THE SUPPLY OF MOTOR TRUCKS AVAILABLE FOR THE MOVEMENT OF TEXAS AGRICULTURAL COMMODITIES

A

Final Report

by

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Prepared for

THE TEXAS LEGISLATURE

by

TEXAS TRANSPORTATION INSTITUTE

January 1971

Bulletin 42

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PREFACE

The author wishes to express his appreciation to all those who helped in both formulating and conducting this study. Special thanks are due to Mr. Goldsmith Davis, Texas Department of Agriculture; Mr. Walter Wendlandt, Railroad Commission of Texas; Mr. Cliff Laywell, formerly of the Texas Farm Bureau; and Mr. Willis Deines of the Texas Citrus and Vegetable Growers and Shippers Association for their support and guidance during this study. Appreciation is expressed to many firms and individuals throughout the state whose assistance was critical to the completion of this study. These people were especially helpful in completing the questionnaires and personal interviews. Other members of the Transport Operations Program of the Texas Transportation Institute made valuable contributions to the completion of this study. Mr. Hoy A. Richards provided valuable guidance during the study period; Dr. C. V. Wootan also provided invaluable guidance to the author. The author alone bears responsibility for the shortcomings of this report.

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CHAPTER I

INTRODUCTION

The purpose of this report is to provide the State of Texas with basic information regarding the supply of truck transportation available to Texas agricultural products. The study funds were provided by Legislative appropriation in the 1969-71 Texas A&M University, Texas Engineering and Experiment Station budget. Staff members of the Texas Transportation Institute (TTI) conducted the study during a sixteen month period from September 1, 1969 through December 31, 1970. Several factors led to the need for a study such as this. Probably the most important of these being the introduction of legislation in the 1969 session to remove the economic regulation function of motor truck transportation of agricultural commodities in intrastate commerce from the Railroad Commission of Texas (RCT) and place the activity within the Texas Department of Agriculture. Because of the lack of information regarding the agricultural oriented specialized motor carrier industry of Texas, none of the bills were passed.

Much of the attention given to this problem was undoubtedly due to the fact that shippers of fruits and vegetables in the Texas Valley experienced severe truck shortages during the 1968-69 production period. The scope of the study was not limited to the availability of trucks for this one commodity group, although considerable effort was directed toward the transportation requirements of the Texas fruit and vegetable industry.

A discussion of the regulatory atmosphere in which agricultural truck transportation operates in Texas is presented in Chapter II; both intrastate and interstate regulation are examined in this section. In addition, the intrastate regulation by some other states is also discussed. The dichotomy of regulation presented in this chapter is important in understanding the relation between the supply of trucks for intrastate and interstate markets. This chapter also indicates some of the problems encountered by the shippers in meeting their transportation requirement and in making their marketing procedure efficient.

Chapter III examines the transportation resources of the state. Data were provided by various state agencies dealing with transportation. In addition, data purchased from the Bureau of the Census are presented for Texas and several other states. These data, collected during 1967, represent an inventory of motor trucks engaged in the movement of agricultural commodities. This inventory includes both private and for-hire carriage. Comparisons are made between Texas and other states in evaluating the total supply of trucks available for shippers of all agricultural commodities.

The methodology used in collecting data from the motor carrier firms is discussed in Chapter IV. In addition, certain characteristics of the specialized motor carriers are discussed. In this chapter some of the problems encountered in defining the universe of interest are discussed. Since intrastate and interstate carriers comprise the supply of trucks for Texas agriculture, both groups are considered. However, operating characteristics of these carriers are different and the service they perform is different.

Data collected from Specialized Motor Carriers (SMC) during the course of the study are presented in Chapter V. A mail questionnaire was sent to over 1,300 motor carrier firms. Data received from the intrastate and interstate carriers are presented separately and certain operating characteristics of the two segments are compared. Any program initiated by the Texas Legislature should be directed to each of these groups. Specific action, however, should recognize the different role played by each segment.

Chapter VI is a presentation of data which were collected during personal interviews with users of transport services. This chapter primarily focuses attention on the requirements of the shippers and how they are being met. In addition, the scope of agriculture production in the state is explored. Estimates of future agricultural production are presented in this chapter. Adequate transportation resources, along with other resources, must be available in the future if these estimates are going to materialize.

Chapter VII is the Summary, Conclusion, and Recommendation Chapter. Several recommendations are made by the research staff designed for increasing the truck supply and using transportation resources more efficiently.

CHAPTER II

ECONOMIC REGULATION

The purpose of this Chapter is to provide background information on the regulation of motor carriers of agricultural commodities. Primary attention is devoted to intrastate regulation in Texas. Regulations involving interstate movements of agricultural commodities by truck are examined. Finally, the regulation of other states, especially those contiguous to Texas, and some that Texas producers and shippers compete with in the market place, are discussed.

Texas Intrastate

Carriers of livestock and agricultural commodities by motor vehicle in Texas are classed as specialized motor carriers. Those operating within the state are intrastate carriers, while those serving other states who either load or unload in Texas are interstate carriers. These two groups are both, to a certain extent, under the authority of the RCT. It should be pointed out that a specific carrier may be both an intrastate and interstate carrier.

In order to engage in the intrastate movement of agricultural products, a carrier must prove public convenience and necessity at a public hearing before a permit is granted. If the application is opposed, the applicant must show that the current services of authorized carriers are inadequate and prove a need for his service; the burden of proof is on the applicant.

Carriers with intrastate permits are authorized to operate over irregular routes between points specified in their authority. Some permits are statewide while others are for a limited area. Rates of the SMC are also subject to

regulation and are enforced by the RCT. In addition, both intrastate and interstate carriers are required to maintain specified amounts of insurance.

Those carriers engaged in interstate transportation are also under the jurisdiction of the RCT when the movement either originates or terminates in Texas. This group of carriers may not transport shipments wholly within the state. The authority of the RCT over this group is relatively minor; interstate carriers are not subject to either entry control or rate regulation by any regulatory agency when engaged in interstate commerce. These firms are specifically exempt from Interstate Commerce Commission control in Section 203 (B)(6) of the Interstate Commerce Act. Firms may enter and exit the industry at will and may establish rates at whatever level they select. However, they are prohibited from transporting items other than nonmanufactured agricultural products. In fact, any type of carrier (private, common, specialized, etc.) may transport agricultural commodities in interstate commerce exempt from economic regulation by either state or federal agency. The RCT does, however, issue a permit to use the highways of Texas in interstate commerce to this group of carriers; before entering the state a trucker must secure this permit which cannot denied except for cause. The primary requirement is insurance coverage which the carriers must have in force. The forms required to secure this type of permit are presented in the Appendix to this chapter. Hearings are held on these applications twice a month, however, emergency permits are issued to truckers who have met the requirements and have a notarized request for immediate service from a shipper. While the time lag is normally a minimum of 26 days, a trucker can be loading in Texas within 24 to 48 hours after making application if an immediate need exists for his service. An example of this procedure is also presented in the Appendix to this chapter.

Interstate Regulation

As was mentioned in the previous section, carriers of agricultural commodities are exempt from economic regulation when engaged in interstate commerce. Since the passage of the Interstate Commerce Act in 1935, these firms have been exempt from economic regulation by Section 203 (B)(6) of the Act. This implies that anyone can participate in the interstate movement of agricultural commodities by truck and charge any rate agreeable to the trucker and the shipper.

The exemption has been a point of discussion since 1935 and a recap of the arguments both for and against would be out of place in this report. Changes in the exemption would be at the national level, however, Texas should be cognizant of the exemption and the impact it can have on Texas shippers and producers.

During the interviews conducted with various fruit and vegetable shipping firms in the Texas Valley and Panhandle, it was intimated that out-of-state shippers could place commodities in Texas markets at a lower truck transportation rate than that available internally to Texas shippers. The distance from the out-of-state supply points was usually greater than the distance from Texas production regions. The shippers felt that this placed them at a competitive disadvantage within their own state. A situation such as this may arise because of a disparity between the regulated and nonregulated rate structures. Within the system of exempt interstate transportation, it is possible for a situation such as this to arise since these rates are not subject to regulation.

Motor carriers engaged in exempt agricultural transportation cannot continually charge rates that are below total costs. However, because of the

high proportion of variable costs in the trucking industry, and especially in this sector, many firms accept shipments at reduced rates. Rate reduction of this sort appears during periods of excess supply or when the firm is using the commodity as a backhaul item.

Texas fruit and vegetable shippers, in cooperation with truckers and truck brokers, have developed a set of interstate rates which they pay. While this rate schedule has no legal foundation and rates may vary from time to time, the shippers are attempting to stabilize rates. Under the exempt system, there are also upward pressures on the rates during peak periods, when trucks are in short supply, or when no trucker can be found who is willing to go to a specific destination.

Since this group of truckers is exempt from regulation, it has no legal requirement to provide transport service and its members have free entry and exit. Under certain circumstances, this situation can lead to a truck transportation shortage. In an area where no backhauls are available, truckers may require added inducements if they are to accept a shipment to these locations. During interviews with shippers in the Texas Valley, this aspect of interstate movements was mentioned repeatedly. Truck shortages may also develop when interstate truckers prefer to go to other states, such as California or Florida. Both of these states produce more fruits and vegetables than Texas and, consequently, have a larger requirement for truck transportation. Without any legal responsibility of service, such as is placed on the common carrier, the exempt trucker is free to select his traffic, sometimes at the expense of the shipper and the consumer.

Economic Regulation of Agricultural Carriers in Other States

The purpose of this section is to provide information on the intrastate regulation in both Texas and other states. Not all states are presented, but those discussed have intrastate regulations that are representative. It is not the purpose of this section to determine which state system is preferred. Each state has formulated its position on the basis of its unique requirements and promotional considerations.

Table 1.2 lists ten states and their regulation of motor carriers of agricultural commodities. Five criteria for regulation are listed across the top of the table. It should be emphasized that these regulations apply only on intrastate operations.

Four states listed issue a certificate of public convenience (C) and necessity (N). However, six of the states do not require a certificate of C & N. Throughout the country 27 states issue a certificate of C & N, while 22 states do not. The same 27 states which require a certificate also require a public hearing before granting the request. Half of the states listed regulate both rates and routes of the carriers. Eight of the states listed require insurance coverage. It should be pointed out that a certificate of C & N is not the same as a permit or operating authority. In order to secure a C & N certificate the applicant must prove a need for the service before a certificate is issued. A permit is issued for control and as a source of revenue. The applicant may also be required to meet certain minimal standards. Implied in a certificate of C & N is an obligation of service.

Table 1.2

Selected States Regulation of Intrastate Agricultural Motor Carriers

State	Certificate of Public Convenience and Necessity		Hearing Required		Rates Regulated		Routes Regulated		Insurance Required	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Texas	X		X		X		X		X	
California		X		X	X		X		X	
Florida		X		X		X		X		X
Louisiana		X		X		X		X		X
Oklahoma	X		X		X		X		X	
New Mexico		X		X		X		X	X	
Kansas		X		X		X		X	X	
Colorado	X		X		X		X		X	
Arkansas		X		X		X		X	X	
Georgia	X		X		X		X		X	
Total	4	6	4	6	5	5	5	5	8	2
U. S.[1/]	27	22	27	22	29	20	26	22	34	15

1/ Includes Wahsington, D. C. but not Alaska or Hawaii.

Source: An Inventory of State Economic Regulation of Agricultural Motor Carriers, By Robert G. Wales, David C. Nelson and Charles W. Bullard. Upper Great Plains Transportation Institute, North Dakota State University, Fargo, N. D., February 1970.

Table 2.2 shows the requirements of selected states in the regulation of agricultural commodities. Nine states require operating authority; only Louisiana has no provision for granting authority. In the four states in which public hearings are held, evidence of public need is presented and other carriers (or the market) are considered in granting authority. These are the same four states shown on Table 1.2 that issued certificates of C & N. Eight states require a fee, the highest being $500 in California. Arkansas makes no charge for a permit.

The extent and type of rate regulation of selected states is presented in Table 3.2 A total of 31 states, including the District of Columbia, regulate rates. Of the states listed, half regulate rates and the rates are filed with the regulatory agency. Four of the states listed that regulate rates do so on a minimum and maximum basis; one state regulates only minimum rates. Thirteen indicated that they regulate on a minimum and maximum basis. From these tables it is apparent that considerable variations of economic regulation exist among the states.

Basis of Economic Regulation

One of the prime methods of regulation, the control of entry, is employed by 40 states while 10 states do not regulate entry. In 29 states evidence of public need is required; no such evidence is needed in 21 states. Entry is regulated in this industry because the unique cost structure and the ease of entry, some authorities contend, lead to a condition of excess capacity and instability within the industry. In order to enter the industry, new firms must prove that they are able to provide the service and show a public need for the service.

Table 2.2

Selected States Authority Over Intrastate Agricultural Motor Carriers

State	Operating Authority Required		Public Hearing Required		Evidence of Public Need Required		Other Carriers Considered in Granting Permit		Fee		Cost of Permit
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	
Texas	X		X		X		X		X		$25 filing $25 certificate
California	X			X		X		X	X		$500 permit
Florida	X			X		X		X	X		$5
Louisiana		X		X		X		X		X	
Oklahoma	X		X		X		X		X		$50
New Mexico	X			X		X		X	X		$40
Kansas	X			X		X		X	X		$10
Colorado	X		X		X		X		X		$25 filing $35 certificate
Arkansas	X			X		X		X		X	
Georgia	X		X		X		X		X		$37
Total	9	1	4	6	4	6	4	6	8	2	
U. S.	40	11	29	22	29	22	30	21	31	19	

Source: An Inventory of State Economic Regulation of Agricultural Motor Carriers, by Robert G. Wales, David C. Nelson and Charles W. Bullard. Upper Great Plains Transportation Institute, North Dakota State University, Fargo, N. D., February 1970

Table 3.2

Selected States Rate Regulation Over Intrastate Agricultural Motor Carriers

State	Rates Regulated		Rates Filed		Type of Rate Regulation		
	Yes	No	Yes	No	Minimum	Maximum	Minimum & Maximum
Texas	X		X				X
California	X		X		X		
Florida		X					
Louisiana		X					
Oklahoma	X		X				X
New Mexico		X					
Kansas		X					
Colorado	X		X				X
Arkansas		X					
Georgia	X		X				X
Total	5	5	5	-	1	-	4
U. S.	31	20	27	24	5	2	13

Source: An Inventory of State Economic Regulation of Agricultural Motor Carriers, by Robert C. Wales, David C. Nelson and Charles W. Bullard. Upper Great Plains Transportation Institute, North Dakota State University, Fargo, N. D., February 1970.

The control of rates is another important tool in the economic regulation of motor carriers. There are several functions of rate regulation in the motor carrier industry. Basically, however, this type of regulation protects the public from excessive charges which may arise when demand exceeds capacity. Rate control protects the carriers from destructive competition which may lead to poor service and equipment. Rate regulation also guards against price discrimination among shippers and provides stability to both shipper and the carrier.

Regulation of the motor carrier industry has three objectives: (1) to maintain a viable transportation system, (2) to provide satisfactory service to the shipping public, and (3) to insure the safety of the motoring public. In order to meet these objectives, it is necessary to understand the operating practices of the carriers and the requirements of the shipper.

Agriculture, because of its unique production and marketing characteristics, has transportation requirements quite unlike shippers of most other products. Shippers of perishable commodities, especially, have requirements that they feel are not being met. It should be pointed out that many of these needs are of an interstate nature where the State and the RCT have little authority. Shortages on the interstate level may not be remedied by increasing the number of intrastate permits, nor can this approach assure that interstate points will be served.

Regulation of Movement of Agricultural Products in Texas - A Historical Commentary

The purpose of this section is to provide some information on the development of economic regulation for the movement of agricultural products in their natural state within Texas. Agricultural products in this context refer specifically to commodities such as fruits and vegetables, planting seed, and similar commodities; grain and livestock are not included.

The information in this section was provided by the RCT from public sources. For a broader view of the development of the type regulation, the reader is referred to the RCT for further information.

