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# Agricultural Refrigerated Truck Quarterly

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## Feature Article

### High Rates and Tight Capacity Dominate Refrigerated Truck Market in 2018

The trend of higher truck rates and capacity shortages, which started in 2017, continued through the first half of 2018. Driven by continued economic growth, and the ongoing truck driver shortage, both truck rates and shipment volumes set new records during this period. Indicators point to sustained high rates and tight capacity for the trucking industry, including the refrigerated truck market, through the end of 2018 and possibly beyond.

#### Economic Indicators

Trucking activity is very closely correlated with overall economic activity. As a result, a strong and growing economy impacts both sides of the trucking equation, resulting in less truck availability. On one hand, economic growth increases demand for trucking services since trucks are the dominant carriers of freight; carrying 70.2 percent of domestic freight in 2017, according to the American Trucking Associations (ATA). On the other hand, economic growth strains trucking supply by increasing the difficulty of attracting and retaining drivers.

Overall economic growth, during the first half of 2018, was consistent with increased truck shipment volumes and rates. Real gross domestic product increased 4.2 percent, in the second quarter of 2018, according to the Bureau of Economic Analysis. This is the highest quarterly increase since the third quarter of 2014. Meanwhile, the unemployment rate fell through the first half of 2018, to 4 percent in June, while reaching a 10-year low of 3.8 percent in May, according to the Bureau of Labor Statistics.

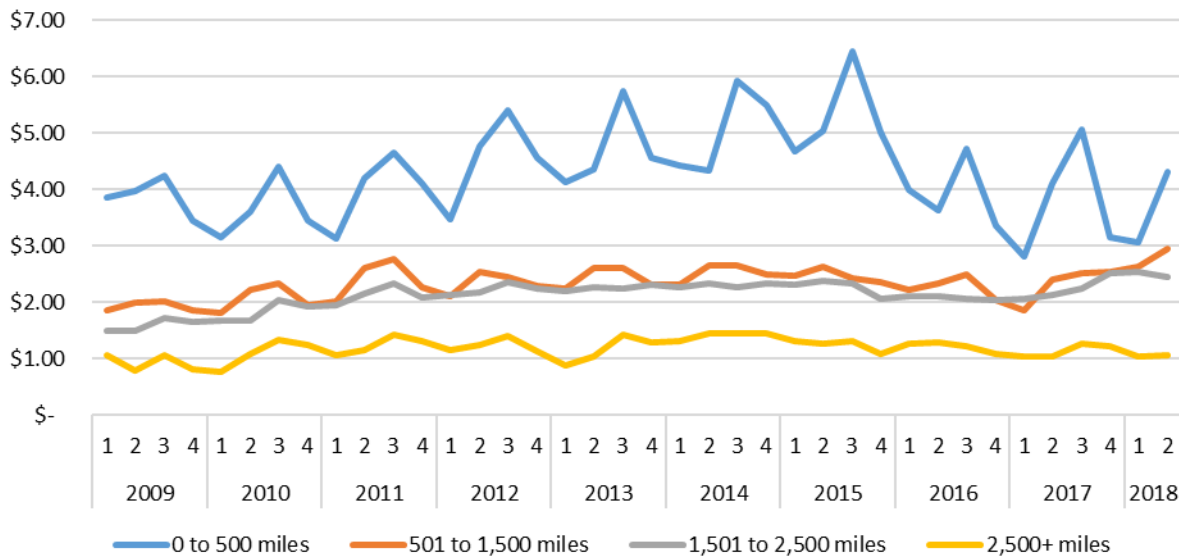
A strong economy creates many competitive jobs as alternatives to long-distance truck driving, such as construction, manufacturing, or local driving positions through ride-sharing services. Attracting qualified drivers is an even greater challenge for the industry when the labor market is strong, which puts further strain on the ongoing driver shortage. In response, some trucking companies are increasing driver wages to retain and attract qualified drivers. A supplement to the National Transportation Institute's *Quarterly National Survey of Driver Wages*, released in March, reports the trucking industry is experiencing unusually aggressive and volatile increases in driver pay, which is evidence of a significant driver shortage affecting all segments of the trucking industry.

The continued increase in freight volumes, shipped by truck, put upward pressure on truck rates. Through the first half of 2018, ATA reported the freight tonnage hauled by trucks increased 7.9 percent, far more than the annual increase of 3.8 percent in 2017. DAT Solutions (DAT) reported strong demand for trucking services caused truckload spot rates to reach a record high in June. This followed an unprecedented 15-month run of spot market rate increases. This was the longest sustained period of price increases, since deregulation in 1980, according to DAT. In the refrigerated truck market, DAT reported the national average spot market rate hit the highest point ever recorded, at \$2.69 per mile, up \$0.58 from June 2017, and \$0.11 higher than the contract rate. While increases in contract rates typically lag four to six months, after a sustained increase in spot market rates, this year the lag has been only a few weeks.

**Refrigerated Truck Market**

Strong demand for truck services and large volumes has mostly impacted truck rates for shipments traveling between 500 and 2,500 miles. The U.S. average refrigerated truck rate reached a record high in the second quarter, for shipments between 501 and 1,500 miles (\$2.96 per mile), up 12 percent from the previous quarter (\$2.64 per mile). The U.S. average truck rate for shipments between 1,501 and 2,500 miles was still higher than usual at \$2.45 per mile, but was 3 percent lower than the record high of \$2.54 per mile, set in the first quarter of 2018. In contrast, average truck rates for shipments less than 500 miles, and over 2,500 miles, have remained within normal ranges.

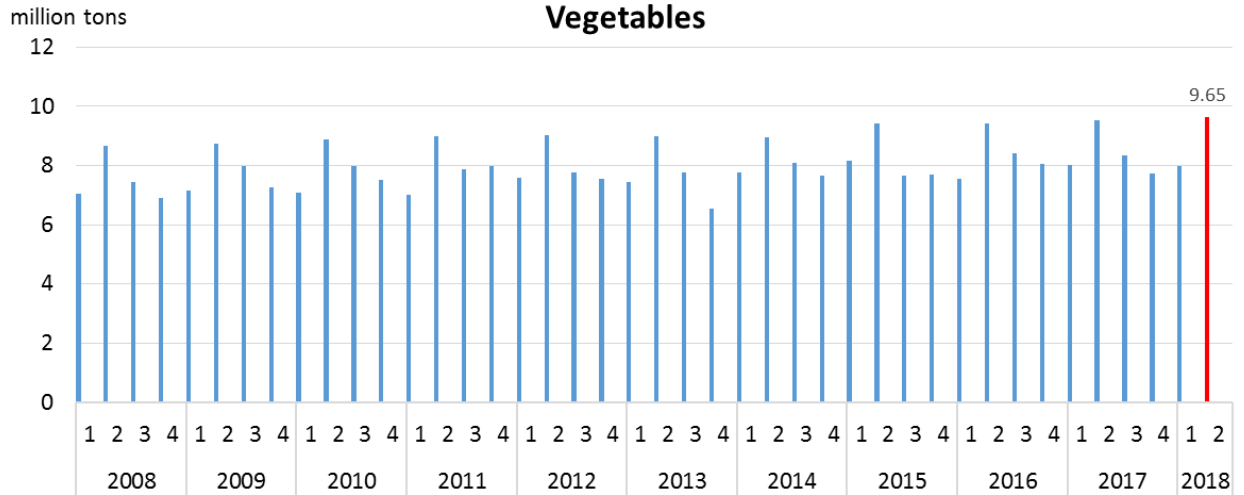
**Figure 1: U.S. Average Refrigerated Truck Rates per Mile**



Source: Agricultural Marketing Service, Transportation Services Division

Similar to trends for the overall economy, the reported volumes of fruit and vegetables shipped by refrigerated truck during the second quarter of 2018 set a record high at 9.65 million tons, 21 percent more than last quarter (7.99 million tons) and 1 percent higher than the same quarter last year (9.52 million tons).

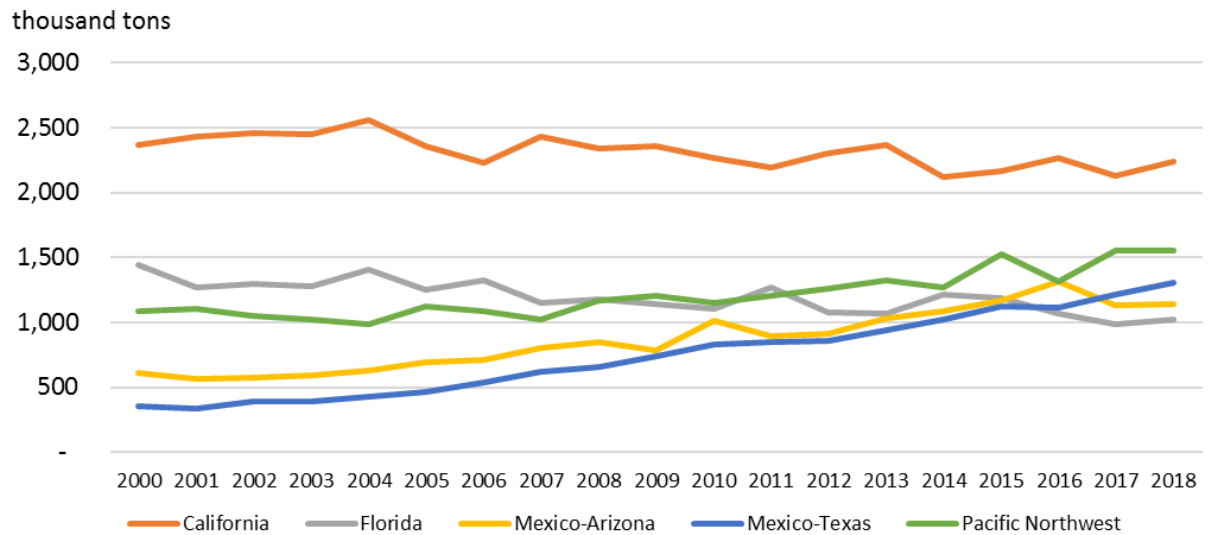
**Figure 2: Quarterly Refrigerated Truck Shipments of Fruit and Vegetables**



Source: Agricultural Marketing Service, Transportation Services Division

This quarterly record was partly due to increased shipment volumes from the Pacific Northwest and Mexico, through both Texas and Arizona, which offset declining shipment volumes from California and Florida. Until ten years ago, California and Florida were the two biggest suppliers of fresh fruit and vegetables, during the second quarter. However, in recent years, both States have lost market share to the Pacific Northwest and Mexico. In fact, the volume of shipments from Mexico through Texas reached a new high of 1.30 million tons during the second quarter of 2018, an increase of 8 percent over the same period last year (1.21 million tons).

**Figure 3: Second Quarter Refrigerated Truck Shipments of Fruit and Vegetables by Origin**



Source: Agricultural Marketing Service, Transportation Services Division

**Looking Ahead**

The demand for trucking services should remain strong as the economy keeps growing, creating challenges to increasing capacity in the trucking industry. ATA's *Freight Transportation Forecast: 2018 to 2029* projects freight volumes will increase 4.2 percent to nearly 16 billion tons, in 2018, and increase 35.6 percent to 21.7 billion tons by 2029. The report's findings indicate trucking will remain the single largest mover of freight, with truck volumes expected to grow 2.3 percent on an annual basis between 2019 and 2024, and 2.2 percent per year for the next five years.

