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Agricultural Refrigerated Truck Quarterly

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Feature Article

Railcar Shipments Decreased, While Intermodal Shipments Increased in 2016

Reported railcar shipments¹ of fresh fruit and vegetables in 2016 decreased by 22 percent (129,050 tons) from the Pacific Northwest, by 14 percent (32,500 tons) from California, and by 10 percent (600 tons) from Arizona (Tables 1, 2, and 3). Reported intermodal shipments increased by 68 percent (14,900 tons) from the Pacific Northwest, by 19 percent (40,500 tons) from California, and by 4 percent (1,850 tons) from Arizona.

Declines in production and storage losses reduced the amount of apples, potatoes, and onions available for shipment in 2016. Trucks were readily available in most regions to provide door-to-door service at competitive rates and transit times. Diesel fuel prices reported by the Energy Information Administration (EIA) remained low, and driver turnover decreased, according to the American Trucking Associations (ATA).

Expedited trains reduce transit times on some railcar and intermodal routes. Railcars have longer transit times, and require crossdocking with trucks at origin and destination distribution facilities. Intermodal shipments, which utilize trucks to and from intermodal terminals, offer shippers and receivers more flexibility in terms of origins, destinations, and the amount of product shipped.

Pacific Northwest: Railcar shipments of apples from Washington decreased by 65,250 tons, while intermodal shipments increased by 6,000 tons (Table 1). The National Agricultural Statistics Service (NASS) [Noncitrus Fruit and Nuts 2015 Summary](#) (July 2016) and [Crop Production \(August 2016\)](#) reported that apple production in Washington for the 2015/2016 August to July marketing season was reduced by 850,000 tons.

¹Railcar and intermodal shipments were reported by rail carriers that issue the initial line-haul revenue waybills. Railcar shipments are those moving in refrigerated boxcars. Intermodal shipments include those moving in trailer-on-flat-car, container-on-flat-car service. Cooperation of the railroads, members of the produce industry, and officials of State Departments of Agriculture is gratefully acknowledged.

Railcar shipments of potatoes decreased by 41,450 tons from Idaho and by 13,700 tons from Washington. Intermodal shipments of potatoes from Washington increased by 7,950 tons, and decreased by 2,500 tons from Idaho. In the past, Washington potato shippers have expressed concern about rail service to the Surface Transportation Board.²

NASS' [2016 Idaho Annual Statistical Bulletin](#) (October 2016) reported a 124,000 ton decrease in potato production in 2015. This affected shipments from storage during the 2015/2016 marketing year, which runs from the start of the harvest through August.

Railcar shipments of onions decreased by 11,250 tons from Idaho and by 12,200 tons from Oregon. Railcar shipments of onions increased by 15,550 tons from Washington, where utilized production increased by 107,650 tons offsetting a 61,100 ton increase in storage losses.

Intermodal shipments of onions increased by 2,150 tons from Washington and by 1,550 tons from Idaho. Storage losses affected the amount of onions available for shipment during the 2015/2016 marketing year, which runs from August through April in Idaho, August through June in Malheur County, OR, and July through March in Washington. NASS' [Vegetables 2016 Summary](#) (February 2017) reported summer storage onion shrinkage and loss in Idaho of 41,500 tons in 2015 and 47,300 tons in 2016.

In Malheur County, OR, storage losses were 45,400 tons in 2015. In addition, the amount of onions that were sold for fresh or process markets plus the quantities of onions held in storage was reduced by 22,400 tons. Comparable data for 2016 was withheld to avoid disclosing individual operations in the county.

State, commodities	2016		2015		% change 2016 to 2015	
	Railcar	Piggyback	Railcar	Piggyback	Railcar	Piggyback
Idaho						
Onions, Dry	29,950	50	41,200	50	-27%	-
Potatoes	185,600	3,350	227,050	5,850	-18%	-43%
Subtotal	215,550	3,400	268,250	5,900	-20%	-42%
Oregon						
Apples	100	5,700	200	5,750	-50%	-1%
Onions, Dry	26,400	1,950	38,600	400	-32%	388%
Pears	200	1,000	250	1,050	-20%	-5%
Potatoes	5,550	300	6,200	500	-10%	-40%
Subtotal	32,250	8,950	45,250	7,700	-29%	16%
Washington						
Apples	120,400	9,700	185,650	3,700	-35%	162%
Onions, Dry	96,950	4,700	81,400	2,550	19%	84%
Pears	150	50	100	-	50%	-
Potatoes	3,450	10,150	17,150	2,200	-80%	361%
Subtotal	220,950	24,600	284,300	8,450	-22%	191%
Grand Total	468,750	36,950	597,800	22,050	-22%	68%
Railcar + Piggyback		505,700		619,850		-18%

Source: [Fresh Fruit and Vegetable Shipments by Commodities, States, and Months](#). FVAS-4. Calendar Years 2016 and 2015. Table 3. Agricultural Marketing Service, Specialty Crops Programs, Market News Division.

²On March 23, 2016, the Surface Transportation Board [sought public comments](#) on its proposal to revoke existing class exemptions from railroad transportation regulations for certain non-agricultural commodities. The Board further invited interested parties to file comments regarding the possible revocation of other commodity class exemptions under 49 U.S.C. § 10502, specifically the commodity exemptions under 49 C.F.R. §§ 1039.10 and 1039.11, the boxcar exemptions under 49 C.F.R. § 1039.14, and trailer-on-flatcar/container-on-flatcar (TOFC/COFC) exemptions under 49 C.F.R. pt. 1090, in Docket No. EP 704 (Sub-No. 1). The Washington State Potato Commission's [previous comments, posted on January 24, 2011](#) concern the railroads' exemption from the obligation to, among other things, provide common carrier rail transportation of potatoes upon reasonable request, maintain reasonable practices and rates, and provide adequate service. As of [April 3, 2017](#), no further action has been taken by the Board since the extended comment period closed on August 26, 2016.

California: The increase in reported intermodal shipments by 40,500 tons offset the 32,500 ton decrease in reported railcar shipments (Table 2). Broccoli was the only major commodity that saw increased shipments by railcar and intermodal with a total increase of 5,200 tons. NASS' *Agricultural Prices* (February 2017) reported that market year average prices received for broccoli declined 22 percent in 2016. NASS' *Vegetables 2016 Summary* (February 2017) reported that broccoli area harvested in California increased by 6,000 acres and the value of utilized production decreased by \$227 million.

Railcar and intermodal shipments of potatoes decreased by a total of 7,400 tons. NASS' *Crop Production 2016 Summary* (January 2017) reported a 2,100 acre decrease in potato area harvested in California.

Railcar shipments of grapes, lemons, and onions decreased by a total of 18,200 tons, while intermodal shipments increased by 11,700 tons. Intermodal shipments of oranges increased by 9,400 tons while railcar shipments remained about the same. Intermodal shipments of other commodities increased by a total of 17,700 tons, led by avocados, sweet potatoes, peaches, cauliflower, and nectarines.

Major Commodities	2016		2015		% change 2016 to 2015	
	Railcar	Piggyback	Railcar	Piggyback	Railcar	Piggyback
Broccoli	7,400	11,200	3,900	9,500	90%	18%
Carrots	43,250	8,450	49,500	6,950	-13%	22%
Cantaloupes	16,400	8,400	19,000	7,050	-14%	19%
Celery	16,950	28,000	21,250	27,900	-20%	0%
Grapes	500	15,400	8,500	9,700	-94%	59%
Lemons	1,350	25,650	4,800	21,300	-72%	20%
Lettuce-Iceberg	-	42,750	50	43,000	-100%	-1%
Lettuce-Romaine	-	26,000	-	27,550	-	-6%
Onions, Dry	11,600	14,950	18,350	13,300	-37%	12%
Oranges	66,800	43,500	66,850	34,050	0%	28%
Potatoes	24,400	700	30,600	1,900	-20%	-63%
Other*	9,600	33,700	7,950	16,000	21%	111%
Totals	198,250	258,700	230,750	218,200	-14%	19%
Railcar + Piggyback	456,950		448,950		2%	

*including apples, artichokes, avocados cauliflower, grapefruit, grapes-mixed juice, honeydews, lettuce-other, mixed and miscellaneous melons, nectarines, peaches, pears, peppers-bell type, persimmons, plums, pomegranates, sweet potatoes, tomatoes, and watermelon-seedless.

Source: *Fresh Fruit and Vegetable Shipments by Commodities, States, and Months*. FVAS-4. Calendar Years 2016 and 2015. Table 3. Agricultural Marketing Service, Specialty Crops Programs, Market News Division.

Arizona: The increase in reported intermodal shipments by 1,850 tons offset the 600 ton decrease in reported railcar shipments. Broccoli was the only major commodity that saw increased shipments by railcar and intermodal (Table 3) with a total increase of 2,900 tons. NASS' *Vegetables 2016 Summary* (February 2017) reported that broccoli area harvested in Arizona increased by 900 acres and the value of utilized production increased by \$19.7 million.

The combined railcar and intermodal shipment of other commodities doubled, by 4,700 tons, led by a 2,200 ton increase in intermodal shipments of celery.

Location	2016		2015		% change 2016 to 2015	
	Railcar	Piggyback	Railcar	Piggyback	Railcar	Piggyback
Broccoli	1,650	3,650	50	2,350	3200%	55%
Lettuce-Iceberg	-	19,900	150	21,600	-100%	-8%
Lettuce-Romaine	-	13,950	-	15,700	-	-11%
Onions, Dry	450	1,800	350	2,250	29%	-20%
Potatoes	2,300	350	4,850	200	-53%	75%
Other*	1,000	8,400	600	4,100	67%	105%
Total	5,400	48,050	6,000	46,200	-10%	4%
Railcar + Piggyback	53,450		52,200		2%	

*including cantaloupe, cauliflower, celery, honeydews, lemons, lettuce-other, oranges, and watermelon-seedless

Source: [Fresh Fruit and Vegetable Shipments by Commodities, States, and Months](#). FVAS-4. Calendar Years 2016 and 2015.
Table 3. Agricultural Marketing Service, Specialty Crops Programs, Market News Division.

Factors Influencing Railcar and Intermodal Movements: In addition to rail service reliability, a number of other factors affect railcar and intermodal shipments of fresh fruit and vegetables from year to year. These include the availability of over-the-road trucks and drivers, diesel fuel costs, rail and truck freight rates, and buyer and shipper preferences for either railcars, intermodal, or over-the road trucks. Truck availability in 2016 was largely adequate throughout the year, with the exception of the fourth quarter in the Pacific Northwest.

As discussed in AMS' [Grain Transportation Report](#) (December 29, 2016), retail on-highway diesel prices reported by the EIA hit an annual low of just under \$2 per gallon during the week of February 15, 2016. Average prices had not been below \$2 per gallon since 2005. Prices increased steadily through the end of June, with a small jump in December to just over \$2.50 per gallon. However, 2016 prices remained well below the 5-year average by more than 90 cents per gallon, and significantly below 2015 prices through mid-August.