In a report prepared by the Motor Carrier Division, RCT provides the following background information:

> Beginning March 28, 1962 and ending February 19, 1963, hearings were held variously in Austin, San Antonio, McAllen, and Lubbock, Texas in consideration of 131 applications for original grants of authority to transport Agricultural Products in their natural state.
>
> Approximately 45 public witnesses appeared in support of the applications. The witnesses generally testified that there existed a shortage of trailer equipment, especially refrigerated, among the existing regulated carriers. There was also a general dissatisfaction with interchange service by common carriers and the inability of common carriers to serve farms, ranches, and other off-route points. Many of the public witnesses testified that they utilized the services of unauthorized carriers.
>
> The Hearing Examiner found that there was an inadequacy in existing service and that a need existed for additional carrier service. However, he also found that "there is not sufficient public testimony to support a grant of authority to all 131 applicants." Accordingly, the Examiner eliminated applicants from consideration who were engaged in a wholly unrelated field of transportation and who did not have any equipment suitable to initiate service if given authority, and those applicants who indicated that their only interest in the application was to secure a back-haul and those applicants who stated they would not transport less than truckload traffic or any commodity requiring refrigeration in transit, and those applicants inexperienced in the motor transportation business or in the handling of the involved commodities.

As a result of the application of the foregoing criteria, 59 applications were granted. Fifty-four of these were statewide in scope and five were limited territorially.

At this time, the Commission approved certificates for approximately 45 percent of those firms which applied. Between February 1963 and October 1969, 102 applications have been made to the Commission. Of this group, 36 (35.3 percent) have been granted in whole or in part; 34 (33.3 percent) were pending action as of that date. The remaining 31.4 percent have been either denied, dismissed or amended to remove agricultural products from the application. Since October 1969, several firms have sought authority to engage in agricultural transportation. Some of these firms have been granted authority.

In August 1970, the RCT instituted Show Cause Proceedings and notified all SMC with authority to haul agricultural products in their natural state to appear in Austin, Texas on September 30, 1970. This order did not include firms with livestock and grain authority. A copy of that order is reproduced below:

RAILROAD COMMISSION OF TEXAS
TRANSPORTATION DIVISION
DATA ISSUED August 20, 1970
MOTOR CARRIER SHOW CAUSE NOTICE OF HEARING

It is ORDERED that the notice be and is hereby given to the specialized motor carriers above-named, their lessees, transferees, and all other persons having or claiming any interest of whatever nature in the specialized motor carrier certificates involved, to be and appear before the Railroad Commission of Texas at 9:00 a.m. on the 30th day of September, 1970 at the Commission's hearing room in the Ernest O. Thompson Building, Austin, Travis County, Texas to then show proof of all operations conducted under their specialized motor carrier certificates insofar as said certificates authorize the transportation of Agricultural Products, as defined in Sec. 2.9 of the Motor Transportation Regulations of the Railroad Commission of Texas, from September 1, 1968 to September 1, 1970 inclusive.

It is FURTHER ORDERED that all records, documents, ledgers, financial data and memoranda in the possession of, accessible to, or known to said specialized motor carriers necessary to establish such operations be brought to the hearing and made available during such hearing.

Those specialized motor carriers failing to prove that consistent service has been provided under their certificates during this period, absent a showing of good cause for failure to provide such service, will be given 60 days from the date of hearing to institute such service. If service has not been instituted within this 60 day period, the certificates involved will be set for cancellation by this Commission pursuant to the provisions of Sec. 12(b), Article 911b, V.A.T.S.

On September 23, 1970, the Show Cause hearing was postponed and, instead, a questionnaire was sent to the concerned firms to be completed and returned by October 15, 1970. The objective of both the Show Cause hearing and the questionnaire was to determine if the firms were utilizing their authority. A copy of this questionnaire is found in the Appendix to this chapter.

The research staff of TTI was invited to examine the completed questionnaires. At the time these were examined most of the firms had replied, but the data were not tabulated. Undoubtedly, the RCT will make the findings of this survey available to the Legislature, however, there were certain aspects of the replies which are relevant to the current study. Several of the firms were not utilizing their permits but did not wish to lose the authority; some of the firms did not see any reason to provide transport service; some firms stated that they had purchased their certificate for sums up to $15,000 (the state requires $25 for filing and $25 for a new certificate). These results may indicate that the number of firms with operating authority is relatively fixed.

Source of Funds

In order to perform the regulatory responsibilities which have been assigned to the RCT and institute new procedures to facilitate this function, adequate funds must be available. The implementation of recommendations presented in this report, which are designed to improve the availability of trucks for the movement of agricultural products, will entail expenditure of funds. For instance, the adaptation of annual operating reports and other information regarding the characteristics of the individual firms for computer retrieval would provide basic information for regulatory activities of the Commission.

The RCT receives fees from the motor carriers which it regulates, therefore, the cost of regulation is borne, in part, by the transportation industry through fees paid to the Commission. Table 4.2 presents a list of the fees collected. Each firm is required to pay $25.00 when making an application for a certificate and $25.00 when the certificate is issued. These fees are paid only once unless the permit must be reinstated. In addition, fees are assessed on the sale, transfer, consolidation or division of certificates.

Table 4.2

Motor Carrier Fees Paid to the Railroad Commission of Texas

Type of Fee	Amount of Fee	Frequency of Payment
Filing of Applications	$25.00	Single Payment - Per Firm
Plate and Tax Fee	11.00	Annual - Per Vehicle
Substitution	1.00	As Required - Per Vehicle
Replacement of Cab Card	1.00	As Required - Per Vehicle
Reinstatement	25.00	As Required - Per Vehicle

The RCT assesses an annual plate and tax fee of $11.00 on every vehicle under its jurisdiction. However, a carrier domociled outside Texas is not required to pay this fee if his home state has entered into a reciprocity agreement with the RCT. A list of these states is found in the Appendix to this chapter. The fees collected from this source provide a large percentage of the funds available to the RCT for regulatory and related activities.

Table 5.2 shows the number of Commission plates and cab cards which had been issued as of November 1970. This includes "fore-hire" vehicles engaged in the movement of agricultural and all other commodities. According to information provided by the RCT, 134,948 vehicle plates had been issued and approximately 56.5 percent were issued under reciprocal agreements. Approximately $645,000 in plate and tax fees were collected from firms located in Texas or in states not subject to reciprocity agreements. These funds are used for regulatory activities.

Table 5.2

Number of Railroad Commission of Texas
Plates and Cab Cards Issued by Type of Carrier
November 1970

Type of Carrier	Number of Plates		Annual Plate & Tax Fee	
Common Carriers	12,834		$141,174	
Specialized	41,372		455,092	
Contract	2,508		27,588	
Motor Buses	1,915		21,065	
Subtotal		58,629		$644,919
Reciprocal				
Common	17,620			
Specialized	56,344			
Contract	2,355			
Subtotal		76,319		
TOTAL		134,948		$644,919

In order to perform its varied functions in the regulation of intrastate truck transportation of not only agricultural commodities but in other areas as well, the RCT must have adequate information. Reports filed by the individual carriers should be easily retrieved; information on the characteristics of Texas carriers should be accurate and available for analysis; data forms filed by the carriers should be designed for computer application. To meet these requirements, adequate funds must be available for their implementation. Additional funds may be generated by an increase in the number of firms and/or vehicles or through an increase in fees. For instance, an increase of $4.00 per year in annual plate fees would generate as much additional income as 21,320 additional vehicles. However, additional expense would also be incurred in processing forms for the additional vehicles. Also, it would be necessary to stimulate the entry of a large number of vehicles into the industry. Another source for additional funds would be through an increase in the application fees. However, this might result in a reduction of the number of applications submitted. The most feasible method of increasing funds for regulatory activities would be through an increase of annual plate fees. A $4.00 increase would generate almost one quarter of a million dollars based on the November 1970 data. It is assumed that a small increase in annual fees would not significantly reduce the number of vehicles in service.

CHAPTER III

TRANSPORTATION RESOURCES

The purpose of this chapter is to provide an overview of the state's transportation system and vehicles. Before looking at the problem of available truck transportation, it is necessary to determine the physical facilities of the transport network and the level of agricultural production in the state.

Highway Mileage

Table 1.3 shows the increase in total highway miles within Texas for the period 1960-69. In 1960 there were 61,985 miles of paved highways in Texas under Texas Highway Department supervision; by 1969 this had grown to 69,268 miles for a 11.9 percent increase in total mileage. Each year more and more areas of the state are drawn closer together through improved highways. Production regions have better roads to markets. As the facilities improve and expand, more shippers shift from rail transportation to truck transportation. The area which the large commercial type tractor trailer units can serve is increased as highway mileage increases.

Railroad Mileage

Table 2.3 shows the change in the main line railroad track mileage in Texas for the period 1961-68. In 1961 there were 14,799.49 miles of main line track in Texas. By 1968 the mileage had dropped to 14,072.58 for a decrease of 4.9 percent. When total track mileage (main line track plus siding, switching and other types of track) is examined, the mileage has dropped from 20,422.84 to 19,830.02 for a 2.1 percent decrease.

TABLE 1.3

Texas Total Road Mileage
and Percent Change by Years

Year (Dec. 1:)	Total Miles Designated as of this Date	Percent Growth Per Year
1960	61,895	-
1961	62,514	1.00
1962	63,804	2.06
1963	64,944	1.79
1964	65,818	1.35
1965	66,576	1.15
1966	67,468	1.34
1967	68,284	1.21
1968	68,965	1.00
1969	69,268	0.44

SOURCE: Texas Highway Department, Road Mileage Summary 1960-1969.

Change 1960 - 1969 = 11.9 percent.

TABLE 2.3

Miles of Railroad Tracks Owned in Texas

Year Ending	Main Line Track	Percent Change of Main Line Track	All Other Tracks	Total Mileage All Railroads in Texas
1961	14,799.49	-	5,445.35	20,244.84
1962	14,760.47	0.264	5,857.56	20,630.68
1963	14,690.82	0.472	5,877.72	20,568.54
1964	14,633.83	0.388	5,870.30	20,504.13
1965	14,497.22	0.934	5,845.33	20,342.55
1966	14,477.33	0.137	5,821.97	20,299.30
1967	14,195.29	1.257	5,788.10	19,983.39
1968	14,072.58	0.864	5,757.44	19,830.02

SOURCE: Annual Reports Railroad Commission of Texas 1961-1968.

Change 1960 - 1968 = -4.9 percent

Truck Inventory

The data in this section are based on information furnished by the Texas Highway Department regarding vehicle registrations in Texas for the past few years. The data do not specify the use of the vehicles, but exhibit an inventory of trucking equipment by gross weight and type of registration for the indicated years.

Table 3.3 shows the commercial truck registration in the state by gross weight for the years 1961, 1962, 1964, 1967, and 1968. The percent of vehicles in the 0-8,000 pound gross weight group has experienced the largest increase. In only the 8,001-16,000 pound gross weight group has the absolute number of vehicles decreased from 1961 to 1968. For the total class of commercial vehicles, their number has had a large increase of from 617, 134 vehicles in 1961 to 1,011,860 in 1968. The Texas truck fleet has experienced a 64 percent growth during the 1961-1968 interval.

The distribution of truck-tractors registered in Texas by gross weight for the specified years is presented in Table 4.3. This table provides some interesting information on the large power units operating on Texas highways during the period under consideration. For the years 1961 and 1962, the most common weight group was the 16,001-24,000 pound category. In 1964, however, the trend changed, and for 1964, 1967, and 1968, the most common gross weight group was 32,001-40,000 pounds. More than 44 percent of all truck-tractors registered in Texas in 1968 were in this particular gross weight group. Generally, the trend for this type vehicle during the years under study was to larger power units. The total number of truck-tractors registered in Texas has increased by 22.2 percent during the period 1961-1968.

Table 3.3

Commercial Truck Registrations By Registered Gross Weight
State of Texas
Registration Years 1961, 1962, 1964, 1967, 1968

Gross Weight Groups (lbs.)	1961 Number & (Percent)	1962 Number & (Percent)	1964 Number & (Percent)	1967 Number & (Percent)	1968 Number & (Percent)
0 - 8,000	489,482 (79.3)	521,650 (81.3)	611,494 (82.7)	793,690 (86.5)	881,610 (87.1)
8,001 - 16,000	75,494 (12.2)	68,975 (10.8)	71,279 (9.7)	65,520 (7.1)	63,090 (6.2)
16,001 - 24,000	39,012 (6.3)	36,550 (5.7)	40,803 (5.5)	39,300 (4.3)	44,240 (4.4)
24,001 - 32,000	6,703 (1.1)	6,170 (1.0)	7,591 (1.0)	9,520 (1.0)	10,520 (1.1)
32,001 - 40,000	2,783 (0.5)	3,370 (0.50	3,252 (0.4)	4,980 (0.6)	5,990 (0.6)
40,001 & over	3,660 (0.6)	4,390 (0.7)	4,883 (0.7)	4,920 (0.5)	6,410 (.6)
TOTAL	617,134 (100)	641,105 (100)	739,802 (100)	917,930 (100)	1,011,860 (100)

Percentage Increase 1961-1968 = 64.0%

Source: Texas Highway Department, Planning Survey Division, Motor Vehicle Registration by Registered Gross Weight Groups, 1961, 1962, 1964, 1967, & 1968

Table 4.3

Truck-Tractor Registrations By Gross Weight Groups
State of Texas
Registration Years 1961, 1962, 1964, 1967, 1968

Gross Weight Groups (lbs.)	1961 Number & (Percent)	1962 Number & (Percent)	1964 Number & (Percent)	1967 Number & (Percent)	1968 Number & (Percent)
0 - 8,000	342 (0.8)	284 (0.6)	258 (0.6)	167 (0.3)	191 (0.4)
8,000 - 16,000	5,928 (14.1)	5,588 (12.9)	5,214 (11.2)	4,518 (9.1)	4,701 (9.1)
16,001 - 24,000	17,806 (42.1)	15,491 (35.8)	14,488 (31.2)	12,510 (25.1)	11,930 (23.1)
24,001 - 32,000	12,546 (29.7)	11,333 (26.2)	10,704 (23.1)	9,643 (19.4)	9,847 (19.1)
32,001 - 40,000	5,499 (13.0)	10,448 (24.1)	15,341 (33.0)	21,412 (43.0)	22,988 (44.0)
40,001 & over	81 (0.2)	165 (0.9)	415 (0.9)	1,571 (3.1)	1,913 (3.7)
TOTAL	42,202 (100%)	43,309 (100%)	46,420 (100%)	49,821 (100%)	51,570 (100%)

Percentage increase 1961-1968 = 22.2%

Source: Texas Highway Department, Planning Survey Division, Motor Vehicle Registration by Registered Gross Weight Groups, 1961, 1962, 1964, 1967, & 1968

Table 5.3 shows the distribution of trailers registered in Texas by gross weight groups for the years 1961, 1962, 1964, 1967, and 1968. Two gross weight groups account for more than 90 percent of the yearly registration of trailers. More than 80 percent of the trailers are in the 0-8,000 pound weight group. For the years indicated, there has been a noticeable increase in the percentage of vehicles in this category. The 24,001-32,000 pound gross weight group accounts for more than 10 percent of yearly registration of trailers. The percent of trailers in this category, however, has decreased over the period under study even though their absolute number has increased. It should be pointed out that boat and recreational type trailers are included in this table and are in the 0-8,000 pound category, which has increased by almost 200,000 trailer units. The number of trailers with a gross weight of over 32,001 pounds has declined during the years under study, while the total number of trailers has increased by 71.7 percent during the period under study.

Table 6.3 shows the distribution of vehicles classed as farm trucks registered in Texas by gross weight for the years 1961, 1962, 1964, 1967, and 1968. The 0-8,000 pound weight group accounts for 82 to 85 percent of the vehicles registered each year in the farm truck classification. More than 10 percent of the yearly registrations are in the 8,001-16,000 pound gross weight group. There are relatively few farm trucks of over 24,001 pounds registered in the state. Vehicles classified as farm trucks usually confine their operations to activities around the farm, since a large percent are pickup type trucks which have a limited capacity. Seldom do these vehicles engage in long distance movement of agricultural commodities. During the period under study, the total number of farm trucks has increased 6.5 percent.