In addition, Hurricane Florence may have effects on the truck market beyond the period of the actual storm, as was true after Hurricanes Harvey and Irma last year. Largescale events, such as hurricanes, can cause supply chain disruptions and increased regional trucking activity. This is largely due to reconstruction efforts, adding pressure to an already tight market for weeks or months after an event. With demand for truck services projected to remain high, these combined factors could keep truck capacity scarce and rates high for the foreseeable future.

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## Quarterly Overview

### Fruit and Vegetable Shipments

Reported U.S. truck shipments of fresh produce during the second quarter of 2018 were 9.65 million tons, 21 percent higher than the previous quarter, and 1 percent higher than the same quarter last year.

Shipments from Mexico were the highest in the second quarter, totaling 2.85 million tons and accounting for 30 percent of the total reported shipments of fresh fruits and vegetables. Shipments from California totaled 2.24 million tons, representing 23 percent of the reported shipments. Movements from the Pacific Northwest totaled 1.55 million tons, representing 16 percent of the reported total.

The following top five commodities accounted for 42 percent of the reported truck movements during the second quarter of 2018:

- ▶ Watermelons, seedless (11 percent)
- ▶ Potatoes (11 percent)
- ▶ Apples (8 percent)
- ▶ Onions, dry (7 percent)
- ▶ Strawberries (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 +
Q2 2017	4.10	2.40	2.12	1.04
Q3 2017	5.06	2.52	2.25	1.26
Q4 2017	3.16	2.55	2.52	1.22
Q1 2018	3.05	2.64	2.54	1.04
Q2 2018	4.32	2.96	2.45	1.06
Q2 Change from Previous Quarter	41%	12%	-3%	2%
Q2 Change from Same Quarter Last Year	5%	23%	16%	2%

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

### Diesel Fuel

During the second quarter 2018, the U.S. diesel fuel price averaged \$3.198 per gallon—6 percent higher than the previous quarter and 25 percent higher than the same quarter last year.

## Regulatory News and Updates

### **Final Rule Allows States to Waive Commercial Learner's Permit Requirements for Military Drivers**

On September 28, 2018, the Federal Motor Carrier Safety Administration (FMCSA) [announced](#) States will have the option to waive the requirements for the commercial learner's permit (CLP) knowledge test for certain individuals who currently are, or were, regularly employed, within the last year, in a military position requiring the operation of a commercial motor vehicle (CMV). The final rule includes the option for a State to waive the tests required for a tank vehicle endorsement, or hazardous material endorsement, with proof of training and experience.

In combination with the Military Commercial Driver's License (CDL) rule published on October 13, 2016 ([81 FR 70634](#)), this new rule gives States the option to waive both the CDL knowledge and driving skills tests for certain current and former military service members. Those service members must have received training to operate CMVs during active-duty, National Guard, or reserve service, in military vehicles comparable to CMVs. Certain current or former military drivers, domiciled in participating States, will be allowed to transition to a civilian CDL more quickly due to their armed forces training and experience. Documents and comments are available in Docket No. [FMCSA-2017-0047](#).

### **American Trucking Association's California Meal Rest Break Preemption Petition Announced**

On September 28, 2018, FMCSA [announced](#) the American Trucking Associations (ATA) [petition](#) requesting FMCSA's determination that the State of California's meal and rest break rules are preempted by Federal law. According to the announcement, California generally requires employers in the transportation industry to provide employees with an off-duty 30-minute break for every five hours worked, before the end of each five-hour period; and a ten-minute off-duty break for every four-hour period (or "major fraction thereof," i.e., period greater than two hours), in the middle of each such period if possible. Commercial drivers covered by collective bargaining agreements that meet certain statutorily enumerated criteria, however, are not subject to the meal period requirement. Among other things, FMCSA requests comments, by October 29, on what effect, if any, California's meal and rest break requirements may have on interstate commerce. Documents and comments are available in Docket No. [FMCSA-2018-0304](#).

### **Rulemaking on Broker and Freight Forwarder Financial Responsibility Announced**

On September 27, 2018, FMCSA [announced](#) it is considering adopting a rule to immediately suspend any broker's/freight forwarder's operating authority when there is an actual drawdown on the bond/trust fund below the \$75,000 minimum as required by Congress, or when the broker/freight forwarder does not respond after the surety/trust fund provider provides notice of a valid claim, such as from a trucking company. The advance notice of proposed rulemaking (ANPRM) is part of the Moving Ahead for Progress in the 21st Century Act (MAP-21). MAP-21 raised the financial security amount for brokers to \$75,000 and, for the first time, established financial security requirements for freight forwarders.

Eight separate areas are covered under the rulemaking: (1) Group surety bonds/trust funds; (2) assets readily available; (3) immediate suspension of broker/freight forwarder operating authority; (4) surety or trust responsibilities in cases of broker/freight forwarder financial failure or insolvency; (5) enforcement authority; (6) entities eligible to provide trust funds from Form BMC-85 trust fund filings; (7) Form BMC-84 and BMC-85 trust fund revisions; and (8) household goods. Documents, as well as comments and data are requested by November 26, 2018, may be viewed in Docket No. [FMCSA-2016-0102](#).

### **Customers Using Port Drayage Trucking in California to Share Legal Responsibility and Liability**

On September 22, 2018, California [Senate Bill No. 1402](#) became law, providing joint legal responsibility and liability for unsatisfied judgments against port drayage motor carriers for unpaid wages, damages, unreimbursed expenses, and penalties with customers that use port drayage motor carriers. The law applies in cases where the customer received advance notice of a port drayage trucking company's record of unsatisfied judgments for labor law violations, including misclassification of drivers as independent contractors. Customers and port drayage motor carriers are prohibited from taking any adverse action against drivers, who provide notification of violations or file a claim or civil action. The Labor

Commissioner and the Employment Development Department will adopt necessary regulations and rules to administer and enforce the law, effective January 1, 2019.

#### **Comments Available Concerning Revising the Hours-of-Service Regulations for Drivers**

On September 20, 2018, FMCSA extended the comment period on [revising the current hours-of-service \(HOS\) regulations for interstate truck drivers](#), to October 10, 2018. FMCSA initiated the ANPRM on August 23, 2018, in response to widespread Congressional, industry, and citizen concerns about HOS regulations, and is seeking answers to determine if HOS revisions may alleviate unnecessary burdens placed on drivers, while maintaining safety on our nation's highways and roads. According to FMCSA, the congressionally mandated electronic logging device (ELD) rule, which required most FMCSA-regulated motor carriers to convert their records from paper to an electronic format, brought focus to HOS regulations. Those regulations having a significant impact on agriculture and other sectors of trucking are of particular interest for review.

In support of the rulemaking, FMCSA scheduled [five public listening sessions in 2018](#): Dallas, Texas on Friday, August 24; Reno, Nevada on Saturday, September 22; Joplin, Missouri on Friday, September 28; Orlando, Florida on Tuesday, October 2; and Washington, DC on Wednesday, October 10. Recorded live streams and transcripts of the listening sessions; answers to FMCSA questions; documents and comments are available, in Docket No. [FMCSA-2018-0248](#).

The four specific areas under consideration for revision by FMCSA are:

- Expanding the current 100 air-mile "short-haul" exemption, from 12 hours on-duty to 14 hours on-duty, to be consistent with the rules for long-haul truck drivers;
- Extending the current 14-hour on-duty limitation, by up to two hours, when a truck driver encounters adverse driving conditions;
- Revising the current mandatory 30-minute break for truck drivers after 8-hours of continuous driving; and
- Reinstating the option for splitting up the required 10-hour off-duty rest break for drivers operating trucks that are equipped with a sleeper-berth compartment.

FMCSA also asked for data and answers to questions on two petitions requesting regulatory relief. The first petition pertaining to the 14-hour on-duty limitation, was filed by the [Owner-Operators Independent Drivers Association](#) (OOIDA). OOIDA would like all drivers to be able to pause the consecutive 14-hour on-duty time, by up to 3 consecutive off-duty hours. According to OOIDA's petition, drivers would still take at least 10 hours off-duty before starting a new 14-hour on-duty period.

The second petition, pertaining to the 10-hour off-duty requirement, was filed by [TruckerNation.org](#). TruckerNation.org would like all drivers to be able to split the consecutive 10-hour off-duty requirement, with a minimum of 3 consecutive off-duty hours, to equal 10 hours off-duty.

With the off-duty flexibility requested in each petition, OOIDA and TruckerNation.org want FMCSA to eliminate the 30-minute off-duty rest break requirement, which currently applies if more than 8 hours have passed since the end of the driver's last off-duty or sleeper-berth period of at least 30 minutes.

With regard to what is under consideration in the HOS rulemaking and advocated in the two petitions, on August 28, 2018, the American Transportation Research Institute (ATRI) released an [analysis](#) on the potential benefits of allowing flexibility for drivers to take off-duty breaks. "ATRI utilized empirical truck GPS data to model the application of split rest beyond the current 8- and 2-hour increments allowed under the existing HOS rules. Through this analysis it was found that drivers could spend less time and money, driving the same distances behind the wheel," by going off-duty for short periods of time instead of continuing to drive during periods of highway congestion.



**Comments Available on “Improving Motor Carrier Safety Measurement”**

On August 21, 2018, FMCSA [requested comments](#), by October 22, on 3 of the 6 recommendations presented in the summary of the National Academy of Sciences (NAS) report, “Improving Motor Carrier Safety Measurement.” Documents and comments are available in Docket No. [FMCSA-2017-0226](#).

The NAS [report](#) was commissioned by FMCSA, under Section 5221, Correlation Study, of the Fixing America’s Surface Transportation (FAST) Act. FMCSA developed a [corrective action plan](#) for Congress and the U.S. Department of Transportation’s (DOT) Office of Inspector General (OIG) on June 25; [withdrew](#) proposed enhancements to the Safety Measurement System (SMS) on July 16; and held a public meeting on August 29. SMS is FMCSA’s algorithm for identifying patterns of non-compliance and prioritizing motor carriers for interventions. FMCSA is prohibited from publishing SMS percentiles and alerts on the SMS website, for motor carriers transporting property, until the NAS study is complete and all reporting and certification requirements under the FAST Act are satisfied. FMCSA’s corrective action plan includes solicitation of input from the public for NAS recommendations number 2, 3, and 4 that are the subject of this rulemaking:

- **NAS Recommendation 2:** FMCSA should continue to collaborate with States, and other agencies, to improve the quality of the Motor Carrier Management Information System (MCMIS) data in SMS, with immediate attention to carrier exposure and crash data;
- **NAS Recommendation 3:** FMCSA should investigate ways of collecting data that will likely benefit the recommended methodology for safety assessment. This includes data on carrier characteristics—such as information on driver turnover rate, type of cargo, method and level of compensation, and better information on exposure; and
- **NAS Recommendation 4:** FMCSA should structure a user-friendly version of the MCMIS data file used as input to SMS, without any personally identifiable information, to facilitate its use by external parties, such as researchers and carriers.

NAS recommendations number 1, 5, and 6, while not a part of this rulemaking, are included in FMCSA’s corrective action plan:

- **NAS Recommendation 1:** FMCSA should develop the suggested item response theory (IRT) model over the next 2 years. If it is then demonstrated to perform well in identifying motor carriers for alerts, FMCSA should use it to replace SMS in a manner akin to the way SMS replaced SafeStat;
- **NAS Recommendation 5:** FMCSA should undertake a study to better understand the statistical operating characteristics of the percentile ranks to support decisions regarding the usability of public scores; and
- **NAS Recommendation 6:** Given that there are good reasons for both an absolute and a relative metric on safety performance, FMCSA should decide on the carriers that receive SMS alerts using both the SMS percentile ranks and the SMS measures, and the percentile ranks should be computed both conditionally within safety event groups and over all motor carriers.

