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FOR-HIRE TRUCKING OF EXEMPT FARM PRODUCTS

OPERATING PRACTICES
AND NATURE OF COMPETITION

PREFACE

This report is the third of a series based on a general study suggested by the U.S. Department of Agriculture's Transportation Advisory Committee.

The first report, *The Role of Truck Brokers in the Movement of Exempt Agricultural Commodities*, Marketing Research Report 525, February 1962, by John H. Hunter, Jr., analyzed the operations of brokers of agricultural commodities in interstate commerce during 1959. Emphasis was given to the volume of commodities booked; characteristics of motor carrier firms using broker services; broker services to shippers, receivers, and motor carriers; and motor carrier charges and broker compensation.

The second report, *For-Hire Motor Carriers Hauling Exempt Agricultural Commodities--Nature and Extent of Operations*, Marketing Research Report 585, January 1963, by Mildred R. DeWolfe, presented information about the size of exempt for-hire motor carrier firms, length of time in business, type of equipment operated, amounts and types of commodities hauled, miles traveled, and origins and destinations of hauls.

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SUMMARY

During 1962, 137 interstate for-hire truckers of agricultural commodities not subject to Interstate Commerce Commission economic regulations were asked about sources of business, principal competition, methods of establishing rates, operating costs, trip-leasing, and equipment used. These exempt commodities include ordinary livestock and fish, as well as most unprocessed farm products.

Fifty-six percent of these regular for-hire truckers named other truckers in the same business as among their chief competitors. Railroads were named as important competitors by 12 percent, private truckers by 10 percent, and ICC-regulated trucks by 8 percent. Nearly all the truckers naming railroads as competitors were produce haulers, and all but one of the truckers who listed private carriers as competitors were livestock or grain haulers. Fourteen percent of the truckers, including a third of the milk haulers, reported no serious competition.

About two-thirds of the truckers who replied said they charged the same rates as their competitors.

About half the carriers indicated that they established the rates for their services. Shippers and truck brokers were also mentioned as significant in taking price-making leadership. Direct negotiations (between a shipper and a carrier or among a shipper, a receiver, and a carrier) were also mentioned as important in rate determination.

Ninety-five of the truckers said rates did not vary seasonally, while 22 said they did. Over half of the 22 who said that rates varied seasonally were produce haulers operating generally in the Eastern and Southern Regions of the country. Rate variations in most instances accompanied shortages or surpluses of motor truck equipment in relation to the demand, and more often than not occurred at the beginning or end of a seasonal harvest.

Forty-four percent of the exempt for-hire truckers relied on shippers to call them when transportation services were needed. Produce truckers relied on truck brokers more often than any other kind of truckers did. Receivers were a relatively unimportant source of business for all groups of truckers except milk haulers.

At the beginning of 1961, the average amount of equipment operated by regular for-hire trucking firms interviewed was 1.5 straight trucks, 4 tractors, 4.4 semi-trailers, and 0.2 full trailers per firm. Many firms leased equipment from others.

Fifty-five of the 75 truckers who reported what they thought their total costs were gave estimates between 21.3 and 33.7 cents per mile. Many estimates were either 25 or 30 cents. Of the 59 truckers who estimated their short-run direct operating costs, 44 estimated costs between 10.7 and 21.9 cents per vehicle mile. The figures most often given were 15 and 20 cents per mile.

A fourth of the truckers trip-leased some equipment to others at least once in 1961. Ten of the 33 truckers who trip-leased reported that over 25 percent of their income came from trip-leasing.

In addition to the truckers who regularly hauled for hire, 50 truck operators who only occasionally hauled for hire were interviewed. The information obtained from these operators indicated that the methods they used to obtain business, the sources of their competition, the level of charges they made, the amount of trip-leasing done, and other characteristics of their for-hire operations all corresponded closely to those reported by the truckers engaged mainly in for-hire hauling of exempt farm products.

FOR-HIRE TRUCKING OF EXEMPT FARM PRODUCTS

Operating Practices and Nature of Competition

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INTRODUCTION

Motor carriers hauling certain unprocessed agricultural commodities across State lines on a for-hire basis are exempt from economic regulation by the Interstate Commerce Commission. Much of the transportation involved in marketing agricultural commodities is performed by these operators.

Economic regulation by the Interstate Commerce Commission involves rates charged, routes traveled, and entry into or departure from the trucking business. The exemption from such regulation applies both to the vehicle and the commodity hauled. Rates and charges are freely negotiated by shipper and carrier. Common and contract truckers, owners of trucks used primarily within the owner's own business, and truckers engaged exclusively in hauling exempt commodities, all are free to engage in for-hire hauling of exempt commodities.

The exemption was written into the Interstate Commerce Act of 1935, and has been somewhat modified since that time. The part of the Act relating to the exemption, as it now reads, is given in the Appendix, together with a list of exempt and non-exempt commodities based on Administration Rulings 107 and 110 of the Bureau of Motor Carriers.

This report summarizes the findings of a study of the activities of firms engaged in for-hire carrying of exempt farm products. It covers source of loads, methods by which rates are established, principal sources of competition, operating costs, trip-leasing, and type and amount of equipment used.

DESCRIPTION OF INTERVIEWS

The data on which the report is based were obtained in personal interviews with operators of 297 trucking firms in the summer of 1962. Completed interviews totaled 187, 63 percent of the interviews planned (table 1). The other 110 interviews were not completed because (1) the person available for interview was not qualified to give the needed information; (2) the trucker was on the road; (3) the owner had sold out; (4) the owner had died; or (5) the firm could not be located. Twenty-seven or more interviews were completed in each of the six geographical regions (fig. 1).

Firms to be interviewed were selected from those satisfactorily completing the mail questionnaire used in a related study. ^{1/} Information on tonnage hauled in 1960 was supplied by each firm in the earlier study, and a summary of these figures indicated that a relatively few firms in any one area accounted for one-half of the total tonnage hauled. All of these large firms were included in the personal interview

^{1/} DeWolfe, Mildred R. For-Hire Motor Carriers Hauling Exempt Agricultural Commodities--Nature and Extent of Operations. U.S. Dept. Agr. Mktg. Res. Rpt. 585, January 1963.

Table 1.--Interviews with for-hire carriers of exempt farm products, by kind of firm and region

Kind of firm	North Atlantic	South Atlantic	East North Central	West North Central	South Central	Western	Total
	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers
Regular truckers hauling--							
Produce.....	15	14	2	2	7	4	44
Milk.....	7	2	8	--	4	2	23
Livestock-grain:	3	3	10	17	8	13	54
Other.....	--	3	2	6	4	1	16
Total.....	25	22	22	25	23	20	137
Occasional truckers hauling--							
Produce.....	4	3	--	1	5	5	18
Milk.....	--	--	--	--	--	--	--
Livestock-grain:	--	--	10	7	1	7	25
Other.....	2	2	--	1	1	1	7
Total.....	6	5	10	9	7	13	50
Grand total..	31	27	32	34	30	33	187

sample except in the West North Central Region, where so many firms had completed the mail questionnaire that only one-third of the large firms that hauled half the tonnage were chosen for interviews. In each region, enough small firms were added to bring the number to about 50 firms.

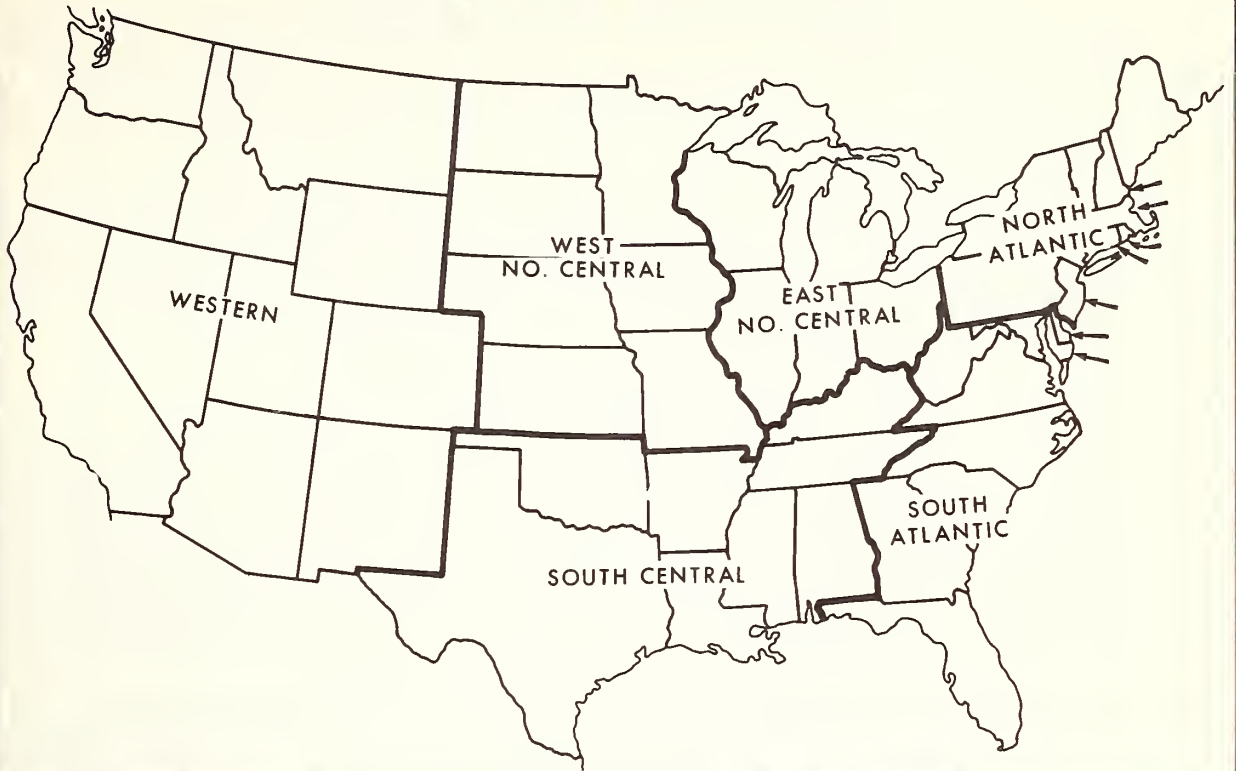
Of the operators interviewed, 137 were in the business of trucking exempt farm products on a for-hire basis (table 1). Interviews with at least 20 such truckers were completed in each region. These truckers are referred to as "regular truckers" throughout the report.