TABLE 5.3

Trailer Registrations By Gross Weight Groups
State of Texas
Registration Years 1961, 1962, 1964, 1967, 1968

Gross Weight Groups (lbs.)	1961 Number & (Percent)	1962 Number & (Percent)	1964 Number & (Percent)	1967 Number & (Percent)	1968 Number & (Percent)
0 - 8,000	234,941 (81.0)	265,916 (82.4)	309,241 (83.2)	373,300 (84.2)	422,592 (84.8)
8,001 - 16,000	7,449 (2.6)	7,110 (2.2)	7,340 (2.0)	8,908 (2.0)	10,436 (2.1)
16,001 - 24,000	13,755 (4.7)	12,472 (3.9)	12,379 (3.3)	12,720 (2.9)	12,900 (2.6)
24,001 - 32,000	33,590 (11.6)	36,643 (11.4)	42,487 (11.4)	48,052 (10.8)	52,188 (10.5)
32,001 - 40,000	429 (0.1)	299 (0.1)	193 (0.1)	156 (*)	180 (*)
40,001 & over	66 (*)	42 (*)	5 (*)	36 (*)	24 (*)
TOTAL	290,230 (100.0%)	322,472 (100.0%)	371,645 (100.0%)	443,172 (100.0%)	498,230 (100.0%)

Percentage increase 1961 - 1969 = 71.7%

Source: Texas Highway Department, Planning Survey Division, Motor Vehicle Registration by Registered Gross Weight Groups, 1961, 1962, 1964, 1967, & 1968.

* Less than .05%

Table 6.3

Farm Truck Registrations By Gross Weight Groups
State of Texas
Registration Years 1961, 1962, 1964, 1967, 1968

Gross Weight Groups (lbs.)	1961 Number & (Percent)	1962 Number & (Percent)	1964 Number & (Percent)	1967 Number & (Percent)	1968 Number & (Percent
0 - 8,000	159,416 (83.0)	157,480 (82.6)	166,809 (85.0)	174,700 (84.3)	169,710 (83.0)
8,001 - 16,000	26,168 (13.6)	25,320 (13.3)	22,248 (11.3)	22,990 (11.1)	25,140 (12.3)
16,001 - 24,000	5,960 (3.1)	6,680 (3.5)	6,298 (3.2)	7,730 (3.7)	7,720 (3.7)
24,001 - 32,000	525 (0.3)	950 (0.5)	781 (0.4)	1,520 (0.7)	1,640 (0.8)
32,001 - 40,000	0	90 (0.1)	197 (0.1)	160 (0.1)	180 (0.1)
40,001 & over	0	10 (*)	30 (*)	40 (*)	120 (0.1)
TOTAL	192,069 (100.0%)	190,530 (100.0%)	196,363 (100.0%)	207,140 (100.0%)	204,510 (100.0%)

Percentage increase 1961 - 1968 = 6.5%

Source: Texas Highway Department, Planning Survey Division, Motor Vehicle Registration by Registered Gross Weight Groups, 1961, 1962, 1964, 1967, & 1968

*Less than .05

The distribution of farm truck-tractors registered in Texas by gross weight groups for the years 1961, 1962, 1964, 1967, and 1968 is shown in Table 7.3. The 16,001-24,000 pound gross weight group accounts for the largest percent of vehicles registered in this class. There have been some interesting changes in this classification during the years under study. In 1961, for instance, 44.5 percent of the farm truck-tractors registered were in the 8,001-16,000 weight group; by 1968 this had dropped to 26.7 percent of the total registration with a corresponding drop in the absolute number of vehicles. There has also been a marked increase in the percent of vehicles in the 32,001-40,000 pound weight group over the years. In 1961 this group represented only .5 percent of the total registration; in 1968, however, 9.1 percent of all farm truck-tractors were in the 32,001-40,000 pound weight group. This classification of vehicles increased by 3.9 percent from 1961 to 1968, but there was a strong trend to the larger vehicles during this same period of time.

Table 8.3 shows the distribution of the various classifications of vehicles for the 1968 registration year by the 21 Texas Planning Regions. It should be pointed out that Table 8.3 shows only the regions in which the vehicle was registered and not the area of operation. Using commercial truck registration as an example, it can be seen that 21.6 percent of the registered vehicles were located in the North Central Texas Region, while the Gulf Coast Region had 19.1 percent of the total commercial type trucks. The Panhandle Region had 12.6 percent of the farm trucks registered, while 11.0 percent were located in the North Central Texas Region. The Lower Rio Grande Valley Region had only 2.1 percent of the total farm trucks registered.

Table 7.3

Farm Truck-Tractor Registrations By Gross Weight Groups
State of Texas
Registration Years 1961, 1962, 1964, 1967, 1968

Gross Weight Groups (lbs.)	1961 Number & (Percent)	1962 Number & (Percent)	1964 Number & (Percent)	1967 Number & (Percent)	1968 Number & (Percent)
0 - 8,000	21 (1.7)	19 (1.7)	12 (1.0)	18 (1.5)	18 (1.4)
8,001 - 16,000	541 (44.5)	478 (42.2)	379 (33.0)	336 (28.4)	341 (26.7)
16,001 - 24,000	570 (46.4)	509 (45.0)	597 (52.0)	546 (46.2)	608 (47.6)
24,001 - 32,000	83 (6.8)	105 (9.3)	131 (11.4)	193 (16.3)	190 (14.9)
32,001 - 40,000	7 (0.5)	20 (1.7)	30 (2.6)	87 (7.4)	116 (9.1)
40,001 & over	1 (0.1)	1 (0.1)	0	2 (0.1)	4 (0.3)
TOTAL	1,229 (100.000%)	1,132 (100.000%)	1,149 (100.000%)	1,182 (100.000%)	1,277 (100.000%)

Percentage increase 1961-1968 = 3.9

Source: Texas Highway Department, Planning Survey Division, Motor Vehicle Registration by Registered Gross Weigh Groups, 1961, 1962, 1964, 1967, & 1968.

Table 8.3

Truck, Trailer Registrations for Texas
by Regions for 1968 Registration Year
(April 1, 1968 - March 31, 1969)

Region	Comm. Trucks Number & (Per Cent)	Farm Trucks Number & (Per Cent)	Truck Tractor Number & (Per Cent)	Fm. Truck Tractor Number & (Per Cent)	(1-10) Trailer Number & (Per Cent)	(10-18) Trailer Number & (Per Cent)	(18-32) Trailer Number & (Per Cent)	Farm Trailer Number & (Per Cent)
1. Upper Rio Grande	23,995 (2.3)	2,067 (1.0)	1,337 (2.4)	36 (2.3)	4,662 (1.1)	345 (1.9)	1,268 (2.2)	1,084 (1.0)
2. Permian Basin	42,104 (4.0)	5,561 (2.8)	2,338 (4.1)	110 (7.0)	16,340 (3.9)	894 (5.0)	2,731 (4.7)	15,289 (14.4)
3. South Plains	37,227 (3.5)	18,268 (9.2)	2,713 (4.8)	62 (3.9)	13,971 (3.4)	836 (4.7)	2,619 (4.5)	37,866 (35.8)
4. Panhandle	42,384 (4.0)	25,061 (12.6)	2,539 (4.5)	277 (17.5)	16,535 (4.0)	988 (5.5)	2,619 (4.5)	11,145 (10.5)
5. North Texas	25,004 (2.3)	8,481 (4.2)	1,306 (2.3)	66 (4.2)	10,404 (2.5)	540 (3.0)	1,317 (2.3)	3,401 (3.2)
6. West Central Texas	36,410 (3.4)	13,580 (6.8)	2,101 (3.7)	59 (3.7)	13,029 (3.1)	628 (3.5)	1,690 (2.9)	8,756 (8.3)
7. Concho Valley	16,712 (1.6)	6,453 (3.2)	942 (1.7)	25 (1.6)	5,302 (1.3)	512 (2.9)	1,370 (2.3)	2,464 (2.3)
8. Alamo	89,117 (8.4)	13,460 (6.7)	4,218 (7.4)	109 (6.9)	26,904 (6.5)	1,504 (8.4)	3,954 (6.8)	1,483 (1.4)
9. South Texas	8,885 (0.8)	1,874 (0.9)	433 (0.8)	8 (0.5)	1,360 (0.3)	170 (1.0)	355 (0.6)	105 (0.1)
10. Lower Rio Grande Valley	27,553 (2.6)	4,225 (2.1)	1,280 (2.3)	61 (3.9)	7,010 (1.7)	390 (2.2)	1,104 (1.9)	7,318 (6.9)
11. Coastal Bend	36,933 (3.5)	4,528 (2.3)	1,855 (3.3)	61 (3.9)	15,362 (3.7)	696 (3.9)	2,044 (3.5)	2,463 (2.3)

Truck, Trailer Registrations for Texas by Regions for 1968 Reg. Year
(April 1, 1968 - March 31, 1969) - Cont.

Region	Comm. Trucks Number & (Per Cent)	Farm Trucks Number & (Per Cent)	Truck Tractor Number & (Per Cent)	Fm. Truck Tractor Number & (Per Cent)	(1-10) Trailer Number & (Per Cent)	(10-18) Trailer Number & (Per Cent)	(18-32) Trailer Number & (Per Cent)	Farm Trailer Number & (Per Cent)
12. Golden Cresent	13,862 (1.3)	3,846 (1.9)	541 (0.9)	37 (2.3)	6,215 (1.5)	201 (1.1)	554 (0.9)	1,036 (1.0)
13. Capitol	38,491 (3.6)	6,756 (3.4)	1,559 (2.7)	29 (1.8)	13,842 (3.3)	497 (2.8)	1,281 (2.2)	1,443 (1.4)
14. Central Texas	41,300 (3.9)	11,661 (5.8)	1,966 (3.4)	48 (3.0)	13,993 (3.3)	614 (3.3)	2,330 (4.0)	2,821 (2.7)
15. N. Central Texas	229,084 (21.6)	21,885 (11.0)	16,026 (28.2)	104 (6.6)	111,938 (26.9)	4,533 (25.4)	14,859 (25.5)	2,796 (2.6)
16. North East Texas	23,990 (2.3)	9,765 (4.9)	1,625 (2.8)	69 (4.4)	8,749 (2.1)	348 (1.9)	1,857 (3.2)	344 (0.3)
17. East Texas	53,575 (5.0)	14,694 (7.4)	2,441 (4.3)	86 (5.4)	20,382 (4.9)	709 (4.0)	2,729 (4.7)	373 (0.4)
18. Brazos Valley	13,101 (1.2)	4,952 (2.5)	526 (0.9)	23 (1.5)	3,241 (0.8)	278 (1.6)	542 (0.9)	1,514 (1.4)
19. Gulf Coast	203,144 (19.1)	10,467 (5.3)	8,860 (15.6)	153 (9.7)	78,327 (18.8)	2,522 (14.1)	10,445 (17.9)	3,943 (3.7)
20. Deep East Texas	30,908 (2.9)	11,005 (5.5)	1,403 (2.3)	150 (9.5)	12,266 (2.9)	446 (2.5)	1,731 (3.0)	242 (0.2)
21. South East Texas	29,010 (2.7)	894 (0.5)	803 (.14)	7 (0.4)	16,611 (4.0)	226 (1.3)	921 (1.5)	50 (0.1)
TOTAL	1,062,789 (100.00%)	199,483 (100.00%)	56,812 (100.0%)	1,580 (100.00%)	416,443 (100.00%)	17,877 (100.00%)	58,320 (100.00%)	105,936 (100.00%)

Region defined as per Texas Planning Regions

Source: Texas Highway Department, Motor Vehicle Division

More than 28.0 percent of the truck-tractor classifications were located in the North Central Texas Region. An additional 15.6 percent of the total registered truck-tractors were domiciled in the Gulf Coast Region; the Panhandle Region had 4.5 percent of the vehicles in this classification; only 2.3 percent of the truck-tractors in the state were registered in the Lower Rio Grande Valley Region.

Truck Inventory and Use Survey

The purpose of this section is to present data collected by the U. S. Department of Commerce. A data tape containing Census of Transportation information was purchased with funds provided in the study. The tables shown in this section were compiled by the research staff on the University's IBM 360/65 and do not correspond to published Bureau of the Census reports.

The Bureau of the Census conducts a "Census of Transportation" every four years. This information, however, is not in the strict sense a census, but rather a sample. Based on the results of the sample, estimates of the total population are made by the Bureau.

Table 9.3 shows the Truck Inventory for Texas and other states. These states were selected for presentation because of their location, agricultural industry, and other characteristics similar to Texas. The table shows the actual record count, the expanded totals, the expanded pickup and panel vehicle totals, and the estimated number of commercial by vehicles hauling farm products. It can be seen that an estimated 48,389 vehicles with Texas registration haul farm products as the principal product. This compares with a high

of 74,580 in Kansas and a low of 3,060 in New Mexico. Of the 17 states, Texas ranks sixth. If pickup and panel trucks are included, Texas has 85,000 more vehicles hauling farm products than the next highest state.

The distribution of Texas' registered vehicles hauling agricultural products as the "principal product" by major use and vehicle body type is shown in Table 10.3. Of the more than one quarter million vehicles that are in this class, 231,828 (or 92.2 percent) are in major use of agriculture and are primarily farm vehicles. Almost 200,000 of these vehicles have a pickup or panel truck body. Manufacturing is the major use of 0.3 percent of the vehicles carrying agricultural commodities, and wholesale and retail trades account for 5.7 percent of the vehicles in this class. Only 1.2 percent of the vehicles carrying agricultural commodities as the principal product are in the major use category of "for-hire".

Pickup and panel truck body, the most common body type of all major uses, accounts for 80.8 percent of the total; platform body types account for 10.9 percent of the total vehicles; and cattle trucks represent 3.2 percent of all vehicles in the Census of Transportation. Insulated refrigerated vans are pulled by 2.5 percent of the vehicles in the census.

This census indicates the total number of vehicles domiciled in Texas and carrying agricultural products as their principal commodity. Texas apparently has a relatively large supply of vehicles to serve agricultural interests. It should be noted, however, that while a large number of vehicles are in the major use category of agriculture, most of these vehicles are pickups and panels. These vehicles are used primarily on the farm and to transport items to and from the farm, although some vehicles in the major use of agriculture are used in intrastate and interstate commerce.

Table 9.3

Truck Inventory and Use Record Count

State	Record Count of Vehicles Which Usually Carry Farm Products	Total Record Count	Expanded Total	Less Expanded Pick up & Panel Trucks	Estimated Number of Commercial Type Vehicle Hauling Farm Product as "Principal Product"
Texas	0744	4223	251,466	203,077	48,389
New Mexico	0088	776	17,442	14,382	3,060
N. Dakota	1199	1576	89,496	33,293	56,203
Minnesota	0856	3163	134,020	79,280	54,740
Oklahoma	1137	2814	140,336	97,063	43,273
Arkansas	0417	1204	77,058	47,884	29,174
Iowa	0517	1373	128,039	83,708	44,331
Colorado	0408	1514	64,161	34,907	29,254
Louisiana	0163	1462	54,644	39,433	15,211
Florida	0435	2297	56,049	30,780	25,269
Montana	0867	1579	50,313	22,444	27,869
California	0666	4287	122,598	52,817	69,781
Nebraska	0465	1261	88,945	51,236	37,709
Wyoming	0529	1596	17,040	8,400	8,640
Kansas	1555	2694	166,828	92,248	74,580
S. Dakota	0877	1619	52,635	34,707	17,928
Missouri	1099	3066	143,431	89,156	54,275

Total Selected Records: 012022

Total Records: 102395

Bad Farm Product Record Count: 000000

Principle Products Other Than Farm Products: 078035

More than 7.0 percent of the vehicles are in the major use categories of manufacturing, wholesale, retail, and other. The firms which have these vehicles also provide transport services for Texas agriculture. They transport commodities from the shipping points to their own sales outlets and then engage in backhaul movements on a "for-hire" basis. Dependency on the firms in this group, however, cannot be too great for other than moving their own merchandise. They will enter and leave the market as the requirements of the parent firm dictate and the points which they will serve will tend to be limited.

Of primary interest to this study are the vehicles in the "for-hire" major use category. These firms are domiciled in Texas and engage in both intra and interstate commerce. It is not possible to determine from the census data the area in which they operate. This group of firms accounts for 3,132 vehicles, 1.2 percent of the total. More than one-third of the vehicles in this classification pull cattle trailers. According to these data, there are 727 "for-hire" vehicles domiciled in Texas which pull an insulated refrigerated van type body. This compares with more than 5,000 of this same body type in the wholesale and retail trades.