**Fees for the Unified Carrier Registration Plan and Agreement to be Reduced**

On August 21, 2018, FMCSA [requested](#) comments on reductions in the annual registration fees States collect from motor carriers, motor private carriers of property, brokers, freight forwarders, and leasing companies, for the Unified Carrier Registration (UCR) Plan and Agreement for the 2019, 2020, and subsequent registration years. The proposed fees for the 2019 registration year would be reduced below the 2017 registration fee level, which was in effect, by approximately 17.59 percent to ensure that fee revenues do not exceed the statutory maximum, and to account for the excess funds held in the depository. The proposed fees for the 2020 registration year would be reduced below the 2017 level by approximately 9.5 percent. The reduction of the current 2019 registration year fees (finalized on January 5, 2018) would range from approximately \$10 to \$9,530 per entity, depending on the number of vehicles owned or operated by the affected entities. The reduction in fees, for subsequent registration years, would range from approximately \$4 to \$3,565 per entity. Documents and comments are available in Docket No. [FMCSA-2018-0068](#).



**2018 Pocket Guide to Large Truck and Bus Statistics Available**

On August 18, 2018, FMCSA published the [2018 Pocket Guide to Large Truck and Bus Statistics](#). This guide highlights FMCSA's role in enforcement and in collecting and analyzing crash data and statistics to support its mission to prevent commercial motor vehicle-related fatalities and injuries. Sections include: Motor Carrier Management Information System; large trucks and buses overview; roadside inspections and violations; investigations; crashes; data quality; grant programs; and agency resources.

**American Transportation Research Institute Crash Predictor Model Updated**

On July 31, 2018, the American Transportation Research Institute (ATRI) released an [updated](#) Crash Predictor Model, "which statistically quantifies the likelihood of future crash involvement based on specific truck driving behaviors (e.g. prior crashes, violations and convictions)." ATRI highlighted several key findings in their press release:

- The top two behaviors for predicting future crash involvement, each with more than 100 percent increased likelihood of a future crash, are a reckless driving violation and a failure to yield right of way violation.
- Prior crash involvement continues to have a statistically significant relationship to future crash involvement with a 74 percent increase of the likelihood of being in a future crash.
- Women truck drivers were safer than male counterparts, in every statistically significant safety behavior, and men were 20 percent more likely to be involved in a crash than women. Several stable behaviors have emerged, across all three ATRI Crash Predictor Models (2005, 2011 and 2018), as statistically significant predictors of future crash involvement; including convictions for improper lane/location, reckless/careless/inattentive/negligent driving, and improper or erratic lane change.

**Small Business in Transportation Coalition Request for Exemption from ELD Requirements**

On July 9, 2018, FMCSA extended the comment period to July 16, 2018 on the Small Business in Transportation Coalition (SBTC) request for an exemption from the ELD requirements, for all motor carriers with fewer than 50 employees. This includes, but is not limited to, one-person private and for-hire owner-operators of commercial motor vehicles used in interstate commerce. Documents and comments are available in Docket No. [FMCSA-2018-0180](#).

**Update on Pilot for 18-21-Year-Old Ex-Military Drivers to Operate Vehicles in Interstate Commerce**

On July 6, 2018, FMCSA [published](#) the details and FMCSA's responses to comments on the 3-year pilot program to allow a limited number of individuals, ages 18 to 20, to operate commercial motor vehicles (CMVs) in interstate commerce, if they received specified heavy-vehicle driver training while in military service and were hired by a participating motor carrier. In a separate July 6, 2018, [notice](#), FMCSA asked for comments on the information to be collected during the pilot program. "This program will allow our Veterans and Reservists, to translate their extensive training into good-paying jobs, operating commercial vehicles safely across the country, while also addressing the nationwide driver shortage," [said](#) U.S. Secretary of Transportation Elaine L. Chao. Documents and comments are available in Docket No. [FMCSA-2017-0196](#) for the information collection, and Docket No. [FMCSA-2016-0069](#) for the pilot program.

**Highway Freight Conditions and Performance Report Provided to Congress**

On July 6, 2018, the Federal Highway Administration (FHWA) issued the first ever [Highway Freight Conditions and Performance Report](#) on the National Highway Freight Network (NHFN). The report uses data from FHWA's Freight Performance Measurement program to analyze the impacts of congestion and determine the operational capacity and efficiency of key freight routes throughout the United States. The latest data show the National Highway System is handling a record amount of freight, with trucks moving nearly 60 percent of the nation's total freight volume (representing 30 million tons), and close to 70 percent of total freight value (representing about \$34 billion), each year. The highway system remains the most used mode of transport for freight by tonnage and value of goods moved.

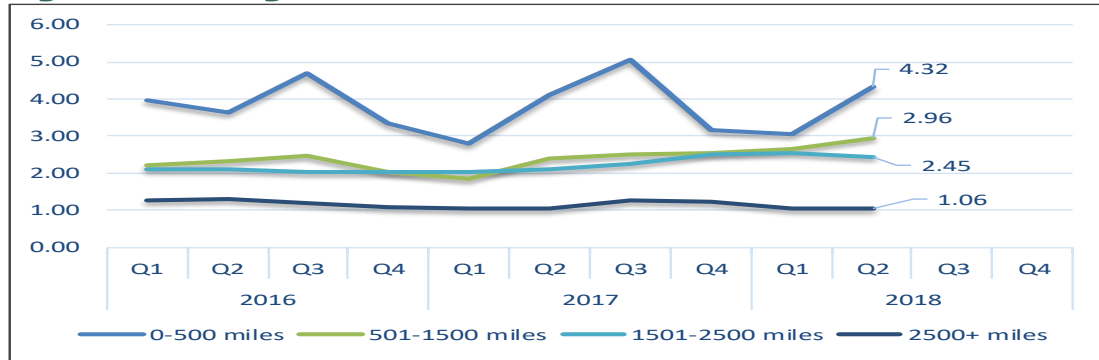
**United States Transportation Alliance Files Petition with FMCSA**

On July 3, 2018, FMCSA received a [petition](#) from the United States Transportation Alliance (USTA), which proposes revisions to hours of service and other rules. USTA proposes a 14/8/2 plan for a driver's work week of 80 hours in 7 days, with 14 flexible daily hours each day for work or driving; 8 flexible hours for sleeper berth; and 2 hours for personal use. Time spent loading and unloading would be subtracted from the 14 hours and all remaining hours could be used for driving. The 8-hour sleeper berth time could be split in combinations of 2 hours and 6 hours, 3 hours and 5 hours, and a full 8 hours sleeper time for single drivers and split sleeper berth every 6 hours, with a 4-hour minimum, for team drivers. The work week could be reset after 24 hours off-duty. Empty trucks could be used as personal conveyance to the driver's residence or company terminal. Loaded trucks could be used as a personal conveyance to safe parking within a 75 air-mile radius from the last shipper or receiver. The agricultural exemption would apply to a 250-mile radius of the source and to a 200-mile radius of the destination, with total time in one day not to exceed 18 hours.

# National Summary

## U.S. Truck Rates

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



Source: Agricultural Marketing Service, Specialty Crops Program, 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
2018	2.64	2.96			
2017	1.86	2.40	2.52	2.55	2.33
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 Program, Market News Division

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

Origin	2nd Qtr 2018			1st Qtr 2018		
	April	May	June	January	February	March
Arizona	2.90	n/a	n/a	3.62	2.88	2.69
California	2.97	2.99	3.71	3.35	2.81	2.70
Florida	2.63	3.16	2.89	2.49	2.74	2.56
Great Lakes	3.62	3.56	3.39	3.62	3.62	3.59
New York	2.97	3.23	3.44	2.99	3.02	2.87
Other	2.92	3.04	3.46	3.02	2.86	2.82
Mexico - Arizona	2.83	2.83	2.83	3.28	2.71	2.67
Mexico - Texas	2.77	2.66	2.69	3.29	2.71	2.77
PNW	2.17	2.12	2.02	2.65	2.24	2.18
Southeast	3.81	3.76	4.32	3.76	3.87	3.87
Texas	n/a	3.12	3.75	n/a	n/a	n/a

Source: Agricultural Marketing Service, Specialty Crops Program, 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, 2nd Quarter 2018 (\$/Mile)

Origin	Destination									
	Atlanta	Baltimore	Boston	Chicago	Dallas	Los Angeles	Miami	New York	Philadelphia	Seattle
Arizona	2.62	2.60	2.59	2.56	2.90	n/a	2.69	2.63	2.60	n/a
California	2.89	2.90	2.86	2.83	3.00	4.73	2.88	2.90	2.91	3.31
Florida	2.70	2.88	2.89	2.38	n/a	n/a	2.79	3.29	2.92	n/a
Great Lake	3.30	3.57	3.70	4.03	3.12	n/a	3.09	3.69	3.79	n/a
Mexico-Arizona	n/a	n/a	n/a	2.49	3.19	3.24	2.73	2.94	2.97	n/a
Mexico-Texas	3.36	3.20	3.09	2.90	3.45	2.28	3.02	3.18	3.14	2.79
New York	3.15	5.15	11.18	n/a	n/a	n/a	2.50	12.09	7.71	n/a
Other	2.77	2.70	2.76	2.76	3.71	1.92	2.44	3.18	2.72	n/a
PNW	2.26	2.41	2.43	2.35	2.20	2.11	2.25	2.48	2.44	7.72
Southeast	5.88	4.73	3.91	3.42	n/a	n/a	3.57	4.86	4.82	n/a
Texas	3.76	3.40	3.28	3.15	4.12	2.34	3.29	3.41	3.35	2.88

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

Note: "n/a" indicates rates not available

## Truck Rates for Selected Routes

Table 4: Origin-Destination Truck Rates for Selected Routes, 2nd Quarter 2018 (\$/Truck)

Origin	Destination									
	Atlanta	Baltimore	Boston	Chicago	Dallas	Los Angeles	Miami	New York	Philadelphia	Seattle
Arizona	5,500	6,750	7,500	5,200	3,775	n/a	7,000	7,100	6,900	n/a
California	6,480	7,898	8,760	5,983	4,444	1,050	8,125	8,266	8,098	3,490
Florida	1,368	2,765	3,994	3,055	n/a	n/a	669	3,791	3,179	n/a
Great Lake	3,474	4,038	4,347	1,440	3,457	n/a	5,279	4,497	3,847	n/a
Mexico-Arizona	n/a	n/a	n/a	4,473	3,123	1,815	6,204	7,350	7,135	n/a
Mexico-Texas	3,869	5,719	6,800	4,150	1,727	3,642	4,623	6,362	5,962	6,685
New York	3,150	1,700	1,900	n/a	n/a	n/a	3,625	1,813	1,773	n/a
Other	2,734	4,250	4,132	2,395	2,038	2,118	4,810	4,626	3,966	n/a
PNW	5,015	5,826	6,670	4,197	4,021	2,158	6,485	6,339	6,142	1,081
Southeast	1,555	2,410	3,679	2,912	n/a	n/a	2,264	3,186	2,695	n/a
Texas	3,989	5,856	6,961	4,278	1,772	3,550	4,806	6,478	6,089	6,683