The other 50 operators interviewed--17 percent of the total--were found to be doing some for-hire hauling of exempt commodities, but to be using trucks primarily in connection with their own businesses. These truckers are referred to in the discussion as "occasional for-hire truckers."

The completed questionnaires were grouped according to the kind of commodities transported by the truckers interviewed, as follows: (1) Farm produce (mostly fruits and vegetables), (2) milk, (3) livestock-grain, and (4) "other".

Farm produce truckers ranged from firms using large-capacity equipment for cross-country hauling of fresh fruits and vegetables to local haulers using small trucks

REGIONS USED IN THE STUDY



U. S. DEPARTMENT OF AGRICULTURE

NEG. ERS 1650-62 (12) ECONOMIC RESEARCH SERVICE

Figure 1

to move produce from farms to canning plants or fruits and vegetables from wholesale produce markets to retail markets. Both refrigerated and nonrefrigerated trailers were included in the equipment used by this group of truckers.

The milk truckers were primarily involved in picking up milk at the farm and transporting it to bottling plants. Some of these firms also distributed milk from bottling plants. Firms using trucks adapted to haul milk in cans or in bulk were included.

The livestock-grain group includes truckers hauling only livestock, only grain, and both livestock and grain. The three were grouped together because of (1) the large proportion of firms that hauled both livestock and grain, and (2) the many similarities between truckers hauling livestock and those hauling grain.

Most of the truckers listed in the "other" group hauled poultry and eggs or cotton. Several of the poultry and egg trucking firms were in the West North Central Region and trucked to eastern cities on nearly a regular basis. Cotton trucking is primarily a seasonal business and firms are likely to lease a considerable amount of additional equipment for use during the busy season.

Methods Used to Obtain Business

Forty-four of the for-hire truckers whose primary business was hauling exempt agricultural products reported that they depended mainly on being contacted by shippers to obtain loads for their trucks. Other methods were personal solicitation by the trucker, reported by 12 percent; use of truck brokers, 12 percent; and contact by receivers, 7 percent.

The remaining 25 percent of the truckers obtained their business through a combination of two or three methods. The combinations of methods most often mentioned were contacts by shippers and by receivers (6 percent) and contacts by shippers and personal solicitation (5 percent). No other combination of methods accounted for over 4 percent of the total.

Commodity Groups

Livestock and grain haulers relied more heavily on shippers to contact them than did any other type of trucker (table 2). Sixty-one percent depended on this method, 11 percent on personal solicitation, and 11 percent on contact by receivers and shippers. A combination of personal solicitation and contacts by receivers and shippers, reported by 7 percent of the group, and contacts by receivers alone, reported by 6 percent, were the only other methods mentioned by more than one hauler in the livestock-grain group.

Thirteen of the 23 milk haulers depended for business on contacts by shippers. Six milk haulers depended on contacts by receivers, the only other source of loads mentioned by more than one of the group. Receivers were an unimportant source of business for the other three kinds of truckers.

A third of the produce haulers said they obtained their loads from truck brokers. Truck brokers were not an important source of loads for other groups.

Six of the 16 truckers in the "other" category obtained loads by being contacted by shippers. Four personally solicited their business, and three used both of these methods.

Truckers reported use of a wide variety of arrangements to enable their trucks to be at a point to load at a specified time. Some farm produce truckers hauling primarily for one shipper received calls from him regularly--weekly or even daily during the harvest season. In contrast, many of the livestock and grain haulers relied solely on farmers to call them when they had livestock or grain to be taken to market. These farmers needed the services of a hauler a relatively short time--a day or less.

Regional Differences

Six of the 22 regular truckers in the South Atlantic Region personally solicited their loads. Five used truck brokers. Three combined personal solicitation with use of truck brokers, and three others depended on contacts by shippers. This was the only region in which less than 40 percent of the haulers reported shippers as their source of loads (table 3).

Table 2.--Regular for-hire carriers of exempt farm products using specified methods to obtain business, by kind of trucker, 1961

Kind of trucker	Shipper		Truck broker		Receiver		Receiver-shipper		Personal solicitation		Personal solicitation and--		Other		Total
	Truckers	Percent	Truckers	Percent	Truckers	Percent	Truckers	Percent	Shipper	Truck broker	Receiver-shipper	Truckers	Percent	Truckers	
Produce.....	9	14	1	2	1	6	1	2	5	1	5	1	5	5	44
Milk.....	13	--	6	1	1	1	--	1	--	--	1	--	1	1	23
Livestock-grain..	33	1	3	6	6	6	1	1	--	4	--	4	--	--	54
Other.....	6	1	--	3	--	4	--	3	--	--	2	--	2	2	16
Total.....	61	16	10	8	8	17	7	5	5	5	8	5	8	137	
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Produce.....	21	32	2	5	2	14	5	11	11	2	11	2	11	100	
Milk.....	57	--	27	4	4	4	4	--	--	--	4	--	4	100	
Livestock-grain..	61	2	6	11	11	11	2	--	--	7	--	7	--	100	
Other.....	38	6	--	19	--	25	19	--	--	--	12	--	12	100	
Percentage of all truckers..	44	12	7	6	6	12	5	4	4	4	6	4	6	100	

Table 3.--Regular for-hire carriers of exempt farm products using specified methods to obtain business, by region, 1961

Region	Contact by shipper		Truck broker		Contact by receiver		Contact by shipper		Personal solicitation and--		Contact by Other		Total
	Truckers	Percent	Truckers	Percent	Truckers	Percent	Truckers	Percent	Truckers	Percent	Truckers	Percent	
North Atlantic.....	13		2		2		1		2		1		25
South Atlantic.....	3		5		1		--		3		2		22
East North Central..	13		1		1		1		--		1		22
West North Central..	13		2		--		5		1		1		25
South Central.....	10		5		2		--		--		2		23
Western.....	9		1		2		--		4		1		20
Total.....	61		16		8		7		5		8		137
		Percent		Percent		Percent		Percent		Percent		Percent	
North Atlantic.....	52		8		8		4		8		4		100
South Atlantic.....	14		23		4		--		14		9		100
East North Central..	60		4		4		4		--		4		100
West North Central..	52		8		12		20		--		4		100
South Central.....	43		22		9		--		--		9		100
Western.....	45		5		10		--		20		5		100
Percentage of all truckers.....	44		12		7		6		4		6		100

Three-fifths of the truckers in the East North Central Region reported that shippers contacted them. The predominance of this method of obtaining loads reflects the relatively large number of livestock and grain truckers in the region.

In the South Atlantic and South Central Regions, over a fifth of the truckers reported getting loads through truck brokers. Brokers were used more in these areas than in others.

Establishing Rates

Truckers were asked the main ways in which rates were established--by the carrier, the shipper, the broker, the receiver, or by negotiation. More than one method was given by some truckers. About half reported establishing their own rates. Shippers and truck brokers were of about equal importance in rate determination, each being mentioned as having price-making leadership by about 15 percent of the truckers. Also, negotiations (between the carrier and shipper and among the carrier, shipper, and receiver) were mentioned as a method of rate determination by 13 percent of the truckers. Rates were determined less frequently by receivers. This method was mentioned by only 5 percent of the truckers (table 4).

Table 4.--Methods of establishing trucking rates reported by regular for-hire carriers of exempt farm products, by kind of trucker, 1961

Kind of trucker	Rate established by--					Total replies <u>1/</u>
	Carrier	Shipper	Receiver	Truck broker	Negotiation	
	<u>Truckers</u>	<u>Truckers</u>	<u>Truckers</u>	<u>Truckers</u>	<u>Truckers</u>	<u>Number</u>
Produce.....	13	14	3	20	1	51
Milk.....	11	5	1	--	6	23
Livestock-grain...	40	6	3	1	6	56
Other.....	10	1	--	3	6	20
Total.....	74	26	7	24	19	150
	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
Produce.....	26	27	6	39	2	100
Milk.....	48	22	4	--	26	100
Livestock-grain...	71	11	5	2	11	100
Other.....	50	5	--	15	30	100
Percentage of all replies....	49	17	5	16	13	100

1/ Some truckers listed more than one method.

Commodity Groups

Twenty of the 44 farm-produce haulers interviewed mentioned truck brokers as quoting rates to them, 14 mentioned shippers as establishing rates, and 13 said that

they established their own rates. Farm-produce haulers were the only group for which truck brokers were important in rate determination.

Eleven of the 23 milk haulers said they quoted their own rates. One milk hauler in the Western Region mentioned rate determination by the receiver. Others reported that rates were determined by the shipper, by negotiation with the shipper, or by negotiation with the shipper and receiver.

Of the 54 livestock and grain truckers, 40 reported establishing their own rates. Rate quotation by shippers and negotiation of rates with shippers were each mentioned by six of these truckers. No other method was mentioned more than three times.

“Other” truckers reported direct negotiations with shippers as the main method of rate determination.

Several States regulate the economic activities of haulers whose only business is within the State, and also regulate intrastate hauls of truckers based in the State who do both intrastate and interstate business. Regulation involves supervision of rates charged by the trucker on his intrastate hauls. Reports that rates were set by the State Public Utilities Commission are included under “rate established by carrier” in tables 4 and 5.

Table 5.--Methods of establishing trucking rates reported by regular for-hire carriers of exempt farm products, by region, 1961

Region	Rate established by--					Total replies <u>1/</u>
	Carrier	Shipper	Receiver	Truck broker	Negotiation	
	<u>Truckers</u>	<u>Truckers</u>	<u>Truckers</u>	<u>Truckers</u>	<u>Truckers</u>	<u>Number</u>
North Atlantic.....	15	6	1	4	1	27
South Atlantic.....	5	10	1	11	4	31
East North Central..	15	4	--	1	2	22
West North Central..	16	1	3	1	4	25
South Central.....	9	3	--	5	6	23
Western.....	14	2	2	2	2	22
Total.....	74	26	7	24	19	150
	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
North Atlantic.....	56	22	4	14	4	100
South Atlantic.....	16	32	3	36	13	100
East North Central..	68	18	--	5	9	100
West North Central..	64	4	12	4	16	100
South Central.....	39	13	--	22	26	100
Western.....	64	9	9	9	9	100
Percentage of all replies.....	49	17	5	16	13	100

1/ Some truckers listed more than one method.

Regional Differences

Nearly two-thirds of the truckers in the East North Central, West North Central, and Western Regions, the predominant livestock-grain regions, said the carriers established the rates (table 5).