The "for-hire" class is extremely important to Texas agricultural interest for this is the group with which most shippers of agricultural commodities deal. Those firms engaged in intrastate business offer their service to all shippers at published rates and to any Texas location or as specified in their certificate. Their primary business is transporting agricultural commodities and they form the backbone of agricultural transportation in Texas. Many of the vehicles shown in Table 10.3 transport processed agricultural commodities such as meat, frozen foods, and similar items and/or operate as private carriage.

Table 10.3

1967 Census of Transportation
Trucks Transporting Farm Products As
"Principal Products Carried"
Texas

Major Use	Body Type 0	1	2	3	4	5	7	8	9	Total
Agriculture										
Sample	240	0	144	60	2	7	4	5	23	485
Expanded	197,907	0	23,215	6,645	111	196	112	1,001	2,641	231,828
	(80.8)	*	(10.9)	(3.2)	(0.3)	(2.5)	(0.3)	(0.6)	(1.4)	(92.2)
Manufacturing										
Sample	0	0	7	0	1	3	0	2	3	16
Expanded	0	0	306	0	28	139	0	56	194	723
										(0.3)
Wholesale & Retail										
Sample	7	2	26	3	6	50	7	6	13	120
Expanded	4,336	111	3,055	84	388	5,248	251	278	529	14,280
										(5.7)
For Hire										
Sample	0	0	23	34	3	24	10	2	8	104
Expanded	0	0	644	1,117	84	727	280	56	224	3,132
										(1.2)
Other										
Sample	1	0	6	2	1	3	2	0	4	19
Expanded	834	0	223	111	83	84	56	0	112	1,503
										(0.6)
TOTAL	203,077	111	27,443	7,957	694	6,394	699	1,391	3,700	251,466
	(80.8)	*	(10.9)	(3.2)	(0.3)	(2.5)	(0.3)	(0.6)	(1.4)	(100.0)

STATE TOTAL: 744
*Less than 0.05
Body Type: 0 = Pickup & panel; 1 = Multi stop & walk in; 2 = Platform; 3 = Cattle; 4 = Insulated non-refrigerated vans; 5 = Insulated refrigerated vans; 6 = Open top van; 7 = All other inclosed vans; 8 = Other & various body types.

Tables 11.3 through 26.3 show the distribution of trucks transporting agricultural commodities by major use and body type for the states listed on Table 9.3. In each state, the percentage of vehicles in the major use of agriculture is relatively high, ranging from 69.8 percent in Florida to 97.9 percent in Wyoming. The percentage of vehicles in manufacturing was less than 1.0 percent in all states except Nebraska where 2.2 percent of the vehicles transporting agricultural commodities are in the major use category of manufacturing. Wholesale and retail trade furnished from 0.9 percent of the vehicles in Wyoming to 21.8 percent in Florida and 22.7 percent in California. In most states, these trades provide a relatively large number of trucks to service agricultural industries.

A comparison of these tables with the Texas data in Table 10.3 indicates that nine states have a larger percentage of "for-hire" vehicles in their inventory than Texas. No state, however, has more than 5.0 percent of its total supply in the "for-hire" category. Florida is the leading state, with 4.5 percent of the total vehicles moving agricultural commodities in the "for-hire" category; Nebraska, with 3.8 percent is second; and California is third with 3.6 percent. Other states ahead of Texas are Iowa (3.6%), South Dakota (2.3%), Oklahoma (2.0%), Minnesota (1.9%), Missouri (1.5%), and Colorado (1.4%).

In all the states except North Dakota, the most common vehicle body type transporting agricultural commodities was the pickup and panel truck; the platform body was the next most popular body type. Cattle trucks accounted for from 3.2 percent of the body types in Texas to 22.2 percent in Wyoming. Every state examined had a larger percentage of vehicles pulling cattle trailers than Texas. In absolute number, Texas had 7,957 of these vehicles. Iowa, however, had over 21,000 of this body type.

Insulated nonrefrigerated vans and refrigerated vans provide important transportation service to Texas agriculture, especially the perishable food sector. Eight states, however, have a larger percentage of their total fleet in the insulated nonrefrigerated class than Texas. Four states, including Florida (12.0%) and California (7.2%), had more refrigerated vans than Texas.

Table 11.3

1967 Census of Transportation
Trucks Transporting Farm Products as
"Principal Products Carried"
Arkansas

Major Use	Body Type 0	1	2	3	4	5	6	7	8	Total
Agriculture										
Sample	75	2	250	18	4	3	4	1	12	369
Expanded	46,560	88	20,270	3,264	176	132	176	44	3,000	73,710
										(95.7)
Manufacturing										
Sample	0	0	0	0	0	0	0	0	5	5
Expanded	0	0	0	0	0	0	0	0	220	220
										(0.3)
Wholesale & Retail										
Sample	1	2	7	1	3	11	0	3	2	30
Expanded	662	88	308	44	132	484	0	132	88	1,938
										(2.5)
For Hire										
Sample	0	0	0	4	0	2	0	0	3	9
Expanded	0	0	0	176	0	88	0	0	132	396
										(0.5)
Other										
Sample	1	0	2	0	0	0	0	0	1	4
Expanded	662	0	88	0	0	0	0	0	44	794
										(1.0)
TOTAL	47,884	176	20,666	3,484	308	704	176	176	3,484	77,058
	(62.1)	(0.2)	(26.8)	(4.5)	(0.4)	(0.9)	(0.2)	(0.2)	(4.5)	

STATE TOTAL: 417

Body Type: 0 = Pick-up & panel; 1 = Multi stop & walk in; 2 = Platform; 3 = Cattle; 4 = Insulated non-refrigerated vans; 5 = Insulated refrigerated vans; 6 = Open top van; 7 = All other inclosed vans; 8 = Other & various body types.

Table 12.3

1967 Census of Transportation
Trucks Transporting Farm Products as
"Principal Products Carried"
California

Major Use	Body Type 0	1	2	3	4	5	6	7	8	Total
Agriculture										
Sample	32	2	260	53	3	1	5	9	20	385
Expanded	42,422	152	37,089	5,361	228	76	380	684	1,520	87,912
										(71.7)
Manufacturing										
Sample	0	1	2	0	0	5	0	0	2	10
Expanded	0	76	152	0	0	380	0	0	152	760
										(0.6)
Wholesale & Retail										
Sample	13	15	31	3	12	101	3	17	13	208
Expanded	8,986	2,473	5,022	228	912	7,676	228	1,292	988	27,805
										(22.7)
For Hire										
Sample	0	0	31	5	2	10	0	2	8	58
Expanded	0	0	2,532	380	152	760	0	152	608	4,408
										(3.6)
Other										
Sample	1	1	1	0	0	0	0	2	0	5
Expanded	1,409	76	76	0	0	0	0	152	0	1,713
										(1.4)
TOTAL	52,817	2,777	44,695	5,969	1,292	8,892	608	2,280	3,268	122,598
	(43.1)	(2.3)	(36.4)	(4.9)	(1.0)	(7.2)	(0.5)	(1.9)	(2.7)	

STATE TOTAL: 666

Body Type: 0 = Pick-up & panel; 1 = Mul i stop & walk in; 2 = Platform; 3 = Cattle; 4 = Insulated non-refrigerated vans; 5 = insulated refrigerated vans; 6 = Open top van; 7 = All other inclosed vans; 8 = Other & various body types.

Table 13.3

1967 Census of Transportation
Trucks Transporting Farm Products as
"Principal Products Carried"
Colorado

Major Use	Body Type 0	1	2	3	4	5	6	7	8	Total
Agriculture.										
Sample	56	1	179	58	0	2	1	0	22	319
Expanded	33,683	23	19,431	4,868	0	46	23	0	1,095	59,169
										(92.2)
Manufacturing										
Sample	0	0	2	0	0	0	0	1	0	3
Expanded	0	0	46	0	0	0	0	23	0	69
										(0.1)
Wholesale & Retail										
Sample	2	2	13	0	4	23	0	0	2	46
Expanded	1,224	635	299	0	92	1,118	0	0	46	3,414
										(5.3)
For Hire										
Sample	0	0	6	17	1	6	0	4	4	38
Expanded	0	0	138	391	23	138	0	92	92	874
										(1.4)
Other										
Sample	0	0	1	0	0	1	0	0	0	2
Expanded	0	0	23	0	0	162	0	0	0	635
										(1.0)
TOTAL	34,907	658	19,937	5,259	115	1,914	23	115	1,233	64,161
	(54.4)	(1.0)	(31.1)	(8.2)	(0.2)	(3.0)	*	(0.2)	(1.9)	

STATE TOTAL: 408

Body Type: 0 = Pick-up & panel; 1 = Multi stop & walk in; 2 = Platform; 3 = Cattle; 4 = Insulated non-refrigerated vans; 5 = Insulated refrigerated vans; 6 = Open top van; 7 = All other inclosed vans; 8 = Other & various body types.

Table 14.3

1967 Census of Transportation
Trucks Transporting Farm Products as
"Principal Products Carried"
Florida

Major Use	Body Type 0	1	2	3	4	5	6	7	8	Total
Agriculture										
Sample	54	1	132	25	2	6	8	7	22	257
Expanded	25,143	60	9,261	1,947	120	360	480	420	1,320	39,111
										(69.8)
Manufacturing										
Sample	0	0	1	0	1	1	2	0	1	6
Expanded	0	0	60	0	60	60	120	0	60	360
										(0.6)
Wholesale & Retail										
Sample	11	9	11	0	4	71	0	4	4	114
Expanded	5,130	987	660	0	240	4,707	0	240	240	12,204
										(21.8)
For Hire										
Sample	0	0	7	1	0	24	1	1	8	42
Expanded	0	0	420	60	0	1,440	60	60	480	2,520
										(4.5)
Other										
Sample	1	0	7	0	0	3	0	1	4	16
Expanded	507	0	420	0	0	180	0	507	240	1,854
										(3.3)
TOTAL	30,780	1,047	10,821	2,007	420	6,747	660	1,227	2,340	56,049
	(54.9)	(1.9)	(19.3)	(3.6)	(0.7)	(12.0)	(1.2)	(2.2)	(4.2)	

STATE TOTAL: 435

Body Type: 0 = Pick-up & panel; 1 = Multi stop & walk in; 2 = Platform; 3 = Cattle; 4 = Insulated non-refrigerated vans; 5 = Insulated refrigerated vans; 6 = Open top van; 7 = All other inclosed vans; 8 = Other & various body types.

Table 15.3

1967 Census of Transportation
Trucks Transporting Farm Products as
"Principal Products Carried"
Iowa

Major Use	Body Type 0	1	2	3	4	5	6	7	8	Total
Agriculture										
Sample	117	0	81	103	5	1	0	1	7	315
Expanded	78,948	0	13,994	18,304	952	68	0	68	394	112,728
										(88.0)
Manufacturing										
Sample	0	0	4	0	4	2	0	1	1	12
Expanded	0	0	190	0	272	54	0	68	68	652
										(0.5)
Wholesale & Retail										
Sample	5	2	32	3	6	6	2	1	13	70
Expanded	3,400	95	2,624	163	367	326	95	27	843	7,940
										(6.2)
For Hire										
Sample	0	0	20	54	4	19	2	0	6	105
Expanded	0	0	991	2,237	272	636	95	0	326	4,557
										(3.6)
Other										
Sample	2	0	6	5	0	0	0	0	2	15
Expanded	1.360	0	367	299	0	0	0	0	136	2,162
										(1.7)
TOTAL	83,708	95	18,166	21,003	1,863	1,084	190	163	1,767	128,039
	(65.4)	(0.1)	(14.2)	(16.4)	(1.5)	(0.8)	(0.1)	(0.1)	(1.4)	

STATE TOTAL: 517

Body Type: 0 = Pick-up & panel; 1 = Multi stop & walk in; 2 = Platform; 3 = Cattle; 4 = Insulated non-refrigerated vans; 5 = Insulated refrigerated vans; 6 = Open top van; 7 = All other inclosed vans; 8 = Other & various body types.

Table 16.3

1967 Census of Transportation
Trucks Transporting Farm Products as
"Principal Products Carried"
Kansas

Major Use	Body Type 0	1	2	3	4	5	6	7	8	Total
Agriculture										
Sample	194	2	1,033	208	2	0	0	1	31	1,472
Expanded	89,828	64	55,204	14,340	64	0	0	32	1,896	161,428
										(96.7)
Manufacturing										
Sample	0	1	0	1	0	0	0	0	1	3
Expanded	0	32	0	32	0	0	0	0	32	96
										(0.1)
Wholesale & Retail										
Sample	4	0	28	2	2	8	1	0	4	49
Expanded	1,936	0	1,348	64	64	256	32	0	128	3,828
										(2.3)
For Hire										
Sample	0	0	5	9	1	8	1	0	1	25
Expanded	0	0	160	288	32	256	32	0	32	800
										(0.5)
Other										
Sample	1	0	3	0	1	0	0	0	2	7
Expanded	484	0	96	0	32	0	0	0	64	676
										(0.4)
TOTAL	92,248	96	56,808	14,724	192	512	64	32	2,152	166,828
	(55.3)	(0.1)	(34.1)	(8.8)	(0.1)	(0.3)	*	*	(1.3)	

STATE TOTAL: 1,555

Body Type: 0 = Pick-up & panel; 1 = Multi stop & walk in; 2 = Platform; 3 = Cattle; 4 = Insulated non-refrigerated vans; 5 = Insulated refrigerated vans; 6 = Open top van; 7 = All other inclosed vans; 8 = Other & various body types.

Table 17.3

1967 Census of Transportation
Trucks Transporting Farm Products as
"Principal Products Carried"
Louisiana

Major Use	Body Type 0	1	2	3	4	5	6	7	8	Total
Agriculture										
Sample	44	1	46	7	0	1	3	1	11	114
Expanded	36,916	839	8,513	2,621	0	26	78	26	1,099	50,118
										(91.7)
Manufacturing										
Sample	0	0	1	0	0	1	0	0	1	3
Expanded	0	0	26	0	0	26	0	0	26	78
										(0.1)
Wholesale & Retail										
Sample	2	0	7	1	5	14	2	2	3	36
Expanded	1,678	0	182	26	130	1,177	52	52	78	3,375
										(6.2)
For Hire										
Sample	0	0	1	2	0	1	0	0	2	6
Expanded	0	0	26	52	0	26	0	0	52	156
										(0.3)
Other										
Sample	1	0	2	1	0	0	0	0	0	4
Expanded	839	0	52	26	0	0	0	0	0	917
										(1.7)
TOTAL	39,433	839	8,799	2,725	130	1,255	130	78	1,255	54,644
	(72.2)	(1.5)	(16.1)	(5.0)	(0.2)	(2.3)	(0.2)	(0.1)	(2.3)	

STATE TOTAL: 163

Body Type: 0 = Pick-up & panel; 1 = Multi stop & walk in; 2 = Platform; 3 = Cattle; 4 = Insulated non-refrigerated vans; 5 = Insulated refrigerated vans; 6 = Open top van; 7 = All other inclosed vans; 8 = Other & various body types.

Table 18.3

1967 Census of Transportation
Trucks Transporting Farm Products as
"Principal Products Carried"
Minnesota

Major Use	Body Type 0	1	2	3	4	5	6	7	(8) Others	Total
Agriculture										
Sample	211	2	178	86	6	5	4	4	25	521
Expanded	77,720	390	30,510	8,020	820	100	80	780	2,950	121,370
										(90.6)
Manufacturing										
Sample	0	0	4	0	1	4	0	1	8	18
Expanded	0	0	80	0	20	80	0	20	160	360
										(0.2)
Wholesale & Retail										
Sample	8	1	48	1	32	62	1	9	33	195
Expanded	1,560	20	1,660	20	640	4,040	20	880	660	9,500
										(7.1)
For Hire										
Sample	0	0	20	48	4	21	3	3	10	109
Expanded	0	0	400	960	430	420	60	60	200	2,530
										(1.9)
Other										
Sample	0	0	6	4	1	0	1	0	1	13
Expanded	0	0	120	80	20	0	20	0	20	260
										(0.2)
TOTAL	79,280	410	32,770	9,080	1,930	4,640	180	1,740	3,990	134,020
	(59.1)	(0.3)	(24.5)	(6.8)	(1.4)	(3.5)	(0.1)	(1.3)	(3.0)	

STATE TOTAL: 856

Body Type: 0 = Pick-up & Panel; 1 = Multi stop & walk in; 2 = Platform; 3 = Cattle; 4 = Insulated non-refrigerated vans; 5 = insulated refrigerated vans; 6 = Open top van; 7 = All other inclosed vans; 8 = Other & various body types.