ATA's [Transport Topics](#) (April 3, 2017) reported that driver turnover dropped throughout 2016, especially for large fleets in the fourth quarter, to a 71 percent level not seen in 6 years. Small fleet driver turnover declined to 64 percent. The article explored the potential for further declines in turnover and the fact that some fleets experienced higher turnover.

A trucking executive discussed how the food industry makes it difficult to retain drivers due to the delays, detention, and disrespect some drivers experience when loading and unloading. Drivers are generally paid by the mile. The excessive time drivers spend waiting counts against the drivers' daily and weekly on-duty hour limits and reduces the drivers' ability to earn mileage-based income.

[Overdriveonline.com](#) (March 20, 2017) reported on ATBS' (formerly known as American Truck Business Services) owner-operator driver mileage and income data, in which drivers hauling refrigerated trailers earned less income while driving more miles in 2016 due to low freight rates. These drivers also earned less income compared to drivers hauling flatbed trailers and dry van trailers.

When drivers and trucks are less available and diesel costs are higher, railcar and intermodal service can provide a competitive option. Fresh fruit and vegetable shippers and receivers looking for trucks, and trucking companies looking for over-the-road drivers, face competition with other growing areas, seasonal freight such as Christmas trees in the Pacific Northwest, and industries that provide better employment opportunities, such as construction, oil, and natural gas.

Fruit and vegetable prices, market outlook, seasonality, planted acreage, weather, utilized production, storage losses, domestic demand, export demand, availability of farm workers, and the availability of water for irrigation impact the number and destination of fresh fruit and vegetable railcar, intermodal, and over-the-road truck shipments. Brian.McGregor@ams.usda.gov

Quarterly Overview

Fruit and Vegetable Shipments

Reported U.S. truck shipments of fresh produce during the fourth quarter of 2016 were 8.05 million tons, 4 percent lower than the previous quarter, but 4.6 percent higher than the same quarter last year.

Shipments from Mexico were the highest in the fourth quarter, totaling 2.2 million tons and accounting for 28 percent of the total reported shipments of fresh fruits and vegetables. Shipments from the Pacific Northwest totaled 1.9 million tons, representing 24 percent of the reported shipments. Movements from California totaled 1.4 million tons, representing 17 percent of the reported total.

The following top five commodities accounted for 43 percent of the reported truck movements during the fourth quarter of 2016:

- ▶ Potatoes (15 percent)
- ▶ Apples (12 percent)
- ▶ Onions, dry (7 percent)
- ▶ Tomatoes (5 percent)
- ▶ Lettuce, iceberg (4 percent)

Truck Rates

The table below provides a snapshot of quarterly truck rates for U.S. produce shipments over four mileage categories—0-500, 501-1,500, 1,501-2,500, and 2,500+ miles. Please note the U.S. average truck rates provided below are calculated using weighted regional rates and volumes.

U.S. Average Fruit and Vegetable Truck Rates per Mile				
	0-500 miles	501-1,500 miles	1,501-2,500 miles	2,500 miles +
Q4 2015	5.01	2.36	2.07	1.08
Q1 2016	3.98	2.22	2.10	1.27
Q2 2016	3.62	2.34	2.10	1.30
Q3 2016	4.71	2.47	2.05	1.21
Q4 2016	3.36	2.04	2.03	1.08
Q4 Change from Previous Quarter	-29%	-18%	-1%	-11%
Q4 Change from Same Quarter Last Year	-33%	-14%	-2%	-0.4%

Diesel Fuel

During the fourth quarter 2016, the U.S. diesel fuel price averaged \$2.47 per gallon—3.6 percent higher than last quarter but 9.4 percent lower than the same quarter last year.

Regulatory News and Updates

California Air Resources Board Greenhouse Gas Regulations Update

On April 28, 2017, Owner Operator Independent Drivers Association (OOIDA) [announced](#) that the U.S. Court of Appeals for the Ninth Circuit in California [affirmed](#) a lower court's dismissal of OOIDA's case against the California's Air Resources Board (ARB) tractor-trailer greenhouse gas regulations (GHG). Oral arguments were held on April 19, 2017, based on OOIDA's [Appellant's Reply Brief](#) concerning the Environmental Protection Agency's [GHG waiver](#), and ARB's associated [GHG regulations](#). At issue is whether ARB's enforcement of the GHG regulations on out-of-State-based trucks that briefly enter California to conduct interstate commerce is a violation of the Commerce Clause of the Constitution. Some California-based trucks are exempt from ARB's GHG regulations, even though these California-based trucks travel more miles inside California than the out-of-State-based trucks operating in California.

Greenhouse Gas and Fuel Efficiency Standards for Engines and Vehicles—Phase 2 Final Rule Update

On May 10, 2017, [fleetowner.com](#) reported that the U.S. Court of Appeals for the District of Columbia Circuit granted the April 20, 2017 motion of the Environmental Protection Agency (EPA) and the National Highway Transportation Safety Administration (NHTSA) to delay consolidated court case No. 16-1430 until July 20, 2017. EPA and NHTSA requested the delay in order to review an April 3, 2017 request from the Truck Trailer Manufacturers Association (TTMA). TTMA requested that EPA and NHTSA review, reconsider, and, in the interim, stay the effectiveness of the trailer standards in the Greenhouse Gas and Fuel Efficiency Standards for Engines and Vehicles—Phase 2 [final rule](#).

[Trucks.com](#) (April 26, 2017) reported that TTMA opposed EPA's and NHTSA's request for a delay, since the agencies' request did not include a corresponding 90-day extension or a stay of the January 1, 2018 effective date of the trailer standards in the final rule. On December 22, 2016, TTMA petitioned the Court to vacate the trailer standards. On March 22, 2017, the Court ordered the parties to submit proposed briefing formats by April 21, 2017. Motions are now due the Court by July 20, 2017.

The trailer standards require trailer manufacturers to provide aerodynamic equipment, low rolling resistant tires, and tire pressure monitoring or automatic tire inflation systems beginning with model year 2018, even when trailer buyers do not want these accessories. The trailer accessories are designed to reduce the carbon dioxide emissions and fuel consumption of tractor-trailer combinations when they are traveling at highway speeds.

Previous [TTMA comments](#) expressed strong concerns about EPA's and NHTSA's statutory authority to regulate trailers, trailer accessories, and trailer manufacturers, and the assumptions made by EPA and NHTSA in the rule. The TTMA comments questioned the cost and benefit calculations, and the limited time allowed to provide comments on the proposed rule. Trailer-related comments on the proposed rule were also submitted by: [Utility Trailer Manufacturing Company](#), [Great Dane](#), [Wabash National Corporation](#), [Stoughton Trailers](#), [Owner-Operator Independent Drivers Association \(OOIDA\)](#), and [American Trucking Associations](#). Eight States filed a [motion to intervene](#) in the case on January 23, 2017 in support of the final rule.

Electronic Logging Device Litigation Update

On May 16, 2017, Landlinemag.com reported “that the Department of Transportation had waived its right to file a brief in opposition” to OOIDA’s April 11, 2017 [petition](#) to the U.S. Supreme Court. OOIDA asked the Supreme Court to review the U.S. Court of Appeals for the Seventh Circuit’s [denial](#) of OOIDA’s petition to vacate the Federal Motor Carrier Safety Administration (FMCSA) Electronic Logging Devices (ELD) and Hours of Service Supporting Documents; [Final Rule](#). The two questions presented to the Supreme Court are:

“Whether the Seventh Circuit erred by extending the pervasively regulated industry exception to the Fourth Amendment’s warrant requirement beyond the administrative search of business *premises* to include the search of drivers in support of the ordinary needs of law enforcement?

Whether the ELD rule violates the Fourth Amendment by failing to establish a regulatory structure at both the federal and state levels to serve as a constitutionally adequate substitute for a warrant?

On March 21, 2017, a coalition of 17 organizations, including the Agricultural Retailers Association, American Farm Bureau Federation, National Association of Small Trucking Companies, and OOIDA [urged](#) Secretary of Transportation Elaine L. Chao to delay the ELD [mandate](#) which has a compliance date of December 18, 2017, and eliminate the speed limiter [proposed rule](#) that was announced on September 7, 2016. The coalition’s letter cited the January 30, 2017, [Presidential Executive Order on Reducing Regulation and Controlling Regulatory Costs](#).

Electronic Logging Device Implementation Update

On March 31, 2017, FMCSA updated its ELD [Training and Events](#) website. On May 9, 2017, FMCSA held a [public forum](#) for discussion of the minimum requirements for ELDs to help manufacturers produce ELDs that will comply with the ELD Rule.

Petition for an Exemption from Electronic Logging Device Requirements

On March 22, 2017, FMCSA [announced](#) that the Truck Renting and Leasing Association, Inc. (TRALA), in a [petition](#) dated November 1, 2016, requested an exemption from the requirement that a motor carrier install and require each of its drivers to use an ELD to record the driver's hours-of-service (HOS) no later than December 18, 2017. TRALA requested the exemption for all drivers of property-carrying vehicles rented for 30 days or fewer because the ELD mandate will result in unintended technical and operational consequences that will unfairly and adversely affect short-term rental vehicles. TRALA believes that the exemption, if granted, would not have any adverse impacts on operational safety, as drivers would remain subject to the standard HOS limits and maintain a paper record of duty status (RODS). The term of the requested exemption is 5 years. FMCSA requested public comment on TRALA's application for exemption. Comments received on or before April 21, 2017 may be viewed in the regulations.gov Docket ID: [FMCSA-2016-0428](#).

Carrier Safety Fitness Determination Proposed Rule Withdrawn

On March 23, 2017, FMCSA [withdrew](#) its January 21, 2016, notice of proposed rulemaking (NPRM), which proposed a revised methodology for issuance of a safety fitness determination (SFD) for motor carriers. The new methodology would have determined when a motor carrier is not fit to operate commercial motor vehicles (CMVs) in or affecting interstate commerce based on the carrier's on-road safety data; an investigation; or a combination of on-road safety data and investigation information. On January 12, 2017, FMCSA had [announced](#) that, rather than move to a final rule, a Supplemental Notice of Proposed Rulemaking (SNPRM) would be the

next step in the rulemaking process. However, after reviewing the record in this matter, including a February 15, 2017 [letter](#) from 62 national and regional organizations of motor carriers that urged Secretary of Transportation Elaine L. Chao to withdraw the NPRM, FMCSA withdrew the NPRM and canceled the plans to develop a SNPRM. FMCSA must receive the [Review of the Compliance, Safety, Accountability Program](#) from the National Academies of Science, as required by [Section 5221](#) of the Fixing America's Surface Transportation (FAST) Act, assess whether and, if so, what corrective actions are advisable, and complete additional analysis before determining whether further rulemaking action is necessary to revise the safety fitness determination process.