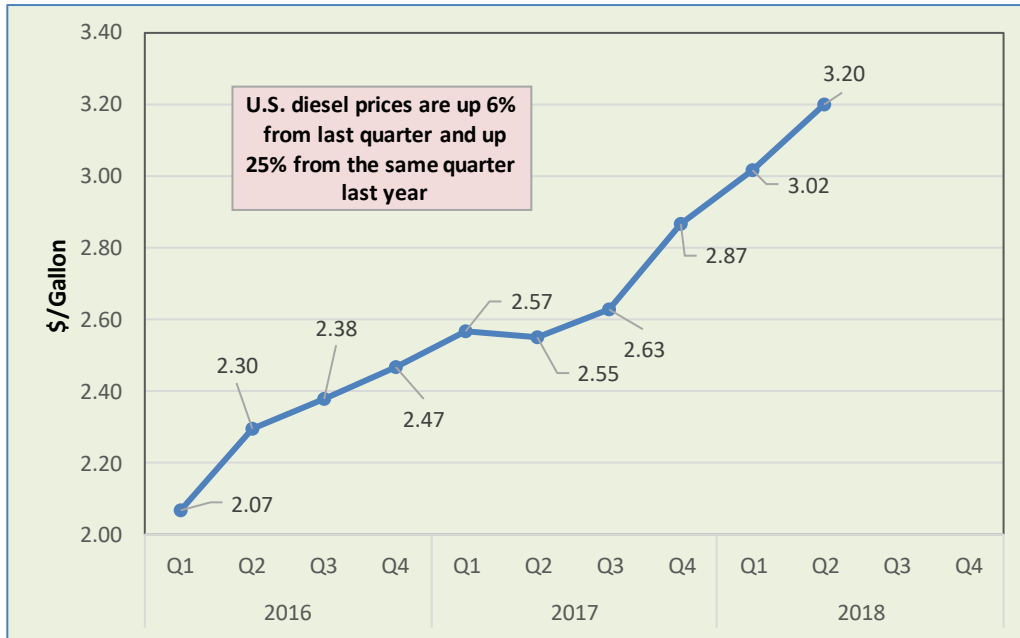
Source: Agricultural Marketing Service, Specialty Crops Program, Market News Division

Note: "n/a" indicates rates not available

## U.S. Diesel Fuel Prices

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

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



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

**Table 5: 2nd Quarter 2018 Average Diesel Fuel Prices (All Types - \$/Gallon)**

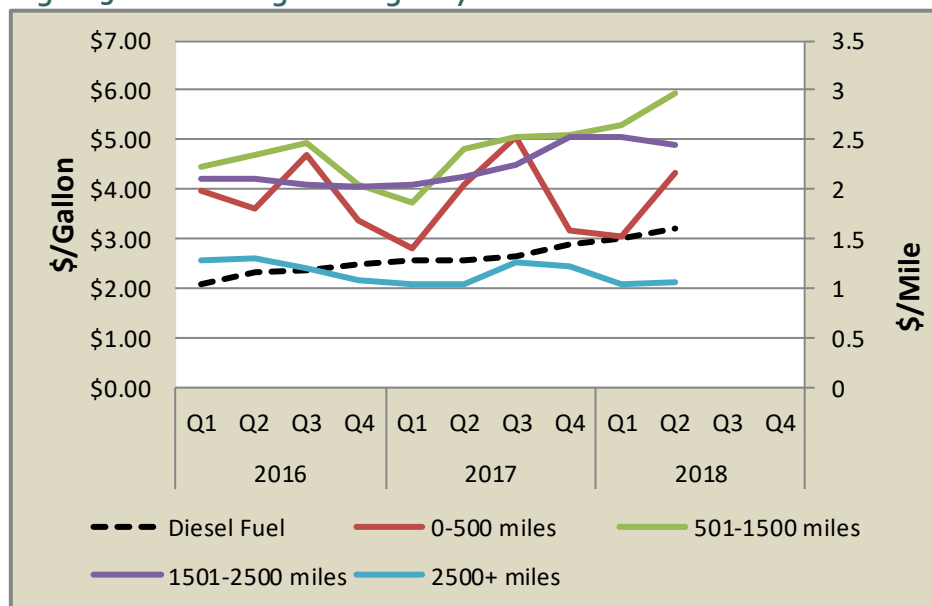
Location	Price	Change From	
		Last Quarter	Same Qtr Last Year
East Coast	3.20	0.14	0.61
New England	3.24	0.12	0.62
Central Atlantic	3.36	0.11	0.62
Lower Atlantic	3.08	0.17	0.60
Midwest	3.13	0.17	0.65
Gulf Coast	2.98	0.17	0.58
Rocky Mountain	3.26	0.31	0.62
West Coast	3.69	0.28	0.86
California	3.90	0.24	1.17
U.S.	3.20	0.18	0.65

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

## Relationship Between Diesel Fuel and Truck Rates

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

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



Sources:

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

Truck Rate: Agricultural Marketing Service, Specialty Crops Program, 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
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%
2017	Q1	2.57	1.86	4%	-9%	24%	-16%
	Q2	2.55	2.40	-1%	29%	11%	3%
	Q3	2.63	2.52	3%	5%	11%	2%
	Q4	2.87	2.55	9%	1%	16%	25%
2018	Q1	3.02	2.64	5%	4%	18%	42%
	Q2	3.20	2.96	6%	12%	25%	23%
	Q3						
	Q4						

Sources:

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

Truck Rates: Agricultural Marketing Service, Specialty Crops Program, Market News Division

**2nd Quarter 2018 Comparison Analysis**

Diesel fuel prices averaged \$3.20 per gallon this quarter, 6 percent higher than last quarter and 25 percent higher than the same quarter last year. Average truck rates for shipments between 501 and 1,500 miles were \$2.96 per mile, 12 percent higher than the previous quarter and 23 percent higher than the same quarter last year.



# Quarterly Truck Availability

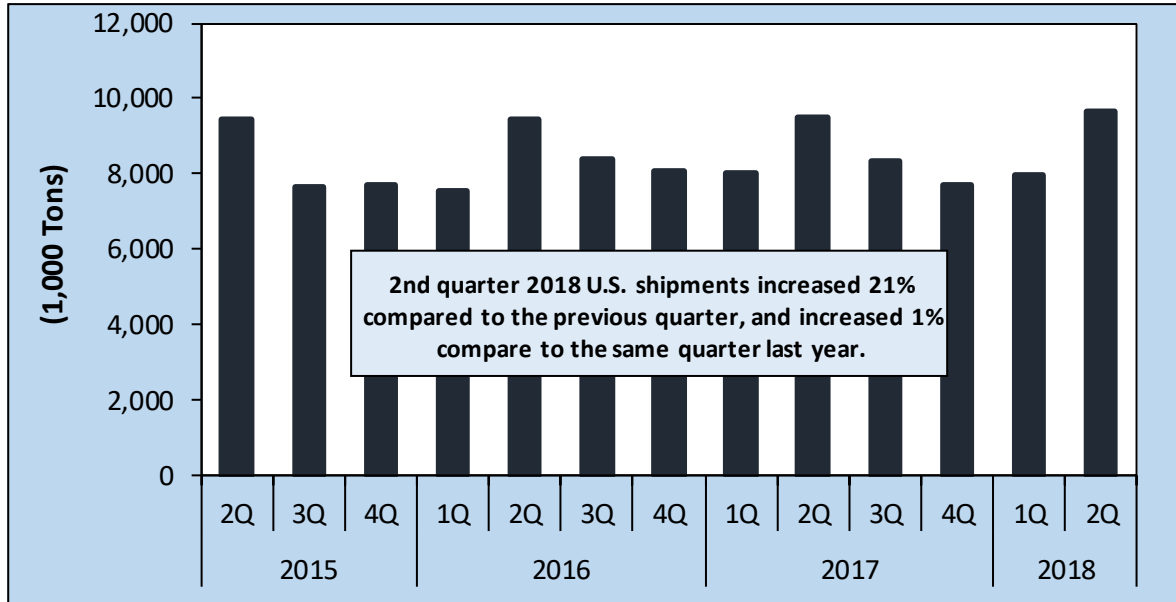
Table 7: U.S. Fresh Fruit and Vegetable Truck Availability, 2nd Quarter 2018

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>												
		4/3	4/10	4/17	4/24	5/1	5/8	5/15	5/22	5/29	6/5	6/12	6/19	6/26
<b>CALIFORNIA, CENTRAL, AND WESTERN ARIZONA</b>														
Central San Joaquin Valley, California	Broccoli, Iceberg Lettuce, Leaf Lettuce, Lettuce Romaine	4	4	3	3									
Imperial, Palo Verde And Coachella Valleys, California And Central And Western Arizona	Broccoli, Iceberg Lettuce, Leaf Lettuce, Lettuce Romaine, Cauliflower, Leaf Lettuce, Bell Peppers	4	4											
Kern District, California	Carrots, Potatoes	4	4	3	3	3	4	4	5	4	5	4	5	4
Oxnard District, California	Leaf Lettuce, Lettuce Romaine, Cabbage, Celery, Cilantro, Kale, Strawberries, Parsley	4	4	3	3	3	4	4	5	4	5	4	5	4
Salinas-Watsonville California	Broccoli, Iceberg Lettuce, Leaf Lettuce, Lettuce Romaine, Cauliflower	4	4	3	3	3	4	4	5	4	5	4	5	4
Santa Maria, California	Broccoli, Iceberg Lettuce, Leaf Lettuce, Cauliflower, Celery, Strawberries	4	4	3	3	3	4	4	5	4	5	4	5	4
South District California	Avocados, Citrus	3	3	4	3	3	3	3	4	4	5	5	4	3
Imperial, Coachella & Palo Verde Valleys California	Bell Peppers, Corn, Cantaloupes, Watermelons, Honeydews, Grapes			3	3	3	4	4	5	4	5	4	5	4
Central And Southern San Joaquin Valley California	Peaches, Nectarines, Plums												4	3
San Joaquin Valley, California	Onions													4
<b>FLORIDA</b>		4/3	4/10	4/17	4/24	5/1	5/8	5/15	5/22	5/29	6/5	6/12	6/19	6/26
Central & South Florida	Berries, Mixed Vegetables, Tomatoes, Melons	3	3	4	5	5	5	5	5	4	4	4		
Florida	Potatoes	3	3	3	3	3	3	3	3	3	3	3	3	3
South Florida	Melons	3	3	3	3	3	4							
<b>GREAT LAKE (MI &amp; WI)</b>		4/3	4/10	4/17	4/24	5/1	5/8	5/15	5/22	5/29	6/5	6/12	6/19	6/26
Central Wisconsin	Potatoes	3	3	3	3	3	3	3	3	3	3	3	3	3
Michigan	Apples	3	3	3	3	3	3	3	3					
<b>MEXICO BORDER CROSSINGS</b>		4/3	4/10	4/17	4/24	5/1	5/8	5/15	5/22	5/29	6/5	6/12	6/19	6/26
Mexico Crossings Through Nogales, Arizona	Mixed Vegetables, Cucumber, Honeydew, Squash, Tomato, Watermelon, Vegetables, Tomato Squash Cucumber Mango Honeydew Watermelon Mixed Fruits	3	5	3	3	4	4	5	5	5	5	4	4	3
Mexico Crossings Through Texas	Broccoli, Carrots, Tomatoes, Limes, Mangoes, Mixed Fruits, Vegetables, Limes Mangoes Watermelons Onions Tomatoes Broccoli Mixed Fruits, Limes Mangoes Onions Tomatoes Broccoli Mixed Fruits	4	3	3	3	4	4	4	5	4	5	5	3	2
<b>PACIFIC NORTHWEST (ID, OR, &amp; WA)</b>		4/3	4/10	4/17	4/24	5/1	5/8	5/15	5/22	5/29	6/5	6/12	6/19	6/26
Columbia Basin Washington	Potatoes, Onions	3	3	3	3	3	3	3	3	3	3	3	4	4
Idaho And Malheur County, Oregon	Onions	3	3	3	3	3	3							
Upper Valley, Twin Falls-Burley District Idaho	Potatoes	3	3	3	3	3	3	3	3	3	3	3	4	4
Yakima Valley & Wenatchee District Washington	Apples, Pears, Cherries.	3	3	3	3	3	3	3	3	3	4	4	4	4
<b>SOUTHEAST (GA, SC, &amp; NC)</b>		4/3	4/10	4/17	4/24	5/1	5/8	5/15	5/22	5/29	6/5	6/12	6/19	6/26
Eastern North Carolina	Sweet Potatoes	4	4	4	5	4	5	5	5	5	5		5	5
Vidalia District Georgia	Onions				3	3	3	3	3	3	3	3	4	4
South Georgia	Cabbage, Melons, Cucumber, Squash, Corn, Beans, Bell Pepper, Greens, Peaches, Eggplant, Peppers								3	3	4	4	4	4
South Carolina	Tomatoes, Melons											4	5	5
<b>TEXAS AND OKLAHOMA</b>		4/3	4/10	4/17	4/24	5/1	5/8	5/15	5/22	5/29	6/5	6/12	6/19	6/26
Lower Rio Grande Valley, Texas	Onions, Watermelons					4	4	4	5	4	5	5	3	2