Table 19.3

1967 Census of Transportation
Trucks Transporting Farm Products as
"Principal Products Carried"
Missouri

Major Use	Body Type 0	1	2	3	4	5	6	7	8	Total
Agriculture										
Sample	242	3	467	217	7	0	0	0	27	963
Expanded	87,103	162	28,233	16,408	378	0	0	0	1,458	133,742
										(93.2)
Manufacturing										
Sample	2	0	0	0	2	0	0	0	1	5
Expanded	443	0	0	0	108	0	0	0	54	605
										(0.4)
Wholesale & Retail										
Sample	5	1	27	6	7	21	3	3	3	76
Expanded	1,610	54	1,458	324	378	1,804	162	162	162	6,114
										(4.3)
For Hire										
Sample	0	1	9	13	1	9	0	2	5	40
Expanded	0	54	486	702	54	486	0	108	270	2,160
										(1.5)
Other										
Sample	0	0	9	2	1	0	0	0	3	15
Expanded	0	0	486	108	54	0	0	0	162	810
										(0.6)
TOTAL	89,156	270	30,663	17,542	972	2,290	162	270	2,106	143,431
	(62.1)	(0.2)	(21.4)	(12.2)	(0.7)	(1.6)	(0.1)	(0.2)	(1.5)	

STATE TOTAL: 1,099

Body type: 0 = Pick-up & panel; 1 = Multi stop & walk in; 2 = Platform; 3 = Cattle; 4 = Insulated non-refrigerated vans; 5 = Insulated refrigerated vans; 6 = Open top van; 7 = All other inclosed vans; 8 = Other & various body types.

Table 20.3

1967 Census of Transportation
Trucks Transporting Farm Products as
"Principal Products Carried"
Montana

Major Use	Body Type 0	1	2	3	4	5	6	7	8	Total
Agriculture										
Sample	93	0	541	170	1	1	1	0	29	836
Expanded	22,196	0	19,375	6,138	31	31	31	0	899	48,701
										(96.8)
Manufacturing										
Sample	0	0	0	0	0	0	0	0	0	0
Expanded	0	0	0	0	0	0	0	0	0	0
Wholesale & Retail										
Sample	1	1	5	2	3	6	0	0	0	18
Expanded	248	248	155	62	93	186	0	0	0	992
										(2.0)
For Hire										
Sample	0	0	4	3	0	0	0	0	0	7
Expanded	0	0	124	93	0	0	0	0	0	217
										(0.4)
Other										
Sample	0	0	2	2	0	0	0	1	1	6
Expanded	0	0	62	279	0	0	0	31	31	403
										(0.8)
TOTAL	22,444	248	19,716	6,572	124	217	31	31	930	50,313
	(44.6)	(0.5)	(39.2)	(13.1)	(0.2)	(0.4)	(0.1)	(0.1)	(1.8)	

STATE TOTAL: 867

Body Type: 0 = Pick-up & panel; 1 = Multi stop & walk in; 2 = Platform; 3 = Cattle; 4 = Insulated non-refrigerated vans; 5 = Insulated refrigerated vans; 6 = Open top van; 7 = All other inclosed vans; 8 = Other & various body types.

Table 21.3

1967 Census of Transportation
Trucks Transporting Farm Products as
"Principal Products Carried"
Nebraska

Major Use	Body Type 0	1	2	3	4	5	6	7	8	Total
Agriculture										
Sample	94	1	89	89	1	1	4	2	14	295
Expanded	50,124	21	12,034	14,174	21	21	84	42	1,899	78,420
										(88.2)
Manufacturing										
Sample	0	0	6	3	1	2	1	1	3	17
Expanded	0	0	1,196	63	21	42	556	21	63	1,962
										(2.2)
Wholesale & Retail										
Sample	2	1	21	3	3	20	1	0	8	59
Expanded	1,112	21	976	63	598	1,490	21	0	703	4,984
										(5.6)
For Hire										
Sample	0	0	15	47	0	15	4	1	3	85
Expanded	0	0	850	2,057	0	315	84	21	63	3,390
										(3.8)
Other										
Sample	0	0	3	3	0	1	0	0	2	9
Expanded	0	0	63	63	0	21	0	0	42	189
										(0.2)
TOTAL	51,236	42	15,119	16,420	640	1,889	745	84	2,770	88,945
	(57.6)	*	(17.0)	(18.5)	(0.7)	(2.1)	(0.8)	(0.1)	(3.1)	

STATE TOTAL: 465

Body Type: 0 = Pick-up & panel; 1 = Multi stop & walk in; 2 = Platform; 3 = Cattle; 4 = Insulated non-refrigerated vans; 5 = Insulated refrigerated vans; 6 = Open top van; 7 = All other inclosed vans; 8 = Other & various body types.

Table 22.3

1967 Census of Transportation
Trucks Transporting Farm Products as
"Principal Products Carried"
New Mexico

Major Use	Body Type 0	1	2	3	4	5	6	7	8	Total
Agriculture										
Sample	44	0	6	7	1	1	2	0	0	61
Expanded	12,512	0	799	714	17	34	272	0	0	14,348
										(82.3)
Manufacturing										
Sample	0	0	1	0	0	0	0	0	0	1
Expanded	0	0	34	0	0	0	0	0	0	34
										(0.2)
Wholesale & Retail										
Sample	5	1	2	0	4	4	0	0	1	17
Expanded	1,615	340	374	0	102	102	0	0	34	2,567
										(14.7)
For Hire										
Sample	0	0	1	2	0	0	0	0	2	5
Expanded	0	0	17	68	0	0	0	0	51	136
										(0.8)
Other										
Sample	1	0	3	0	0	0	0	0	0	4
Expanded	255	0	102	0	0	0	0	0	0	357
										(2.0)
TOTAL	14,382	340	1,326	782	119	136	272	0	85	17,442
	(82.5)	(1.9)	(7.6)	(4.5)	(0.7)	(0.8)	(1.5)		(0.5)	

STATE TOTAL: 88

Body Type: 0 = Pick-up & Panel; 1 = Multi stop & walk in; 2 = Platform; 3 = Cattle; 4 = Insulated non-refrigerated vans; 5 = insulated refrigerated vans; 6 = Open top van; 7 = All other inclosed vans; 8 = Other & various body types.

Table 23.3

1967 Census of Transportation
Trucks Transporting Farm Products as
"Principal Products Carried"
North Dakota

Major Use	Body Type 0	1	2	3	4	5	6	7	8	Total
Agriculture										
Sample	150	1	869	106	1	0	2	0	41	1,170
Expanded	32,591	41	46,051	6,276	41	0	82	0	2,453	87,535
										(97.8)
Manufacturing										
Sample	0	0	0	0	0	0	0	1	1	2
Expanded	0	0	0	0	0	0	0	41	41	82
										(0.1)
Wholesale & Retail										
Sample	3	0	7	0	1	0	0	0	3	14
Expanded	702	0	287	0	41	0	0	0	123	1,153
										(1.3)
For Hire										
Sample	0	1	3	2	1	1	0	0	3	11
Expanded	0	234	123	82	41	41	0	0	123	644
										(0.7)
Other										
Sample	0	0	2	0	0	0	0	0	0	2
Expanded	0	0	82	0	0	0	0	0	0	82
										(0.1)
TOTAL	33,293	275	46,543	6,358	123	41	82	41	2,740	89,496
	(37.2)	(0.3)	(52.0)	(7.1)	(0.1)	*	(0.1)	*	(3.1)	

STATE TOTAL: 1,199

Body Type: 0 = Pick-up & Panel; 1 = Multi stop & walk in; 2 = Platform; 3 = Cattle; 4 = Insulated non-refrigerated vans; 5 = insulated refrigerated vans; 6 = Open top van; 7 = All other inclosed vans; 8 = Other & various body types.

Table 24.3

1967 Census of Transportation
Trucks Transporting Farm Products as
"Principal Products Carried"
Oklahoma

Major Use	Body Type 0	1	2	3	4	5	6	7	8	Total
Agriculture										
Sample	202	1	664	114	0	1	2	1	16	1,001
Expanded	96,490	22	30,478	6,211	0	22	44	22	1,410	134,699
										(96.0)
Manufacturing										
Sample	0	0	1	0	0	1	0	0	2	4
Expanded	0	0	22	0	0	22	0	0	44	88
										(0.1)
Wholesale & Retail										
Sample	0	1	15	0	4	38	2	4	5	69
Expanded	0	22	330	0	88	1,894	44	88	110	2,576
										(1.8)
For Hire										
Sample	2	0	12	10	1	11	5	4	9	54
Expanded	573	0	1,322	220	22	242	110	88	198	2,775
										(2.0)
Other										
Sample	0	0	3	2	0	3	0	0	1	9
Expanded	0	0	66	44	0	66	0	0	22	198
										(0.1)
TOTAL	97,063	44	32,218	6,475	110	2,246	198	198	1,784	140,336
	(69.2)	*	(23.0)	(4.6)	(0.1)	(1.6)	(0.1)	(0.1)	(1.3)	

STATE TOTAL: 1,137

Body Type: 0 = Pick-up & panel; 1 = Multi stop & walk in; 2 = Platform; 3 = Cattle; 4 = Insulated non-refrigerated vans; 5 = Insulated refrigerated vans; 6 = Open top van; 7 = All other inclosed vans; 8 = Other & various body types.

Table 25.3

1967 Census of Transportation
Trucks Transporting Farm Products as
"Principal Products Carried"
South Dakota

Major Use	Body Type 0	1	2	3	4	5	6	7	8	Total
Agriculture										
Sample	163	1	261	328	0	0	1	1	20	775
Expanded	34,458	18	7,467	7,821	0	0	18	18	573	50,373
	(95.7)									
Manufacturing										
Sample	0	0	0	0	1	0	0	0	1	2
Expanded	0	0	0	0	18	0	0	0	18	36
										(0.1)
Wholesale & Retail										
Sample	0	0	8	1	3	7	0	1	2	22
Expanded	0	0	144	18	54	339	0	18	36	609
										(1.1)
For Hire										
Sample	0	0	13	30	1	17	0	0	6	67
Expanded	0	0	234	540	18	306	0	0	108	1,206
										(2.3)
Other										
Sample	2	0	4	2	0	1	0	0	2	11
Expanded	249	0	72	36	0	18	0	0	36	411
										(0.8)
TOTAL	34,707	18	7,917	8,415	90	663	18	36	771	52,635
	(65.9)	*	(15.0)	(16.0)	(0.2)	(1.3)	*	(0.1)	(1.5)	

STATE TOTAL: 877

Body Type: 0 = Pick-up & panel; 1 = Multi stop & walk in; 2 = Platform; 3 = Cattle; 4 = Insulated non-refrigerated vans; 5 = Insulated refrigerated vans; 6 = Open top van; 7 = All other inclosed vans; 8 = Other & various body types.

Table 26.3

1967 Census of Transportation
Trucks Transporting Farm Products as
"Principal Products Carried"
Wyoming

Major Use	Body Type 0	1	2	3	4	5	6	7	8	Total
Agriculture										
Sample	62	1	238	171	0	0	1	1	26	500
Expanded	8,400	12	4,176	3,636	0	0	12	12	444	16,692
										(97.9)
Manufacturing										
Sample	0	0	0	0	0	1	0	0	0	1
Expanded	0	0	0	0	0	12	0	0	0	12
										(0.1)
Wholesale & Retail										
Sample	0	2	4	1	1	5	0	0	0	13
Expanded	0	24	48	12	12	60	0	0	0	156
										(0.9)
For Hire										
Sample	0	0	1	11	0	0	0	0	2	14
Expanded	0	0	12	132	0	0	0	0	24	168
										(1.0)
Other										
Sample	0	0	1	0	0	0	0	0	0	1
Expanded	0	0	12	0	0	0	0	0	0	12
										(0.1)
TOTAL	8,400	36	4,248	3,780	12	72	12	12	468	17,040
	(49.3)	(0.2)	(24.9)	(22.2)	(0.1)	(0.4)	(0.1)	(0.1)	(2.7)	

STATE TOTAL: 529

Body Type: 0 = Pick-up & panel; 1 = Multi stop & walk in; 2 = Platform; 3 = Cattle; 4 = Insulated non-refrigerated vans; 5 = Insulated refrigerated vans; 6 = Open top van; 7 = All other inclosed vans; 8 = Other & various body types.

CHAPTER IV

METHODOLOGY

The purpose of this chapter is to describe the methodology used to collect the primary data used in the study. Primary data were collected from both carriers and shippers of agricultural commodities throughout the state. The purpose of these data are to provide basic information on the operational characteristics of the SMC engaged in agricultural commodity movements and how the needs of the shippers of agricultural commodities are being met by this group.

The reader should be aware that no attempt was made to design a methodology to determine the cost of providing truck service or costs incurred by shippers due to insufficient transportation service. Objectives such as these require considerably more time and expense than were available for this study. The research staff, however, is convinced that additional effort along these lines is required before the present question can be fully resolved. Data on the economic consequences of truck shortages were not available from the shippers, and the effects of shortages on their operation could be alluded to only in general terms; consequently, considerable limitations are placed on the conclusions of the study. In addition, the subject of rail service provided to shippers of agricultural commodities was not examined in detail during this study.

The problem of adequate data is not unique to Texas. Only carriers with more sophisticated accounting procedures than used by most agricultural products carriers can provide detailed information on truck operating costs. Shippers

with a multitude of marketing problems to solve do not normally record the circumstance of truck shortage and the impact on their operations. Costs such as labor, storage, interest, and lost sales may result because of a truck shortage; however, the shipper is currently unable to assign a dollar value to these factors.

The Population of Interest

Trucking firms doing business in Texas are required to obtain operating authority from the RCT. This applies to those firms engaged in interstate commerce. The RCT provided a mailing list of all firms with Texas authority. One group, the intrastate regulated carriers, was classified according to the type of commodities for which they had authority. The interstate carriers, however, were in a single file regardless of the type of commodity permit. The two types of carriers serve basically different types of markets, and, therefore, the service they provide is multifarious.

According to the information provided in Table 1.4, there were 6,191 motor carrier firms with permits in Texas as of September 1969. Fifty-one percent of these were classed as Specialized Motor Carriers-Interstate, and an additional 37.6 percent of the firms were Specialized Motor Carriers-Intrastate. These two groups included those motor carrier firms which were engaged in the movement of agricultural commodities, however, all SMC are not engaged in agricultural transportation. This group also includes house movers, household goods movers, oil field equipment haulers and other specialized truck transportation firms.

Table 14

Number of Motor Carrier Firms Operating in Texas by Type of Permit

Type of Permit	Number of Firms	Percent of Total
Specialized Motor Carrier-Intrastate	2330	37.6
Specialized Motor Carrier-Interstate	3155	51.0
Common Carrier-Intrastate	217	3.5
Common Carrier-Interstate	93	1.5
Contract Carrier-Intrastate	212	3.4
Contract Carrier-Interstate	112	1.8
Bus-Intrastate	72	1.2
Total	6191	100.0

Source: Rail Road Commission of Texas computer listing September, 1969

It should be pointed out that more than 50 percent of the permits issued by the RCT are for interstate commerce. As was pointed out in Chapter II, Texas has very little authority over this group of carriers and, particularly, no entry control or rate regulation.

Table 2.4 shows the number of intrastate SMC permits issued to haul various agricultural commodities. There are two types of permits issued, one for agricultural products, which includes fruits and vegetables, and one for livestock and grain. A firm may have both types of permits. As of September 1969, there were 75 SMC firms with authority to transport agricultural products in their natural state within the state of Texas. With one or two exceptions, those firms are all domiciled in Texas. There were 984 firms with permits issued to haul grain and livestock, however, 554 of the firms had at least one additional permit. Four hundred and thirty of the firms had only one permit. A total of 1,059 SMC permits were issued to firms to transport agricultural commodities, including livestock and grain, within Texas.

