> Truck and air shipments and exports 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, air, and boat shipments and exports from all States are collected at shipping points and include both inter- and intrastate movements. They are obtained from various sources, including Federal marketing orders, administrative committees, Federal State inspection service, and shippers.

The top three shipments of lettuce are Iceberg, Romaine, and processed, accounting for over 90 percent of truck shipments. Iceberg lettuce is still the primary lettuce variety shipped, but annual shipments have been falling steadily over

the past decade as shipments of romaine and other varieties have become increasingly popular. After increasing in popularity since the early 1960's, per capita iceberg consumption peaked in 1989 and has been falling ever since, according to the Economic Research Service.

Iceberg lettuce gained prominence because it was

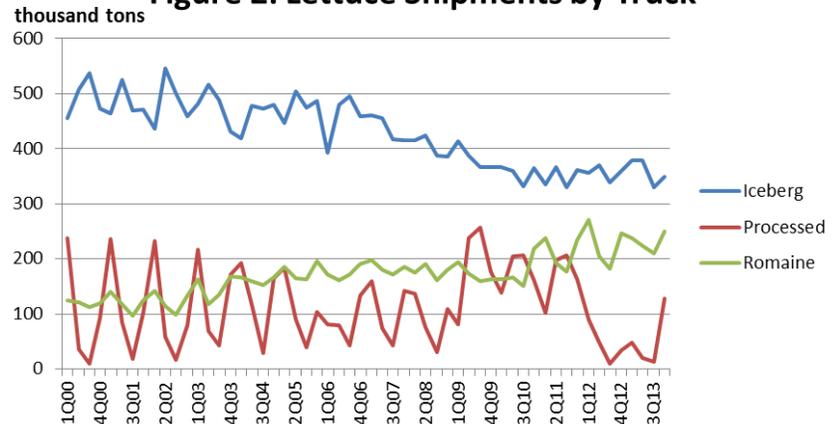
hearty enough to endure long distance transportation across the country, according to the Packer. However, refrigerated trucks have enabled other, more delicate varieties of leaf lettuce to become increasingly available to consumers. In addition, the noted health benefits of other lettuce varieties have also contributed to the gradual shift away from iceberg.

Almost all the lettuce shipped by truck (over 90 percent) originates in either Arizona or California. Arizona is the primary supplier during the first quarter of a given year, supplying over 65 percent of shipments, while California is the dominant supplier during the second and third quarters, supplying between 85 and 98 percent of shipments. During the fourth quarter, shipments originate more evenly between the two States.

### Processed Lettuce Outlook

According to a November 2013 study by the marketing group, The Freedonia Group, Inc., overall demand for fruit and vegetable packaging is estimated to grow 3.3 percent annually through 2017. This indicates increasing supplier and consumer preference for packaged fruits and vegetables due to added protection, safety, and marketability. However, the growth is not expected for salads. The study notes packaged salad growth seems to have reached saturation due to price and safety concerns by consumers. Still, there may be reason to believe shipments of processed lettuce will continue to recover. The Packer reported organic salads have been driving growth in packaged salads. Organic salads increased 20 percent in dollar volume, compared to a 5-percent increase for conventional salads for the year ending 9/7/13, according to Nielsen Perishables Group. Organic salads account for 22 percent of all salad sales. [Adam.Sparger@ams.usda.gov](mailto:Adam.Sparger@ams.usda.gov)

**Figure 2: Lettuce Shipments by Truck**

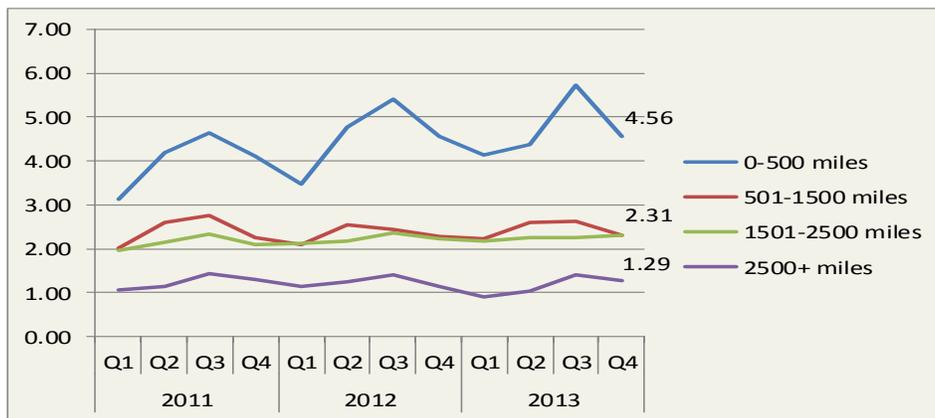


# National Summary

## U.S. Truck Rates

Special Note: Due to the Government shutdown, USDA was unable to collect truck rate data October 1-16. This may have impacted October and quarterly averages for rates, causing the reported averages in this report to be slightly higher or lower than the true amounts. The possibility of this error should be taken into consideration when making comparisons between time periods and applies to the figures and tables below.

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



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

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

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	*Annual
2013	2.24	2.60	2.62	2.31	2.44
2012	2.10	2.54	2.45	2.29	2.35
2011	2.02	2.60	2.77	2.26	2.41
2010	1.82	2.21	2.33	1.94	2.08
2009	1.85	1.99	2.02	1.86	1.93
2008	2.02	2.56	2.77	2.24	2.40
2007	1.89	2.23	2.25	2.03	2.10
2006	1.92	2.10	2.21	2.02	2.06
2005	1.72	2.00	2.26	2.34	2.08

\*Annual: Weighted average rate for all 4 quarters.

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

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

Origin	3rd Qtr 2013			4th Qtr 2013		
	Jul	Aug	Sep	Oct	Nov	Dec
Arizona	n/a	n/a	n/a	2.61	2.48	2.48
California	3.20	3.13	3.10	2.71	2.70	2.69
Florida	3.01	n/a	n/a	2.06	1.99	2.28
Great Lakes	3.19	3.19	3.09	2.95	3.17	3.20
Mexico-Arizona	1.63	n/a	n/a	n/a	2.12	2.48
Mexico-Texas	2.16	1.95	1.93	1.85	1.89	2.15
New York	2.30	2.30	2.14	2.11	1.99	1.94
PNW	1.81	1.84	1.77	1.89	1.92	1.93
Southeast	3.68	3.66	3.45	2.74	2.74	2.76
Texas	2.62	2.46	2.41	2.26	2.12	2.32

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

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

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

Special Note: Due to the Government shutdown, USDA was unable to collect truck rate data October 1-16. This may have impacted October and quarterly averages for rates, causing the reported averages in this report to be slightly higher or lower than the true amounts. The possibility of this error should be taken into consideration when making comparisons between time periods and applies to the figures and tables below.