Effective Date of Rule for Entry-Level Commercial Drivers' Training Further Delayed

On May 23, 2017, FMCSA extended the [temporary delay](#) of the effective date of its [final rule](#) on Minimum Training Requirements for Entry-Level Commercial Motor Vehicle Operators to June 5, 2017. The compliance date, February 7, 2020, remains unchanged. The initial effective date of February 6, 2017 was previously delayed to March 21, 2017. The additional delay is in accordance with the Presidential directive as expressed in the memorandum of January 20, 2017, from the Assistant to the President and Chief of Staff, entitled "[Regulatory Freeze Pending Review](#)," and the January 24 "[Memorandum: Implementation of Regulatory Freeze](#)." The final rule responds to a statutory mandate imposed under the Moving Ahead for Progress in the 21st Century Act. FMCSA based the final rule on consensus-negotiated rulemaking conducted by FMCSA's Entry-Level Driver Training Advisory Committee, which held a series of meetings between February and May 2015. On December 21, 2016, several groups [filed a petition](#) with FMCSA to reconsider the lack of minimum behind-the-wheel provisions in the final rule. FMCSA [denied the petition](#) on January 19, 2017.

Hours of Service of Drivers Restart Rules Update

On March 9, 2017, FMCSA announced that based on the results of the [Commercial Motor Vehicle Driver Restart Study](#), the requirement for two off-duty periods of 1:00 a.m. to 5:00 a.m. during a restart, based on the time zone for their home terminal, will not be enforced. Nor will the once-per-week limit on use of the restart, in which a driver takes 34 or more hours off duty, in order to restart the calculation of the driver's 60- or 70-hour duty-cycle limit for the next 7 or 8 day period. The study did not find that the requirement for at least two nighttime periods of rest and the prohibition on taking more than one restart per week provided a greater net safety benefit than the previous restart regulation, which did not include those requirements.

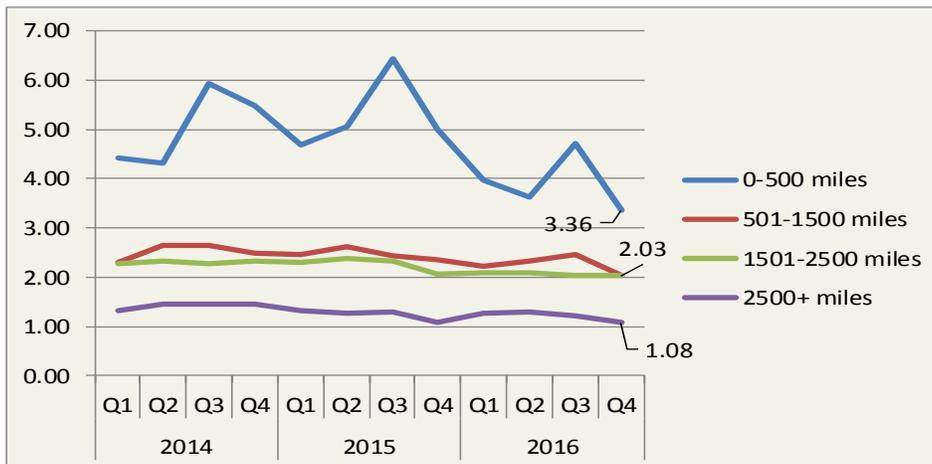
The study found evidence that the restarts benefitted the ability of drivers to recover from fatigue and sleep loss regardless of the restart provision used (i.e., 34 consecutive hours off duty and/or restarting in less than 168 hours). It showed that there was an increase of more than 2 hours sleep obtained per 24 hours during the restart periods compared to duty days. This study provided evidence that drivers were in need of sleep when they undertook a restart, and when they slept, they slept much longer than when they were working.

FMCSA submitted and published a summary [Commercial Motor Vehicle Driver Restart Study, Report to Congress](#), following an independent [review](#) of the final report and study findings by the Office of Inspector General. In addition to the report to Congress, the [full report](#), [research brief](#), and [public-use dataset](#) are available for download. The [Consolidated and Further Continuing Appropriations Act of 2015](#) enacted on December 16, 2014, suspended enforcement of requirements for use of the 34-hour restart, pending the study. The [Hours of Service of Drivers Final Rule](#) was published in the Federal Register on December 27, 2011. The effective date of the Final Rule was February 27, 2012, and the compliance date of remaining provisions, including the no longer enforced restart restrictions, was July 1, 2013.

National Summary

U.S. Truck Rates

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



Source: Agricultural Marketing Service, Specialty Crops 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
2016	2.22	2.34	2.47	2.04	2.26
2015	2.47	2.62	2.43	2.36	2.47
2014	2.31	2.66	2.65	2.50	2.53
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

*Annual: Weighted average rate for all 4 quarters.

Source: Agricultural Marketing Service, Specialty Crops Programs, Market News Division

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

Origin	4th Qtr 2016			3rd Qtr 2016		
	October	November	December	July	August	September
Arizona	-	-	-	2.92	-	-
California	2.74	2.72	2.64	2.92	-	2.84
Florida	2.06	2.10	2.22	-	-	-
Great Lake	3.00	3.09	3.10	3.81	3.26	3.11
Mexico-Ari	1.36	1.84	1.87	1.58	1.15	1.09
Mexico-Tex	1.78	1.92	1.95	1.90	1.83	1.75
PNW	1.81	1.96	2.22	1.70	1.69	1.80
Southeast	4.57	3.35	3.27	4.41	4.42	4.88
Texas	-	-	-	2.33	2.27	2.22

Source: Agricultural Marketing Service, Specialty Crops Programs, Market News Division

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

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

Truck Rates for Selected Routes

Table 3: Origin-Destination Truck Rates for Selected Routes, 4th Quarter 2016 (\$/Mile)

Origin	Destination									
	Atlanta	Baltimore	Boston	Chicago	Dallas	Los Angeles	Miami	New York	Philadelphia	Seattle
Arizona	2.74	2.57	2.51	2.51	.	.	.	2.61	2.60	.
California	2.36	2.23	2.19	2.06	2.66	5.98	2.31	2.26	2.24	2.54
Florida	2.29	2.09	2.17	1.82	.	.	.	2.31	2.20	.
Great Lake	2.88	2.90	2.85	3.80	2.67	.	2.74	3.75	3.36	.
Mexico-Ari	.	1.94	.	1.82	2.13	1.56	2.07	2.05	2.01	.
Mexico-Tex	1.99	1.93	2.03	1.79	2.27	1.47	2.08	2.01	1.91	1.98
New York	1.97	4.39	6.33	2.30	.	.	2.09	7.30	5.10	.
Other	2.37	2.28	2.56	2.09	2.83	1.89	2.22	2.38	2.31	.
PNW	2.12	2.19	2.16	2.06	2.08	1.99	2.14	2.25	2.22	5.16
Southeast	5.74	4.72	3.86	3.76	3.33	.	4.15	4.51	4.61	.

Source: Agricultural Marketing Service, Specialty Crops Programs, Market News Division

Truck Rates for Selected Routes

Table 4: Origin-Destination Truck Rates for Selected Routes, 4th Quarter 2016 (\$/Truck)

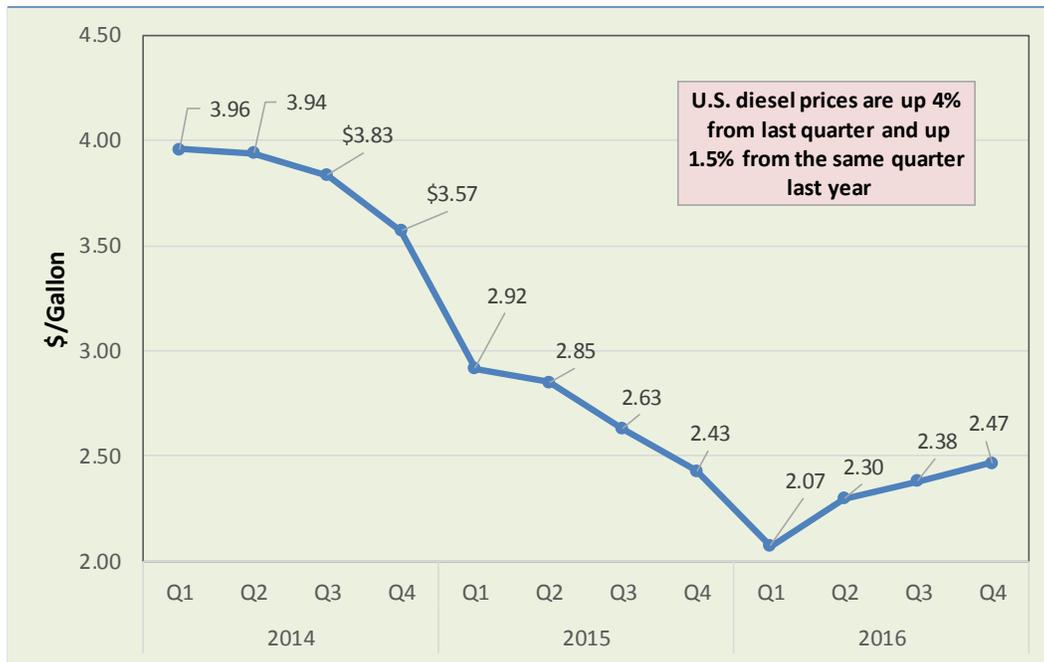
Origin	Destination									
	Atlanta	Baltimore	Boston	Chicago	Dallas	Los Angeles	Miami	New York	Philadelphia	Seattle
Arizona	4,925	5,894	6,650	4,394	.	.	.	6,288	6,088	.
California	5,290	6,099	6,687	4,344	3,976	752	6,571	6,426	6,192	2,692
Florida	1,168	2,070	3,010	2,235	.	.	.	2,700	2,395	.
Great Lake	2,714	3,253	3,800	1,153	2,966	.	4,362	3,595	3,197	.
Mexico-Ari	.	4,565	.	3,269	2,086	873	4,714	5,121	4,835	.
Mexico-Tex	2,288	3,446	4,473	2,554	1,135	2,358	3,185	4,015	3,623	4,750
New York	1,967	1,450	1,402	1,691	.	.	3,035	1,235	1,213	.
Other	2,277	3,260	3,790	1,810	1,683	1,757	4,385	3,337	3,296	.
PNW	4,891	5,356	5,932	3,664	3,790	1,997	6,341	5,703	5,550	723
Southeast	1,777	2,035	3,346	3,200	4,000	.	3,192	2,896	2,538	.