Truck brokers were reported as the rate establishers in 36 and 21 percent of the replies from the South Atlantic and South Central Regions, respectively, reflecting the higher proportion of produce haulers in these regions.

Rate Stability

Only 22 firms reported that their rates varied seasonally. More than four times as many firms reported no seasonal variation in rates (table 6). Upward variations accompanied a shortage of trucks at the beginning of a harvest season. Downward variations reflected an excess of trucks during slack seasons.

Most of the truckers who said that rates did not vary seasonally also said they had no extremely busy or slack seasons. Rate changes made by these haulers reflected the impact of changes in costs or in rates charged by competitors.

Over half the 22 trucks reporting seasonal rate variation were produce truckers. All were from the North Atlantic, South Atlantic, and South Central Regions. Western produce truckers who replied indicated that rates did not change seasonally. Five South Central Region firms in the milk, livestock-grain, and "other" groups reported seasonal rate variation. In the other regions, reports of seasonal rate variation among milk, livestock-grain, and "other" truckers were negligible.

Competition Encountered

The regular for-hire truckers interviewed were asked: "What were the sources of your competition for the traffic in exempt agricultural commodities?" Ninety replied that their principal competition was from others in the same line of work (table 7). Other competitors included railroads, mentioned by 19 truckers; ICC-regulated trucks, mentioned by 13; and trucks of firms engaged primarily in business other than transportation, reported by 10. Twenty-three reported no serious competition.

Since other regular for-hire truckers of exempt farm products were the most often mentioned competitors, it would seem that these carriers have an inherent advantage over other carriers in the hauling of some farm products. For example, the flexibility and speed of truck hauling provides an advantage in the marketing of livestock, grain, or fresh fruits and vegetables. Marketing the production of an individual farm is likely to be completed in a relatively short time, thus a few trucks can be used in transporting the output of several widely scattered farms. Similarly, pickup of small quantities of fresh milk from several farms on a regular route for immediate delivery to local bottling or processing plants seems to be most economically accomplished by for-hire truckers.

Some truckers mentioned competition from more than one type of carrier, with railroads competing for traffic moving one direction and other regular for-hire truckers for traffic in the other direction. For example, railroads compete with trucks for Florida produce going to New York, while other regular for-hire haulers are the principal competitors for carrying Long Island potatoes on the return trip. Sometimes

Table 6.--Regular for-hire carriers of exempt farm products reporting on seasonal variation in rates,
by region and kind of trucker, 1961

Region	No seasonal variation				Rates vary with season				No response	
	Truckers	Produce	Milk	Live-stock grain	Truckers	Produce	Milk	Live-stock grain		
North Atlantic.....	15	9	4	2	--	4	--	1	--	5
South Atlantic.....	14	9	1	2	2	2	1	--	1	4
East North Central..	19	--	8	10	1	2	--	--	1	--
West North Central..	25	2	--	17	6	--	--	--	--	--
South Central.....	11	2	3	4	2	4	1	2	2	3
Western.....	11	2	1	8	--	--	--	1	--	8
Total.....	95	24	17	43	11	12	2	4	4	20

Table 7.--Types of competition reported by regular for-hire carriers of exempt farm products, by kind of trucker, 1961

Kind of trucker	Similar truckers	None	Railroads	ICC-regulated truckers	Private carriers <u>1/</u>	Total replies <u>2/</u>
	Truckers	Truckers	Truckers	Truckers	Truckers	Number
Produce.....	26	5	13	7	---	51
Milk.....	14	8	---	2	1	25
Livestock-grain.....	39	7	3	2	16	67
Other.....	11	3	3	2	---	19
Total.....	90	23	19	13	17	162
	Percent	Percent	Percent	Percent	Percent	Percent
Produce.....	51	10	25	14	---	100
Milk.....	56	32	---	8	4	100
Livestock-grain.....	58	10	5	3	24	100
Other.....	58	16	16	10	---	100
Percentage of all replies.....	56	14	12	8	10	100

1/ Includes truckers occasionally hauling for hire.

2/ Some truckers listed more than one type of competition.

three modes of transportation are competitive on the same haul. Both railroads and waterways compete with for-hire truckers for Midwest grain traffic moving to the Southeastern States.

Two comparisons illustrate the widely varying competitive positions of the regular truckers interviewed. Operators with one or two trucks who pick up milk at farms and deliver it to processing plants have much less day-to-day competition to contend with than do cross-country haulers of fresh produce. Also, a hauler who, over a series of years, has worked out a business relationship with one canning plant to deliver fresh vegetables from nearby farms has a much stronger competitive position than a truck operator relying primarily on a truck broker to secure business for him.

Commodity Groups

Twenty-six farm-produce haulers mentioned other regular haulers and 13 mentioned railroads as being among their main competitors (table 7). Several farm-produce haulers domiciled in the South Atlantic Region mentioned railroads as competitors. The competition from the railroads is on the long-haul movement of Florida fruits and vegetables to the densely populated northeast-- Washington, D.C., Baltimore, Philadelphia, New York, and Boston. Continuing attempts by the railroads to improve service, including the initiation of "piggyback" trains with guaranteed delivery schedules, have caused farm-produce truckers to be keenly aware of rail competition on the Florida-north haul. Railroads were not reported as an important source of competition by any other group of haulers.

Fourteen of the milk haulers interviewed said that other regular for-hire haulers were their main competitors. A higher proportion of the milk haulers than of any other group (8 of the 23) reported no serious competition for their business. The high degree of perishability of fresh milk requires frequent farm pickup followed by rather immediate processing. Since one milk producer usually requires only a part of the capacity of one truck, milk haulers develop regular routes, picking up milk from several farms and delivering all of it to the same processor. There is little day-to-day competition. However, haulers do have potential competition from similar truckers and from farmers and receivers, who could transport the milk themselves.

Livestock-grain truckers mentioned other regular for-hire haulers as their principal source of competition. The livestock-grain truckers were the only group mentioning competition from private carriers.

Regional Differences

Sixteen of the 17 livestock and grain haulers who reported competition from private carriers were in the East North Central, West North Central, and Western Regions (table 8). In these regions, individual farming operations often are large enough to justify farm ownership of trucking equipment for marketing the farm's products.

Table 8.--Types of competition reported by regular for-hire carriers of exempt farm products, by region, 1961

Region	Kind of competition					Total replies
	Similar truckers	None	Railroad	ICC-regulated truckers	Private carriers	
						2/
					1/	
	Truckers	Truckers	Truckers	Truckers	Truckers	Number
North Atlantic.....	16	7	2	1	1	27
South Atlantic.....	15	3	7	5	--	30
East North Central...	15	2	2	1	5	25
West North Central...	19	3	1	2	6	31
South Central.....	10	6	5	4	--	25
Western.....	15	2	2	--	5	24
Total.....	90	23	19	13	17	162
	Percent	Percent	Percent	Percent	Percent	Percent
North Atlantic.....	59	26	7	4	4	100
South Atlantic.....	50	10	23	17	--	100
East North Central...	60	8	8	4	20	100
West North Central...	61	10	3	7	19	100
South Central.....	40	24	20	16	--	100
Western.....	63	8	8	--	21	100
Percentage of all replies.....	56	14	12	8	10	100

1/ Includes truckers occasionally hauling for hire.

2/ Some truckers listed more than one type of competition.

Competitors' Rates

The truckers were asked how their rates and services were adjusted to correspond to rates charged by competitors. Ninety-seven (71 percent) either did not know what rates competitors charged or did not supply information concerning their own rates as compared with competitors' rates (table 9).

Table 9.--Rates of regular for-hire carriers of exempt farm products compared with rates of their competitors, by region, 1961

Region	Same rate	Different rate				No response	Total
		More than competitors	Direction not indicated	Less than competitors			
	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	
North Atlantic.....	6	1	3	---	15	25	
South Atlantic.....	9	4	---	---	9	22	
East North Central..	3	1	---	1	17	22	
West North Central..	2	1	---	---	22	25	
South Central.....	---	4	---	---	19	23	
Western.....	5	---	---	---	15	20	
Total.....	25	11	3	1	97	137	

Of the 40 truckers who gave information on comparative rates, 25 said that their rates were the same as those of competitors. But 4 of the 25 added that in a limited number of cases their rates were above those of competitors. Eleven reported that their rates were higher than those of competitors. They justified higher rates on two grounds: (1) Superior service, and (2) the fact that there are always a few truckers who cut below the prevailing level. Three respondents did not indicate the direction in which their rates varied from those of competitors. Only one hauler said that he hauled for less than his competitors.

Cost Estimates

In the course of the interview, truckers were asked: (1) "What is your total overall breakeven cost per loaded mile?" (revenue level that enable trucker to stay in business), and (2) "what is your estimated out-of-pocket cost per loaded mile?" Most truckers reported their estimates in cents per running mile, so estimates per loaded mile were converted to estimates per running mile. This was done by multiplying cost per loaded mile by the trucker's loaded-to-total mileage ratio.

Total Costs

Seventy-five of the 137 regular for-hire truckers estimated their total costs per mile for a tractor and semitrailer combination. Estimates referred only to the truck. Costs of the operator's managerial and labor inputs were not included.

In table 10, the estimates are summarized in four groups: 21.2 cents or under, 21.3 to 27.5 cents, 27.6 to 33.7 cents, and 33.8 to 40 cents. Fifty-five of the estimates (73 percent) were between 21.3 and 33.7 cents per mile, 12 were 33.8 cents per mile or over, and 8 were 21.2 cents per mile or less.

Farm-produce haulers accounted for half the firms with estimates below 21.3 and above 33.7 cents per mile. Four-fifths of the livestock-grain and "other" haulers estimated costs between 21.3 and 33.7 cents per mile. The two most frequently mentioned estimates were 25 and 30 cents.

Eighty-four percent of the truckers in the Western Region estimated costs of 27.6 cents per mile or more (table 10). Sixty-two percent of those in the South Central Region estimated costs at 27.5 cents per mile or below.

Direct Operating Costs

Fifty-nine firms estimated their direct operating costs per mile for running a tractor-semitrailer combination in day-to-day hauling (table 11). In several cases, this estimate seemed to be the out-of-pocket costs the trucker considered when deciding whether to undertake a particular hauling job. Such estimates, even though quite low, reflect to some extent a figure which moves some agricultural traffic. A majority of the estimates fell within a range of 10.7 to 21.9 cents. Estimates by all truckers in the "other" category were within this range. Only seven of the truckers estimated 21.9 cents or more, the highest estimate being 27.5 cents. Eight estimated their costs at less than 10.7 cents; three of these estimated less than 10 cents.