## Truck Rates for Selected Routes

Table 3: Origin-Destination Truck Rates for Selected Routes , 4th Quarter 2013 (\$/Mile)

Origin	Destination									
	Atlanta	Baltimore	Boston	Chicago	Dallas	Los Angeles	Miami	New York	Philadelphia	Seattle
Arizona	2.54	2.44	2.44	2.20	.	6.20	.	2.5	2.46	2.5
California	2.48	2.42	2.39	2.24	2.77	5.6	2.29	2.45	2.41	2.7
Florida	2.65	2.13	2.17	1.86	.	.	.	2.27	2.11	.
Great Lake	2.95	3.09	3.10	3.78	2.77	.	2.93	3.73	3.34	.
Mexico-AZ	.	.	2.5	2.14	2.63	2.02	2.32	2.47	2.38	.
Mexico-TX	2.25	2.16	2.16	1.77	2.38	1.54	2.25	2.21	2.15	.
New York	2.14	3.97	8.53	1.23	.	.	2.34	10.3	5.53	.
Other	2.51	2.71	2.84	2.18	2.4	1.55	2.31	2.66	2.27	.
PNW	2.24	2.28	2.33	2.19	2.34	1.92	2.22	2.4	2.31	8.8
Southeast	4.10	3.28	2.92	3.24	.	.	2.6	3.16	3.19	.
Texas	2.47	2.29	2.27	1.91	2.86	1.61	2.36	2.35	2.27	.

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

## Truck Rates for Selected Routes

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

Origin	Destination									
	Atlanta	Baltimore	Boston	Chicago	Dallas	Los Angeles	Miami	New York	Philadelphia	Seattle
Arizona	5,325	6,355	7,090	4,470	.	930	.	6,755	6,530	3,245
California	5,529	6,556	7,267	4,592	4,267	914	6,722	6,930	6,656	2,892
Florida	1,228	2,116	3,111	2,217	.	.	.	2,753	2,390	.
Great Lake	3,043	3,466	4,180	1,182	3,072	.	4,734	3,839	3,357	.
Mexico-AZ	.	.	6,763	3,856	2,578	1,133	5,275	6,186	5,700	.
Mexico-TX	2,582	3,864	4,745	2,527	1,191	2,468	3,436	4,414	4,082	.
New York	2,109	1,178	1,610	1,036	.	.	3,391	1,303	1,146	.
Other	2,546	3,584	3,736	1,839	1,750	1,763	4,564	3,613	2,917	.
PNW	5,167	5,617	6,405	3,888	4,276	1,919	6,591	6,126	5,798	1,232
Southeast	1,173	1,454	2,522	2,750	.	.	2,000	2,019	1,743	.
Texas	2,571	3,858	4,742	2,521	1,188	2,433	3,425	4,396	4,067	.

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

## U.S. Diesel Fuel Prices

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

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



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

Table 5: 4th Quarter 2013 Average Diesel Fuel Prices (All Types - \$/Gallon)

Location	Price	Change From	
		Last Quarter	Same Qtr Last Year
East Coast	3.90	-0.03	-0.16
New England	4.04	-0.01	-0.16
Central Atlantic	3.95	-0.04	-0.21
Lower Atlantic	3.83	-0.03	-0.13
Midwest	3.85	-0.05	-0.13
Gulf Coast	3.78	-0.07	-0.13
Rocky Mountain	3.86	-0.05	-0.18
West Coast	4.01	-0.06	-0.13
California	4.08	-0.06	-0.11
U.S.	3.87	-0.05	-0.15

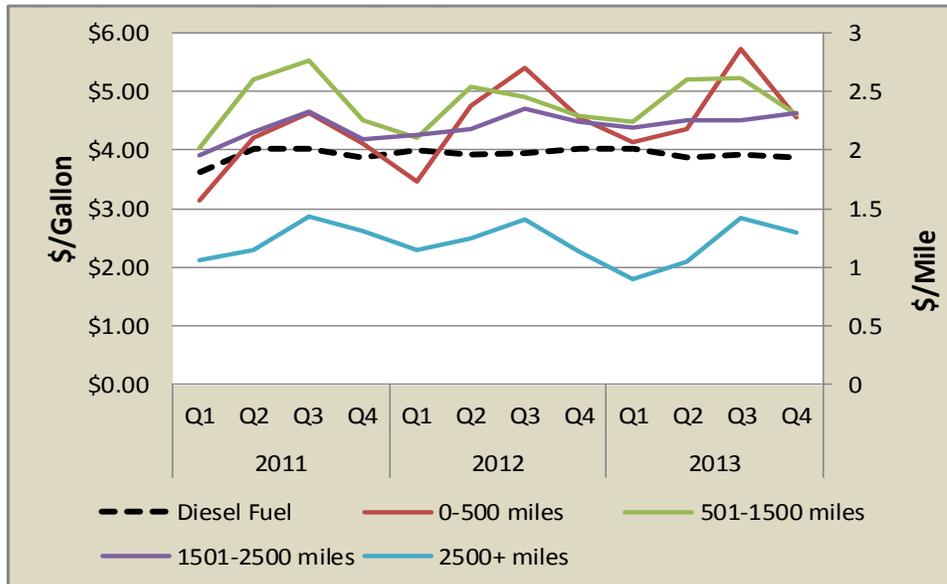
Source: Energy Information Administration/U.S. Department of Energy

Special Note: Due to the Government shutdown, USDA was unable to collect truck rate data October 1-16. This may have impacted October and quarterly averages for rates, causing the reported averages in this report to be slightly higher or lower than the true amounts. The possibility of this error should be taken into consideration when making comparisons between time periods and applies to the figures and tables below.

## Relationship Between Diesel Fuel & Truck Rates

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

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



Sources:

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

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

Table 6: Average Diesel Fuel Prices and Truck Rates

		Diesel Fuel (\$/gallon)	Truck Rates (\$/mile) 501-1500 miles	% Change From:			
				Last Qtr		Same Qtr Last Year	
				Diesel	Truck	Diesel	Truck
2011	Q1	3.61	2.02	14%	4%	26%	11%
	Q2	4.02	2.60	11%	28%	33%	17%
	Q3	3.87	2.77	-4%	7%	32%	19%
	Q4	3.86	2.26	-0.1%	-19%	22%	16%
2012	Q1	3.99	2.10	3%	-7%	11%	4%
	Q2	3.93	2.54	-2%	21%	-2%	-2%
	Q3	3.96	2.45	1%	-4%	2%	-12%
	Q4	4.01	2.29	1%	-6%	4%	1%
2013	Q1	4.03	2.24	0.4%	-2%	1%	7%
	Q2	3.87	2.60	-4%	16%	-1%	2%
	Q3	3.92	2.61	1%	0%	-1%	7%
	Q4	3.87	2.31	-1%	-12%	-4%	1%

Sources:

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

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

#### 4th Quarter 2013 Comparison Analysis

Diesel fuel prices averaged \$3.87 per gallon this quarter, 1 percent lower than last quarter and 4 percent lower than the same quarter last year. Average truck rates for shipments between 501 and 1,500 miles were \$2.27 per mile, 13 percent lower than the previous quarter and 1 percent lower 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

Special Note: Due to the Government shutdown, USDA was unable to collect truck availability data October 1-16.