<sup>1</sup> 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 Program, 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
2018	7,988	9,648			17,636
2017	8,017	9,518	8,334	7,722	33,592
2016	7,562	9,417	8,406	8,053	33,438
2015	8,166	9,433	7,659	7,699	32,957
2014	7,779	8,965	8,081	7,643	32,468
2013	7,451	8,972	7,762	6,546	30,731
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	6,960	29,550
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	27,755

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

## Reported Shipments by Selected Commodities

**Table 9: Reported Top 10 Commodity Shipments for 2nd Quarter 2018 (1,000 Tons)**

Commodity	2nd Quarter 2018	Previous Quarter	Same Quarter Last Year	Current Quarter as % change from:	
				Previous Qtr	Same Qtr Last Year
Watermelons, Seedless	1,103	70	1,134	1466%	-3%
Potatoes	1,070	1,118	1,174	-4%	-9%
Apples	767	914	740	-16%	4%
Onions Dry	669	540	691	24%	-3%
Strawberries	420	260	372	61%	13%
Tomatoes	373	432	407	-14%	-8%
Lettuce, Iceberg	356	294	326	21%	9%
Avocados	344	296	252	16%	36%
Corn-Sweet	335	120	350	180%	-4%
Lettuce, Romaine	274	291	263	-6%	4%

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

# Regional Markets

## California

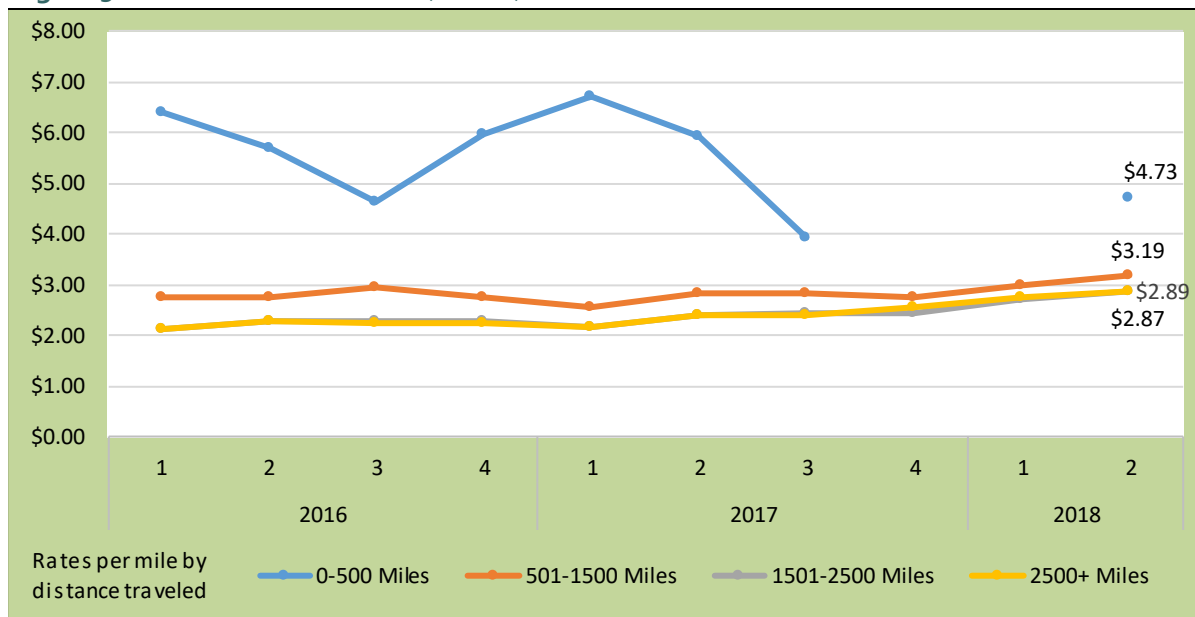
**Table 10: Reported Top Five Commodities Shipped from California (1,000 tons)**

Commodity	2nd Quarter 2018	Share of California Total	Previous Quarter	Same Quarter Last Year	Current Quarter as %	
					Previous Qtr	Same Qtr Last Year
Strawberries	404	18%	55	361	640%	12%
Lettuce, Iceberg	327	15%	43	292	658%	12%
Lettuce, Romaine	250	11%	49	238	413%	5%
Celery	162	7%	109	144	49%	13%
Onions Dry	106	5%	5	113	2143%	-6%
<b>Top 5 Total</b>	<b>1,249</b>	<b>56%</b>	<b>260</b>	<b>1,148</b>	<b>381%</b>	<b>9%</b>
<b>California Total</b>	<b>2,235</b>	<b>100%</b>	<b>589</b>	<b>2,128</b>	<b>280%</b>	<b>5%</b>

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

"-" indicates no reported shipments during the quarter.

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



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

Figure 6: California Truck Overview

Region/Reporting District	Availability Rating, 1=Surplus to 5=Shortage			
	April	May	June	2nd Quarter
Central And Southern San Joaquin Valley California	n/a	n/a	3.50	3.50
Central San Joaquin Valley California	3.50	n/a	n/a	3.50
Imperial, Palo Verde, And Coachella Valleys	4.00	n/a	n/a	4.00
Kern District California	3.50	4.00	4.50	4.00
Oxnard District California	3.50	4.00	4.50	4.00
Salinas-Watsonville California	3.50	4.00	4.50	4.00
San Joaquin Valley California	n/a	n/a	4.00	4.00
Santa Maria California	3.50	4.00	4.50	4.00
South District California	3.25	3.40	4.39	3.68
Imperial, Coachella & Palo Verde Valleys California	3.00	4.00	4.50	3.83
<b>Regional Average Availability</b>	<b>3.47</b>	<b>3.90</b>	<b>4.30</b>	<b>3.89</b>
<b>Diesel Fuel Price (\$/gallon)</b>	<b>3.77</b>	<b>3.94</b>	<b>3.98</b>	<b>3.90</b>

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

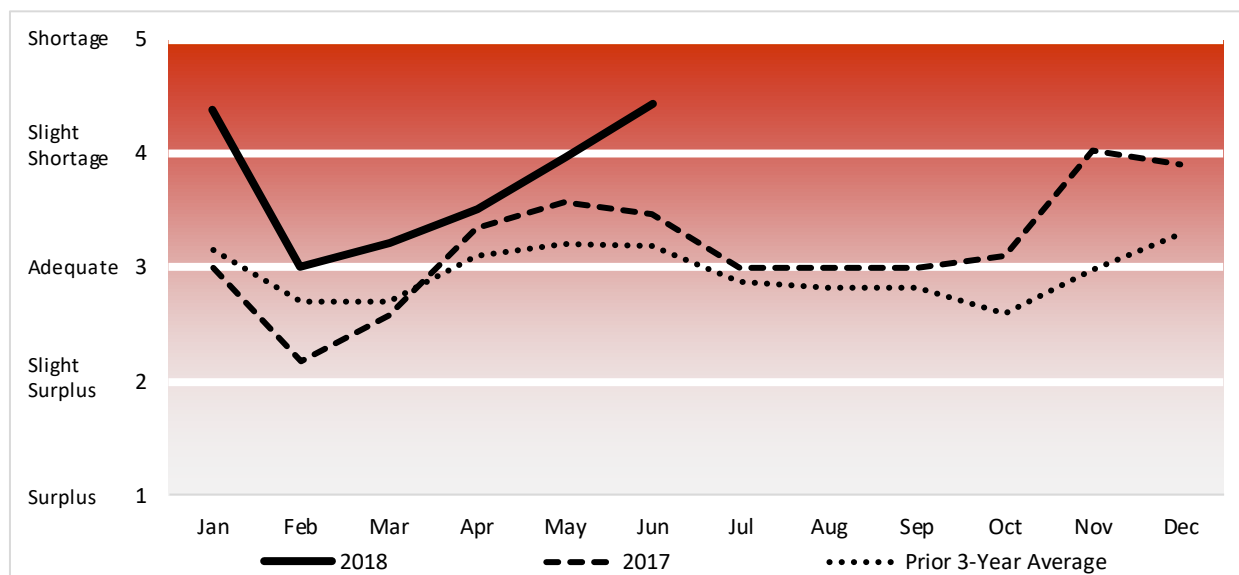
For the purpose of this report, the California sub-group of the West Coast PAD District 5 was used to represent the diesel fuel price.

**Volume:** Total reported shipments of fruits and vegetables from California during the second quarter of 2018 were 2.24 million tons, a 5 percent increase from the same quarter last year. The sum of the top five commodities increased 9 percent from the previous year, with strawberries shipments rising to the top followed by iceberg and romaine lettuces, celery, and dry onions.

**Rates:** The quarterly average truck rate for shipments between 501 and 1,500 miles was \$3.19 per mile, 7 percent higher than the previous quarter, and 12 percent higher than the same quarter last year.

**Truck Overview:** Diesel fuel prices averaged \$3.90 per gallon, 7 percent higher than the previous quarter, and 34 percent higher than the same period last year. Average truck availability in California districts progressed from adequate to shortage throughout the quarter. Shippers reported a slight shortage during the first 2 weeks of April, then adequate availability through the end of the month. Beginning in May most shippers report either a slight shortage or shortage through the end of June.

