The 2015 Produce Season Shipping Guide

Produce season 2015 is here, and in this **Freight Paper** we're going to discuss the busiest time of the year when it comes to full truckload shipping. Be sure to get more information on produce season 2015 by checking out <u>our blog series</u> on the subject.

What is produce season?

Produce season is the time of the year when most major fruits and vegetables are harvested, packed, and ready to be shipped to grocers across the country. Though this season can change depending on geographic location and weather, usually produce season begins in April and runs through the end of July. Prime produce locales include South Texas and the Rio Grande Valley, Southern California, and Central Florida.

How does produce season affect trucking?

Overall, shipping prices will increase during produce season as the demand for trucks increase. This increase consumes capacity in the region, while also pulling trucks out of nonproduce regions. As most produce is temperature controlled, "Reefers" are used to transport most fruits and vegetables – making a hard-to-find truck even more rare.

What is "capacity" in trucking?

Capacity is the primary factor in <u>determining pricing for</u> <u>truckload shipping</u>. Truckload markets are based on simple supply and demand, and this is where capacity comes in. If there are numerous trucks in a particular region, truck prices are going to be less expensive because the supply is equal to the demand. Conversely, if an area has very few operating carriers moving loads, prices will rise because they can set their own price. The demand is greater than the supply.

Capacity is determined by a truck-to-load ratio, and during produce season these "produce hot zones" suck up all the air in the room.



FreightPros at a Glance

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Freight Solutions

LTL Quoting & Transportation Management

Full Truckload Services

Strategic Carrier Planning

Billing Auditing

Fantastic Pricing

Why We Rock at Freight:

We Are Transparent with our Customers

We Treat our Customers as Partners

We Excel by Actively Embracing our Core Company Values:

- Support
- Produce
- Respect
- Balance
- Develop

With the majority of the carriers operating in a few regions (South TX, Southern CA, or Central FL), pressure is put on any carriers that are servicing regions outside of the produce boom. This market fluctuation occurs throughout the year, but is especially prevalent during produce season.

What to look for during 2015 produce season?

Each produce season is different, and paying attention to produce season trends can help with communication between you and <u>your freight broker</u>, while helping you keep costs down. Diesel fuel is at its lowest price in several years heading into produce season, and this means carrier costs should hypothetically be lower. But with fuel prices down, you can count on more shippers getting more product out the door. This contributes to filling up capacity, and raises shipping rates.

Another factor in 2015 produce season shipping prices is the driver shortage. Though the industry has installed new incentives and higher pay, driver growth is still slow. This limits the number of trucks in carrier fleets, and pushes freight prices up.

Overall, prices should stay steady from last season during produce season 2015. Fuel prices are lower, but capacity and driver shortage will encourage carriers to charge more for freight loads.

Conclusion

Hopefully this Freight Paper has clarified some of the practices that take place in full truckload shipping during produce season. Though prices should remain steady throughout, it's important to keep these facts in mind while you ship freight over the summer months.

As mentioned before, check out our <u>three-part 2015 produce season blog series</u>. Download all our <u>Freight Papers</u> (psst...they're **FREE**) and don't hesitate to give us a call at **888-297-6968**, or visit the website, <u>www.FreightPros.com</u>