Trip-Leasing

Nature

A trucker who wishes to carry nonexempt commodities in the direction of home may do so by trip-leasing, that is, by leasing his truck for the trip to a hauler possessing operating rights (certificates) issued by the Interstate Commerce Commission or other public regulatory agencies.

The best opportunities for workable trip-leasing arrangements arise when the primary hauls and the trip-lease backhauls occur on a year-round regular basis. For example, truckers hauling eggs from the Midwest to the east coast are likely to enter into such arrangements. Such operations make it possible for farm products to reach markets at a considerable distance from production areas, and for receivers to obtain a wider variety of competitively priced merchandise throughout the year.

Operators with a small number of trucks and those engaged primarily in hauling commodities of a seasonal nature reported that satisfactory trip-leasing arrangements were difficult for them to make. Reasons given for not trip-leasing were (1) that paperwork is complicated and arrangements are time-consuming, (2) that empty mileage may actually tend to increase in trip-leasing operations because the loading point for the trip-lease haul is often not close to the unloading point of the primary haul, and (3) that delays in loading the trip-lease haul and time required to deliver the load to an out-of-line delivery point are likely to interfere with regular loading schedules.

Table 10.--Estimates of total costs per mile for tractor and semitrailer rigs, regular for-hire carriers of exempt farm products, by kind of trucker and region, 1961

Kind of trucker and region	21.2 cents or under		21.3-27.5 cents		27.6-33.7 cents		33.8-40 cents		Total
	Truckers	Percent	Truckers	Percent	Truckers	Percent	Truckers	Percent	
Kind of trucker:									
Produce.....	4	16	6	24	9	36	6	24	25
Milk.....	---	---	4	57	1	14	2	29	7
Livestock-grain.....	3	9	11	33	16	49	3	9	33
Other.....	1	10	5	50	3	30	1	10	10
All truckers.....	8	11	26	34	29	39	12	16	75
Region:									
North Atlantic.....	---	---	5	50	3	30	2	20	10
South Atlantic.....	1	9	4	37	3	27	3	27	11
East North Central.....	1	11	3	33	4	45	1	11	9
West North Central.....	2	12	6	35	7	41	2	12	17
South Central.....	3	18	7	44	4	25	2	13	16
Western.....	1	8	1	8	8	67	2	17	12
All truckers.....	8	11	26	34	29	39	12	16	75

Table 11.--Estimates of direct operating costs per mile for tractor and semitrailer rigs, regular for-hire carriers of exempt farm products, by kind of trucker and region, 1961

Kind of trucker and region	10.6 cents or under		10.7-16.3 cents		16.4-21.9 cents		22-27.5 cents		Total
	Truckers	Percent	Truckers	Percent	Truckers	Percent	Truckers	Percent	
Kind of trucker:									
Produce.....	3	16	6	31	7	37	3	16	19
Milk.....	---	---	1	17	3	50	2	33	6
Livestock-grain.....	5	18	12	43	9	32	2	7	28
Other.....	---	---	4	67	2	33	---	---	6
All truckers.....	8	14	23	39	21	35	7	12	59
Region:									
North Atlantic.....	---	---	4	33	6	50	2	17	12
South Atlantic.....	---	---	4	67	---	---	2	33	6
East North Central.....	2	25	1	13	4	50	1	12	8
West North Central.....	3	21	6	43	5	36	---	---	14
South Central.....	2	18	5	46	4	36	---	---	11
Western.....	1	12	3	38	2	25	2	25	8
All truckers.....	8	14	23	39	21	35	7	12	59

Extent

Twenty-four percent of the haulers interviewed throughout the country engaged to some degree in trip-leasing of their equipment to others (table 12). Nineteen of the 44 farm-produce haulers trip-leased to some extent. Five of the 16 "other" haulers reported that they trip-leased in 1961. Fewer of the milk and livestock-grain haulers--9 and 13 percent--reported trip-leasing.

Forty-four percent of the haulers in the West North Central Region and 32 percent of those in the North and South Atlantic Regions reported trip-leasing (table 13). The practice was reported by a smaller proportion elsewhere: 15 percent in the Western Region, 13 percent in the South Central Region, and 5 percent in the East North Central Region.

Thirteen of the 19 farm-produce haulers engaging in trip-leasing were from the North Atlantic and South Atlantic Regions. Four of the five haulers in the "other" category who trip-leased were in the West North Central Region. All four were egg haulers. Six of the seven livestock-grain truckers engaging in trip-leasing were from the West North Central Region.

Income

Trip-leasing accounted for 25 percent or more of the gross income of 10 of the 33 firms trip-leasing. Nine firms reported that 6 to 24 percent of their gross income was from trip-leasing.

Equipment Owned and Leased

On January 1, 1961, 135 of the regular truckers controlled the operation of 207 straight trucks, 536 tractors, 589 semitrailers, and 25 full trailers which they owned or leased on an annual or continuing basis (table 14). This was an average of 1.5 straight trucks, 4 tractors, 4.4 semitrailers, and 0.2 full trailers per firm. Figures pertain to only 135 firms because all the equipment used by two firms was leased for periods of less than a year.

All 135 firms reported equipment operated at the beginning of 1961, and those that were in business at the beginning of 1956 reported equipment operated at that time. The average amount operated per firm reporting was greater in 1961 than in 1956.

In 1961, the milk haulers in the survey averaged 3.3 straight trucks per firm--more than other types of truckers. Produce and other haulers averaged slightly less than one straight truck per firm. Several milk haulers had only straight trucks for picking up milk at the farm for delivery to local bottling or processing plants. Straight trucks are better adapted for frequent pickups and for operation over secondary roads.

The average amount of equipment operated by the farm produce haulers decreased somewhat between 1956 and 1961, because one firm greatly decreased the size of its operation.

Truckers in States west of the Mississippi River accounted for most of the full trailers operated by the truckers interviewed (table 15). Length limitations in many of the Eastern States curtail the operation of full trailers.

Table 12.--Extent of trip-leasing by regular for-hire carriers of exempt farm products and percentage of income derived from trip-leasing, by kind of trucker, 1961

Kind of trucker	Trip-leasing		Percentage of income from trip-leasing				
	Replies	Number	Percent of total	5 and under	6-24	25 and over	Don't know
	Truckers	Truckers	Percent	Truckers	Truckers	Truckers	Truckers
Produce.....	44	19	43	4	7	5	3
Milk.....	23	2	9	1	---	---	1
Livestock-grain.....	54	7	13	2	2	3	---
Other.....	16	5	31	3	---	2	---
All truckers.....	137	33	24	10	9	10	4

Table 13.--Extent of trip-leasing by regular for-hire carriers of exempt farm products by region, 1961

Region	Trip-leasing		Kind of trucker trip-leasing				
	Replies	Number	Percent of total	Produce	Milk	Livestock-grain	Other
	Truckers	Truckers	Percent	Truckers	Truckers	Truckers	Truckers
North Atlantic.....	25	8	32	7	1	---	---
South Atlantic.....	22	7	32	6	---	---	1
East North Central.....	22	1	5	1	---	---	---
West North Central.....	25	11	44	1	---	6	4
South Central.....	23	3	13	1	1	1	---
Western.....	20	3	15	3	---	---	---
All truckers.....	137	33	24	19	2	7	5

Table 14.---Equipment operated by regular for-hire carriers of exempt farm products, by kind of trucker, 1956 and 1961

Kind of trucker	Equipment operated January 1, 1961													
	Straight trucks			Tractors			Semitrailers			Full trailers				
	Number	Average	Number	Total	Average	Number	Total	Average	Number	Total	Average	Number	Total	Average
Produce.....	44	.8	166	3.8	172	3.9	4							.1
Milk.....	23	3.3	90	3.9	93	4.0	1							--
Livestock-grain....	54	1.5	179	3.3	201	3.7	14							.3
Other.....	14	.9	101	7.2	123	8.8	6							.4
All truckers.....	135	1.5	536	4.0	589	4.4	25							.2
Equipment operated January 1, 1956														
Produce.....	37	.8	151	4.1	150	4.1	2							.1
Milk.....	21	3.1	46	2.2	44	2.1	--							--
Livestock-grain....	52	1.3	147	2.8	156	3.0	7							.1
Other.....	12	.7	61	5.1	61	5.1	8							.7
All truckers.....	122	1.4	405	3.3	411	3.4	17							.1

Table 15.--Equipment operated by regular for-hire carriers of exempt farm products, by region, 1956 and 1961

Region	Equipment operated January 1, 1961											
	Number of trucks		Straight trucks		Tractors		Semitrailers		Full trailers		Total	Average
	Number	Average	Number	Average	Number	Average	Number	Average	Number	Average		
North Atlantic.....	25	1.4	34	1.4	86	3.4	95	3.8	1	--	1	--
South Atlantic.....	22	.4	9	.4	111	5.0	124	5.6	--	--	--	--
East North Central..	21	3.4	71	3.4	43	2.0	51	2.4	--	--	--	--
West North Central..	24	1.4	33	1.4	115	4.8	121	5.0	4	.2	4	.2
South Central.....	23	1.0	23	1.0	116	5.0	127	5.5	2	.1	2	.1
Western.....	20	1.9	37	1.9	65	3.3	71	3.6	18	.9	18	.9
Total.....	135	1.5	207	1.5	536	4.0	589	4.4	25	.2	25	.2
Region	Equipment operated January 1, 1956											
	Number of trucks		Straight trucks		Tractors		Semitrailers		Full trailers		Total	Average
	Number	Average	Number	Average	Number	Average	Number	Average	Number	Average		
North Atlantic.....	23	1.1	26	1.1	58	2.5	57	2.5	--	--	--	--
South Atlantic.....	20	.5	9	.5	95	4.8	91	4.6	--	--	--	--
East North Central..	19	3.3	63	3.3	25	1.3	30	1.6	--	--	--	--
West North Central..	22	1.2	26	1.2	60	2.7	62	2.8	7	.3	7	.3
South Central.....	19	1.2	23	1.2	114	6.0	114	6.0	--	--	--	--
Western.....	19	1.4	26	1.4	53	2.8	57	3.0	10	.5	10	.5
Total.....	122	1.4	173	1.4	405	3.3	411	3.4	17	.1	17	.1

Truckers in the East North Central Region reported 3.4 straight trucks per firm-- more than in any other region. This reflects the fact that eight of the East North Central truckers were milk haulers. The average number of tractors and semi-trailers was lower in this region than in any other.