Figure 7: Refrigerated Truck Availability Monthly Ratings for California



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

## Pacific Northwest (PNW)

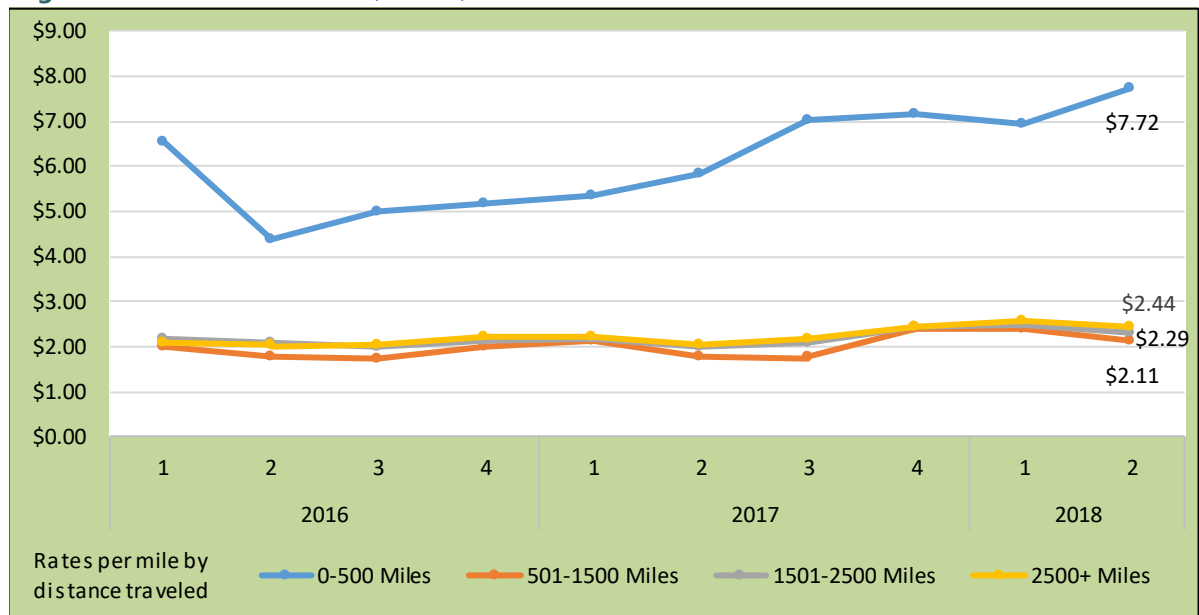
Table 11: Reported Top Five Commodities Shipped from PNW (1,000 tons)

Commodity	2nd Quarter 2018	Share of PNW Total	Previous Quarter	Same Quarter Last Year	Current Quarter as %	
					Previous Qtr	Same Qtr Last Year
Apples	707	46%	806	680	-12%	4%
Potatoes	539	35%	554	558	-3%	-3%
Onions Dry	137	9%	335	181	-59%	-25%
Cherries	86	6%	0	55	-	55%
Pears	69	4%	119	70	-42%	-1%
<b>Top 5 Total</b>	<b>1,538</b>	<b>99%</b>	<b>1,814</b>	<b>1,544</b>	<b>-15%</b>	<b>0%</b>
<b>PNW Total</b>	<b>1,551</b>	<b>100%</b>	<b>1,814</b>	<b>1,554</b>	<b>-14%</b>	<b>0%</b>

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

"-" indicates no reported shipments during the quarter.

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



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

Figure 9: PNW Truck Overview

Region/Reporting District	Availability Rating, 1=Surplus to 5=Shortage			
	April	May	June	2nd Quarter
Columbia Basin Washington	3.00	3.00	3.50	3.17
Idaho And Malheur County, Oregon	3.00	3.00	n/a	3.00
Upper Valley, Twin Falls-Burley District Idaho	3.00	3.00	3.50	3.17
Yakima Valley & Wenatchee District Washington	3.00	3.00	4.00	3.33
<b>Regional Average Availability</b>	3.00	3.00	3.67	3.22
<b>Diesel Fuel Price (\$/gallon)</b>	3.30	3.48	3.48	3.42

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

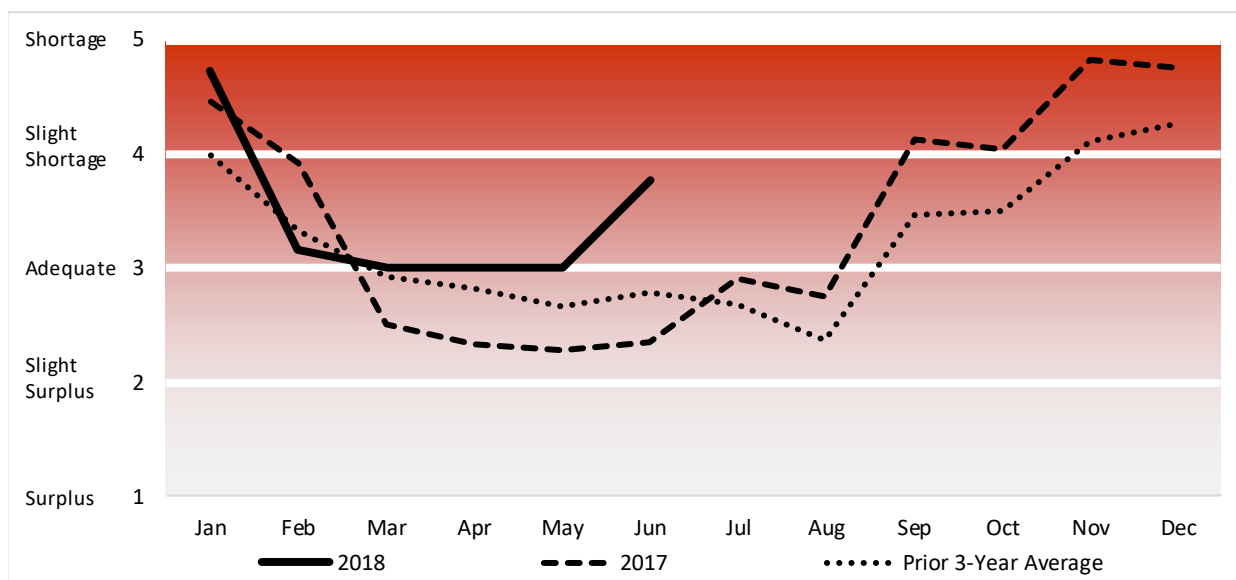
For the purpose of this report, the West Coast less California District was used to represent the diesel fuel price for PNW.

**Volume:** Total reported shipments of fruits and vegetables from the Pacific Northwest (PNW) during the second quarter of 2018 were 1.55 million tons, a decrease of 0.2 percent from the same quarter last year. Increases in apples, the top commodity, as well as cherries were offset by decreases in potatoes, dry onions, and pears.

**Rates:** The quarterly average truck rate for shipments between 501 and 1,500 miles was \$2.11 per mile, 11 percent lower than the previous quarter but 19 percent higher than the same quarter last year.

**Truck Overview:** Diesel fuel prices averaged \$3.42 per gallon, 11 percent higher than last quarter, and 25 percent higher than the same period last year. Shippers across the PNW reported adequate conditions for truck availability each week from April through May, however, availability slipped to a slight shortage in June.

Figure 10: Refrigerated Truck Availability Monthly Ratings for PNW



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



## Mexico Border Crossings

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

Commodity	2nd Quarter 2018	Share of Mexico-Tot Total	Previous Quarter	Same Quarter Last Year	Current Quarter as %	
					Previous Qtr	Same Qtr Last Year
Watermelons, Seedless	317	11%	69	295	358%	7%
Avocados	250	9%	272	185	-8%	35%
Tomatoes, Plum Type	193	7%	209	188	-8%	3%
Cucumbers	182	6%	259	164	-30%	11%
Tomatoes	181	6%	276	199	-35%	-9%
<b>Top 5 Total</b>	<b>1,122</b>	<b>39%</b>	<b>1,085</b>	<b>1,031</b>	<b>3%</b>	<b>9%</b>
<b>Mexico Total</b>	<b>2,852</b>	<b>100%</b>	<b>3,040</b>	<b>2,756</b>	<b>-6%</b>	<b>3%</b>

Source: Agricultural Marketing Service, Specialty Crops Program, 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			
	April	May	June	2nd Quarter
Mexico Crossings Through Nogales, Arizona	3.50	4.60	4.00	<b>4.03</b>
Mexico Crossings Through Texas	3.25	4.20	3.75	<b>3.73</b>
<b>Regional Average Availability</b>	3.38	4.40	3.88	<b>3.88</b>
<b>Diesel Fuel Price, through Arizona(\$/gallon)</b>	3.30	3.48	3.48	<b>3.42</b>
<b>Diesel Fuel Price, through Texas (\$/gallon)</b>	2.90	3.02	3.02	<b>2.98</b>

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.

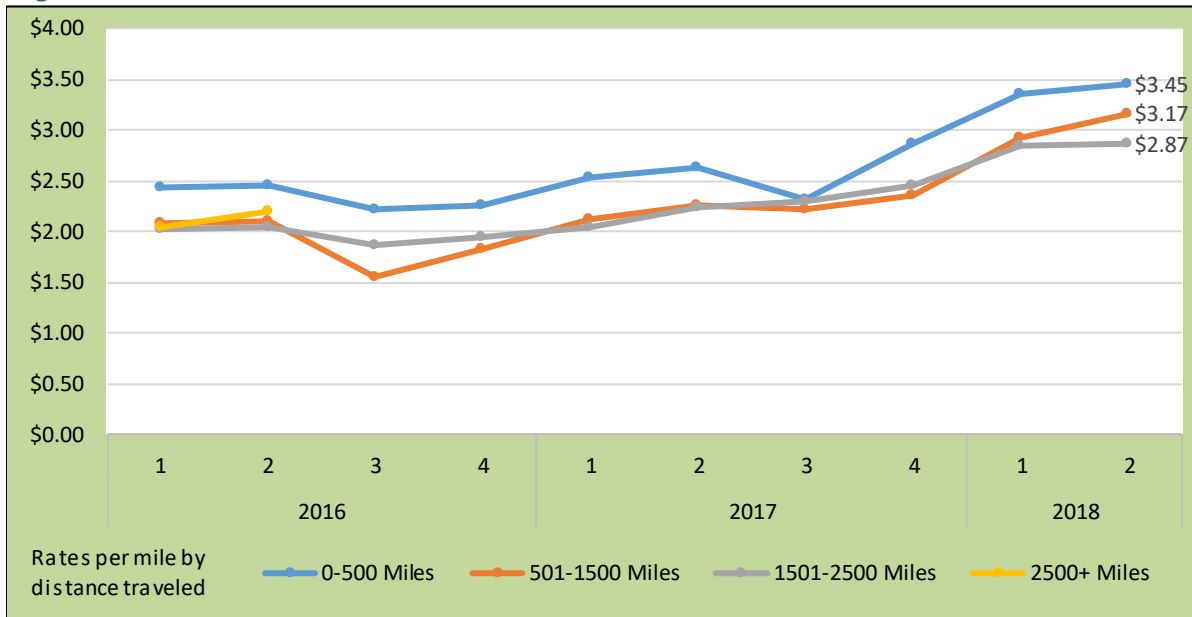
For the purpose of this report, the West Coast less California District was used to represent the diesel fuel price through Arizona.