A further breakdown of the permits and a definition of the population used in this study are presented in Table 3.4. Only intrastate permits are shown in this table. All firms with intrastate agricultural products (fruits and vegetables) authority were included in the universe regardless of their status. The 430 firms with only a livestock and grain authority were also included in the study without any additional considerations. The remaining 554 firms, each of which had more than one permit, were classified for inclusion in the universe of interest according to an examination of their annual reports filed with the RCT. If a firm reported revenue from hauling these products, it was included in the universe; if no revenue was reported, the firm was not included therein.

Table 2.4

Specialized Motor Carriers With Agricultural Products, Livestock and Grain Permits and Other Operating Authority for Intrastate Operations

Firm with Agricultural Products Authority		75
Firm with Livestock and Grain Permits		984
Number of Firms with Only Livestock and Grain Permit	430	
Number of Firms with Livestock and Grain Permit and at Least One Additional Operating Permit	554	
Total Number of Permitted Firms on Mailing List		1,059

Source: Rail Road Commission of Texas Computer Listing, September, 1969

Table 3.4

Population of Firms of Interest to Study
with Intrastate Permits

All Firms with Agricultural Products Authority	75
All Firms with only Livestock and Grain Authority	430
Firms with Livestock and Grain Permits and other non-agricultural type authority who have revenue from hauling farm products in 1968 (from Operating Report filed with RRC)	229
Total in Population of Interest	734
Firms which have a Livestock and Grain Permit and at least one additional authority to haul non-agricultural type product which reported no revenue from hauling livestock and grain	325
Total number of firms on mailing list	1,059

Note: All firms with an Agricultural Products Authority and those having only a Livestock and Grain Authority were defined as being in the Universe of Interest even if they reported no business under these authorities in 1968.

An examination of the annual reports filed by the carriers having two or more commodity permits showed that 229, or 41.3 percent, of the firms reported revenue from farm products hauling; while 325, or 58.7 percent reported no revenue from these commodities, although they had authority to transport livestock and grain within Texas. Since the latter group was not currently hauling any agricultural commodities in Texas, it was excluded from the population. The former group of carriers, along with 430 firms with only one permit for grain and livestock, were included in this study.

A total of 734 firms with intrastate authority were defined as being in the population of interest. This included 75 firms with an agricultural products authority and 659 with a livestock and grain permit. This is the group of intrastate firms which were subject to study.

According to the information presented in Table 1.4, 3,155 SMC have a Texas interstate permit. These firms, however, are not classified on the computer tape according to the type of commodities transported. Therefore, the exempt agricultural carriers, as well as other groups of carriers, are included under this classification. These firms cannot haul agricultural commodities from point to point within the state, but only between points in Texas and out of the state. It was, however, decided to include this group in the study because of their importance to Texas shippers and their role in the total transportation system. Even though Texas and the RCT have very little authority over this sector, its inclusion is essential to any planning effort or policy consideration.

The relatively large number of firms on this list, and the problems involved in collecting information from this group, led to a preliminary evaluation by the research staff. A decision was made to classify the firms as applicable or nonapplicable to the objective of the study according to some subjective criteria. Firms whose name implied a particular type of nonagricultural transport service, such as household goods movers, were excluded from the study. Firms located in predominantly agricultural producing regions such as Florida were usually included in the applicable group of firms. This selective process was adapted primarily because of the large number of firms on the mailing list; however, it was considered important to the objectives of the study to define homogenous groups.

Table 4.4 shows the distribution of firms with an interstate permit according to their applicability to the study. From a total of 3,155 firms on the list, 592 were designated as applicable and 414 as nonapplicable. The remaining 2,149 were not classified and were subject to further examination.

A three percent random sample of the firms not classified was drawn and an abbreviated questionnaire was sent to these firms. The questionnaire was brief. It asked only if the firm transported agricultural commodities either into or out of Texas and how many loads were moved during 1969. A copy of this questionnaire is shown in the Appendix. The purpose of this procedure was to provide information and insight into the group of firms not previously classified.

TABLE 4.4

Distribution of Firms Holding Exempt Interstate Authority To Use the Highways of Texas in Interstate Commerce[1]

Firms Considered Applicable to Study Objectives[2]	592
Firms Considered Non-Applicable to Study Objectives[2]	414
Firms Not Classified - 3% Sample Selected From This Group[2]	2,149
Total	3,155

[1] Firms in this group have authority issued by the Railroad Commission of Texas to use the highways of Texas under provisions of Section 203 (b) of the Interstate Commerce Act or under appropriate authority issued by the Interstate Commerce Commission.

[2] Firms were classed applicable or non-applicable by a subjective evaluation of the source frame. Firm name, location and other criteria were used in dividing the group. A three percent sample of the remaining firms was conducted in order to provide needed information on the majority of firms.

Table 5.4 shows the results of the pretest sent to firms not classified. Based on the information received, it was determined that additional work with this group would not provide sufficient information to justify the cost involved in collecting the data. A statistical analysis of this group of firms based upon the sample provides the following information:

A = Number of carriers of interest in the frame

a = Number of carriers of interest in the sample

N = Number of carriers in the frame

n = Number of carriers in the sample

P = A/N proportion of carriers in the frame that are of interest

p = a/n proportion of carriers in the sample that are of interest

is an unbiased estimate of P

$\hat{A}$ = Np is an unbiased estimate of A

N = 2149

n = 53

a = 7

p = a/n = 7/53 = 13.20

$\hat{A}$ = Np = 2149(7/53) = 284

$V(\hat{A}) = \frac{N^2 PQ}{n}\left(\frac{N-n}{N-1}\right)$ = variance of $\hat{A}$ Q = 1-P

$\sqrt{v(\hat{A})} = \sqrt{\frac{N(N-n)}{n-1}\,pq}$ = estimated standard error of $\hat{A}$

$= \sqrt{\frac{2149\ (2149-53)}{} \cdot \frac{7}{52} \cdot \frac{46}{53}} \simeq 100$

$= \sqrt{86621.2307\ (.1320)\ (.8679)} \simeq \sqrt{9923.5706} \simeq 100$

Coefficient of variation = $\frac{N(A)}{A}$ = 32.2%

Table 5.4

Results of Questionnaire Sent to Firms
Not Classified by Activity

	Number of Firms	Percent of Total
Number Firms Selected	65	100.0
Firms Responding	53	81.5
Non-Responding	12	18.5
Applicable Responding Firms	7	13.2
Non-Applicable Responding Firms	46	86.8
Total	53	100.0

Conclusion: The estimated number of firms of interest in the frame of 2,149 carriers is 284 with a standard error of 100.

Note: The estimated number of firms not of interest in the frame of 2,149 carriers is 1,865, also with a standard error of 100 and a coefficient of variation of 5.3 percent. The variance of A is dependent upon pq/(n-1) and so it makes no difference if A is the p or q proportion.

Only 284, or 13.2 percent of the firms are assumed to be of interest to the objectives of the study. This, of course, is based upon the reliability of the sample selected. Based on the results of the pretest, it was decided not to devote additional time and effort to this group of carriers. Certainly a number of the firms serve Texas agricultural production and marketing points, however, the identification of these is not feasible without additional information.

Data Collection

All firms defined as applicable to the study received a mail questionnaire to be completed and returned to TTI. Approximately three weeks after the initial mailing, a follow-up request was sent to the nonresponding firms. Later, a one in ten sample of the firms that failed to respond to either mailing was selected to receive another questionnaire.

The questionnaire used in this study was designed to provide the research team information on such items as equipment and its ownership, total revenue from hauling agricultural commodities, the extent of agricultural commodity hauling, and the scope of the firm's operations. Comments, especially in the areas of adequacy of service, were elicited from the responding firms.

Information on agricultural shipments was collected from the U.S. Department of Agriculture, Texas Department of Agriculture, and several agricultural groups within the state.

Shipping firms handling agricultural commodities were personally interviewed by the research team. The objectives of these visits were to determine their transportation requirements and special needs, the type of service they were receiving, and the costs of shortages in their operations. Interviews were conducted at various production locations throughout the state.

In addition to these visits, staff members attended several agri-industry meetings throughout the state. The staff arranged for several leaders of Texas agriculture to meet with the Mid-America Governor's Transportation Council at its quarterly meeting held in Houston. The Texas Transportation Institute was also involved in a Jet Freight Conference held in April 1970 in Dallas, Texas. These meetings provided an opportunity for the research staff to gain insight into the current and future agricultural transportation requirements in the state.

CHAPTER V

TEXAS TRUCK SUPPLY

The purpose of this chapter is to present the data on truck supply and utilization furnished by the truckers in a mail questionnaire. The selection of the firms and certain general characteristics of the population of interest have been presented in Chapter IV. There, it was pointed out that there are two groups of specialized motor carriers which serve Texas agriculture. The intrastate carriers serve both intrastate and interstate markets, while the interstate trucker serves only the interstate market. Data on each group will be presented separately.

Table 1.5 shows the firm response by type of permit. Approximately 46 percent of the firms with an intrastate permit responded to the questionnaire. Of the 592 firms with an interstate permit which received the questionnaire, 46.6 percent responded. A total of 614, or 46.3 percent of all firms receiving the questionnaire responded. It is apparent that firms in both classifications tended to respond at approximately the same rate.

Table 1.5

Number of Responding Specialized Motor Carriers by Type of Operating Permit

Type of Permit	Number of Questionnaires Mailed	Number of Questionnaires Returned	Percent of Total
Intrastate	735	338	46.1
Interstate	592	276	46.6
Total	1,326	614	46.3

Characteristics of Intrastate Specialized Motor Carrier Firms

Table 2.5 shows the distribution of the firms with intrastate authority according to the state in which they are domiciled. Almost all the firms with intrastate permits, as well as those responding to the questionnaire, are located in Texas. The 725 firms located in Texas had a response rate of 46.1 percent.

Table 2.5

Distribution by State of Sample Intrastate Specialized Motor Carriers Receiving Mail Questionnaire

State	Number in Sample	Percent of Total	Number Responding	Percent of Total	Percent Responding
Texas	725	98.8	334	98.8	46.1
Kentucky	1	0.1	1	0.3	100.0
Illinois	1	0.1	1	0.3	100.0
Nebraska	2	0.3	1	0.3	50.0
Colorado	1	0.1	1	0.3	100.0
Kansas	1	0.1	---	----	---
Arkansas	1	0.1	---	---	---
Oklahoma	1	0.1	---	---	---
New Mexico	1	0.1	---	---	---
TOTAL	734	100.0	338	100.0	46.1

Table 3.5 shows the type of response received from the responding intrastate carriers. For the year 1969, 69.2 percent of the responding firms indicated they hauled agricultural commodities under their permit. More than 15 percent of the firms responding to the questionnaire did not operate in 1969 for various reasons. These firms were out of business, had sold or

leased their permit, or were not actively engaged in moving agricultural products for various reasons. It can be seen from Table 3.5 that 30.8 percent of the responding SMC with permits to haul agricultural products and/or livestock did not move these products in Texas during 1969. The data in the following tables is based primarily on the information provided by those firms actively engaged moving agricultural products in Texas.

Table 3.5

Response Category of Intrastate Specialized Motor Carriers Responding to Questionnaire

Response Category	Number of Firms	Percent
Hauled Agricultural Products and/or Livestock in Texas - 1969.	234	69.2
Did Not Haul Agricultural Products and/or Livestock in Texas - 1969	51	15.1
Did Not Operate in 1969[1]	53	15.7
TOTAL.	338	100.0

[1]This includes 24 firms which replied that they were out of business.

Table 4.5 shows the inventory of transportation equipment as reported by the 234 responding intrastate trucking firms hauling agricultural commodities. As of January 1, 1969, these firms reported 2,053 pieces of equipment. During the year, these firms added 568 units for a 27.7 percent increase. These firms removed from service 20.8 percent of the equipment for a net increase of 6.9 percent on December 31, 1969. It should be noted that leased equipment represented a relatively small percent of both the beginning and ending inventory.

However, leased truck-tractors and trailers represented 18.3 and 23.8 percent, respectively, of the additions during the year. Leased truck-tractors account for 21.0 percent and leased trailers account for 31.6 percent of the equipment removed from service during 1969. This tends to indicate, for these carriers, that they attempt to vary their fleet size throughout the year by lease agreements (with owner-operators that do not have an intrastate permit). Through these arrangements, the firms can meet peak requirements without additional investment in equipment.

The responding firms reported relatively few straight trucks, however, this is the primary type of equipment which the shippers reported as being in short supply for intrastate shipments. The capacity of these vehicles makes them attractive to shippers making small shipments to Texas markets.

The distribution of straight trucks and trailers by body type is shown in Table 5.5. Of the 184 trucks in the responding firms' fleets, 47.3 percent were classed as cattle racks and 39.7 were flatbed or grain trucks. These two body types accounted for almost all the straight trucks reported. Refrigerated trailers represented 12.3 percent of the trailers in the equipment inventory of the responding firms. More than 38 percent of the trailers were classed as cattle racks. Flatbed or grain trailers accounted for 39.8 percent of the trailers reported.

Table 4.5

Inventory of Vehicles, Including Trailers, of Intrastate Specialized Motor Carriers Responding to Mail Questionnaire

Item	As of Jan. 1, 1969	Percent	Added to Service During Year	Percent	Removed from Service During Year	Percent	Dec. 31, 1969	Percent
Straight Trucks								
Owned	144	7.0	38	6.7	17	4.0	165	7.5
Leased	30	1.5	16	2.8	27	6.3	19	0.9
Truck Tractors								
Owned	722	35.1	129	22.7	84	19.6	767	35.0
Leased	125	6.1	104	18.3	90	21.0	139	6.3
Semi and Full Trailers								
Owned	878	42.8	146	25.7	75	17.5	949	43.3
Leased	154	7.5	135	23.8	135	31.6	154	7.0
TOTAL	2,053	100.0	568	100.0	428	100.0	2,193	100.0
Percent Change			(+27.7)		(-20.8)		(+6.9)	

Table 5.5

Distribution of Straight Trucks and Semi and Full Trailers by Body Type of Intrastate Specialized Motor Carriers Responding to Mail Questionnaire

Body Type	Trucks	Percent	Semi-Full Trailers	Percent	Total	Percent
Refrigerated Van Units	4	2.2	136	12.3	140	10.9
Vented Units	4	2.2	28	2.5	32	2.5
Non-Refrigerated Van Units	1	0.5	26	2.4	27	2.1
Cattle Racks	87	47.3	421	38.2	508	39.5
Flat Bed or Grain Units	73	39.7	439	39.8	512	39.8
Open Top Vans	5	2.7	29	2.6	34	2.6
Others	10	5.4	24	2.2	34	2.6
TOTAL	184	100.0	1,103	100.0	1,287	100.0

Table 6.5 shows the distribution of responding intrastate SMC firms by total revenue; nine firms failed to provide this information. According to the data in this table, there is a large percentage of relatively small firms with less than $25,000 total revenue. Also, only 9.4 percent of the responding firms reported a total revenue of more than $250,000. Between these two revenue extremes were 45 percent of responding firms. According to most studies in this area, the agricultural trucking firm is characterized by a relatively small total revenue. If this is the case in Texas, the firms, usually owner-operator, may experience difficulty in expanding their operation and making capital investments in equipment.

Table 6.5

Distribution of Responding Intrastate Specialized Motor Carriers by Total Revenue

Revenue Class	Number of Firms	Percent of Total
Not Specified	9	3.8%
Less than $10,000	49	20.9
$10,000 - 25,000	49	20.9
25,000 - 50,000	32	13.7
50,000 - 100,000	37	15.8
100,000 - 250,000	36	15.5
250,000 - 500,000	10	4.3
500,000 - 1,000,000	9	3.8
1,000,000 & over	3	1.3
TOTAL	234	100.0%

Table 7.5 shows the distribution of intrastate SMC responding to the questionnaire by fleet size and total revenue. Fleet size refers to the units of equipment reported by the firm and includes trucks, truck-tractors, and trailers. As would be expected, these two characteristics tend to move in the same direction. Firms with six or less pieces of equipment accounted for 60.7 percent of the reporting firms. More than 17.1 percent of the firms reported an equipment inventory of over fifteen units.