Twenty-two of the 137 firms leased some equipment from others (table 16). Two leased all the equipment they operated; 20 owned equipment in addition to that which they leased. Over three-fourths of the firms that leased equipment were either produce haulers or "other" haulers. Ten of the 16 "other" haulers in the survey operated leased equipment. Operators who leased equipment on an annual or longer-term basis usually provided regular service in both outbound and homebound directions. The two firms that leased all their equipment for less than 3 months conducted in effect both trucking and brokerage operations.

Table 16.--Regular for-hire carriers of exempt farm products operating leased equipment, by length of lease and kind of trucker, 1961

Kind of trucker	Firms operating leased equipment	Length of lease					Don't know
		Under 3 months	3-5 months	6-11 months	12 months and over		
	Truckers	Percent	Truckers	Truckers	Truckers	Truckers	Truckers
Produce.....	7	16	1	---	1	4	1
Milk.....	1	4	---	---	---	---	1
Livestock-grain...	4	7	1	1	---	2	---
Other.....	10	63	2	1	2	4	1
Total.....	22	16	4	2	3	10	3

Ten firms reported operating equipment leased on an annual or continuous basis in 1961 as follows:

	Firms ^{1/}	Amount of equipment
Tractors	10	83
Semitrailers	7	55
Straight trucks	1	1
Full trailers	1	1

^{1/} 5 firms accounted for 62 tractors, 3 for 38 semitrailers.

In 1956, 50 tractors were leased by 5 firms, 43 semitrailers by 3 firms, and 4 full trailers by one firm. Two firms accounted for 39 of the tractor and semitrailer combinations.

Twelve firms reported operating the following equipment leased for periods of less than a year in 1961:

	<u>Firms 1/</u>	<u>Amount of equipment</u>
Tractors	7	168
Semitrailers	8	162
Straight trucks	2	3
Full trailers	1	1

1/ 3 firms accounted for 139 tractors and 132 semitrailers.

In 1956, 3 firms leased 93 tractor and semitrailer combinations. Two firms accounted for 90 of the combinations.

Insurance Coverage

Public Liability and Property Damage

Eighty-three firms reported their public liability and property damage insurance coverage. Thirty-four had liability insurance coverage of \$300,000 to \$499,999 per accident and 26 had coverage of \$100,000 to \$299,999 (table 17). The most frequently reported coverages were \$100,000 and \$300,000. Nineteen firms carried less than \$100,000 and four carried \$500,000 or more.

Property damage insurance carried by the 83 firms ranged from \$5,000 to \$300,000. The two levels of coverage mentioned most often were \$25,000 and \$100,000.

Several truckers reported maintaining a higher coverage than they would otherwise carry in order to meet the requirements of one State through which they passed.

Cargo

Cargo insurance carried by the truckers interviewed ranged from none to over \$20,000 (table 18). Coverage of \$10,000 or more was maintained by 31 truckers. Twenty-five carried insurance of \$5,000 or more but less than \$10,000 and 50 carried \$1,000 to \$4,999. Ten reported no coverage, and seven reported coverage equal to the market value of the payload.

Several firms reported two levels of coverage. The purpose of two levels was to minimize insurance costs. The lower level of coverage, costing less, was in effect all the time. The higher was carried only when a high-value item was being hauled or during the harvest season of a high-value commodity such as strawberries. Milk haulers reported higher insurance coverage when carrying cream.

Truckers in the "other" category had the highest incidence of coverage of \$10,000 or over, because of the number of poultry and egg haulers in the group. Otherwise, little relation was evident between types of haulers and amounts of cargo insurance carried.

Table 17. ---Public liability and property damage insurance carried by regular for-hire carriers of exempt farm products, by region, 1961

Amount of insurance per accident	North Atlantic		South Atlantic		East North Central		West North Central		South Central		Western		United States	
	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers
Public liability:														
\$500,000 and over.....	2	--	2	2	2	2	--	--	--	--	--	--	4	4
\$300,000 to \$499,999.....	10	2	5	5	8	7	7	7	7	7	2	2	34	34
\$100,000 to \$299,999.....	6	7	3	3	5	5	1	1	1	1	4	4	26	26
Less than \$100,000.....	2	5	1	1	3	3	7	7	7	7	1	1	19	19
Total.....	20	14	11	11	16	16	15	15	15	15	7	7	83	83
Property damage:														
\$75,000 and over.....	4	2	3	3	7	7	3	3	3	3	--	--	19	19
\$50,000 to \$74,999.....	6	1	3	3	1	1	2	2	2	2	3	3	16	16
\$25,000 to \$49,999.....	4	4	1	1	4	4	4	4	4	4	3	3	20	20
\$5,000 to \$24,999.....	6	7	4	4	4	4	6	6	6	6	1	1	28	28
Total.....	20	14	11	11	16	16	15	15	15	15	7	7	83	83

Table 18. ---Amounts of cargo insurance carried by regular for-hire carriers of exempt farm products, by kind of trucker and region, 1961

Kind of trucker and region	\$20,000 and over		\$15,000- \$19,999		\$10,000- \$14,999		\$5,000- \$9,999		\$1-\$4,999		Market value of load		None		Don't know		Total		
	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	
Kind of trucker:																			
Produce.....	4	1	4	4	9	21	--	--	4	4	4	4	4	4	43	43			
Milk.....	2	1	--	--	2	8	3	3	3	3	3	3	5	5	24	24			
Livestock-grain.....	2	--	6	6	13	17	4	4	4	4	7	7	5	5	54	54			
Other.....	3	3	5	5	1	4	--	--	--	--	--	--	--	--	16	16			
Total.....	11	5	15	15	25	50	7	7	14	14	14	14	10	10	137	137			
Region:																			
North Atlantic.....	5	--	1	1	3	8	2	2	3	3	3	3	3	3	25	25			
South Atlantic.....	1	--	2	2	3	13	--	--	2	2	1	1	2	2	22	22			
East North Central.....	--	1	2	2	3	13	--	--	3	3	2	2	1	1	22	22			
West North Central.....	3	2	2	2	8	5	--	--	5	5	4	4	1	1	25	25			
South Central.....	1	2	7	7	6	4	--	--	2	2	1	1	2	2	23	23			
Western.....	1	--	1	1	2	7	5	5	7	7	3	3	1	1	20	20			
Total.....	11	5	15	15	25	50	7	7	14	14	14	14	10	10	137	137			

Knowledge of Safety Regulations

Of the 137 regular truckers interviewed, 131 had been contacted by the Interstate Commerce Commission about safety regulations in the past 3 years (table 19). Of the six reporting no contact by that agency, three engaged only in local hauling and three said intrastate hauls accounted for over 95 percent of their business. Four of the six obtained safety regulation material from other sources, such as State Police or State regulatory commissions. Only 2 of the 137 said they had received no information concerning safety regulations.

Table 19.--Regular for-hire carriers of exempt farm products contacted by the Interstate Commerce Commission about safety regulations, by region, 1961

Region	Contacted		Not contacted	
	Truckers	Percent	Truckers	Percent
North Atlantic.....	25	100	--	--
South Atlantic.....	22	100	--	--
East North Central.....	22	100	--	--
West North Central.....	22	88	3	12
South Central.....	22	96	1	4
Western.....	18	90	2	10
Total.....	131	96	6	4

Truckers receive safety information from the Interstate Commerce Commission by calls from their representatives, through the mail, or by being stopped at road-blocks. Regulations specify minimum requirements concerning qualifications of drivers, hours of driving, parts and accessories necessary for safe operation, and reporting of accidents.

MOTORTRUCKERS OCCASIONALLY HAULING EXEMPT FARM PRODUCTS FOR HIRE

Fifty of the 297 motor carriers interviewed operated trucks primarily for their own use but did some for-hire hauling. As indicated in table 1, there were no milk haulers among these firms. When these firms were not using their equipment to haul their own supplies or to distribute their products, they sometimes used it to haul exempt agricultural commodities on a for-hire basis. The frequency with which they hauled exempt commodities ranged all the way from regularly to seldom. The for-hire hauling generally was of two types. One was the backhaul, half the mileage of the trip being private and half for-hire. The other was for-hire hauling to make fuller use of equipment on a year-round basis, but particularly during slack periods of the firm's regular business.

Fifteen of the fifty firms discussed in this section of the report did some merchant trucking; that is, they sometimes bought agricultural products in one area, transported them to another area, and sold them. Twelve of these firms were livestock-grain haulers in the East and West North Central Regions. Such operations usually were on a truckload basis. When profits or profit expectations from such operations declined, the firms were likely to engage in nearly the same hauling activity but on a for-hire basis.

Identical questionnaires were used in the interviews with the regular truckers and the occasional for-hire truckers. Therefore, the tables follow the same pattern for each group.

Methods Used to Obtain Business

Most of the firms doing occasional for-hire hauling obtained their exempt loads through contacts by shippers (table 20). Personal solicitation was the second most often mentioned method of obtaining business. The dominance of these two methods reflects to some extent the inability of both shippers and haulers to know when equipment will be available for making for-hire hauls and when exempt agricultural commodities will be ready to be moved.

Establishing Rates

Nearly half the operators occasionally doing for-hire hauling established the rates they charged for their service (table 21). Rate determination by shippers and by negotiation (primarily with shippers) were the two other most often mentioned methods of establishing rates.

Of the 18 truck operators hauling farm produce, 7 said that they established rates, and 5 said that truck brokers established rates. The livestock-grain and "other" haulers were more likely than the farm produce haulers to establish their own rates.

Thirty-two firms reported that there was no seasonal variation in rates, and nine reported variations (table 22). This was about the same pattern as found in the replies of the regular for-hire truckers.

Competition Encountered

Most of these firms reported that regular for-hire truckers were their major competitors for exempt loads (table 23). One-fifth said that they encountered no severe competition. Similar replies were given by the regular for-hire truckers.

Thirteen of the truck operators making occasional for-hire hauls said they charged the same rates as competitors on the for-hire hauls. Ten said they did not. Seven of these said they could charge more than competitors because they provided better service. One of the truckers charging the same as his competitors also said he charged more than competitors in a few instances.

Cost Estimates 2/

Total Costs

Thirty-seven truck operators reported what they thought it cost them per mile to operate a tractor and semitrailer combination (table 24). Eighty-four percent of the estimates were between 21.3 and 33.7 cents per mile, about the same proportion as in the regular for-hire group.