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

Texas		California		Arizona	
Avocados	244	Onions Green	46	Watermelons, Seedless	317
Limes	141	Misc Tropical	44	Grapes	142
Mangoes	114	Peppers, Other	30	Cucumbers	104
Tomatoes	102	Tomatoes, Plum Type	28	Squash	92
Tomatoes, Plum Type	80	Cucumbers	20	Tomatoes, Plum Type	86
<b>Top 5 Total</b>	<b>621</b>	<b>Top 5 Total</b>	<b>202</b>	<b>Top 5 Total</b>	<b>405</b>
<b>Mexico-TX Total</b>	<b>1,302</b>	<b>Mexico-CA</b>	<b>371</b>	<b>Mexico-AZ</b>	<b>1,144</b>

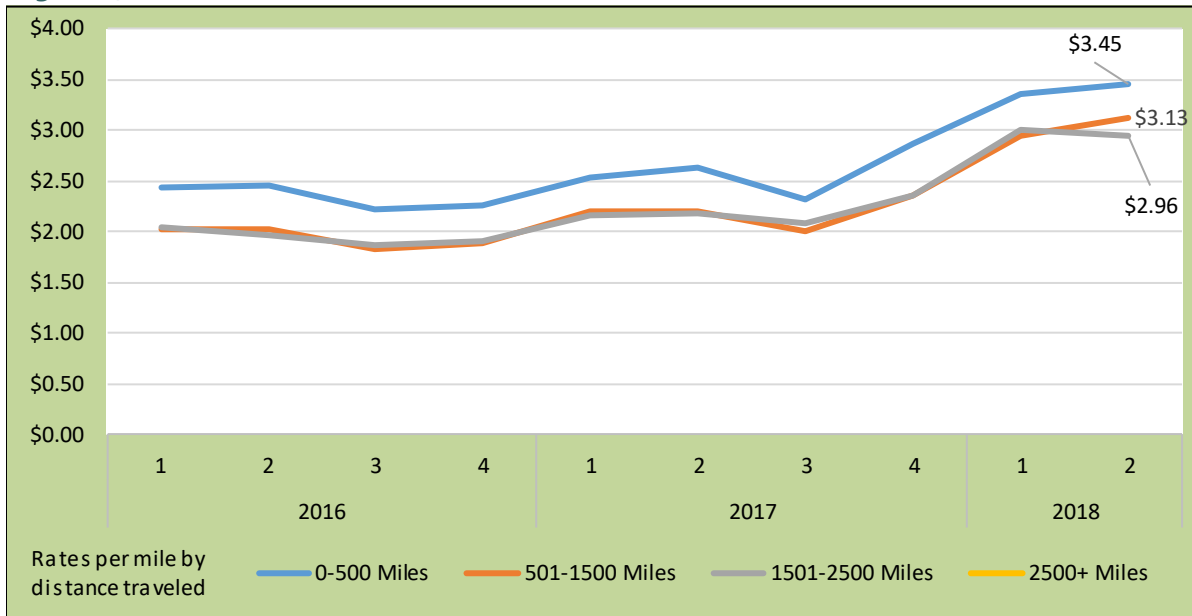
Source: Agricultural Marketing Service, Specialty Crops Program, Market News Division

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



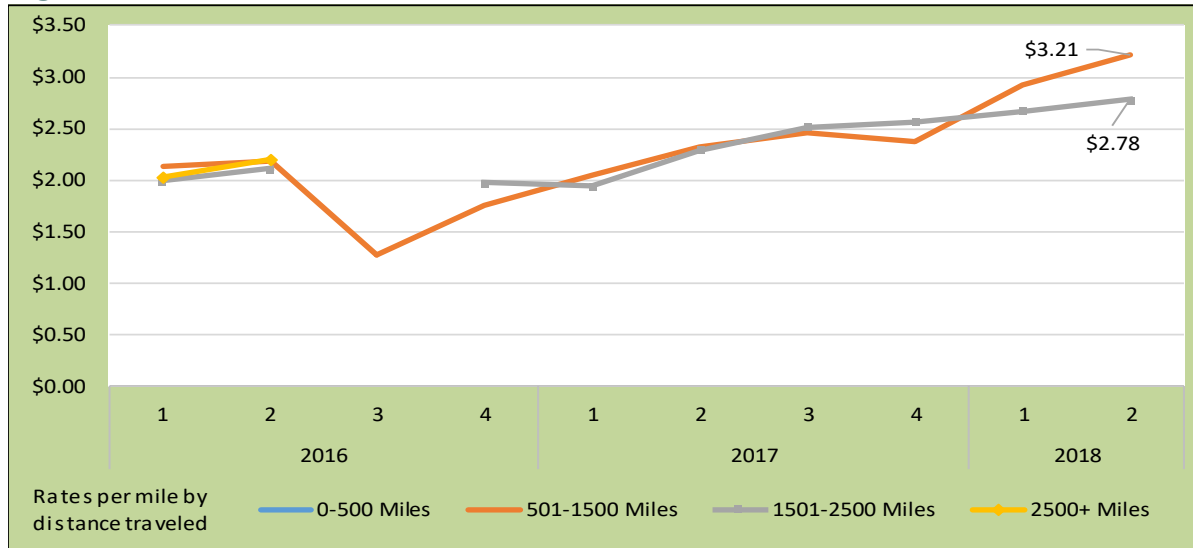
Source: Agricultural Marketing Service, Specialty Crops Program, Market News Division

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



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

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



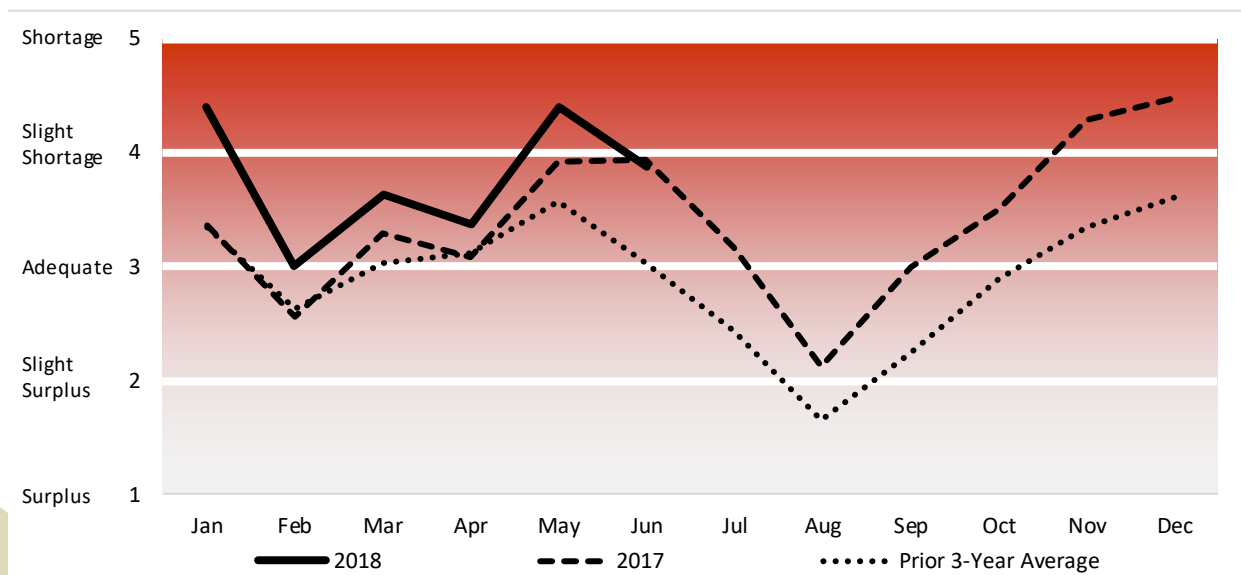
Source: Agricultural Marketing Service, Specialty Crops Program, Market News Division

**Volume:** Total reported shipments of fruits and vegetables from Mexico during the second quarter of 2018 were 2.85 million tons, 3 percent more than the same quarter last year. The sum of the top five commodities increased 9 percent from last year with increases in watermelons, avocados, plum tomatoes, and cucumbers, offsetting decreases in tomatoes.

**Rates:** Truck rates for shipments between 501 and 1,500 miles from the Texas border crossings averaged \$3.13 per mile, up 6 percent from the previous quarter, and 42 percent higher than the same quarter last year. Rates for shipments between 501 and 1,500 miles from the Arizona border crossings averaged \$3.21 per mile, up 10 percent from last quarter, and 39 percent higher than the same quarter last year.

**Truck Overview:** Diesel fuel prices for border crossings from Texas averaged \$2.98 per gallon, 6 percent higher than the previous quarter, and 24 percent higher than the same quarter last year. Diesel fuel prices for border crossings from Arizona averaged \$3.42 per gallon, 11 percent higher than the previous quarter, and 25 percent higher than the same period last year. Reported truck availability during April was generally adequate except for a slight shortage reported during the first week in April through Texas border crossings and a shortage reported during the second week of April through Arizona crossings. In May shippers reported persistent slight shortages and shortages until the end of June when reported availability eased to adequate and even a slight surplus through Texas crossings.

**Figure 15: Refrigerated Truck Availability Monthly Ratings for Mexico**



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

# Southeast

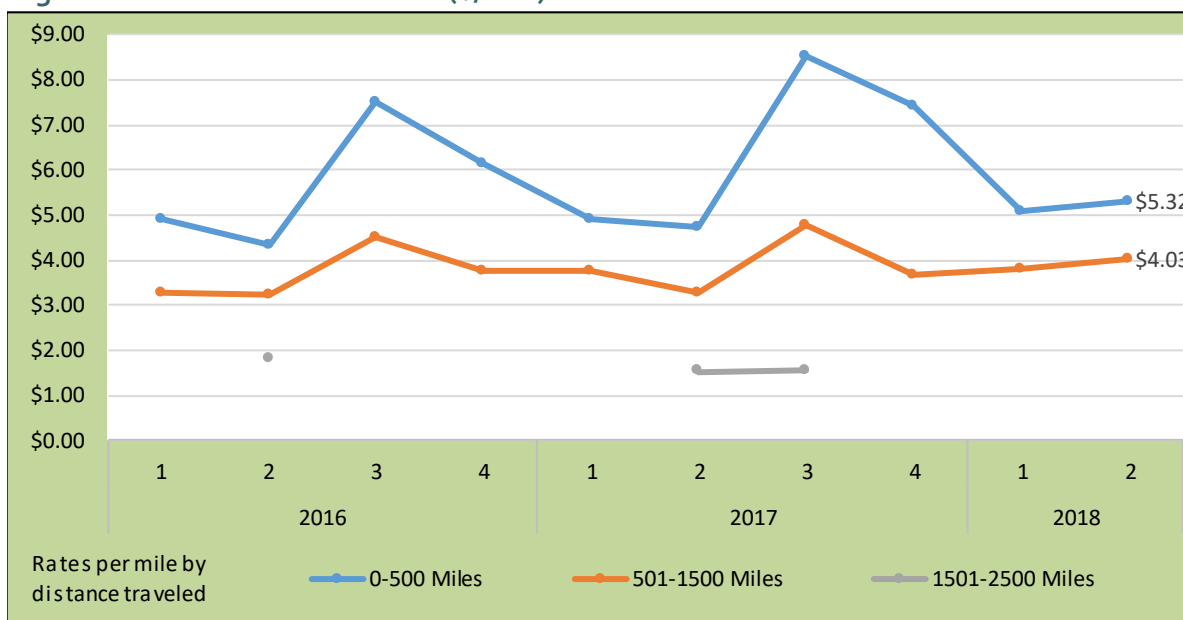
**Table 14: Reported Top Five Commodities Shipped from Southeast (1,000 tons)**

Commodity	2nd Quarter 2018	Share of Southeast Total	Previous Quarter	Same Quarter Last Year	Current Quarter as %	
					Previous Qtr	Same Qtr Last Year
Watermelons, Seedless	158	23%	0	289	-	-45%
Corn-Sweet	110	16%	0	119	-	-8%
Onions Dry	84	12%	0	104	-	-19%
Sweet Potatoes	83	12%	100	87	-17%	-5%
Cucumbers	32	5%	0	38	-	-16%
<b>Top 5 Total</b>	<b>466</b>	<b>67%</b>	<b>100</b>	<b>637</b>	<b>368%</b>	<b>-27%</b>
<b>Southeast Total</b>	<b>697</b>	<b>100%</b>	<b>131</b>	<b>875</b>	<b>433%</b>	<b>-20%</b>

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

"-" indicates no reported shipments during the quarter.