**Table 7: U.S. Fresh Fruit and Vegetable Truck Availability, 4th Quarter 2013**

Region <sup>1</sup>	Commodity <sup>1</sup>	Truck Availability													
		Surplus - 1		Slight Surplus - 2			Adequate - 3			Slight Shortage - 4			Shortage - 5		
		Week Ending <sup>1</sup>													
		10/1	10/8	10/15	10/22	10/29	11/5	11/12	11/19	11/26	12/3	12/10	12/17	12/24	12/31
<b>CALIFORNIA, CENTRAL AND WESTERN</b>															
<b>ARIZONA</b>															
Imperial, Palo Verde, and Coachella Valleys, CA, and Central and Western AZ	Bell Peppers, Broccoli, Cantaloupe, Cauliflower, Iceberg Lettuce, Honeydews, Leaf Lettuce					3	3	3	3	4	3	3	3	5	5
Kern District, CA	Carrots, Grapes				2	2	2	3	3	4	3	3	3	4	4
Sacramento and San Joaquin Valley, CA	Pears				3										
Salinas-Watsonville, CA	Broccoli, Cauliflower, Celery, Leaf Lettuce, Lettuce, Raspberries, Romaine Lettuce, Strawberries				2	2	3	3	3	4	3	3			
San Joaquin Valley, CA	Apples, Apple Pears, Bell Peppers, Cantaloupe, Kiwi, Lettuce, Melons, Persimmons, Pomegranates, Watermelon				2	2	2	3	4	4	3	3	3	3	4
Santa Maria, CA	Broccoli, Cauliflower, Celery, Iceberg Lettuce, Leaf Lettuce, Romaine Lettuce, Strawberries				2	2	2	3	3	4	3	3	3	5	5
South District, CA	Citrus, Raspberries, Strawberries				1	2	1	3	5	4	1	3	3	3	4
<b>PACIFIC NORTHWEST (ID, OR, WA)</b>															
Columbia Basin, WA	Onions, Potatoes				3	3	3	3	5	5	5	5	5	5	4
Idaho and Malheur County, OR	Onions				4	3	3	3	5	5	5	5	5	5	5
Northwestern WA	Potatoes					3	3	4	4	4	4	4	4	4	4
Upper Valley, Twin Falls-Burley District, ID	Potatoes				4	3	3	3	5	5	5	5	5	5	5
Yakima Valley & Wenatchee District, WA	Apples, Pears				3	3	3	3	3	3	3	3	3	3	3
<b>FLORIDA</b>															
West District	Tomatoes				1	1	3	2	2	4	2	3	4	5	5
Central and South	Berries, Melons, Mixed Vegetables, Tomatoes				1	1	3	2	2	4	2	3	4	5	5
South	Melons								3	3	3	3	3	4	5
<b>GREAT LAKES (MI &amp; WI)</b>															
Michigan	Apples, Onions				3	3	3	3	4	4	3	3	3	3	3
Central Wisconsin	Onions, Potatoes				3	3	3	4	4	4	3	3	5	5	5
<b>MEXICO BORDER CROSSINGS</b>															
Through Nogales, AZ	Melons, Mixed Vegetables						3	3	4	4	3	5	3	5	5
Through Texas	Carrots, Citrus, Mixed Fruit and Vegetables, Plum Tomatoes				3	3	3	3	3	3	3	2	5	5	
<b>TEXAS, OKLAHOMA</b>															
Lower Rio Grande Valley, TX	Cabbage, Citrus, Herbs				3	3	3	3	3	3	3	2	5	5	
Texas & Oklahoma	Watermelon				2										
<b>SOUTHEAST (GA, NC, SC)</b>															
South Georgia	Beans, Bell Peppers, Broccoli, Cabbage, Corn, Cucumbers, Eggplant, Greens, Squash				3	3	3	3	3	3	3	3	3	3	3
Eastern North Carolina	Sweet Potatoes				3	5	5	5	5	3	3	5	5	3	4

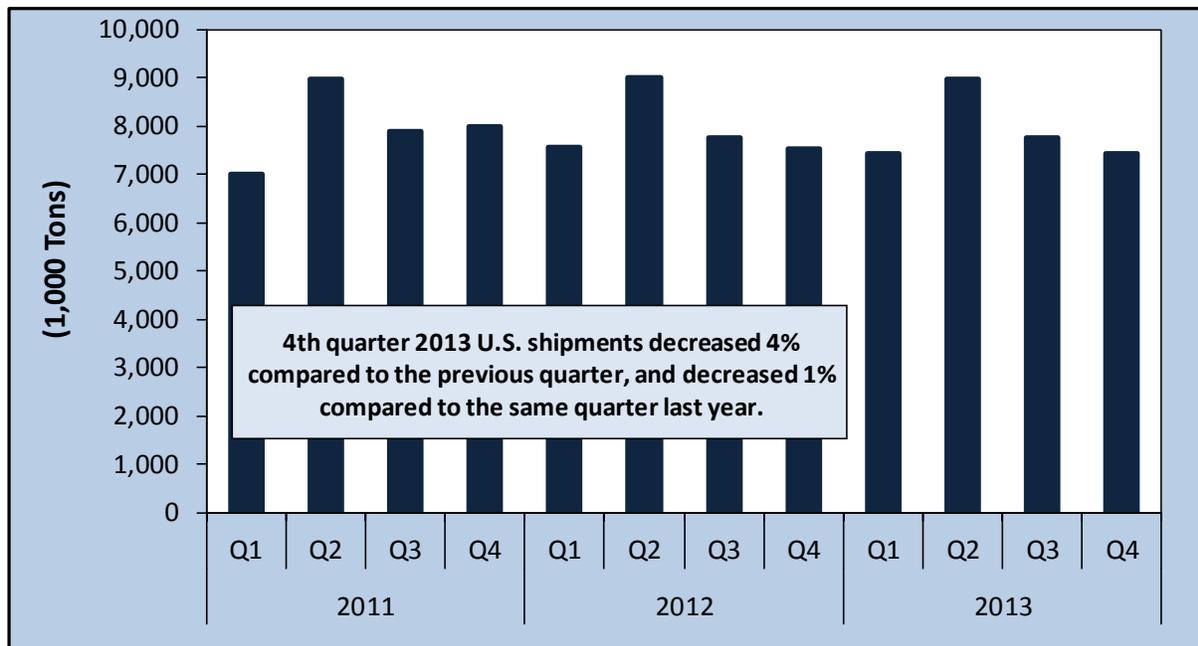
<sup>1</sup> No reports for weeks ending October 1, October 8, and October 15. Regions reported and commodities shipped vary by week, month, season, and year. Truck availability can vary by individual commodity within a region.

<sup>2</sup> Generally shipped on flatbeds, or in open trucks or dry van trailers.