2/ See pages 13 and 14 for cost concepts.

Table 20.--Occasional for-hire carriers of exempt farm products using specified methods to obtain business,
by kind of trucker and region, 1961

Kind of trucker and region	Contact by shipper		Truck broker		Contact by receiver		Personal solicitation		Personal solicitation and contact by shipper		Other		Total replies ^{1/}
	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	
Kind of trucker:													
Produce.....	8		4		2		5		--		3		22
Livestock-grain.....	17		1		--		9		--		2		29
Other.....	3		1		--		1		1		2		8
Total.....	28		6		2		15		1		7		59
Region:													
North Atlantic.....	2		--		--		--		1		2		5
South Atlantic.....	--		2		--		3		--		2		7
East North Central.....	6		1		--		1		--		2		10
West North Central.....	6		1		--		2		--		--		9
South Central.....	6		2		--		1		--		1		10
Western.....	8		--		2		8		--		--		18
Total.....	28		6		2		15		1		7		59

^{1/} Some truckers listed more than one method.

Table 21.--Method of establishing trucking rates, occasional for-hire carriers of exempt farm products, by kind of trucker and region, 1961

Kind of trucker and region	Rate established by--					
	Carrier	Shipper	Receiver	Truck broker	Negotiation	Total
	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers
Kind of trucker:						
Produce.....	7	3	1	5	3	19
Livestock-grain....	12	4	2	2	4	24
Other.....	3	2	--	--	2	7
Total.....	22	9	3	7	9	50
Region:						
North Atlantic.....	5	--	--	1	--	6
South Atlantic.....	--	1	--	2	3	6
East North Central..	7	--	--	1	1	9
West North Central..	4	1	2	1	1	9
South Central.....	--	3	--	1	3	7
Western.....	6	4	1	1	1	13
Total.....	22	9	3	7	9	50

Direct Operating Costs

Twenty-eight truck operators estimated direct operating costs of using a tractor and semitrailer combination in day-to-day hauling. Twenty-four of the estimates were between 10.7 and 21.9 cents per mile (table 25).

Trip-Leasing

Twelve (24 percent) of the firms occasionally doing for-hire trucking made one or more trip-leases in 1961 (table 26). An equal percentage of the regular for-hire truckers reported trip-leasing.

Five of the 12 firms that trip-leased reported that less than 5 percent of their total income came from trip-leasing. Three of the remaining seven received 25 percent or more of their income from this source. Interview results do not permit the trip-leasing done in connection with for-hire hauling of exempt farm products to be separated from that done in connection with a firm's regular business.

Equipment Owned and Leased

On January 1, 1961, 48 of the firms not primarily engaged in for-hire trucking controlled 68 straight trucks, 189 tractors, 232 semitrailers, and 5 full trailers (table 27). The average per firm was 1.1 straight trucks, 4.0 tractors, 4.8 semitrailers, and 0.1 full trailer, about the same as the average controlled by truckers

Table 22.--Occasional for-hire carriers of exempt farm products reporting seasonal variation in rates, by region and kind of trucker, 1961

Region	No seasonal variation			Rates vary with season			No reply
	Total	Produce	Livestock-grain	Total	Produce	Livestock-grain	
	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers
North Atlantic.....	4	2	--	--	--	--	2
South Atlantic.....	3	2	--	1	--	--	1
East North Central.....	9	--	9	1	--	1	--
West North Central.....	6	--	5	3	1	2	--
South Central.....	4	2	1	3	3	--	--
Western.....	6	3	2	1	--	1	6
Total.....	32	9	17	9	4	4	9

Table 23.--Types of competition reported by occasional for-hire carriers of exempt farm products, by kind of trucker and region, 1961

Kind of trucker and region	For-hire truckers regularly carrying exempt loads			None	Railroads	ICO-regulated truckers	Other truck owners	Water transportation	Total
	Truckers	Truckers	Truckers						
Produce.....	10	6	2	--	--	1	--	--	19
Livestock-grain.....	17	1	3	2	1	1	1	1	25
Other.....	4	3	1	1	--	--	--	--	9
Total.....	31	10	6	3	3	2	1	1	53
Region:									
North Atlantic.....	3	2	1	--	--	--	--	--	6
South Atlantic.....	2	3	2	--	--	--	--	--	7
East North Central.....	6	1	2	1	1	--	1	1	11
West North Central.....	7	--	--	1	1	1	--	--	9
South Central.....	4	3	--	--	--	--	--	--	7
Western.....	9	1	1	1	1	1	--	--	13
Total.....	31	10	6	3	3	2	1	1	53

Table 24.--Estimates of total costs per mile for tractor and semitrailer rigs, occasional for-hire carriers of exempt farm products, by kind of trucker and region, 1961

Kind of trucker and region	21.2 cents or under	21.3-27.5 cents	27.6-33.7 cents	33.8-40 cents	Total
	<u>Truckers</u>	<u>Truckers</u>	<u>Truckers</u>	<u>Truckers</u>	<u>Truckers</u>
Kind of trucker:					
Produce.....	1	6	3	2	12
Livestock-grain.....	1	10	7	2	20
Other.....	--	2	3	--	5
Total.....	2	18	13	4	37
Region:					
North Atlantic.....	--	1	3	--	4
South Atlantic.....	--	3	2	--	5
East North Central....	1	4	1	1	7
West North Central....	--	5	3	--	8
South Central.....	1	1	1	1	4
Western.....	--	4	3	2	9
Total.....	2	18	13	4	37

Table 25.--Estimates of direct operating cost per mile for tractor and semitrailer rigs, occasional for-hire carriers of exempt farm products, by kind of trucker and region, 1961

Kind of trucker and region	10.6 cents or under	10.7-16.3 cents	16.4-21.9 cents	22-27.5 cents	Total
	<u>Truckers</u>	<u>Truckers</u>	<u>Truckers</u>	<u>Truckers</u>	<u>Truckers</u>
Kind of trucker:					
Produce.....	1	5	2	2	10
Livestock-grain.....	--	8	5	1	14
Other.....	--	2	2	--	4
Total.....	1	15	9	3	28
Region:					
North Atlantic.....	--	--	1	2	3
South Atlantic.....	1	2	1	--	4
East North Central....	--	5	1	1	7
West North Central....	--	3	3	--	6
South Central.....	--	4	--	--	4
Western.....	--	1	3	--	4
Total.....	1	15	9	3	28

Table 26.--Extent of trip-leasing by occasional for-hire carriers of exempt farm products, and percentage of income derived from trip-leasing, by kind of trucker, 1961

Kind of trucker	Trip-leasing		Percent income from trip-leasing				
	Replies	Percent	5 and	6-24	25 and	Don't	
	Number	of	under		over	know	
		total					
	Truckers	Truckers	Percent	Truckers	Truckers	Truckers	Truckers
Produce.....	19	6	32	3	--	2	1
Livestock-grain..	24	4	17	2	--	1	1
Other.....	7	2	29	--	2	--	--
Total.....	50	12	24	5	2	3	2

making for-hire transportation their primary business. The amount of equipment used in hauling exempt loads was not identified.

Six of the occasional for-hire truckers leased equipment, all for periods of less than 12 months. On January 1, 1961, they had under lease 29 tractor and semitrailer combinations. The maximum in 1961 was 36 tractors and 35 semitrailers.

Two trucking firms that leased all their equipment accounted for 23 of the tractor and semitrailer combinations at the beginning of 1961. The maximum amount they leased in 1961 was 28 tractor and semitrailer combinations. These two firms reported having 13 tractor and semitrailer combinations under lease on January 1, 1956.

Insurance Coverage

Twenty-nine of the firms doing occasional for-hire trucking reported their public liability and property damage insurance coverage, and 30 reported their cargo insurance coverage.

Only one firm had less than \$100,000 public liability insurance per accident (table 28). Two had \$500,000 or more. Twenty-six had coverage ranging from \$100,000 to \$499,999.

Ten of the 29 firms had property damage insurance coverage of \$75,000 or more. Ten had between \$5,000 and \$24,999. Nine carried from \$25,000 to \$74,999 of insurance.

Of the 30 firms reporting their cargo insurance, 7 had coverage of \$10,000 or more (table 29). Eleven had coverage of \$5,000 to \$9,999. Four reported no coverage. One carried insurance to cover the market value of the load, and seven said they did not know the level of coverage.

Knowledge of Safety Regulations

Forty-seven of the occasional for-hire truckers had been contacted about safety regulations by the Interstate Commerce Commission (table 30). The three that were not contacted were small firms making predominantly intrastate hauls. One of the three had received safety information from the State Police.

Table 27.--Equipment operated by occasional for-hire carriers of exempt farm products, by kind of trucker, 1956 and 1961

Equipment operated January 1, 1961											
Kind of trucker	Number of truckers		Straight trucks		Tractors		Semitrailers		Full trailers		
	Number	Average	Total	Average	Total	Average	Total	Average	Total	Average	
Produce.....	17	2.0	34	2.0	97	5.7	126	7.4	--	--	
Livestock-grain....	25	1.0	24	1.0	73	2.9	88	3.5	1	--	
Other.....	6	1.7	10	1.7	19	3.2	18	3.0	4	.7	
Total.....	48	1.4	68	1.4	189	3.9	232	4.8	5	.1	
Equipment operated January 1, 1956											
Produce.....	14	1.6	22	1.6	50	3.6	60	4.3	--	--	
Livestock-grain....	22	.9	19	.9	47	2.1	50	2.3	--	--	
Other.....	6	1.0	6	1.0	11	1.8	12	2.0	3	.5	
Total.....	42	1.1	47	1.1	108	2.6	122	2.9	3	.1	

Table 28.--Public liability and property damage insurance carried by occasional for-hire carriers of exempt farm products, by region, 1961

Amount of insurance	North Atlantic	South Atlantic	East North Central	West North Central	South Central	Western	United States
	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers
Public liability:							
\$500,000 and over.....	--	--	--	1	--	1	2
\$300,000 to \$499,999.....	3	--	4	4	3	--	14
\$100,000 to \$299,999.....	--	2	2	3	3	2	12
Less than \$100,000.....	1	--	--	--	--	--	1
Total.....	4	2	6	8	6	3	29
Property damage:							
\$75,000 and over.....	1	1	4	2	2	--	10
\$50,000 to \$74,999.....	--	--	1	3	1	2	7
\$25,000 to \$49,999.....	1	--	--	--	1	--	2
\$5,000 to \$24,999.....	2	1	1	3	2	1	10
Total.....	4	2	6	8	6	3	29