Source: Agricultural Marketing Service, Specialty Crops Programs, Market News Division

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 2016 Average Diesel Fuel Prices (All Types - \$/Gallon)

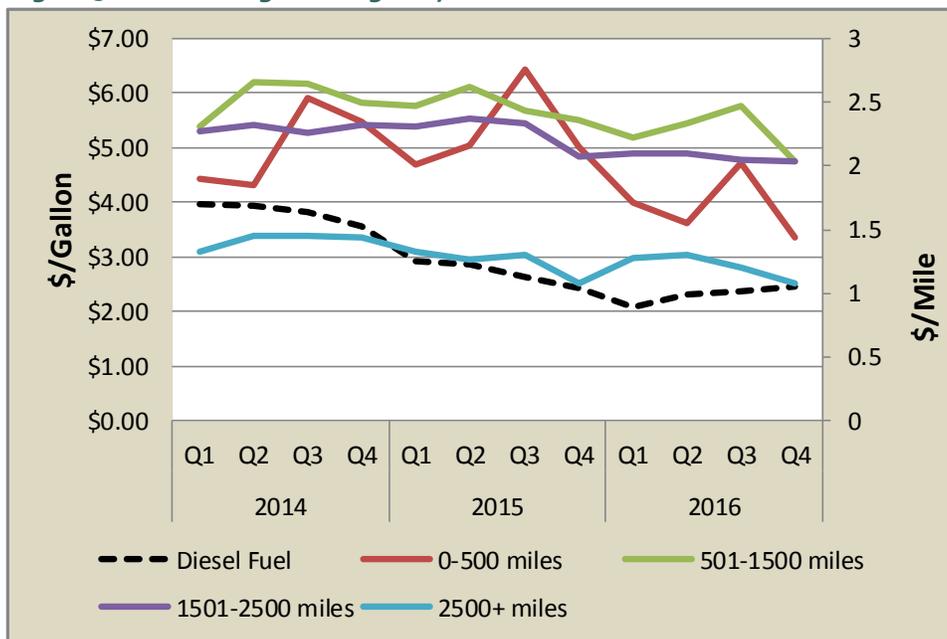
Location	Price	Change From	
		Last Quarter	Same Qtr Last Year
East Coast	2.48	0.09	0.03
New England	2.50	0.08	-0.01
Central Atlantic	2.59	0.10	0.02
Lower Atlantic	2.39	0.08	0.04
Midwest	2.42	0.07	-0.01
Gulf Coast	2.34	0.10	0.07
Rocky Mountain	2.50	0.05	0.06
West Coast	2.75	0.09	0.11
California	2.83	0.08	0.09
U.S.	2.47	0.09	0.04

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

Relationship Between Diesel Fuel & Truck Rates

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

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



Sources:
 Diesel Fuel: Energy Information Administration/U.S. Department of Energy
 Truck Rate: Agricultural Marketing Service, Specialty Crops 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
2014	Q1	3.96	2.31	2%	2%	-2%	3%
	Q2	3.94	2.65	-1%	14%	2%	2%
	Q3	3.83	2.65	-3%	0%	-2%	2%
	Q4	3.57	2.50	-7%	-6%	-8%	10%
2015	Q1	2.92	2.47	-18%	-1%	-26%	7%
	Q2	2.85	2.62	-2%	6%	-28%	-1%
	Q3	2.63	2.43	-8%	-7%	-31%	-8%
	Q4	2.43	2.36	-8%	-3%	-32%	-6%
2016	Q1	2.07	2.22	-15%	-6%	-29%	-10%
	Q2	2.30	2.34	11%	5%	-19%	-11%
	Q3	2.38	2.47	3%	6%	-10%	2%
	Q4	2.47	2.04	4%	-17%	2%	-14%

Sources:
 Diesel Fuel: Energy Information Administration/U.S. Department of Energy
 Truck Rates: Agricultural Marketing Service, Specialty Crops Programs, Market News Division

4th Quarter 2016 Comparison Analysis

Diesel fuel prices averaged \$2.47 per gallon this quarter, 4 percent higher than last quarter and 1.5 percent higher than the same quarter last year. Average truck rates for shipments between 501 and 1,500 miles were \$2.03 per mile, 17 percent lower than the previous quarter and 14 percent lower than the same quarter last year.

Quarterly Truck Availability

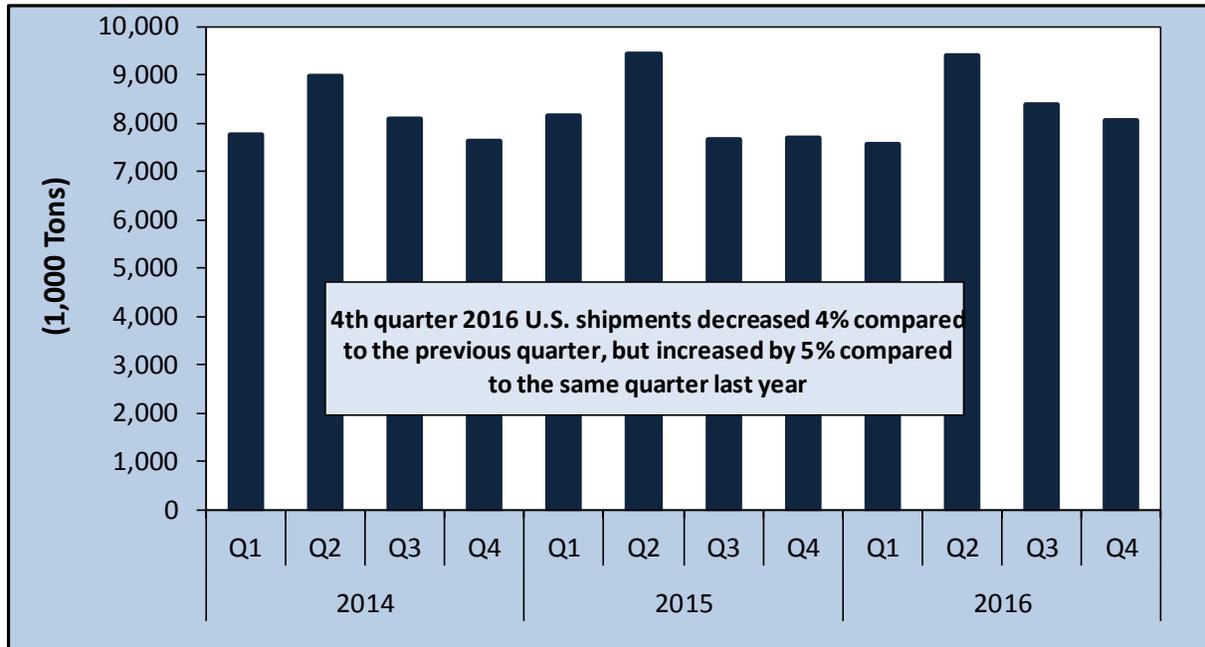
Table 7: U.S. Fresh Fruit and Vegetable Truck Availability, 4th Quarter 2016

Region ¹	Commodity ¹	Truck Availability												
		Surplus - 1	Slight Surplus - 2		Adequate - 3			Slight Shortage - 4		Shortage - 5				
		Week Ending ¹												
		10/4	10/11	10/18	10/25	11/1	11/8	11/15	11/22	11/29	12/6	12/13	12/20	12/27
CALIFORNIA, CENTRAL, AND WESTERN ARIZONA														
Kern District California	Carrots, Grapes	3	3	3	3	3	3	3	3	3	3	3	3	3
Oxnard District California	Cabbage, Cilantro, Kale, Lettuce Other, Lettuce Romaine, Parsley, Strawberries, Celery	3	3	3	3	3	3	3	3	3	3	3	3	3
Salinas-Watsonville California	Lettuce Romaine, Strawberries, Broccoli, Cauliflower, Iceberg Lettuce,	3	3	3	3	3	3	3	3	3	3			
San Joaquin Valley California	Cantaloupes, Honeydews, Peppers, Watermelons	3	3	3	3	3								
Santa Maria California	Strawberries, Broccoli, Cauliflower, Iceberg Lettuce, Leaf Lettuce,	3	3	3	3	3	3	3	3	3	3	3	3	3
South & Central District California	Grapes, Apples, Plum Type Tomatoes, Pomegranates, Tomatoes,	3	3	3	3	3	3	3	3	3	3	3	3	3
South District California	Avocados, Citrus	3	3	3	3	3	3	3	3	3	3	3	3	3
Central San Joaquin Valley California	Lettuce					3	3	3	3					
Central And Western Arizona	Lettuce Romaine, Broccoli, Cauliflower, Leaf Lettuce, Honeydews, Lettuce, Cantaloups						3	3	3	3	3	3		3
Imperial & Coachella Valley California	Lettuce Romaine, Broccoli, Cauliflower, Leaf Lettuce, Lettuce									3	3	3	3	3
GREAT LAKE (MI & WI)														
Central Wisconsin	Onions, Potatoes	3	3	3	3	3	3	4	4	1	2	4	4	4
Michigan	Onions	3	3	3	3	3	3	3	3	3	3	3	4	4
	Apples	3	3	3	3	3	3	3	3	3	3	3	3	3
MEXICO BORDER CROSSINGS														
Mexico Crossings Through Nogales, Arizona	Peppers, Tomatoes, Mangoes, Melons, Mixed Vegetables, Squash, Cucumbers	2	2	1	3	3	3	4	3	2	1	1	3	3
Mexico Crossings Through Texas	Carrots, Broccoli, Tomatoes, Lemons, Limes, Mixed Fruits, Vegetables	3	3	3	3	3	3	3	3	3	3	3	4	4
PACIFIC NORTHWEST (ID, OR, & WA)														
Columbia Basin Washington	Onions, Potatoes	4	4	4	3	4	4	4	4	5	5	5	5	5
Idaho And Malheur County, Oregon	Onions	4	4	4	3	4	4	4	4	5	5	5	5	5
Upper Valley, Twin Falls-Burley District Idaho	Potatoes	3	3	3	3	3	3	5	5	5	5	5	5	5
Yakima Valley & Wenatchee District Washington	Apples, Soft Fruit, Pears	4	4	3	3	3	4	4	5	5	4	4	4	4
SOUTHEAST (GA, SC, & NC)														
Eastern North Carolina	Sweet Potatoes	3		3	3	3	3	4	4	3	3	4	3	
South Georgia	Cabbage, Peppers, Beans, Corn, Cucumber, Eggplant, Squash, Greens	3	3	3	3	3	3	3	3	3	3	3	3	3
FLORIDA														
Central & South Florida	Tomatoes, Mixed Vegetables, Berries				1	1	1	1	4	1	1	1	5	5

¹ Regions reported and commodities shipped vary by week, month, season, and year. Within a region, truck availability may vary by commodity and destination. 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, Specialty Crops 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
2016	7,562	9,417	8,400	8,053	33,433
2015	8,166	9,434	7,663	7,699	32,962
2014	7,779	8,965	8,081	7,643	32,468
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, Specialty Crops Programs, Market News Division

Reported Shipments by Selected Commodities

Table 9: Reported Top 10 Commodity Shipments for 4th Quarter 2016 (1,000 Tons)