Table 7.5

Distribution of Intrastate Specialized Motor Carriers by Fleet Size and Total Revenue

Total Revenue	Fleet Size: Less Than 4	4 6	7 9	10 15	Over 15	Total	Percent of Total
Less than $10,000	37	11	--	1	--	49	20.9
10,000 - 25,000	30	13	5	--	1	49	20.9
25,000 - 50,000	8	17	5	2	--	32	13.7
50,000 - 100,000	5	8	13	5	6	37	15.8
100,000 - 250,000	3	2	6	11	14	36	15.5
250,000 - 500,000	--	--	--	1	9	10	4.3
500,000 - 1,000,000	--	1	--	--	8	9	3.8
1,000,000 - 2,000,000	--	--	1	--	2	3	1.3
Not Specified	5	2	--	2	--	9	3.8
TOTAL	88	54	30	22	40	234	
Percent of Total	37.6	23.1	12.8	9.4	17.1		100.0

The distribution of the responding intrastate SMC by total revenue and percent loaded miles is shown in Table 8.5. Loaded miles can be used, in this instance, as an indication of equipment utilization. A higher utilization factor is one method of increasing supply by using resources more productively. However, even the most efficient operation will have some degree of empty mileage. Loaded miles are a function of the commodities moved, routes, type of equipment and management. Some firms with a high percentage of empty miles could

conceivably increase their equipment utilization with additional or expanded permits and routes. Certain operations, however, are characterized by a large percent of empty miles. According to the information received, 60.7 percent of the responding firms had between 50-59 percent loaded miles. More than 9 percent of the firms had from 60-69 percent of the total miles traveled loaded. Only 11.2 percent of the responding firms had more than 70 percent of their total miles loaded. Any program designed to increase this percentage of loaded miles will also tend to increase the availability of equipment, as well as the efficient utilization of existing resources.

Table 8.5

Distribution of Intrastate Specialized Motor Carriers by Total Revenue and Percent Loaded Miles

	Percent Loaded Miles								
Total Revenue	Not Specified	Less Than 50	50 59	60 69	70 79	80 89	90 99	Total	Percent of Total
Less than $10,000	7	3	34	2	1	--	--	49	20.9
10,000 - 25,000	5	4	35	3	2	--	--	49	20.9
25,000 - 50,000	2	3	21	1	2	1	2	32	13.7
50,000 - 100,000	5	1	22	3	1	4	1	37	15.8
100,000 - 250,000	5	2	17	6	3	3	2	36	15.5
250,000 - 500,000	3	--	5	1	--	1	--	10	4.3
500,000 - 1,000,000	--	--	4	5	--	--	--	9	3.9
1,000,000 - 2,000,000	--	--	1	--	--	--	2	3	1.3
Not Specified	4	--	3	1	1	--	--	9	3.9
TOTAL	31	13	142	22	10	9	7	234	
Percent of Total	13.2	5.5	60.7	9.4	4.3	3.9	3.0		100.0

Table 9.5 shows the distribution of truck trips reported by the responding agricultural commodity carriers. The firms reported a total of 151,214 trips during 1969. More than 87.9 percent of these were involved with hauling agricultural commodities. Movements either originating or terminating in Texas or wholly within the state accounted for 81.2 percent of the total reported trips. This indicates that the responding firms deal primarily in hauling agricultural commodities. More than 92 percent of all movements of agricultural commodities are in Texas.

Table 9.5

Distribution of Total Truck Trips -
Intrastate Specialized Motor Carriers

	Number of Trips	Percent of Total Trips	Percent of Trips Hauling Agricultural Commodities
Total Truck Trips	151,214	100.0	---
Trips Hauling Agricultural Commodities	132,958	87.9	100.0
Trips in Texas	122,740	81.2	92.3

The distribution of truck trips of the intrastate SMC by the origin-destination of the movement is shown on Table 10.5. More than 77.4 percent of the trips hauling agricultural commodities were intrastate Texas. Trips originating in Texas destined for out of state markets accounted for 12.4 percent of the total trips reported. Inbound Texas shipments represented 10.2 percent of the trips of the responding firms.

Table 10.5

Distribution of Trips of Intrastate Specialized Motor Carriers Hauling Agricultural Commodities by Origin-Destination

Origin-Destination	Number of Trips	Percent of Total
Originated in Texas - Terminated in Texas	95,022	77.4
Originated in Texas - Terminated outside Texas	15,240	12.4
Originated outside Texas - Terminated in Texas	12,478	10.2
TOTAL	122,740	100.0

Tables 9.5 and 10.5 provide some interesting information regarding the responding firms. These firms apparently concentrate their activities in hauling agricultural commodities. They also do most of their hauling in Texas. A large majority, 89.8 percent, of all movements of agricultural commodities were from Texas points. These data correspond with information provided during meetings with carriers in which they indicated a preference for operating intrastate Texas whenever possible.

Table 11.5 shows the distribution of the type of agricultural commodities carried by intrastate SMC. The responding firms reported 7.6 percent of the total trips were movements of fruits and vegetables. Movement of livestock accounted for 48.8 percent of the trips hauling agricultural commodities. More than 18 percent of the truck trips were involved in the movement of of grain. These three commodities accounted for the large majority of truck trips of agricultural commodities.

Table 11.5

Distribution of Type of Agricultural Commodity
Carried by Intrastate Specialized Motor Carriers

Type of Commodity	Number of Trips	Percent of Total
Fruits and Vegetables	10,085	7.6
Livestock	64.815	48.8
Grain	24,681	18.6
Wool	199	0.1
Cotton	7,311	5.5
Poultry (Processed)	701	0.5
Poultry (Live)	6,288	4.7
Other	18,878	14.2
TOTAL	132,958	100.0

The SMC firms were asked if they ever failed to provide equipment when requested by the shipper - and why. Table 12.5 lists the reasons mentioned by the trucking firms. Some firms specified more than one factor. The most frequently mentioned reason was "equipment not available," which was mentioned by 68 firms and accounted for 32.4 percent of the total. The next most frequent reason was "rates not satisfactory," which represented 24.1 percent of the failures. "No authority" was reported by 39 firms, accounting for 18.8 percent of the total, as the reason they refused loads. Other reasons given for failing to provide equipment include "drivers not available," 11.1 percent; "backhauls not available," 9.2 percent; and "nuisance factor of commodity," 2.9 percent of the total reasons.

Table 12.5

Reasons Mentioned by Intrastate Specialized Motor Carriers of Agricultural Commodities for Failing to Provide Equipment

Reason	Number of Responses	Percent of Total
Equipment not available	68	32.4
Rates not satisfactory	51	24.3
No authority	40	19.0
Drivers not available	23	11.0
Backhauls not available	19	9.0
Nuisance factor of commodity	6	2.9
Other	3	1.4
TOTAL	210	100.0

Characteristics of Interstate Specialized Motor Carrier Firms

The purpose of this section is to present the data furnished by the responding SMC firms that have an interstate permit. These firms have authority to either pick up or deliver in Texas but cannot legally pick up and deliver within the state. Trucking firms with this type permit are not obligated to serve Texas points and are not subject to rate and/or route regulation.

Table 13.5 shows the distribution of the sample and responding firms by state. These firms are located throughout the country and serve Texas shippers primarily during the harvest period. One characteristic of these firms is their high degree of mobility which allows them to serve many diverse points. The largest number of sample firms were located

in Texas, which accounted for 33.7 percent of the total. Kansas was the location of 14.0 percent of the sample firms. More than 9.0 percent of the sample firms were domiciled in Florida.

Of the 276 interstate firms which responded, 29.0 percent were located in Texas. An additional 16.3 percent of the respondents were Kansas firms. Almost 7.0 percent of the responding firms were located in Florida.

The last column on Table 13.5 indicates the response rate from the various states. In Texas, for example, 40.2 percent of the sample firms responded to the questionnaire.

Table 14.5 shows the distribution of the responding firms by response category. More than 64.0 percent of the firms responding stated that they transported agricultural commodities in Texas during 1969. This is approximately the same percent of intrastate firms which moved agricultural commodities during 1969. It is important to note that 69 of the interstate firms that did not operate in Texas are still in business. A program designed to induce these firms to serve Texas points would increase the supply of trucks. Several firms in this group requested information on availability of loads and expressed a desire to serve Texas production points.

Table 13.5

Distribution by State of Sample Interstate Specialized Motor Carriers Receiving Mail Questionnaire

State	Number in Sample	Percent of Total	Number Responding	Percent of Total	Percent Responding
New Jersey	2	0.3	0	---	---
Pennsylvania	1	0.2	1	0.4	100.0
Delaware	2	0.3	0	---	---
Maryland	1	0.2	1	0.4	100.0
Virginia	2	0.3	2	0.7	100.0
Oklahoma	38	6.4	17	6.1	44.7
North Carolina	4	0.7	2	0.7	50.0
Tennessee	6	1.0	4	1.4	66.7
South Carolina	3	0.5	3	1.1	100.0
Georgia	10	1.7	2	0.7	20.0
Florida	55	9.3	19	6.9	34.5
Alabama	24	4.1	11	4.0	45.8
Mississippi	11	1.9	6	2.2	54.5
Kentucky	2	0.3	2	0.7	100.0
Ohio	1	0.2	1	0.4	100.0
Indiana	4	0.7	1	0.4	25.0
Michigan	5	0.8	2	0.7	40.0
Iowa	6	1.0	4	1.4	66.7
Wisconsin	2	0.3	1	0.4	50.0
Minnesota	4	0.7	0	---	---
South Dakota	2	0.3	2	0.7	100.0
North Dakota	1	0.2	0	---	---
Montana	2	0.3	0	---	---
Illinois	6	1.0	2	0.7	33.3
Missouri	15	2.5	11	4.0	73.3
Kansas	83	14.0	45	16.3	54.2
Nebraska	17	2.9	10	3.6	58.8
Louisiana	7	1.2	2	0.7	28.6
Arkansas	44	7.4	24	8.7	54.5
Texas	199	33.7	80	29.0	40.2
Colorado	16	2.7	9	3.3	56.3
Arizona	2	0.3	2	0.7	100.0
New Mexico	8	1.4	5	1.8	62.5
California	5	0.8	3	1.1	60.0
Oregon	1	0.2	1	0.4	100.0
Washington	1	0.2	1	0.4	100.0
TOTAL	592	100.0	276	100.0	46.6

Table 14.5

Response Category of Interstate Specialized Motor Carriers[1] Responding to Questionnaire

Response Category	Number of Firms	Percent
Hauled Agricultural Commodities and/or Livestock in Texas - 1969	177	64.1
Did Not Haul Agricultural Commodities and/or Livestock in Texas - 1969[2]	99	35.9
TOTAL	276	100.0

[1]A total of 592 firms were selected from the mail list of more than 3,100 firms of this type motor carrier to receive a mail questionnaire. A three percent sample of the remaining firms using a simplified form indicated that most firms in this group were not hauling exempt agricultural commodities. A full description of this phase of the study is presented elsewhere in the report.

[2]This group includes six questionnaires returned by local post offices. Eleven firms said that they were "out of business." Sixty-nine firms indicated they were still in business but did not operate in Texas. The remaining firms gave several reasons for not providing data, most indicating that they were no longer active or had leased out all equipment.

The inventory of equipment reported by the responding interstate SMC is presented in Table 15.5. These firms reported a total of 2,713 pieces of equipment on January 1, 1969. At the end of the year, these same firms had increased their fleet size by 12.2 percent and reported 3,044 units of equipment. The interstate firms reported very few straight trucks, as would be expected. However, a large percent of the equipment, especially truck-tractors and trailers were leased. This group of firms, although fewer in number than the intrastate carriers, reported considerably more equipment and also had a larger increase in fleet size during 1969.

Table 15.5

Inventory of Vehicles, Including Trailers, of Interstate Specialized Motor Carriers of Agricultural Commodities Responding to Mail Questionnaire

Item	As of Jan. 1, 1969	Percent	Added to Service During Year	Percent	Removed From Service During Year	Percent	Total	Percent
Trucks								
Owned	48	1.8	2	0.3	2	0.5	48	1.6
Leased	3	0.1	0	---	0	---	3	0.1
Truck Tractors								
Owned	810	29.9	142	19.7	97	24.7	855	28.1
Leased	465	17.1	262	36.2	146	37.3	581	19.1
Semi and Full Trailers								
Owned	1,048	38.6	183	25.3	97	24.7	1,134	37.2
Leased	339	12.5	134	18.5	50	12.8	423	13.9
TOTAL	2,713	100.0	723	100.0	392	100.0	3,044	100.0
Percent Change			(+26.6)		(-14.4)		(+12.2)	

Table 16.5 shows the distribution of straight trucks and semi and full trailers by body type as reported by the interstate SMC firms. Refrigerated units accounted for 35.3 percent of the straight trucks in the inventory. Flatbed or grain trucks represented 33.3 percent of the total reported trucks. Cattle racks were the third most frequently reported trucks and accounted for 23.6 percent of the total fleet.

Refrigerated units were also the major trailer type reported by the responding interstate firms and accounted for 58.6 percent of the total trailers. Cattle racks represented 22.0 percent of the trailers reported by these firms. More than 11.0 percent of the trailers in the inventory were flatbed or grain trailers.

Table 16.5

Distribution of Trucks and Semi and Full Trailers by Body Type of Interstate Specialized Motor Carriers Responding to Mail Questionnaire

Body Type	Trucks	Percent	Semi-Full Trailers	Percent	Total	Percent
Refrigerated Van Units	18	35.3	913	58.6	931	57.9
Vented Units	0	--	24	1.6	24	1.6
Nonrefrigerated Van Units	2	3.9	56	3.6	58	3.6
Cattle Racks	12	23.6	343	22.0	355	22.1
Flatbed or Grain Units	17	33.3	172	11.1	189	11.7
Other	0	--	30	1.9	30	1.9
TOTAL	51	100.0	1,557	100.0	1,608	100.0

The distribution of the responding interstate SMC by total revenue is presented in Table 17.5. Ten firms did not respond to this question. A comparison of this table and Table 6.5 indicates that a much larger percentage of interstate firms reported revenue in excess of $250,000. However, almost 50 percent of the interstate firms had a total revenue of less than $50,000.

Table 17.5

Distribution of Responding Interstate
Specialized Motor Carriers by Total Revenue

Revenue Class	Number of Firms	Percent of Total
Not Specified	10	5.6
Less than $10,000	23	13.0
$10,000 - 25,000	33	18.7
25,000 - 50,000	30	16.9
50,000 - 100,000	22	12.4
100,000 - 250,000	25	14.1
250,000 - 500,000	13	7.4
500,000 - 1,000,000	13	7.4
1,000,000 and over	8	4.5
TOTAL	177	100.0

Table 18.5 shows the distribution of interstate SMC by fleet size and total revenue. Almost 30.0 percent of the responding firms reported a fleet size of less than four units. Most of these firms, as would be expected, were in the lower total revenue classification. Generally, as total revenue increased so did fleet size. Each of the eight firms with revenue of over one million dollars reported more than 15 pieces of equipment. More than 22.0 percent of the firms have over 15 units of equipment in their fleet.

Table 18.5

Distribution of Interstate Specialized Motor Carriers by Fleet Size and Total Revenue

	Fleet Size						
Total Revenue	Less Than 4	4 6	7 9	10 15	Over 15	Total	Percent of Total
Less than $10,000	13	6	1	--	3	23	13.0
10,000 - 25,000	18	8	2	4	1	33	18.7
25,000 - 50,000	16	10	2	2	--	30	16.9
50,000 - 100,000	1	11	4	4	2	22	12.4
100,000 - 250,000	--	9	1	11	4	25	14.1
250,000 - 500,000	1	2	--	3	7	13	7.4
500,000 - 1,000,000	--	1	1	--	11	13	7.4
1,000,000 - 2,000,000	--	--	--	--	8	8	4.5
Not Specified	4	1	--	2	3	10	5.6
TOTAL	53	48	11	26	39	177	
Percent of Total	29.9	27.1	6.2	14.7	22.1		100.0

Table 19.5 shows the distribution of the responding interstate SMC by percent loaded miles and total revenue. The larger more efficient firms would be expected to have the larger percent of loaded miles. A comparison of this table and Table 8.5 indicates that a large percentage of interstate carriers have a higher percentage of loaded miles. In order to remain in business, these firms must minimize their empty miles. Although they are prohibited from moving most types of commodities, they can move exempt agricultural products in interstate commerce without restrictions. Under these circumstances, the firm manager or owner-operator will make every effort to secure a return load.