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

## Reported U.S. Shipments

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



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

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

Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annual
2013	7,451	8,972	7,762	7,444	31,629
2012	7,577	9,008	7,774	7,532	31,890
2011	7,007	8,981	7,887	7,988	31,863
2010	7,065	8,881	7,985	7,522	31,454
2009	7,158	8,728	7,990	7,270	31,147
2008	7,059	8,666	7,426	6,904	30,057
2007	6,959	8,585	7,475	7,099	30,118
2006	6,335	8,400	7,854	6,962	29,551
2005	6,877	8,324	7,737	7,387	30,325
2004	6,867	8,331	6,876	6,732	28,807
2003	6,824	8,013	7,043	6,684	28,564
2002	6,787	8,094	6,414	6,460	27,756
2001	6,822	8,144	6,314	6,471	27,751
2000	6,776	8,155	6,916	6,395	28,242

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

## Reported Shipments by Selected Commodities

Table 9: Reported Top 10 Commodity Shipments for 4th Quarter 2013 (1,000 Tons)

Commodity	4th Quarter 2013	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
				Previous Qtr	Same Qtr Last Year
Potatoes	1,147	1,065	1,200	8%	-4%
Apples	842	529	819	59%	3%
Onions, dry	503	451	465	12%	8%
Tomatoes	371	312	452	19%	-18%
Lettuce, iceberg	334	322	338	4%	-1%
Grapes	323	375	312	-14%	4%
Lettuce, Romaine	241	208	242	16%	0%
Cucumbers	221	138	217	60%	2%
Celery	214	153	206	40%	4%
Peppers, Bell Type	194	142	212	37%	-8%

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

# Regional Markets

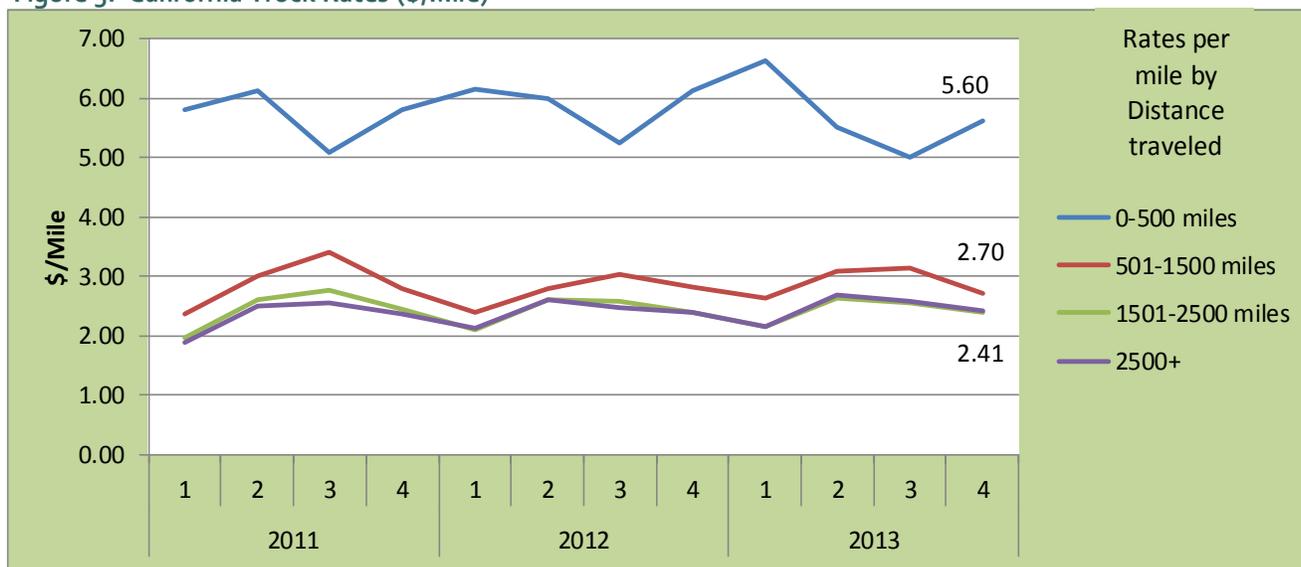
## California

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

Commodity	4th Quarter 2013	Share of California Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
					Previous Qtr	Same Qtr Last Year
Grapes	323	21%	369	312	-12%	4%
Celery	200	13%	133	188	50%	6%
Lettuce, Iceberg	171	11%	314	166	-46%	3%
Lettuce, Romaine	131	9%	207	133	-37%	-1%
Strawberries	96	6%	239	79	-60%	21%
<b>Top 5 Total</b>	<b>921</b>	<b>60%</b>	<b>1,262</b>	<b>878</b>	<b>-27%</b>	<b>5%</b>
<b>California Total</b>	<b>1,539</b>	<b>100%</b>	<b>3,111</b>	<b>1,513</b>	<b>-51%</b>	<b>2%</b>

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

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



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

Figure 6: California Truck Overview

Region/Reporting District	Diesel Fuel	Truck Rate 501 to 1500 miles	October	November	December
			Monthly Rating		
	\$/per gallon	\$/per mile	1=Surplus to 5=Shortage		
<b>Regional Average</b>	<b>\$4.08</b>	<b>\$2.70</b>	<b>2.21</b>	<b>3.20</b>	<b>3.33</b>
<b>Imperial, Palo Verde, and Coachella Valleys, CA, and Central and Western AZ</b>			3.00	3.17	3.33
<b>Kern District, CA</b>			2.00	3.25	3.80
<b>Sacramento &amp; San Joaquin Valley, CA</b>			3.00		3.40
<b>Salinas-Watsonville, CA</b>			2.00	3.25	3.00
<b>San Joaquin Valley, CA</b>			2.00	3.25	3.20
<b>Santa Maria, CA</b>			2.00	3.00	3.80
<b>South District, CA</b>			1.50	3.25	2.80

n/a: availability data not reported

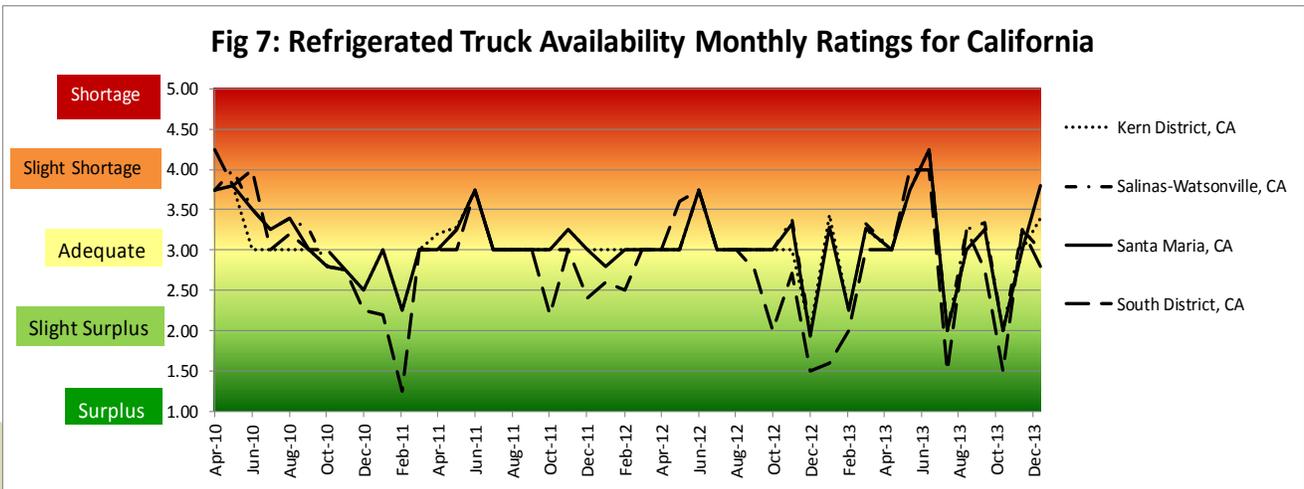
Diesel Fuel Source: Energy Information Administration/U.S. Department of Energy

**Volume:** Total reported shipments of fruits and vegetables from California during the fourth quarter of 2013 increased 2 percent from the same quarter in 2012 and the sum of the top 5 commodities increased 5 percent. Strawberry shipments saw the largest increase—21 percent from the same quarter in 2012. *The Packer* reports that good strawberry volumes in California translated into strong sales and shipments. Shipments of celery increased 6 percent mostly early in the quarter in advance of the holiday season. Grape shipments from California increased 4 percent. *The Packer* reports grape shipments in September and October were strong with ample supply in storage in November.