Commodity	4th Quarter 2016	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
				Previous Qtr	Same Qtr Last Year
Potatoes	1,221	1,162	1,194	5%	2%
Apples	968	573	847	-	14%
Onions Dry	526	541	528	-3%	0%
Tomatoes	400	302	359	32%	11%
Lettuce, Iceberg	324	327	341	-1%	-5%
Lettuce, Romaine	300	236	268	27%	12%
Cucumbers	264	146	231	81%	14%
Grapes	260	392	306	-34%	-15%
Peppers, Other	241	137	167	76%	45%
Celery	223	166	198	34%	12%

Regional Markets

California

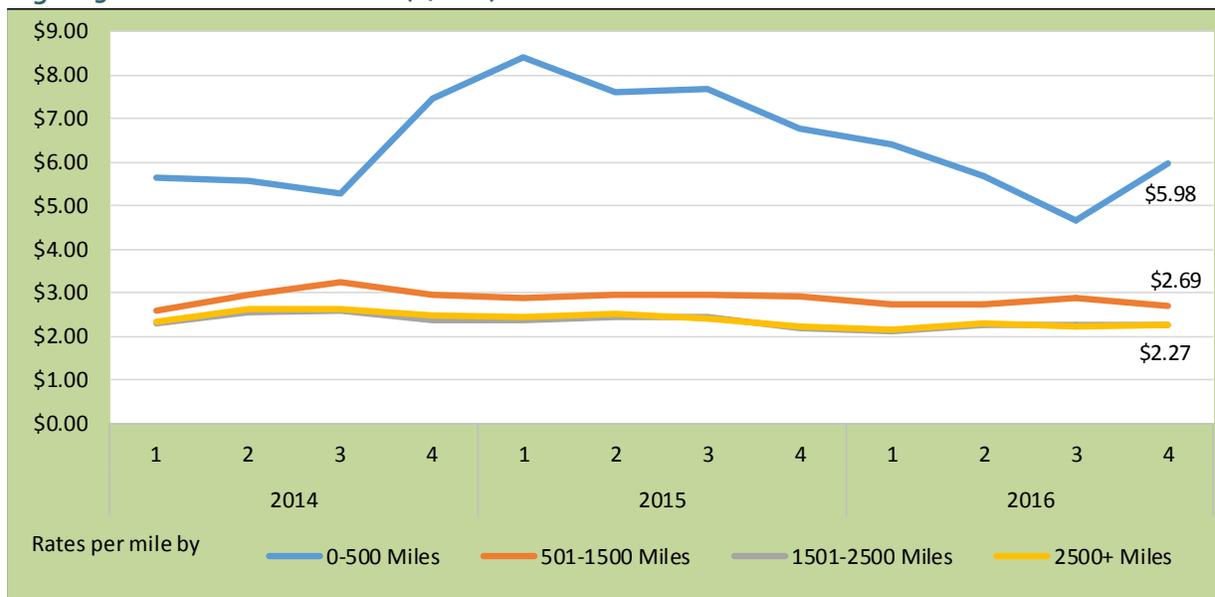
Table 10: Reported Top Five Commodities Shipped from California (1,000 tons)

Commodity	4th Quarter 2016	Share of California Total	Previous Quarter	Same Quarter Last Year	Current Quarter as %	
					Previous Qtr	Same Qtr Last Year
Grapes	260	19%	390	306	-33%	-15%
Celery	201	14%	148	182	37%	11%
Lettuce, Iceberg	161	11%	321	150	-50%	7%
Lettuce, Romaine	140	10%	235	130	-40%	8%
Strawberries	86	6%	282	65	-69%	33%
Top 5 Total	848	61%	1,376	833	-38%	2%
California Total	1,399	100%	3,146	1,417	-56%	-1%

Source: Agricultural Marketing Service, Specialty Crops Programs, Market News Division

"-" indicates no reported shipments during the quarter.

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



Source: Agricultural Marketing Service, Specialty Crops Programs, Market News Division

Figure 6: California Truck Overview

Region/Reporting District	Availability Rating, 1=Surplus to 5=Shortage			
	October	November	December	4th Quarter
Central San Joaquin Valley California	n/a	3.00	n/a	3.00
Imperial, Palo Verde, And Coachella Valleys	n/a	3.00	3.00	3.00
Kern District California	3.00	3.00	3.00	3.00
Oxnard District California	3.00	3.00	3.00	3.00
Salinas-Watsonville California	3.00	3.00	3.00	3.00
San Joaquin Valley California	3.00	3.00	n/a	3.00
Santa Maria California	3.00	3.00	3.00	3.00
South District California	3.00	3.00	3.00	3.00
South & Central District California	3.00	3.00	3.00	3.00
Regional Average Availability	3.00	3.00	3.00	3.00
Diesel Fuel Price (\$/gallon)	2.82	2.82	2.85	2.83

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

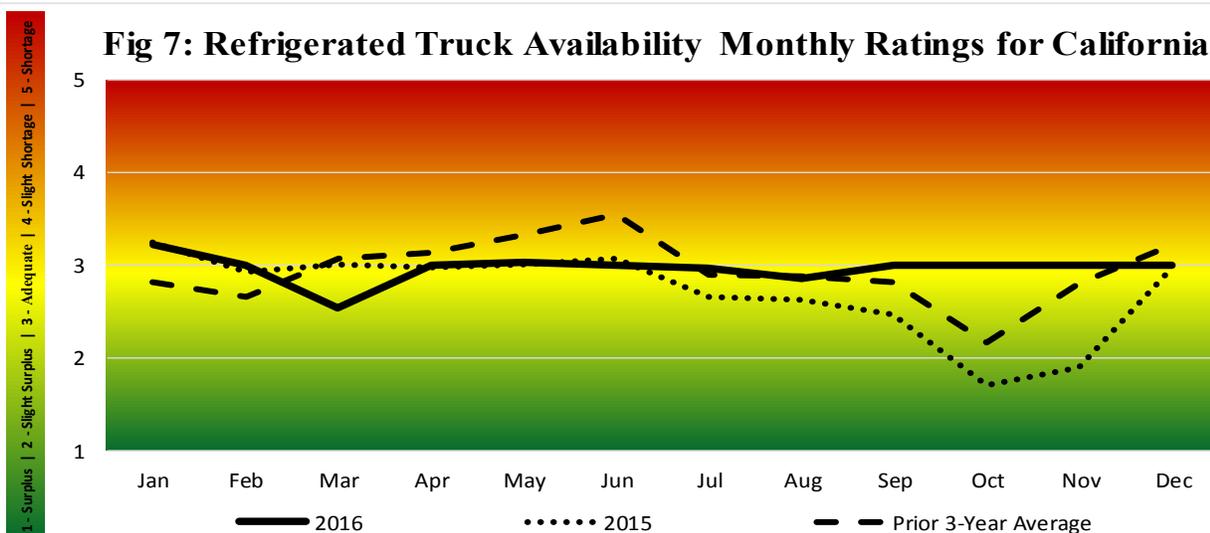
For the purpose of this report the California sub-group of the West Coast PAD District 5 was used to represent the diesel fuel price.

Volume: Total reported shipments of fruits and vegetables from California during the fourth quarter of 2016 were nearly 1.4 million tons, a 1 percent decrease from the same quarter last year. The quarter’s top commodity was grapes which decreased by 15 percent compared with the same quarter last year. The sum of the top five commodities increased by 2 percent, led by a 33 percent increase in strawberry shipments and an 11 percent increase in celery.

Rates: The quarterly average truck rate for shipments between 501 and 1,500 miles was \$2.69 per mile, 7 percent lower than both the previous quarter and the same quarter last year.

Truck Overview: Diesel fuel prices averaged \$2.83 per gallon, 3 percent higher than both the previous quarter and the same period last year. Truck availability for California was adequate in all reporting districts during the quarter.

Fig 7: Refrigerated Truck Availability Monthly Ratings for California



Pacific Northwest (PNW)

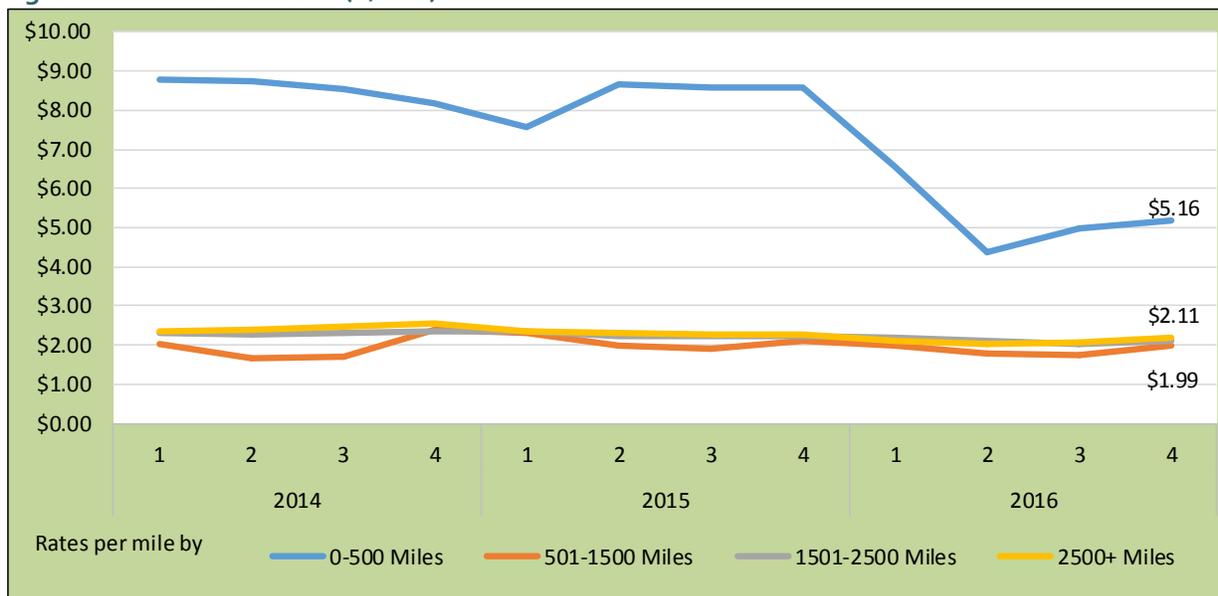
Table 11: Reported Top Five Commodities Shipped from PNW (1,000 tons)

Commodity	4th Quarter 2016	Share of PNW Total	Previous Quarter	Same Quarter Last Year	Current Quarter as %	
					Previous Qtr	Same Qtr Last Year
Apples	792	41%	504	668	57%	19%
Potatoes	581	30%	593	527	-2%	10%
Onions Dry	385	20%	241	367	60%	5%
Pears	178	9%	57	206	213%	-14%
Cranberries	1	0.1%	0.0	1	-	-14%
Top 5 Total	1,937	100%	1,395	1,768	39%	10%
PNW Total	1,937	100%	1,523	1,768	27%	10%

Source: Agricultural Marketing Service, Specialty Crops Programs, Market News Division

"-" indicates no reported shipments during the quarter.