Table 29.--Occasional for-hire carriers of exempt farm products carrying specified amounts of cargo insurance, by region and by kind of trucker, 1961

Kind of trucker and region	\$20,000- and over		\$15,000- \$19,999		\$10,000- \$14,999		\$5,000- \$9,999		\$1-\$4,999		Market value of load		None		Don't know		Total		
	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	Truckers	
Kind of Trucker:																			
Produce.....	2	--	1	4	9	1	1	--	--	1	18								
Livestock-grain.....	--	--	2	5	10	--	--	3	3	5	25								
Other.....	1	--	1	2	1	--	--	1	1	1	7								
Total.....	3	--	4	11	20	1	1	4	4	7	50								
Region:																			
North Atlantic.....	1	--	--	2	3	--	--	--	--	--	6								
South Atlantic.....	1	--	--	--	2	--	--	1	1	2	5								
East North Central.....	--	--	--	1	5	--	--	2	2	2	10								
West North Central.....	--	--	3	4	2	--	--	--	--	--	9								
South Central.....	1	--	1	1	2	1	1	1	1	4	13								
Western.....	--	--	--	3	6	--	--	--	4	7	20								
Total.....	3	--	4	11	20	1	1	4	4	7	50								

Table 30.--Occasional for-hire carriers of exempt farm products contacted by the Interstate Commerce Commission about safety regulations, by region, 1961

Region	Contacted		Not contacted	
	Truckers	Percent	Truckers	Percent
North Atlantic.....	6	100	--	--
South Atlantic.....	5	100	--	--
East North Central.....	7	70	3	30
West North Central.....	9	100	--	--
South Central.....	7	100	--	--
Western.....	13	100	--	--
Total.....	47	94	3	6

APPENDIX

The Agricultural Exemption

Part II, Interstate Commerce Act, Sec. 203

* * *

(b) Nothing in this part, except the provisions of section 204 relative to qualifications and maximum hours of service of employees and safety of operation or standards of equipment shall be construed to include * * *

(6) Motor vehicles used in carrying property consisting of ordinary livestock, fish (including shell fish), or agricultural (including horticultural) commodities (not including manufactured products thereof), if such motor vehicles are not used in carrying other property, or passengers, for compensation: Provided, That the words "property consisting of ordinary livestock, fish (including shell fish), or agricultural (including horticultural) commodities (not including manufactured products thereof)" as used herein shall include property shown as "Exempt" in the "Commodity List" incorporated in ruling numbered 107, March 19, 1958, Bureau of Motor Carriers, Interstate Commerce Commission, but shall not include property shown therein as "not exempt": Provided further, however, that notwithstanding the preceding proviso the words "property consisting of ordinary livestock, fish (including shell fish), or agricultural (including horticultural) commodities (not including manufactured products thereof)" shall not be deemed to include frozen fruits, frozen berries, frozen vegetables, cocoa beans, coffee beans, tea, bananas, or hemp, and wool imported from any foreign country, wool tops and noils, or wool waste (carded, spun, woven, or knitted), and shall be deemed to include cooked or uncooked (including breaded) fish or shell fish when frozen or fresh (but not including fish and shell fish which have been treated for preserving, such as canned, smoked, pickled, spiced, corned, or kippered products); . . . 3/

3/ The Interstate Commerce Act revised to October 1, 1958, page 124.

Composite Commodity List

Showing status under Section 203 (b) (6) of the Interstate Commerce Act of those commodities listed, based upon Administrative Rulings Nos. 107 and 110 of the Bureau of Motor Carriers. 4/

- Alfalfa, see Feeds
Animal fats-Not exempt
Animals, see Livestock
- Bagged commodities-Placing exempt commodities in bags does not affect their exempt status.
- Bananas-Not exempt
Bark, see Forest Products
Barley, see Grains
Bees-Exempt
Beeswax, crude, in cakes and slabs-Exempt
Beet pulp, see Feeds
Beets, sugar-Exempt
Berries, see Fruits
Bran, see Feeds
Broom corn, threshed and baled-Exempt
Bulbs, see Horticultural Commodities
Butter-Not exempt
Buttermilk-Exempt
- Canned fruits and vegetables-Not exempt
Carnauba wax as imported in slabs or chunks-Not exempt
Castor beans-Exempt
Cattle, live, see Livestock
Cattle, slaughtered-Not exempt
Charcoal-Not exempt
Cheese-Not exempt
Cheese, cottage-Not exempt
Cheese, cream-Not exempt
Christmas trees, plain, sprayed, or coated-Exempt
Citrus fruits, see Fruits
Coal-Not exempt
Cocoa beans-Not exempt
Coffee beans-Not exempt
Coffee, roasted-Not exempt
Coffee, instant-Not exempt
Containers, crates, and boxes which have been used in the movement of exempt commodities and are being returned for reuse-Exempt
Containers, new for use in shipping exempt commodities-Not exempt
Copra Meal-Not exempt
Corn, see Grain
Corn, cobs-Exempt
Corn cobs, ground-Exempt
Corn fodder-Exempt
Cottage Cheese, see Cheese
Cotton, carded but not spun, woven, or knitted-Exempt
- Cotton, ginned or unginned-Exempt
Cotton linters-Exempt
Cotton waste, consisting of scraps of cotton fibre not spun, woven, or knitted-Exempt
Cotton yarn-Not exempt
Cottonseed, whole-Exempt
Cottonseed cake-Not exempt
Cottonseed, dehulled-Exempt
Cottonseed hulls-Exempt
Cottonseed meal-Not exempt
Crates, see Containers
Cream, see Milk
Cream cheese, see Cheese
- Dehydrated, see commodity name: Fruits, vegetables, eggs, etc.
Diatomaceous earth-Not exempt
Dinners, frozen-Not exempt
Dinners, seafood, frozen-Exempt
Dried, see commodity name: Fruits, vegetables, eggs, etc.
- Eggs
Albumen, fresh, liquid-Exempt
Dried-Exempt
Frozen-Exempt
In shell-Exempt
Liquid, whole or separated-Exempt
Oiled-Exempt
Powdered, dried-Exempt
Shelled-Exempt
Yolks, dried-Exempt
Yolks, fresh, liquid-Exempt
- Fats, animal-Not exempt
Feathers-Exempt
Feeds
Alfalfa meal-Not exempt
Alfalfa pellets-Not exempt
Beet pulp-Not exempt
Bran shorts-Not exempt
Copra meal-Not exempt
Corn gluten-Not exempt
Cottonseed products, see Cottonseed
Distilled corn grain, residues, with or without solubles added-Not exempt
Fish meal-Not exempt
Hominy Feed-Not exempt
Middlings-Not exempt
Oat Hulls, ground-Exempt

4/ Interstate Commerce Commission Bureau of Motor Carriers. Motor Carrier Inform. Bul. 3, Appendix, Jan. 1962.

Pelletized ground refuse screenings-Not exempt
 Rice bran-Exempt
 Screenings, feed-Exempt
 Wheat bran-Not exempt
 Wheat shorts-Not exempt
 Fertilizer, commercial-Not exempt
 Fish (including shell fish)
General. Frozen, quick frozen, and unfrozen fish and shell fish in the various forms in which it is shipped, such as live fish, fish in the round, beheaded, and gutted fish, filleted fish, beheaded shrimp, and oysters, clams, crabs, and lobsters, with or without shells, including crab meat and lobster meat-Exempt
 Breaded, cooked or uncooked, fresh or frozen-Exempt
 Cakes, codfish, cooked or uncooked, frozen or fresh-Exempt
 Canned, as a treatment for preserving-Not Exempt
 Clam juice or broth, cooked or uncooked, frozen or fresh-Exempt
 Cooked or partially cooked fish or shell fish, frozen or fresh-Exempt
 Croquettes, salmon, cooked or uncooked, fresh or frozen-Exempt
 Deviled crabs, clams or lobsters, cooked or uncooked, fresh or frozen-Exempt
 Dinners, cooked or uncooked, fresh or frozen-Exempt
 Fried fish fillets, oysters, or scallops, frozen or fresh-Exempt
 Frogs, live or dressed-Exempt
 Frozen, see General above and individual listings
 Hermetically sealed in containers as a treatment for preserving-Not exempt
 Hermetically sealed in containers for cleanliness only, preservation attained by refrigeration-Exempt
 Meal-Not exempt
 Offal (inedible portions of fish not further processed)-Exempt
 Oil from fishes-Not exempt
 Preserved, or treated for preserving, such as canned, smoked, pickled, spiced, corned or kippered-Not exempt
 Salted, as a treatment for preserving-Not Exempt
 Shells, oysters, moving to market for use in button making-Not exempt
 Stew, consisting of raw oysters or clams, milk, and seasoning frozen but uncooked-Exempt
 Sticks, cooked or uncooked, fresh or frozen-Exempt
 Turtles, sea or fresh water-Exempt
 Whale meat, fresh-Exempt
 Flagstone-Not exempt
 Flax fiber-Exempt

Flaxseed, whole-Exempt
 Flaxseed meal-Not exempt
 Flour-Not exempt
 Flowers and flower plants, see Horticultural commodities
 Fodder, corn and sorghum-Exempt
 Forage, see Hay
 Forest products
 Bark-Exempt
 Bark, boiled to clean and soften-Exempt
 Blankets of pine and spruce boughs-Exempt
 Greenery-Exempt
 Holly sprigs and cuttings-Exempt
 Leaves-Exempt
 Leaves, sisal, husks and moisture removed-Exempt
 Mistletoe-Exempt
 Myrobalans, as imported in natural state-Exempt
 Palmyra stalk fibers (fronds from palm leaves)-Exempt
 Peat moss, dried, shredded, baled-Exempt
 Resin, crude-Exempt
 Resin products, such as turpentine-Not exempt
 Roots, natural or dried-Exempt
 Sap, maple-Exempt
 Spanish moss-Exempt
 Sphagnum moss-Exempt
 Spices, see separate listing: Spices
 Trees, see separate listing: Trees
 Valonia, as imported in natural state-Exempt
 Wreaths of holly or other natural material with small amount of foundation or decorative material-Exempt
 Frogs, see Fish
 Frozen, see commodity name: Fruits, vegetables, fish, poultry, etc.
 Fruits and Berries
 Bagged-Exempt
 Bananas, fresh, dried, dehydrated or frozen-Not exempt
 Canned-Not exempt
 Citrus fruit sections, fresh, cold-packed, or semifrozen-Exempt
 Citrus fruit sections, frozen-Not exempt
 Color added-Exempt
 Dates, pitted, dried-Exempt
 Dehydrated-Exempt
 Dried, naturally or artificially-Exempt
 Figs, dried, halved or quartered-Exempt
 Frozen-Not exempt
 Fumigated-Exempt
 Graded-Exempt
 Hulls of oranges after juice extractions-Not exempt
 In brine, to retain freshness-Exempt
 Juice, orange or other citrus-Not exempt
 Juice, fruit, plain or concentrated-Not exempt
 Kernels-Exempt