**Rates:** The quarterly average truck rate for shipments between 501 and 1,500 miles was \$2.70 per mile, 14 percent lower than the previous quarter and 4 percent lower than same quarter last year.

**Truck Overview:** Diesel fuel prices averaged \$4.08 per gallon, 1.5 percent lower than last quarter and 2.7 percent lower than the same period last year. On average, truck availability for the region was in a slight surplus in October, adequate in November, and mostly adequate in December with the exception of the Imperial, Palo Verde, and Coachella Valleys, as well as Santa Maria, which inched toward the slight shortage range.

Fig 7: Refrigerated Truck Availability Monthly Ratings for California



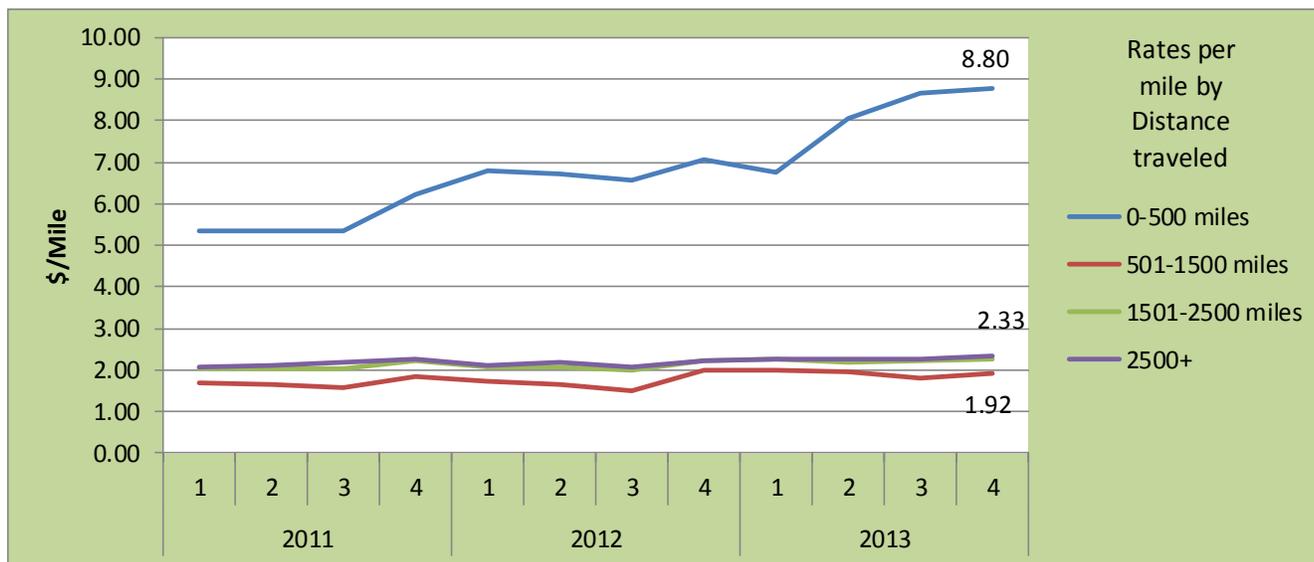
## Pacific Northwest (PNW)

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

Commodity	4th Quarter 2013	Share of PNW Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
					Previous Qtr	Same Qtr Last Year
Apples	659	38%	457	724	44%	-9%
Potatoes	490	28%	510	523	-4%	-6%
Onions, dry	365	21%	167	312	119%	17%
Pears	213	12%	53	206	302%	3%
Cranberries	1.3	0%	0.1	1.1		10%
<b>Top 5 Total</b>	<b>1,728</b>	<b>100%</b>	<b>1,187</b>	<b>1,767</b>	<b>46%</b>	<b>-2%</b>
<b>PNW Total</b>	<b>1,729</b>	<b>100%</b>	<b>1,311</b>	<b>1,767</b>	<b>32%</b>	<b>-2%</b>

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

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



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

Figure 9: PNW Truck Overview

Region/Reporting District	Diesel Fuel	Truck Rate 501 to 1500 miles	October	November	December
			Monthly Rating		
	\$/per gallon	\$/per mile	1=Surplus to 5=Shortage		
<b>Regional Average</b>	<b>\$3.91</b>	<b>\$1.92</b>	<b>3.20</b>	<b>3.75</b>	<b>4.36</b>
<b>Columbia Basin, WA</b>			3.00	4.00	4.80
<b>Idaho and Malheur County, OR</b>			3.50	4.00	5.00
<b>Northwestern WA</b>			3.00	3.75	4.00
<b>Upper Valley, Twin Falls-Burley District, ID</b>			3.50	4.00	5.00
<b>Yakima Valley &amp; Wenatchee District, WA</b>			3.00	3.00	3.00

n/a: availability data not reported

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

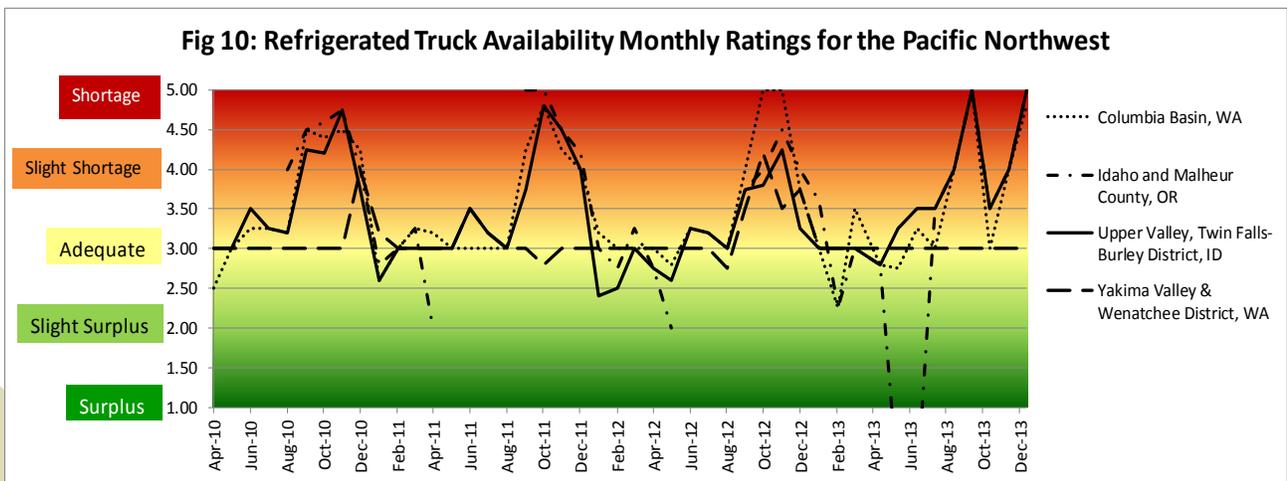
For the purpose of this report the West Coast less California District was used to represent the diesel fuel price for PNW.