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



Source: Agricultural Marketing Service, Specialty Crops Programs, Market News Division

Figure 9: PNW Truck Overview

Region/Reporting District	Availability Rating, 1=Surplus to 5=Shortage			
	October	November	December	4th Quarter
Columbia Basin Washington	3.75	4.20	5.00	4.32
Idaho And Malheur County, Oregon	3.75	4.20	5.00	4.32
Upper Valley, Twin Falls-Burley District Idaho	3.00	4.20	5.00	4.07
Yakima Valley & Wenatchee District Washington	3.50	4.20	4.00	3.90
Regional Average Availability	3.50	4.20	4.75	4.15
Diesel Fuel Price (\$/gallon)	2.61	2.65	2.70	2.65

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

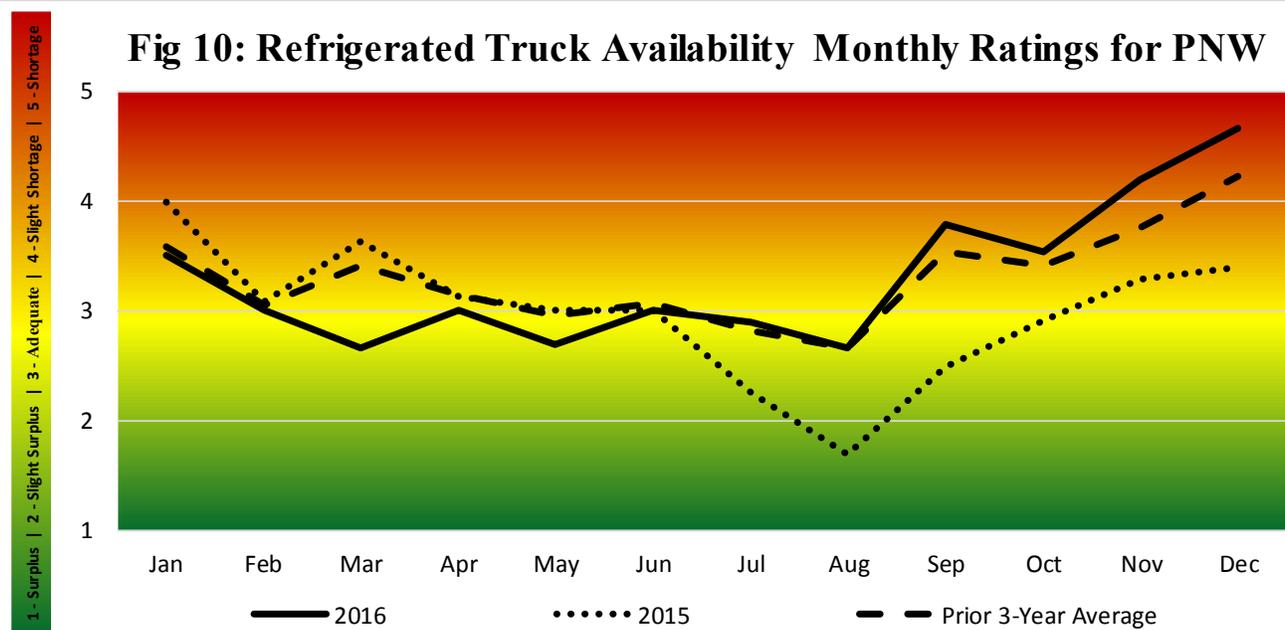
For the purpose of this report the West Coast less California District was used to represent the diesel fuel price for PNW.

Volume: Total reported shipments of fruits and vegetables from the Pacific Northwest (PNW) during the fourth quarter of 2016 were 1.9 million tons, an increase of 10 percent from the same quarter last year. The sum of the top five commodities increased 10 percent as well. The top three commodities, apples, potatoes, and dry onions, increased compared with last year, while pears and cranberries fell compared with last year. The top five commodities represent 99 percent of reported shipments from the Pacific Northwest Region.

Rates: The quarterly average truck rate for shipments between 501 and 1,500 miles was \$1.99 per mile, 15 percent higher than the previous quarter, but 5 percent lower than same quarter last year.

Truck Overview: Diesel fuel prices averaged \$2.65 per gallon, 5 percent higher than last quarter, and 5 percent higher than the same period last year. Shippers reported slight surplus to shortage conditions for truck availability across the region.

Fig 10: Refrigerated Truck Availability Monthly Ratings for PNW



Mexico Border Crossings

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

Commodity	4th Quarter 2016	Share of Mexico-Tot Total	Previous Quarter	Same Quarter Last Year	Current Quarter as %	
					Previous Qtr	Same Qtr Last Year
Peppers, Other	229	10%	133	156	72%	47%
Avocados	202	9%	175	245	16%	-18%
Cucumbers	199	9%	73	180	171%	11%
Tomatoes	182	8%	124	162	46%	12%
Squash	154	7%	27	119	477%	29%
Top 5 Total	966	43%	532	863	82%	12%
Mexico Total	2,237	100%	1,501	1,984	49%	13%

Source: Agricultural Marketing Service, Specialty Crops Programs, Market News Division

"-" indicates no reported shipments during the quarter.

Figure 11: Mexico Truck Overview

Region/Reporting District	Availability Rating, 1=Surplus to 5=Shortage			
	October	November	December	4th Quarter
Mexico Crossings Through Nogales, Arizona	2.33	3.00	2.00	2.44
Mexico Crossings Through Texas	3.00	3.00	3.50	3.17
Regional Average Availability	2.67	3.00	2.75	2.81
Diesel Fuel Price, through Arizona(\$/gallon)	2.61	2.65	2.70	2.65
Diesel Fuel Price, through Texas (\$/gallon)	2.33	2.31	2.39	2.34

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

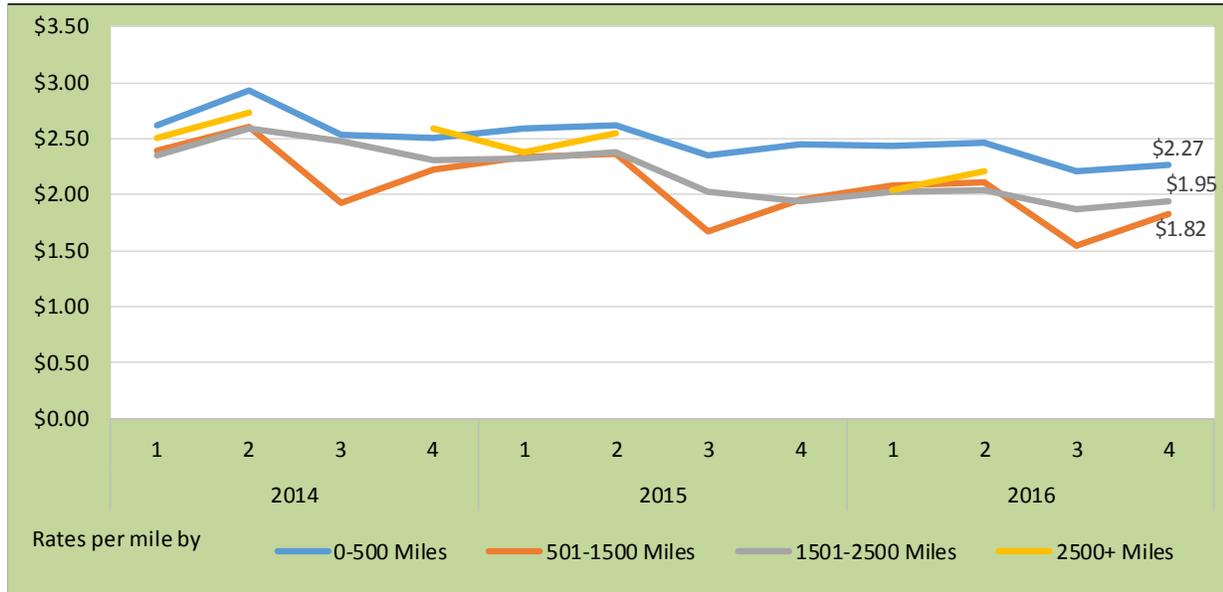
For the purpose of this report the Gulf Coast PAD District 3 was used to represent the diesel fuel price through Texas.

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

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

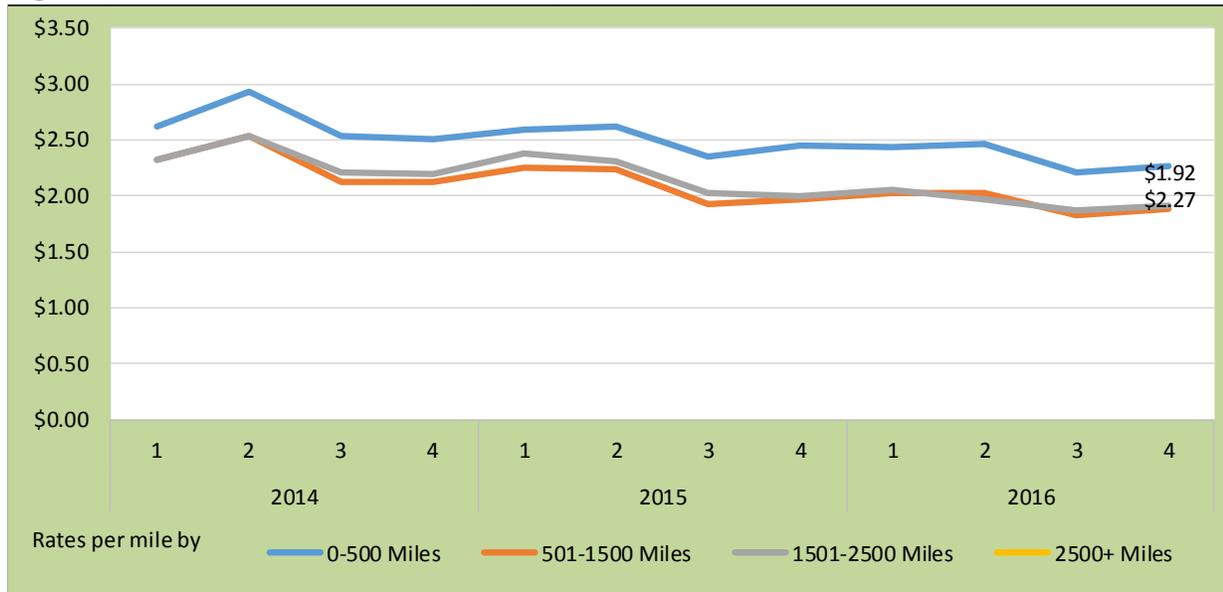
Texas		California		Arizona		New Mexico	
Avocados	198	Tomatoes, Plum Type	52	Cucumbers	141	Peppers, Other	149
Tomatoes	130	Onions Green	40	Squash	136	Misc Tropical	2
Limes	116	Misc Tropical	36	Watermelons, Seedless	127	Watermelons	1
Broccoli	58	Peppers, Other	22	Peppers, Bell Type	54	Corn-Sweet	1
Tomatoes, Plum Type	52	Papaya	18	Honeydews	39	Squash	0.2
Top 5 Total	554	Top 5 Total	168	Top 5 Total	497	Top 5 Total	153
Mexico-Tex Total	1,033	Mexico-Cal Total	341	Mexico-Ari Total	709	Mexico-Cal Total	153