**Figure 16: Southeast Truck Rates (\$/Mile)**



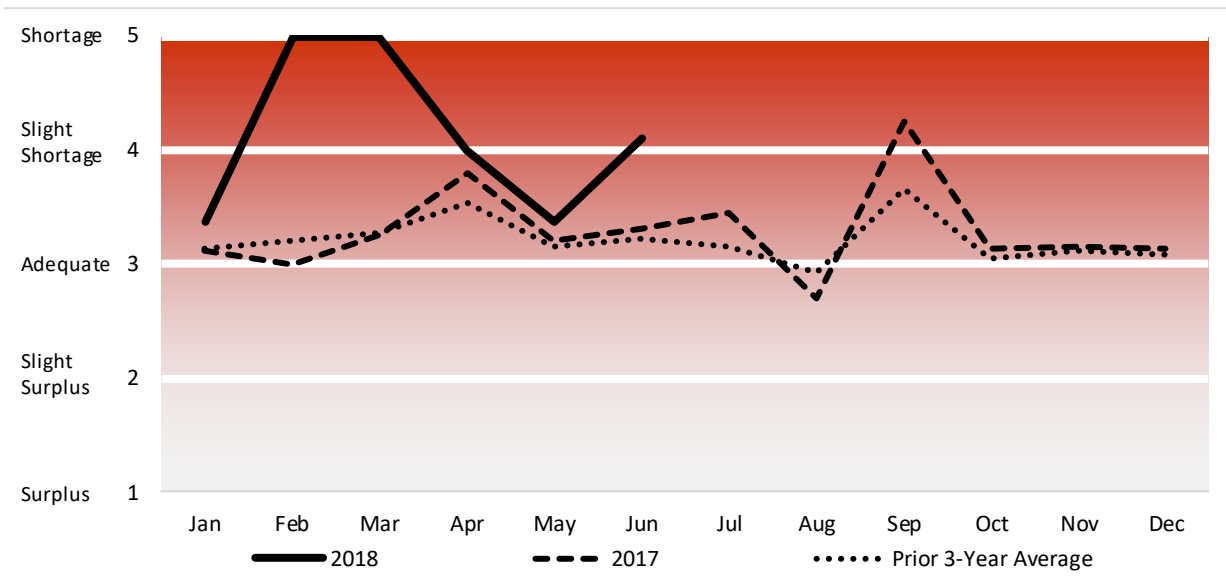
Source: Agricultural Marketing Service, Specialty Crops Program, Market News Division

**Volume:** Total reported shipments of fruits and vegetables from the Southeast during the second quarter of 2018 were 697 thousand tons, a 20 percent decrease from the same quarter last year. The sum of the top five commodities also decreased 27 percent from the same quarter last year, led by decreases for seedless watermelon, dry onions, cucumbers.

**Rates:** The quarterly average truck rate for shipments between 501 and 1,500 miles was \$4.03 per mile, 24 percent higher than last quarter.

**Truck Overview:** Diesel fuel prices averaged \$3.08 per gallon, 6 percent higher than the previous quarter and 24 percent higher than the same period last year. Sweet potato shippers in Eastern North Carolina reported slight shortage or shortage truck availability conditions in Eastern North Carolina throughout the quarter. Onion shippers in the Vidalia District of Georgia reported adequate conditions from late April through early June but ended June with slight shortage conditions. Shippers in South Carolina and South Georgia reported slight shortage and shortage conditions in June.

**Figure 17: Refrigerated Truck Availability Monthly Ratings for Southeast**



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

**Figure 18: Southeast Truck Overview**

Region/Reporting District	Availability Rating, 1=Surplus to 5=Shortage			
	April	May	June	2nd Quarter
Eastern North Carolina	4.25	4.80	5.00	<b>4.68</b>
South Carolina	n/a	n/a	4.67	<b>4.67</b>
South Georgia	n/a	3.50	4.00	<b>3.75</b>
Vidalia District Georgia	3.00	3.00	3.50	<b>3.17</b>
<b>Regional Average Availability</b>	<b>4.25</b>	<b>4.80</b>	<b>4.83</b>	<b>4.63</b>
<b>Diesel Fuel Price (\$/gallon)</b>	<b>2.99</b>	<b>3.13</b>	<b>3.13</b>	<b>3.08</b>

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 the Southeast

# Florida

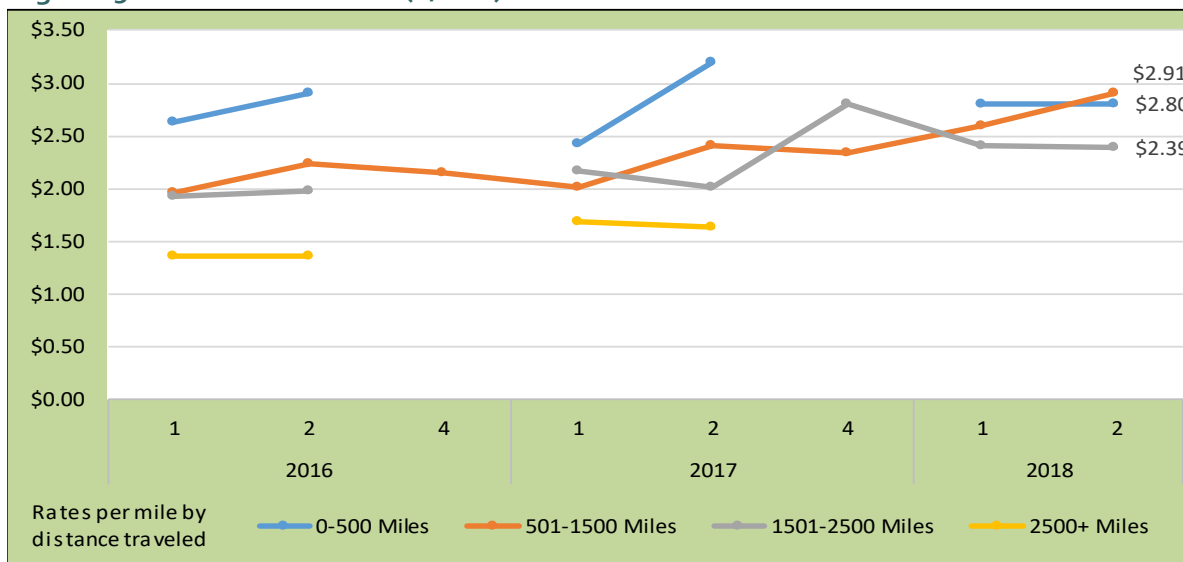
**Table 15: Reported Top Five Commodities Shipped from Florida (1,000 tons)**

Commodity	2nd Quarter 2018	Share of Florida Total	Previous Quarter	Same Quarter Last Year	Current Quarter as %	
					Previous Qtr	Same Qtr Last Year
Watermelons, Seedless	357	35%	1	319	-	12%
Corn-Sweet	145	14%	75	139	93%	5%
Tomatoes	144	14%	140	144	2%	0%
Potatoes	83	8%	-	83	-	0%
Watermelons, Seeded	42	4%	0	42	-	-2%
<b>Top 5 Total</b>	<b>771</b>	<b>75%</b>	<b>217</b>	<b>728</b>	255%	6%
<b>Florida Total</b>	<b>1,027</b>	<b>100%</b>	<b>718</b>	<b>984</b>	43%	4%

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

"-" indicates no reported shipments during the quarter.

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



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

**Volume:** Total reported shipments of fruits and vegetables from Florida during the second quarter of 2018 were 1.03 million tons, up 4 percent from the same quarter last year. The sum of the top five commodities increased 6 percent with increases in seedless watermelons and sweet corn outweighing small decreases in tomatoes, potatoes, and seeded watermelons.

**Rates:** The quarterly average truck rate for shipments between 501 and 1,500 miles was \$2.91 per mile, 12 percent higher than the previous quarter, and 21 percent higher than the same quarter last year.

**Truck Overview:** Diesel fuel prices averaged \$3.08 per gallon, 6 percent higher than last quarter, and 24 percent higher than the same period last year. Potato shippers in Florida reported adequate truck availability throughout the quarter, melon shippers in South Florida reported adequate conditions until the first week in May brought a slight shortage. Shippers in Central and South Florida reported adequate conditions for 2 weeks in April, then slight shortage and shortage conditions persisted into June.

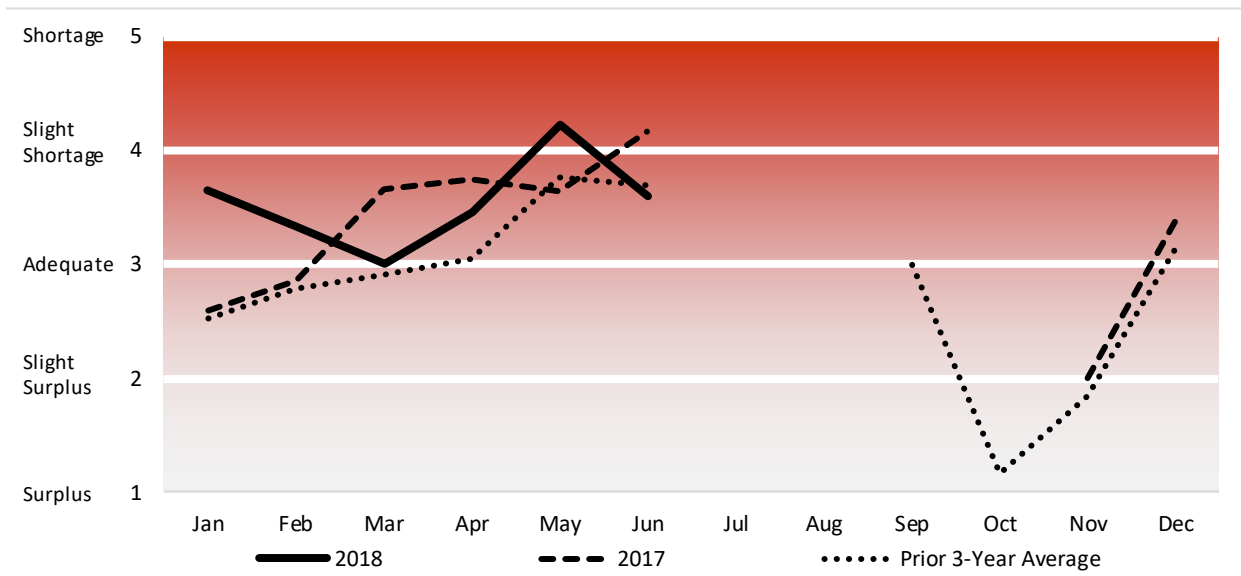
Figure 20: Florida Truck Overview

Region/Reporting District	Availability Rating, 1=Surplus to 5=Shortage			
	April	May	June	2nd Quarter
Central & South Florida	3.75	4.80	4.00	<b>4.18</b>
Florida	3.00	3.00	3.00	<b>3.00</b>
South Florida	3.00	3.27	n/a	<b>3.13</b>
North & West Florida	n/a	n/a	4.67	<b>4.67</b>
<b>Regional Average Availability</b>	3.25	3.69	3.89	<b>3.61</b>
<b>Diesel Fuel Price (\$/gallon)</b>	2.99	3.13	3.13	<b>3.08</b>

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.

Figure 21: Refrigerated Truck Availability Monthly Ratings for Florida



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



## Terms and References

**Data Sources:** This information is compiled from the weekly Specialty Crops *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 Specialty Crops *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>

Specialty Crops Truck Rate 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](http://www.nass.usda.gov/Statistics_by_Subject/index.php?sector=CROPS)

Refrigerated Truck Quarterly Datasets

<https://www.ams.usda.gov/services/transportation-analysis/agricultural-refrigerated-truck-quarterly-datasets>

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