**Volume:** Total reported shipments of fruits and vegetables from the Pacific Northwest during the fourth quarter of 2013 decreased 2 percent from the same quarter in 2012; the sum of the top 5 commodities decreased 5 percent as well. According to *The Packer*, apple supplies were lower than 2012 accounting for the 9-percent decrease in reported shipments. Potato acreage in Idaho and Washington were also down in the fall and winter of 2013, which could make supplies tight through the spring and summer. Shipments of dry onions and pears saw increases over the same period in 2012—17 percent increase for dry onions and 3 percent for pears. Dry onion shipments saw the largest increase for the quarter, up 17 percent from the same quarter last year. Despite a soggy September, Washington onion growers managed a good crop with hopes the supplies remains in good condition over the next 6 months while in storage.

**Rates:** The quarterly average truck rate for shipments between 501 and 1,500 miles was \$1.92 per mile, 7 percent higher than the previous quarter but 3 percent lower than same quarter last year.

**Truck Overview:** Diesel fuel prices averaged \$3.91 per gallon, 1.5 percent lower than last quarter and 3.7 percent lower than the same period last year. On average, truck availability for the region was generally adequate in October, a slight shortage in November, then mostly a shortage in December. The exception to this trend was the Yakima Valley and Wenatchee District of Washington, where availability remained adequate throughout the quarter.

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



## Mexico Border Crossings

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

Commodity	4th Quarter 2013	Share of Mexico Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
					Previous Qtr	Same Qtr Last Year
Peppers, other	174	10%	116	165	50%	5%
Cucumbers	158	9%	58	152	172%	4%
Avocados	154	9%	75	159	105%	-3%
Tomatoes	139	8%	90	160	54%	-13%
Squash	117	7%	20	98	487%	20%
<b>Top 5 Total</b>	<b>741</b>	<b>43%</b>	<b>359</b>	<b>734</b>	<b>106%</b>	<b>1%</b>
<b>Mexico Total</b>	<b>1,713</b>	<b>100%</b>	<b>1,154</b>	<b>1,697</b>	<b>48%</b>	<b>1%</b>

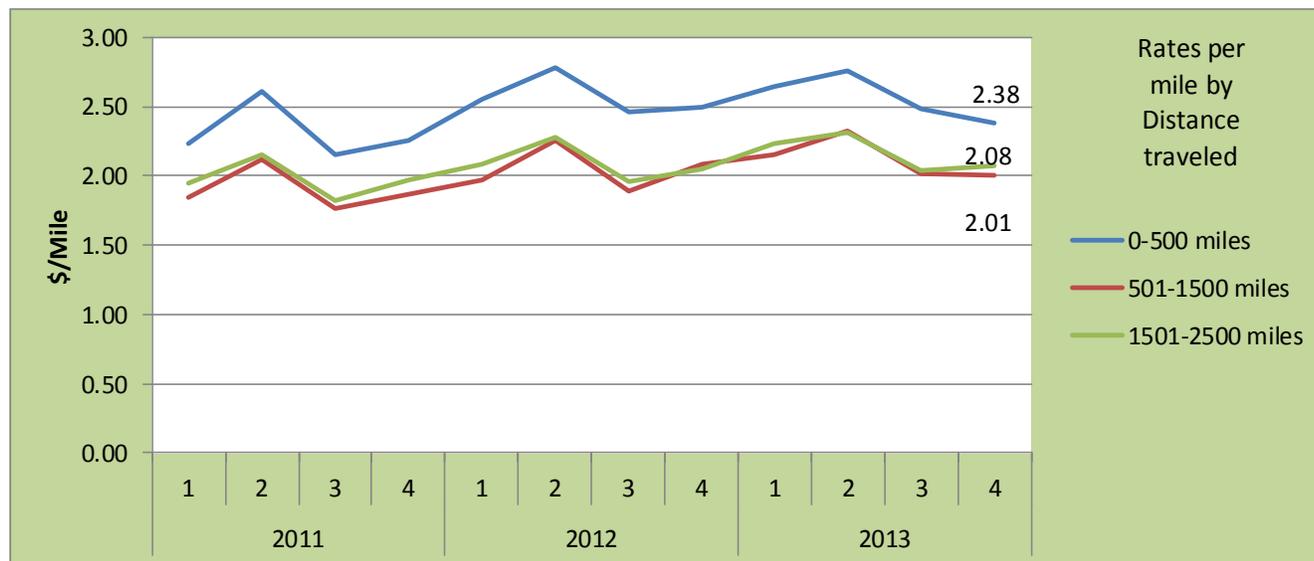
Source: Agricultural Marketing Service, Fruit and Vegetable Programs, Market News Division

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

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

Texas		California		Arizona	
Avocados	143	Tomatoes, plum type	52	Cucumbers	117
Limes	100	Onions, green	33	Squash	102
Tomatoes	91	Misc. tropical	28	Watermelons	90
Broccoli	52	Peppers, other	19	Peppers, Bell Type	45
Tomatoes, plum	33	Tomatoes	16	Honeydews	40
Other	332	Other	135	Other	169
<b>Total</b>	<b>750</b>	<b>Total</b>	<b>284</b>	<b>Total</b>	<b>563</b>

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



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

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



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

Figure 13: Mexico Border Truck Overview

Region/Reporting District	Diesel Fuel	Truck Rate	October	November	December
			Monthly Rating		
	\$/per gallon	\$/per mile	1=Surplus to 5=Shortage		
<b>Regional Crossing Average</b>			<b>3.00</b>	<b>3.25</b>	<b>3.90</b>
<b>Through Texas</b>	\$3.78	\$2.00		3.50	4.20
<b>Through Nogales, AZ</b>	\$3.91	\$2.33	3.00	3.00	3.60