Oiled apples-Exempt
Peaches, peeled, pitted, and put in cold storage in unsealed containers-Exempt
Quick frozen-Not exempt
Pies, frozen-Not exempt
Preserved, such as jam-Not exempt
Purees, strawberry and other, frozen-Not exempt
Raisins, seeded or unseeded-Exempt
Sliced, fresh-Exempt
Sliced, frozen-Not exempt
Strawberries, in syrup and unsealed containers in cold storage-Exempt

Grains

Artificially dried-Exempt
Barley, rolled-Exempt
Barley, whole-Exempt
Corn, cracked-Exempt
Corn, shelled-Exempt
Corn, whole-Exempt
Feeds, see separate headings: Feeds
Hulls, see Feeds
Milo maize-Exempt
Oats, whole-Exempt
Oil extracted from grain-Not exempt
Popcorn, popped-Not exempt
Popcorn, unpopped, shelled, in sealed or unsealed containers-Exempt
Rice bran-Exempt
Rice, brewers-Exempt
Rice, clean-Exempt
Rice, polish-Exempt
Rice, precooked-Not exempt
Rice, whole-Exempt
Rye, whole-Exempt
Sorghum grains, whole-Exempt
Wheat germ-Not exempt
Wheat, whole-Exempt

Grass sod-Exempt
Gravel-Not exempt
Greenery, see Forest products

Hair, alpaca, camel, or goat, clipped from animal-Exempt
Hair, hog or other animal, product of slaughter of animal-Not exempt
Hay and forage, dried naturally or artificially-Exempt
Hay, chopped-Exempt
Hay, dehydrated-Exempt
Hay, salt (from salt marshes)-Exempt
Hay, sweetened with 3% molasses by weight-Not exempt
Hemp fiber-Not exempt
Herbs, see Spices
Hides, green and salted-Not exempt
Honey, in the comb or strained-Exempt
Honey, heat treated to retard granulation-Exempt
Hops-Exempt
Horticultural commodities

Bulbs-Exempt
Flowers, growing or cut-Exempt
Leaves, natural or dried-Exempt
Nursery stock-Exempt
Plants, vegetables and flower-Exempt
Roots, rhubarb, asparagus, mint, etc.-Exempt
Trees, growing, balled in earth-Exempt
Wreaths, holly or other natural material, with small amount of foundation of decorative material-Exempt
Humus, of a nature similar to peatmoss-Exempt

Ice for cooling subsequent shipments of exempt commodities-Exempt
Imported commodities-Have same status as domestic except that wool imported from any foreign country is not exempt.
Insecticides-Not exempt

Juices, see Fruits
Jute fiber, in bales-Exempt

Kelp, dried, ground-Exempt

Latex, see Rubber
Leaves, see Forest products, Horticultural commodities and Spices

Livestock

Exhibit animals, such as those of 4-H club members which though showed for a few days are chiefly valuable for slaughter-Exempt

Medical use animals, such as ordinary healthy swine for serum manufacture-Exempt

Monkeys-Not exempt

Ordinary, i.e., all cattle, swine, sheep, goats, horses, and mules, except such as are chiefly valuable for breeding, racing, show purposes, and other special uses-Exempt

Race horses-Not exempt

Registered or purebred cattle for ordinary farm or ranch uses, not chiefly valuable for breeding, race, show, or other special purposes-Exempt

Show horses-No exempt

Zoo animals-Not exempt

Limestone, agricultural-Not exempt

Linseed meal, see Meal

Lumber, rough sawed or planed-Not exempt

Manure, in natural state-Exempt

Manure, dried or dehydrated, bagged-Exempt

Maple sap-Exempt

Maple syrup-Not exempt

Meal-alfalfa-Not exempt

Meal, copra-Not exempt

Meal, cottonseed-Not exempt

Meal, fish-Not exempt

Meal, flaxseed-Not exempt
Meal, linseed-Not exempt
Meal, peanut-Not exempt
Meal, soybean-Not exempt
Meat and meat products, fresh, frozen or
canned-Not exempt
Milk and Cream
Buttermilk-Exempt
Chocolate-Not exempt
Condensed-Not exempt
Frozen-Exempt
Homogenized-Exempt
Pasteurized-Exempt
Powdered-Exempt
Raw-Exempt
Skim-Exempt
Skim, with two-thirds of water removed,
in bulk or unsealed containers-Exempt
Standardized-Exempt
Sterilized in hermetically sealed cans-
Not exempt
Vitamin "A"-Exempt
Milo, see Grains
Mohair, raw cleaned, or scoured-Exempt
Molasses-Not exempt
Moss, see Forest products
Mushrooms, fresh-Exempt
Nursery stock, see Horticultural commodities
Nuts, (including peanuts)
Peanut meal-Not exempt
Peanut shells, ground-Exempt
Polished-Exempt
Raw, shelled or unshelled-Exempt
Roasted or boiled-Not exempt
Shelled, raw-Exempt
Shells-Exempt
Shells, ground peanut-Exempt
Unshelled, raw-Exempt
Oats, see Grains
Oil, mint-Not exempt
Oil, extracted from vegetables, grain, seed,
fish or other commodity-Not exempt
Packaged commodities - Packaging exempt
commodities does not affect their exempt
status
Peanuts, see Nuts
Peat Moss, see Forest products
Pelletized feeds, see Feeds
Pelts-Not exempt
Pies, frozen-Not exempt
Pigeons, racing-Not exempt
Plants, vegetable or flower, see Horticultural
commodities
Poles, see Trees
Popcorn, see Grains
Poultry, dressed, fresh or frozen-Exempt
Poultry, feathers-Exempt
Poultry, frozen-Exempt
Poultry, live-Exempt
Poultry, picked-Exempt
Poultry, stuffed and frozen-Exempt
Pulp, beet-Not exempt
Pulp, sugarcane-Not exempt
Purees, see Fruits
Rabbits, dressed-Exempt
Raisins, see Fruits
Ramie fiber-Exempt
Resin, see Forest products
Rice, see Grains
Rock, Not exempt
Roots, see Forest products, Horticultural
commodities
Rubber, crude, in bales-Not exempt
Rubber, latex, natural, liquid, from which water
has been extracted and to which ammonia
has been added-Not exempt
Rye, see Grains
Sand-Not exempt
Sap, see Forest products
Sawdust, from lumber mills-Not exempt
Seeds
Cotton, see Cottonseed
Deawned-Exempt
Flax, see Flaxseed
Inoculated-Exempt
Meal made from seeds, see Meal
Natural-Exempt
Oil extracted from seeds-Not exempt
Packets or boxes of seeds in display
racks-Exempt
Scarified-Exempt
Screened or sized-Exempt
Spice, see Spices
Sprayed for disease control-Exempt
Seaweed, dried, ground-Exempt
Shells, nut, see Nuts
Shells, oyster, see Fish
Shingle bolts, see Trees
Skins, animal-Not exempt
Sliced, see commodity name: Fruits, vege-
tables, etc.
Soil, potting-Not exempt
Soil, top-Not exempt
Sorghum fodder-Exempt
Sorghum grains-Exempt
Soup, frozen-Not exempt
Spices and herbs, unground, whether seeds,
berries, leaves and bark, or roots-Exempt
Spices and herbs, ground but not further proc-
essed-Exempt
Stover-Exempt
Straw-Exempt
Sugar-Not exempt
Sugar beets-Exempt
Sugar cane-Exempt
Sugar cane pulp-Not exempt
Sugar, raw-Not exempt
Syrup, cane-Not exempt
Syrup, maple-Not exempt

Tea-Not exempt
 Telephone poles, see Trees
 Textile waste-see Cotton waste
 Tobacco
 Chopped leaf-Exempt
 Cigars and cigarette-Not exempt
 Homogenized-Not exempt
 Leaf-Exempt
 Redried leaf-Exempt
 Smoking-Not exempt
 Stemmed leaf-Exempt
 Stems-Exempt
 Top soil-Not exempt
 Trees
 Bolts for making shingles-Exempt
 Brush, mesquite, twigs and debris burned off-Exempt
 Christmas, plain, sprayed, or coated-Exempt
 Cut to length, peeled, or split-Exempt
 Growing, see Horticultural commodities
 Sawed into lumber-Not exempt
 Shingle bolts-Exempt
 Telephone poles, not creosoted-Exempt
 Turtles, see Fish
 Vegetables
 Bagged-Exempt
 Beans, dried artificially and packed in small container-Exempt
 Candied sweet potatoes, frozen-Not exempt
 Canned-Not exempt
 Cooked-Not exempt
 Cucumbers, salt cured-Exempt
 Cured-Exempt
 Cut up, fresh, in cellophane bags-Exempt
 Dried, naturally or artificially-Exempt
 Dehydrated-Exempt
 French fried potatoes-Not exempt
 Frozen-Not exempt
 Garlic powder-Exempt
 Grated-Exempt
 Oil extracted from vegetables-Not exempt
 Onion powder-Exempt
 Onion chips and flakes, dried-Exempt
 Peas, split-Exempt
 Peeled, uncooked-Exempt
 Powder, onion and garlic-Exempt
 Quick frozen-Not exempt
 Shelled-Exempt
 Soup, frozen-Not exempt
 Soybean meal-Not exempt
 Washed, fresh, in cellophane bags-Exempt
 Whale meat, see Fish
 Wheat, see Grains
 Wheat products, see Feeds, Flour
 Wood chips for making woodpulp-Not exempt
 Wool, imported from any foreign country-Not exempt
 Wool, raw, cleaned, or scoured but not including wool imported from any foreign country-Exempt
 Wool grease, as obtained from cleaning or scouring process-Exempt
 Wool tops and noils-Not exempt
 Wool waste, carded, spun, woven or knitted-Not exempt
 Wool yarn-Not exempt
 Wreaths, see Forest products