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



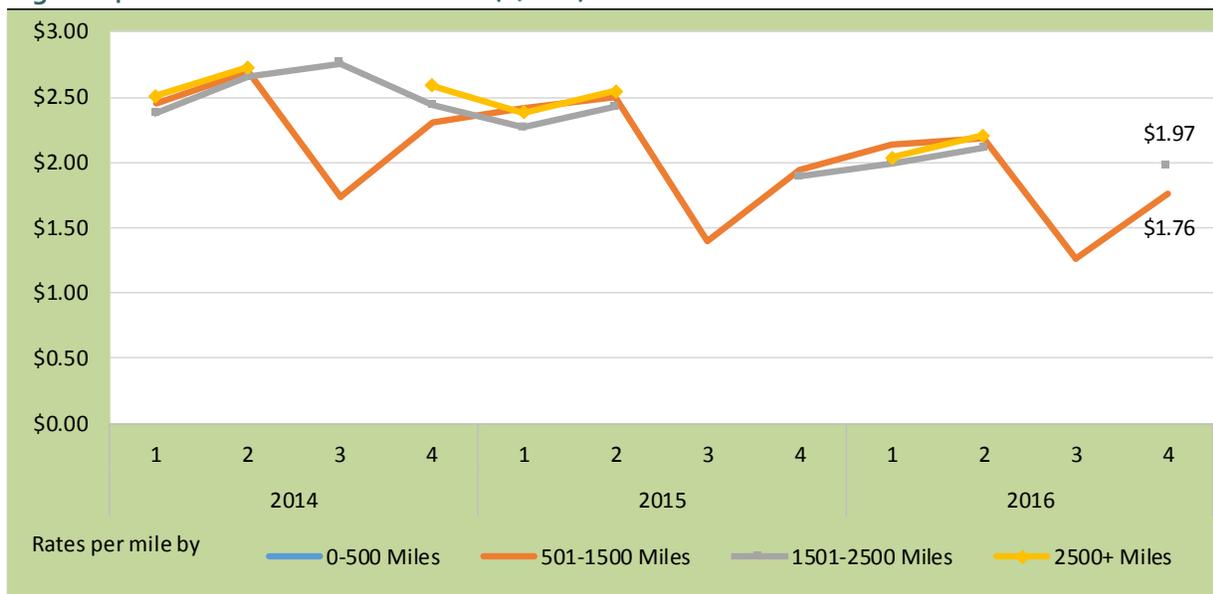
Source: Agricultural Marketing Service, Specialty Crops Programs, Market News Division

Figure 13: Mexico-Texas Truck Rates (\$/Mile)



Source: Agricultural Marketing Service, Specialty Crops Programs, Market News Division

Figure 14: Mexico-Arizona Truck Rates (\$/Mile)



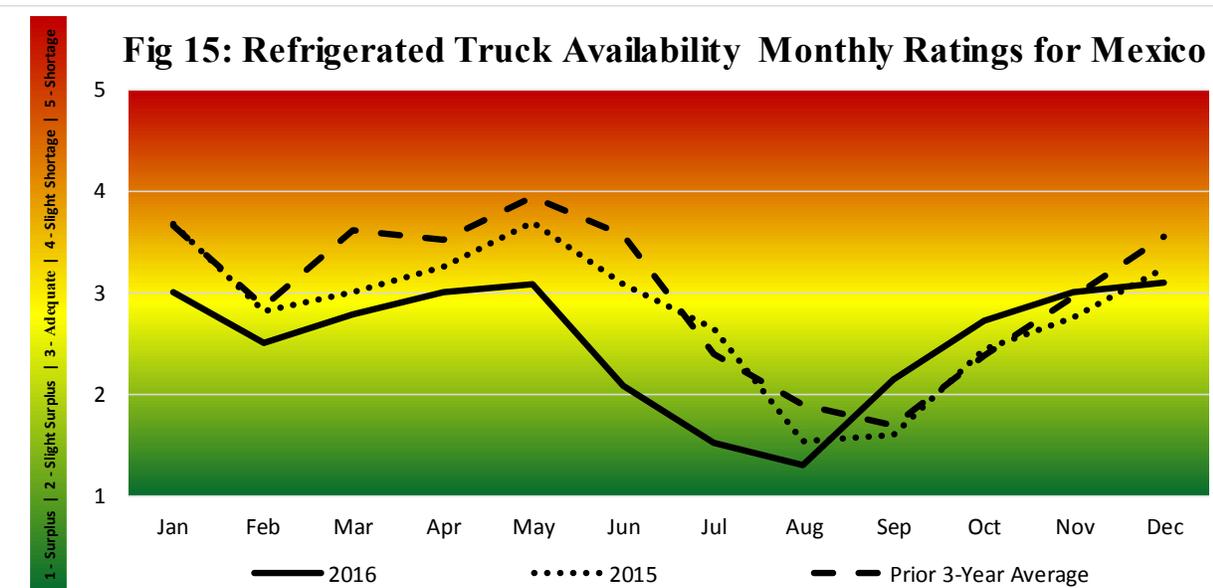
Source: Agricultural Marketing Service, Specialty Crops Programs, Market News Division

Volume: Total reported shipments of fruits and vegetables from Mexico during the fourth quarter of 2016 were over 2.2 million tons—an increase of 13 percent from the same quarter in 2015, with the sum of the top five commodities increasing 12 percent from last year. Shipments of peppers increased 47 percent, followed by squash at 29 percent. Avocado shipments fell 18 percent compared with the previous year.

Rates: Truck rates for shipments between 501 and 1,500 miles from the Texas border crossings averaged \$1.89 per mile, up 3 percent from the previous quarter, but 4 percent lower than the same quarter last year. Rates for shipments between 501 and 1,500 miles from the Arizona border crossings averaged \$1.76 per mile, up 39 percent from last quarter, but 9 percent lower than the same quarter last year.

Truck Overview: Diesel fuel prices for border crossings from Texas averaged \$2.34 per gallon, 4 percent higher than the previous quarter, and 3 percent higher than the same quarter in 2015. Diesel fuel prices for border crossings from Arizona averaged \$2.65 per gallon, 5 percent higher than the previous quarter, and 5 percent higher than the same period in 2015. Truck availability data for the quarter showed a slight surplus to adequate at both major border crossings during the quarter.

Fig 15: Refrigerated Truck Availability Monthly Ratings for Mexico



Arizona

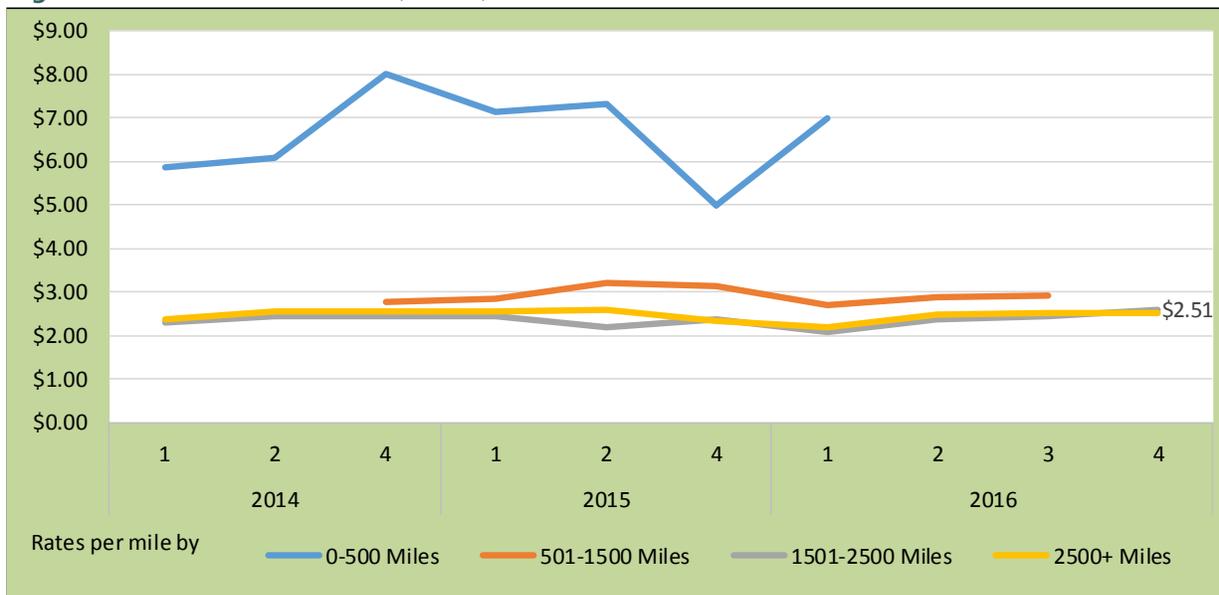
Table 14: Reported Top Five Commodities Shipped from Arizona (1,000 tons)

Commodity	4th Quarter 2016	Share of Arizona Total	Previous Quarter	Same Quarter Last Year	Current Quarter as %	
					Previous Qtr	Same Qtr Last Year
Lettuce, Romaine	150	30%	0	126	-	19%
Lettuce, Iceberg	149	30%	0	170	-	-13%
Lettuce, Processed	63	13%	0	40	-	56%
Cantaloups	38	8%	12	64	213%	-40%
Spinach	18	4%	0	20	-	-8%
Top 5 Total	417	84%	12	420	-	-1%
Arizona Total	497	100%	30	502	1561%	-1%

Source: Agricultural Marketing Service, Specialty Crops Programs, Market News Division

"-" indicates no reported shipments during the quarter.

Figure 16: Arizona Truck Rates (\$/Mile)



Source: Agricultural Marketing Service, Specialty Crops Programs, Market News Division

Volume: Total reported shipments of fruits and vegetables from Arizona during the fourth quarter of 2016 were just under 500,000 tons, a 1 percent decrease from the same quarter last year. The sum of the top five commodities also decreased 1 percent from the same quarter last year with increases from romaine and processed lettuces but decreases for iceberg lettuce, cantaloupe, and spinach. In total, 82 percent of reported shipments were lettuce and other leafy greens.

Rates: Insufficient data was available to identify the quarterly average truck rate for shipments between 501 and 1,500 miles.

Truck Overview: Diesel fuel prices averaged \$2.65 per gallon, 5 percent higher than the previous quarter and 5 percent higher than the same period last year. Truck availability reported for Arizona ranged from a slight surplus to adequate throughout the quarter.