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

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

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

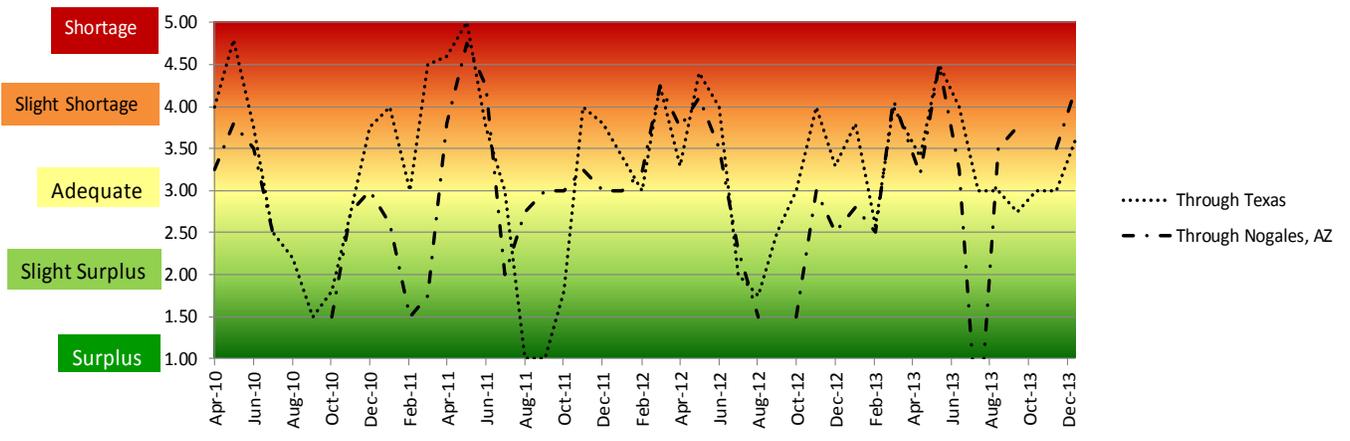
**Volume:** Total reported shipments of fruits and vegetables from Mexico during the fourth quarter of 2013 increased 1 percent from the same quarter in 2012; the sum of the top 5 commodities also increased 1 percent. The majority of this increase came from a 20-percent jump in squash shipments, which according to *The Packer*, have become more popular recently with American consumers, who use the vegetable in a variety of dishes.

Tomato shipments from Mexico decreased 13 percent, probably due to several weather events that diminished yields. Though the majority of avocado shipments in the United States originate in Mexico, reported shipments were down 3 percent this quarter. *The Packer* reports competition from Florida and Chile was stronger this year; these originating markets had higher shipments at the end of 2013.

**Rates:** Truck rates for shipments between 501 and 1,500 miles through the Texas border crossings averaged \$2.01 per mile, down 1 percent from last quarter and 4 percent lower than the same quarter last year. Rates for shipments between 501 and 1,500 miles through the Arizona border crossings averaged \$2.33 per mile, up 43 percent from last quarter and 21 percent higher than the same quarter last year.

**Truck Overview:** Truck Overview: Diesel fuel prices for border crossings through Texas averaged \$3.78 per gallon, 1.7 percent lower than the previous quarter, and 3.4 percent lower than the same quarter in 2012. Diesel fuel prices for border crossings through Arizona averaged \$3.91 per gallon, 1.5 percent lower than the previous quarter and 3.7 percent lower than the same period in 2012. Truck availability was adequate through October and November; availability tightened in December moving toward the slight shortage range.

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



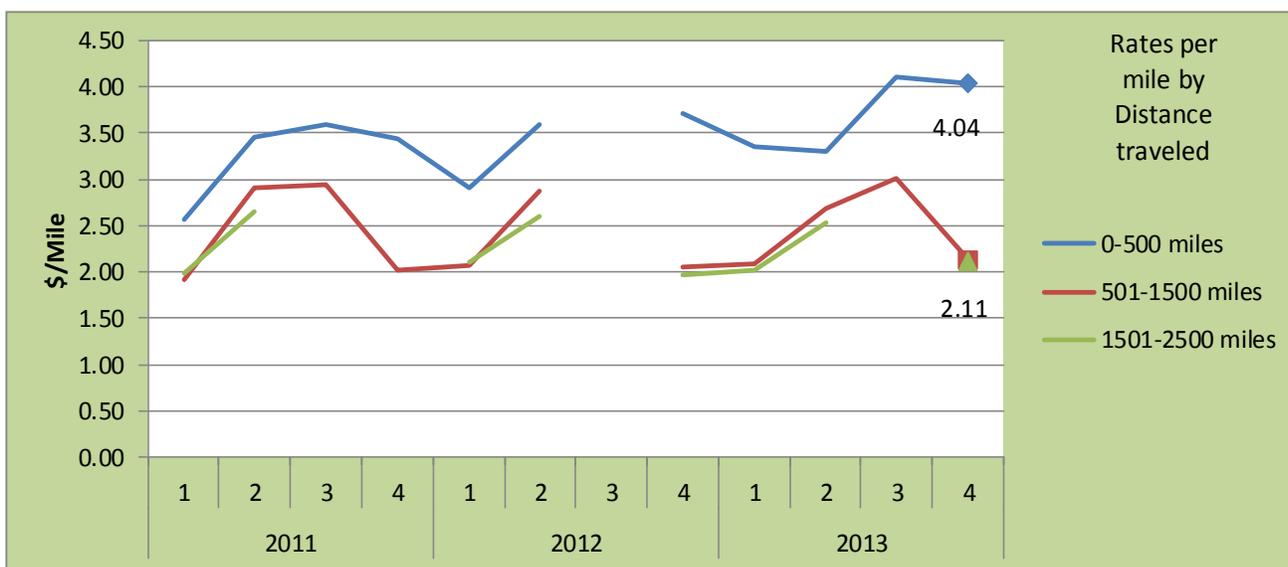
# Florida

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

Commodity	4th Quarter 2013	Share of Florida Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
					Previous Qtr	Same Qtr Last Year
Tomatoes	140	24%	4.7	130	-	8%
Grapefruit	91	16%	0.1	114	-	-20%
Oranges	56	10%	0.7	81	-	-30%
Peppers, Bell Type	41	7%	-	47	-	-13%
Tangerines	36	6%	2.2	50	-	-28%
<b>Top 5 Total</b>	<b>363</b>	<b>64%</b>	<b>8</b>	<b>422</b>	-	<b>-14%</b>
<b>Florida Total</b>	<b>571</b>	<b>100%</b>	<b>38</b>	<b>626</b>	<b>1403%</b>	<b>-9%</b>

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

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



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

Figure 16: Florida Truck Overview

Region/Reporting District	Diesel Fuel	Truck Rate	October	November	December
			Monthly Rating		
	\$/per gallon	\$/per mile	1=Surplus to 5=Shortage		
<b>Regional Average</b>	<b>\$3.83</b>	<b>\$2.13</b>	<b>1.00</b>	<b>2.83</b>	<b>3.73</b>
<b>West District</b>			1.00	2.75	3.80
<b>Central and South</b>			1.00	2.75	3.80
<b>South</b>				3.00	3.60

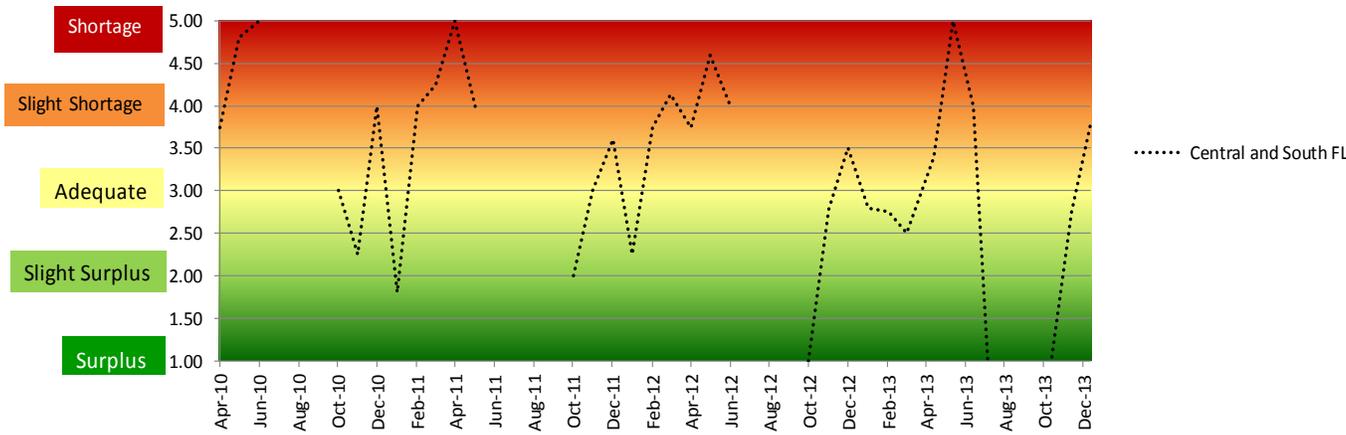
Diesel Fuel Source: Energy Information Administration/U.S. Department of Energy

**Volume:** Total reported shipments of fruits and vegetables from Florida during the fourth quarter of 2013 decreased 9 percent from the same quarter in 2012; the sum of the top 5 commodities decreased 14 percent as well. Sharp decreases compared with the same quarter last year were reported for each of the top 5 commodities except for tomatoes, which increased 8 percent. According to *The Packer*, heavy rains in August and September stunted tomato yields; however, as fall progressed, conditions became more favorable, allowing growers to harvest more. Though the quality of Florida citrus was good toward the end of 2013, the overall production was lower, resulting in the deep decreases of report shipments.

**Rates:** The quarterly average truck rate for shipments between 501 and 1,500 miles was \$2.13 per mile, 29 percent lower than the previous quarter but 4 percent higher than same quarter last year.

**Truck Overview:** Diesel fuel prices averaged \$3.83 per gallon, 1 percent lower than last quarter and 3.3 percent lower than the same period last year. On average, truck availability among the 3 major shipping regions became progressively tighter through the quarter. Availability started in the surplus range in October, moved to the adequate range in November, then ended the quarter leaning toward the slight shortage range.

Fig 17: Refrigerated Truck Availability Monthly Ratings for Florida



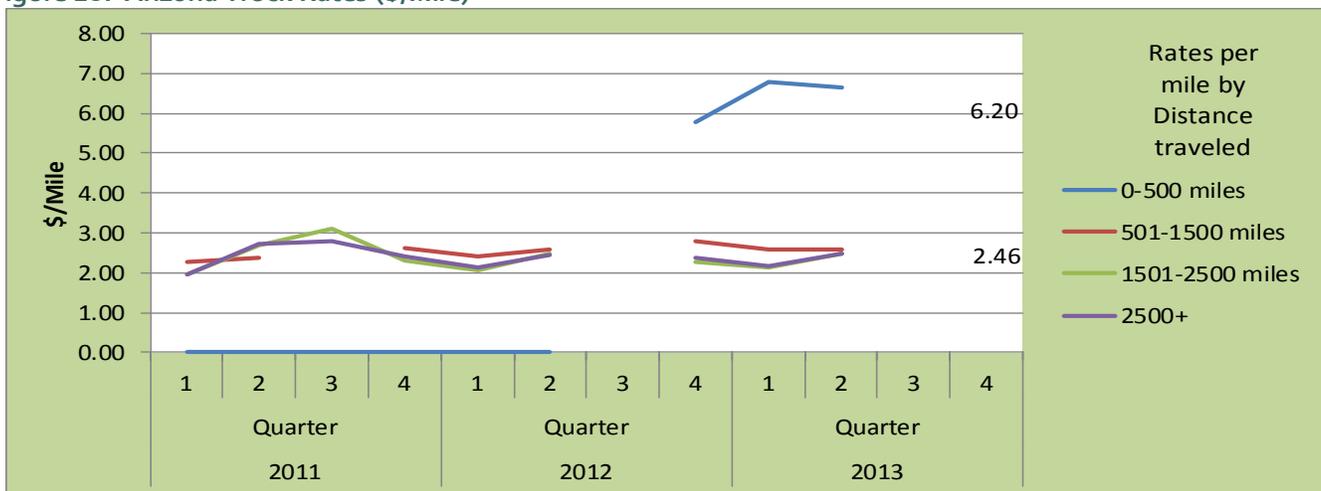
# Arizona

**Table 15: Reported Top 5 Commodities Shipped from Arizona (1,000 tons) -**

Commodity	4th Quarter 2013	Share of Arizona Total	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
					Previous Qtr	Same Qtr Last Year
Lettuce, Iceberg	147	36%	-	151	-	-3%
Lettuce, Romaine	101	25%	-	104	-	-3%
Lettuce, Processed	40	10%	-	32	-	25%
Cantaloup	35	9%	10	-	250%	-
Spinach	15	4%	-	28	-	-45%
<b>Top 5 Total</b>	<b>338</b>	<b>83%</b>	<b>10</b>	<b>315</b>	<b>3278%</b>	<b>7%</b>
<b>Arizona Total</b>	<b>407</b>	<b>100%</b>	<b>30</b>	<b>441</b>	<b>1257%</b>	<b>-8%</b>

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

**Figure 18: Arizona Truck Rates (\$/Mile)**



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

**Volume:** In the fourth quarter of 2013, total shipments of fruits and vegetables from Arizona decreased 8 percent from the same quarter in 2012; however, the sum of the top 5 commodities increased 7 percent. Lettuce varieties made up the top 3 commodities—iceberg, romaine, and processed. Processed lettuce saw the greatest increase over last year, up 25 percent; the other two varieties decreased 3 percent. The Packer reports that some significant frost in December delayed harvest for lettuce varieties, but caused little damage to the crops. Strong U.S. demand for packaged salad continues to keep shipments of processed lettuce products sturdy.

**Rates:** The quarterly average truck rate for shipments between 501 and 1,500 miles was \$2.49 per mile, 10 percent lower than the same quarter last year.

**Truck Overview:** Diesel fuel prices averaged \$3.91 per gallon, 1.5 percent lower than last quarter and 3.7 percent lower than the same period last year. Truck availability for the region was adequate for the majority of the fourth quarter, with availability moving slightly tighter in December.

Figure 19: Arizona Truck Overview

Region/Reporting District	Diesel Fuel	Truck Rate 501 to 1500 miles	October	November	December
			Monthly Rating		
	\$/per gallon	\$/per mile	1=Surplus to 5=Shortage		
<b>Regional Average</b>	<b>\$3.91</b>	<b>\$2.49</b>	<b>3.00</b>	<b>3.25</b>	<b>3.80</b>
<b>Central and Western AZ</b>			3.00	3.25	3.80

n/a: availability data not reported

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

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

## Terms and References

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

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

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

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

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

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

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### Related Websites:

Fruit and Vegetable Programs

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

Fruit and Vegetable Truck Report

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

Economic Research Service Vegetable and Pulses Outlook (The July and September 2013 Outlook reports are suspended due to reduced financial resources)

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

Economic Research Service Fruit and Tree Nuts Outlook (The September 2013 Outlook report is suspended due to reduced financial resources)

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

National Agricultural Statistics Service

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

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