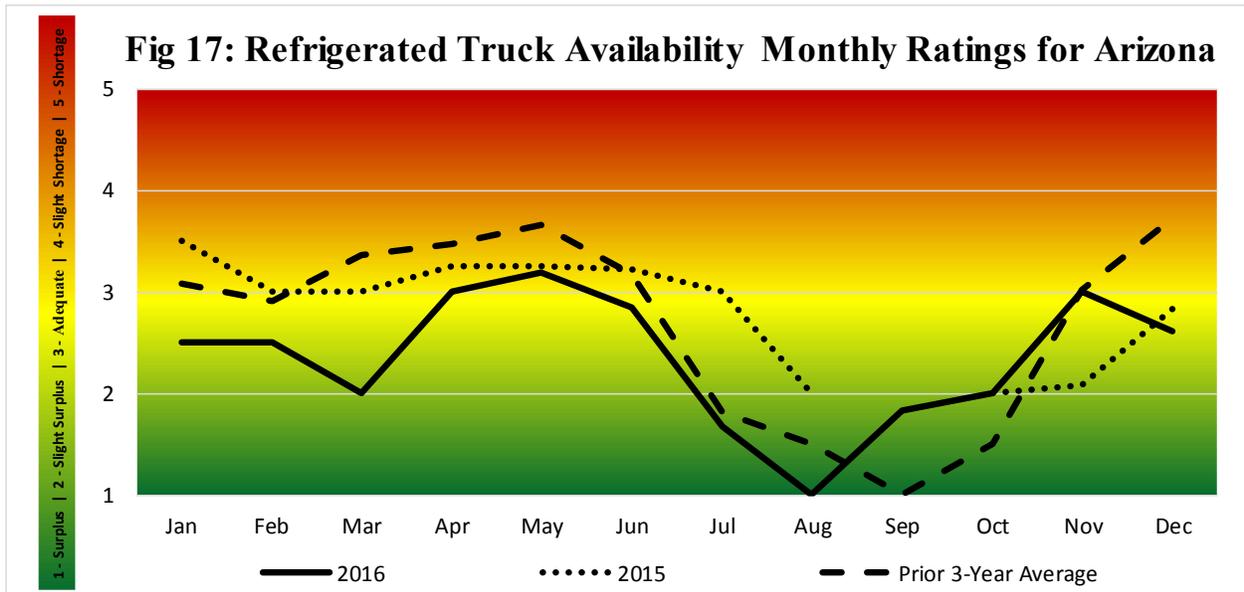


Figure 18: Arizona Truck Overview

Region/Reporting District	Availability Rating, 1=Surplus to 5=Shortage			
	October	November	December	4th Quarter
Central And Western Arizona	n/a	3.00	3.00	3.00
Mexico Crossings Through Nogales, Arizona	2.33	3.00	2.00	2.44
Regional Average Availability	2.33	3.00	2.50	2.61
Diesel Fuel Price (\$/gallon)	2.61	2.65	2.70	2.65

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.

Florida

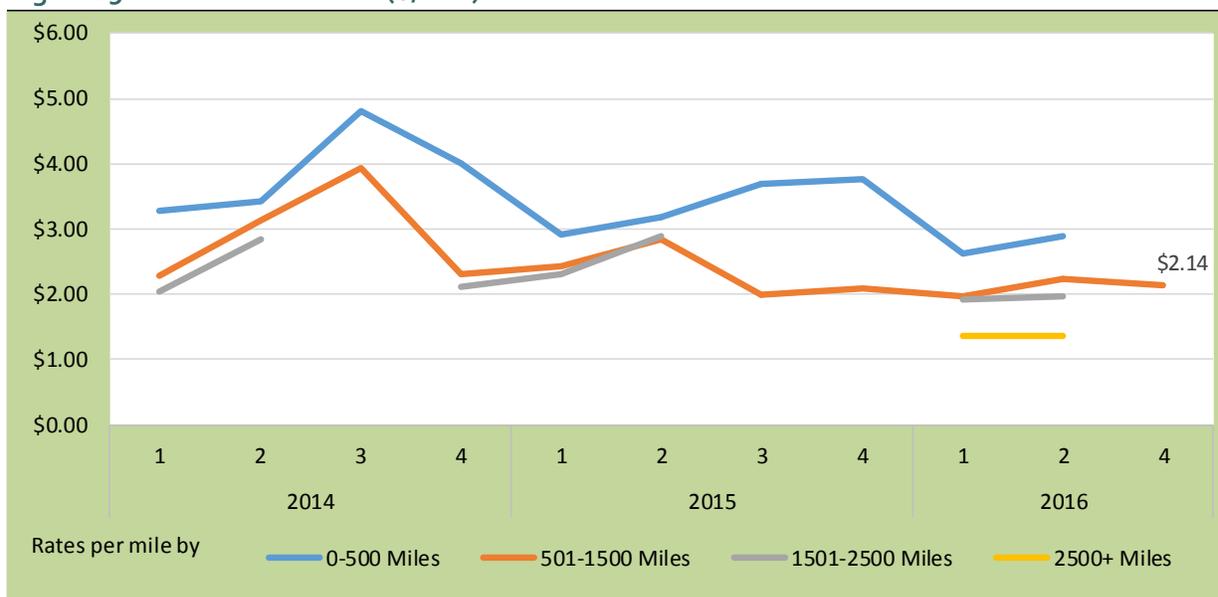
Table 15: Reported Top Five Commodities Shipped from Florida (1,000 tons)

Commodity	4th Quarter 2016	Share of Florida Total	Previous Quarter	Same Quarter Last Year	Current Quarter as %	
					Previous Qtr	Same Qtr Last Year
Tomatoes	142	29%	1	126	-	13%
Grapefruit	63	13%	1	76	-	-18%
Peppers, Bell Type	39	8%	0	44	-	-10%
Oranges	33	7%	-	56	-	-42%
Cucumbers	31	6%	0	27	-	15%
Top 5 Total	308	63%	2	329	-	-6%
Florida Total	492	100%	24	505	1973%	-3%

Source: Agricultural Marketing Service, Specialty Crops Programs, Market News Division

"-" indicates no reported shipments during the quarter.

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



Source: Agricultural Marketing Service, Specialty Crops Programs, Market News Division

Volume: Total reported shipments of fruits and vegetables from Florida during the fourth quarter of 2016 were nearly 500,000 tons, down 3 percent from the same quarter in 2015. The sum of the top five commodities decreased by 6 percent, with only two of the top five commodity posting increases. Grapefruit, Bell Peppers, and Oranges showed decreases of 18 percent, 10 percent, and 42 percent, respectively. Tomatoes were the top commodity, with an increase of 13 percent, followed by cucumbers, which increased by 15 percent.

Rates: The quarterly average truck rate for shipments between 501 and 1,500 miles was \$2.14 per mile, 2 percent higher than the same quarter last year.

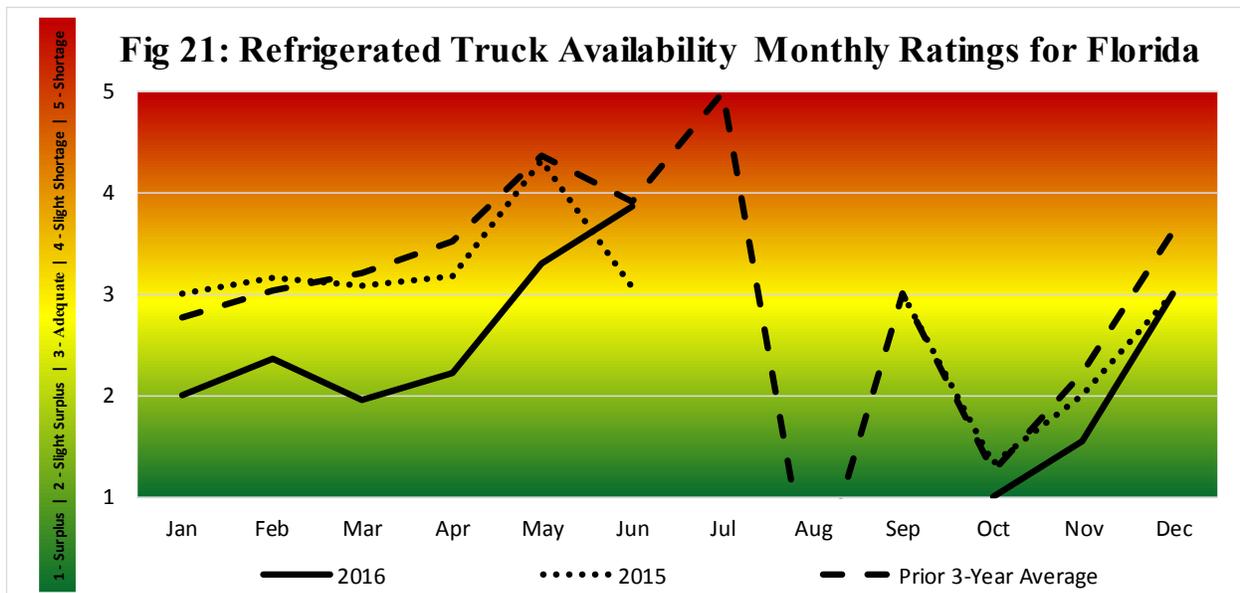
Truck Overview: Diesel fuel prices averaged \$2.39 per gallon, 3.6 percent higher than last quarter, and 1.6 percent higher than the same period last year. Truck availability reported in Florida ranged from a surplus to adequate throughout the quarter.

Figure 20: Florida Truck Overview

Region/Reporting District	Availability Rating, 1=Surplus to 5=Shortage			
	October	November	December	4th Quarter
Central & South Florida	1.00	1.60	3.00	1.87
South & Central District California	3.00	3.00	3.00	3.00
Regional Average Availability	2.00	2.30	3.00	2.43
Diesel Fuel Price (\$/gallon)	2.37	2.37	2.45	2.39

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

For the purpose of this report the Lower Atlantic District was used to represent the diesel fuel price for Florida.



Terms and References

Data Sources: This information is compiled from the weekly Fruit and Vegetable Truck Rate Report by USDA, Agricultural Marketing Service (AMS), [Specialty Crops Program](https://www.marketnews.usda.gov/mnp/fv-home), Market News Division. The website is: <https://www.marketnews.usda.gov/mnp/fv-home>.

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:

Specialty Crops Program

<http://www.ams.usda.gov/about-ams/programs-offices/specialty-crops-program>

Fruit and Vegetable Truck Report

<http://www.ams.usda.gov/market-news/fruits-vegetables>

Economic Research Service Vegetable and Pulses

<http://www.ers.usda.gov/topics/crops/vegetables-pulses.aspx>

Economic Research Service Fruit and Tree Nuts

<http://www.ers.usda.gov/topics/crops/fruit-tree-nuts.aspx>

National Agricultural Statistics Service, Crops

http://www.nass.usda.gov/Statistics_by_Subject/index.php?sector=CROPS

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