Table 19.5

Distribution of Interstate Specialized Motor Carriers by Total Revenue and Percent Loaded Miles

	Percent Loaded Miles								
Total Revenue	Not Specified	Less Than 50	50 59	60 69	70 79	80 89	90 99	Total	Percent of Total
Less than $10,000	6	1	10	1	3	2	--	23	13.0
10,000 - 25,000	4	3	10	6	6	1	3	33	18.7
25,000 - 50,000	3	1	4	3	3	7	9	30	16.9
50,000 - 100,000	3	1	3	1	3	5	6	22	12.4
100,000 - 250,000	3	4	3	2	3	2	8	25	14.1
250,000 - 500,000	4	--	3	1	1	2	2	13	7.4
500,000 - 1,000,000	1	--	3	1	3	2	3	13	7.4
1,000,000 - 2,000,000	1	--	1	1	2	2	1	8	4.5
Not Specified	3	--	3	1	1	2	--	10	5.6
TOTAL	28	10	40	17	25	25	32	177	
Percent of Total	15.8	5.6	22.6	9.6	14.1	14.1	18.1		100.0

Table 20.5 presents a comparison of total trips of the interstate SMC and trips in Texas. This group of firms reported 70,253 truck trips for the year 1969. Almost 72.9 percent of the trips were in the movement of agricultural commodities. Trips in Texas accounted for only 45.8 percent of the total reported by these firms. Of all trips made hauling agricultural commodities, 62.8 percent were into, out of, or within Texas.

Table 20.5

Distribution of Total Truck Trips
Interstate Specialized Motor Carriers

	Number of Trips	Percent of Total Trips	Percent of Trips Hauling Agricultural Commodities
Total Trips	70,253	100.0	---
Trips Hauling Agricultural Commodities	51,223	72.9	100.0
Trips in Texas	32,167	45.8	62.8

The distribution of interstate SMC trips by origin-destination is presented in Table 21.5. It is interesting to note that while, supposedly, these firms cannot haul within Texas, 27.1 percent of the reported trips were intrastate Texas. Trips which originated in Texas and terminated at points outside the state accounted for 39.0 percent of the total trips involving agricultural commodities. An additional 33.9 percent of the trips originated outside the state and terminated in Texas. The figures indicate that the primary role of the interstate SMC of agricultural commodities is serving

Texas shippers and markets from points out of the state. Because of the large percentage of commodities shipped from Texas to interstate points, this type of firm is vital to Texas agriculture. Many of Texas' receiving points, such as the Port of Houston are also dependent on these firms to deliver items such as grain for export.

Table 21.5

Distribution of Trips of Specialized Motor Carriers Hauling Agricultural Commodities by Origin-Destination

Origin-Destination	Number of Trips	Percent of Total
Originated in Texas - Terminated in Texas	8,725	27.1
Originated in Texas - Terminated Outside Texas	12,526	39.0
Originated Outside Texas - Terminated in Texas	10,916	33.9
TOTAL	32,167	100.0

Table 22.5 shows the distribution of agricultural commodities carried by the responding firms. Movements of fruits and vegetables accounted for 31.9 percent of the trips hauling agricultural commodities. Almost 35.0 percent of the trips were in the movement of livestock. Grain movements represented 17.2 percent of the truck trips reported.

Table 22.5

Distribution of Type of Agricultural Commodity
Carried by Interstate Specialized Motor Carriers

Type of Commodity	Number of Trips	Percent of Total
Fruits and Vegetables	16,354	31.9
Livestock	17,876	34.9
Grain	8,802	17.2
Cotton	221	0.4
Poultry (Processed)	3,034	6.0
Poultry (Live)	60	0.1
Other	4,876	9.5
TOTAL	51,223	100.0

The interstate carriers were asked to specify the reasons why they had failed to provide equipment when requested; Table 23.5 is a list of the reasons given and the number of times mentioned. The most frequent reason given was "equipment not available," which accounted for 31.3 percent of the responses. "Rates not satisfactory" was the reason 43 firms gave for not furnishing equipment. Eighteen firms indicated that they failed to provide equipment because "drivers not available," and 19 firms did not furnish equipment because "backhauls not available."

Table 23.5

Reason Mentioned by Specialized Motor Carriers of Agricultural Commodities for Failing to Provide Equipment

Reason	Number of Responses	Percent of Total
Equipment not available	47	31.3
Rates not satisfactory	43	28.7
No authority	20	13.3
Drivers not available	18	12.0
Backhauls not available	19	12.7
Nuisance factor of commodity	3	2.0
TOTAL	150	100.0

Control Data

The purpose of this section is to present data collected from the Railroad Commission and compare them with the results of the sample and Bureau of the Census data. Intrastate carriers are required to file a notorized annual operating report with the Commission regarding operations in Texas; these reports were examined and used as a data source. Information was collected from 520 reports from firms with intrastate certificates which reported some revenue from the movement of livestock, grain, fruits and vegetables, and other agricultural commodities. These firms all appeared on the listing of 1,059 firms from which 734 were defined as the population of interest. The remaining firms had no operation for 1969 or did not haul agricultural commodities. These 520 firms represent 70.8

percent of the population. Approximately 30 percent of the firms' reports were not used for reasons previously mentioned. This corresponds with the sampled data where it was found that 30.8 percent of the responding firms either did not operate in 1969 or did not haul agricultural commodities during this period. The reader is referred to Table 3.5 for the information on the sample.

Table 24.5 presents a comparison of estimated number of vehicles engaged in, or available for, the "for-hire" movement of agricultural commodities and livestock. No attempt was made to estimate the number of vehicles which would be available if all certificated carriers were active and provided equipment.

Table 24.5

Comparison of Estimated Truck Numbers Computed from Various Sources

Data Source	No. of Vehicles	No. of Firms	Average Vehicle/Firm
RCT Annual Operating Reports	2408	520	4.6
Interstate Carriers-Domiciled in Texas	1333*	199	6.7**
Total Texas	3741	719	5.2
Census Data	3132 (1967)	--	--
Census Data	3579 (1969 Est.)	--	--
Sample Data-Intrastate Carriers	1287	225	5.7
Linear Expansion of Sample Data	2798	--	--

*Estimated using 6.7 average number of vehicles for the 199 firms.

**This is the average number of vehicles reported by 52 firms domiciled in Texas; the average for all reporting interstate firms was 9.1.

According to the data presented in Table 24.5, there were 2,408 vehicles in 1969 reported on the annual reports filed by 520 intrastate carriers; this is an average of 4.6 vehicles per firm. It was estimated that 199 interstate carriers domiciled in Texas had 1,333 vehicles. This is based on an average of 6.7 vehicles reported by 52 reporting Texas interstate sample firms. This estimate may be high since it was assumed that 30 percent of the firms are inactive or out of business; using this base, there would be an estimated 938 vehicles in the interstate group domiciled in Texas. Using the number of vehicles reported on the annual reports and the number of vehicles operated by Texas interstate firms, it is estimated that there were 3,741 vehicles in 1969 domiciled in Texas that hauled, or were available to haul, agricultural commodities. This estimate does not include firms which have certificates to haul these products in Texas, are currently in operation, but did not haul agricultural commodities in 1969.

The Bureau of the Census, in the 1967 Census of Transportation, estimated that there were 3,132 vehicles domiciled in Texas that hauled agricultural products as the principal product and were in the "for-hire" major use category. The Census data were adjusted to 1969 estimates by using a growth factor of 6.9 percent per year equipment increase, which was computed from sample data. This procedure showed an adjusted Census estimate of 3,579 vehicles in this category.

Results of the sample indicated that 1,287 vehicles were reported by the responding firms. These firms had an average of 5.7 vehicles per firm. A linear expansion of the data provided by the responding firms showed 2,798 vehicles operated by the intrastate SMC. This procedure assumes, among other things, that the responding firms have the same characteristics as the non-responding firms.

The estimated number of vehicles in use or available to Texas agriculture can be differentiated according to total available in Texas and total available from intrastate certificated carriers.

(1) Total trucks available - all SMC of agricultural commodities domociled in Texas:

Low estimate: 3,579

High estimate: 3,741

Mid point: 3,660

(2) Total trucks available - intrastate SMC of agricultural commodities:

Low estimate: 2,408

High estimate: 2,798

Mid point: 2,602

Table 25.5 presents a comparison of estimated total revenue, average revenue per firm, and average revenue per vehicle as reported on the annual operating reports and computed from the sample data. Only data provided by intrastate certificated SMC are used in this table.

Table 25.5

Comparison of Estimated Revenue as Computed from Railroad Commission Annual Operating Reports and Sample Firms

Data Source	Total Revenue	Average Revenue/Firm	Average Revenue/Vehicle
RCT Annual Operating Reports	$52,076,060	$100,146	$21,626
Sample Data-Intrastate Carriers	26,377,500	117,233	20,495
Linear Expansion of Sample Data	57,342,391	--	--

The information presented in the above table indicates that more than $52 million in total revenue was reported by 520 SMC firms on their annual operating reports filed with the Railroad Commission. These firms reported an average revenue of $100,146 per firm and $21,626 per vehicle for 1969. Intrastate firms which replied to the sample reported $26 million revenue for an average of $117,233 per firm and $20,495 per vehicle. A linear expansion of the sample data indicates that more than $57 million in total revenue generated by the intrastate Texas SMC.

From a statistical approach, it is not possible to determine if the sample is significantly different from the population; nor is it possible to determine the characteristics of the firms which failed to respond to the questionnaire. Intuitively, however, it appears that the sample describes average revenue per firm and average vehicles per firm. It is also apparent that the total supply of vehicles in Texas which are currently serving, or are available to serve Texas agriculture, is between 3,579 and 3,741. This figure does not include those vehicles which are domiciled outside of Texas and engage in the movement of agricultural commodities under the ICC exemption. Vehicles in the Census Bureau major use classification of agriculture, manufacturing, wholesale and retail, and others are not included in the above estimate, even though they contribute to the total supply of vehicles in the state.

Summary

The purpose of this chapter has been to present the data on truck supply collected from trucking firms by mail questionnaire. Two firm types, intrastate and interstate carriers, provided information for this section of the report. Both types of firms serve Texas shipping points and contribute to the agricultural truck supply in Texas.

A mail questionnaire was sent to a large number of trucking firms requesting specific information. The list of firms was provided by the Railroad Commission of Texas. The response rate for firms with intrastate permits was 46.0 percent and 46.6 percent for those with an interstate permit. If the firms that responded are representative of the entire group of firms, the results are applicable to the industry. However, it is more likely that the responding firms provide only general information regarding the industry. One of the major problems involved in a study such as this is securing the cooperation of the firms and obtaining return of completed questionnaires.

Of the intrastate firms responding, 69.2 percent are engaged in the movement of agricultural commodities. Over 15 percent of the firms, even though they had the operating authority, did not haul these items in Texas during 1969. An additional 15.7 percent did not operate during 1969 for various reasons. If the responding firms are indicative of the entire group, approximately 225 of the 734 are not providing service to the agricultural commodity shipper, and 115 of these are out of business. Therefore, Texas does not have as many firms actually in business as the records indicate.

The responding intrastate firms reported 2,053 pieces of equipment in January 1969. During the year they increased this by 6.9 percent. The firms also indicated that they supplement their operations during the year by leasing equipment. The most common types of equipment reported by the firms are cattle trucks and trailers and flatbed trucks and trailers.

More than 64 percent of the responding SMC with an interstate permit transported agricultural commodities into or out of Texas in 1969. A number of the firms that were not active in Texas during the study period expressed a desire to do business in the state. This group of firms increased their fleet by 12.2 percent during 1969 and operate a large number of refrigerated trailer units.

Both groups of firms indicated that they had refused loads for various reasons, the most common being lack of equipment. The next most frequently given reason was unsatisfactory rates. Various comments made by the truckers, expressing their position on the problem, are presented in the Appendix.

CHAPTER VI

TEXAS AGRICULTURE - INTERVIEWS WITH AGRICULTURAL SHIPPERS

The purpose of this Chapter is to present information received during personal interviews with the shippers of Texas agricultural products. The information will usually be presented in a narrative form because of the lack of data on motor truck service and supply available from this sources. During the formulation of the study it was anticipated that information adaptable to subjective analysis would be provided by these sources. It was ascertained during the course of the study that data, which might reflect the service and supply characteristic of the transportation industry, were not available from the shippers. The type of information desired included data on number of shipping delays, cost of delays, lost business and other factors which indicated the economic impact of transportation shortages on the shippers.

In addition to the interviews conducted by the TTI research staff, the RCT sent investigators into the citrus and vegetable producing regions during the production period to interview shippers and truckers. This information was made available to the research staff by the Motor Carrier Division of the RCT. All of the interviews conducted by the RCT, and most of those conducted by the research staff, were oriented to the fruit and vegetable industry. Due to perishability of the commodity, handling requirements, localized production, and high seasonal demand of the shippers of these products for transportation, inadequate transportation

is highly detrimental to their operations. The research staff, however, did conduct interviews with both shippers and truckers of other commodities produced in the states.

Interviews With Shippers in the Texas Valley

Due to the interest in the study expressed by the fruit and vegetable industry and the reported problems in transportation encountered by this industry, interviews were conducted in the Lower Rio Grande Valley twice during the shipping season. On the first trip to this area, the interviewer was accompanied by the Director of the Mid-America Governor's Transportation Council. The primary purpose of this trip was to familiarize the Director with the transportation requirements of the fruit and vegetable industry. Since the Mid-America group is a regional organization composed of agricultural producing states, transportation problems affecting the region are of interest to the Council.

During this trip, interviews were conducted with the Texas Citrus and Vegetable Growers and Shippers Association, vegetable shippers, citrus shippers, railroad officials and motor truck operators. In addition to those interviews the Director, the research interviewer, and General John P. Doyle (U.S. Air Force, retired), Texas representative and Chairman of the Mid-America Governor's Transportation Council visited with state officials in Austin. Among those visited were the Honorable Preston Smith, Governor of Texas and personnel of the Texas Department of Agriculture and the Railroad Commission of Texas.

Railroad Problems:

Many of the interviews conducted in the Texas Valley during the first visit focused on the adequacy of railroad service to the fruit and vegetable industry. The interstate nature of most rail shipments is the area of primary interest to the Council. Agricultural trucking, however, is usually the responsibility of the individual states. According to information provided, Texas shippers of fruits and vegetables receive less than adequate rail service. It should be pointed out that unsatisfactory rail service can and does increase the demand for alternate transportation modes, primarily truck.

Factors most frequently mentioned as comprising poor rail car service include undependable delivery service, inadequate railroad equipment and discriminatory rates between competing areas. Delays in delivery schedule, due primarily to the high degree of perishability of the items, the marketing requirements of the receiver, the price movements in the industry, and the competitive features of competing areas are of major concern to this industry.

The railroads, however, provide valuable transportation service to the fruit and vegetable industry. According to the data presented in Table 1.6, rail accounted for less than 10 percent of all citrus shipments from the Lower Rio Grande Valley Region. There have been some apparent shifts from rail to truck since 1965-66 season and 4.2 percent for rail shipments in 1969-70 was the lowest percentage during the five years.

Table 1.6

Truck and Rail Shipment of Citrus From the Lower Rio Grand Valley Region of Texas for the Years 1965-70

Season	Rail Carlot Equivalents[1] Truck[1]	Percent	Citrus Rail[2]	Percent	Total
1965-66	5895	92.1	503	7.9	6398
1966-67	8703	94.8	481	5.2	9184
1967-68	5181	92.2	436	7.8	5617
1968-69	10425	92.6	837	7.4	11262
1969-70	12162	95.8	536	4.2	12698

Source: Texas Fruit and Vegetable Marker News Service: Daily Citrus Reports 1969-70; 1968-69 Marker News Service Publication, Texas Department of Agriculture and U. S. Department of Agriculture.

[1]Truck shipment in carlot equivalents (1,000 cartons/carlot),

[2]Carlot shipments, includes rail cars, piggy back, and boat shipments.

Table 2.6 shows the modal distribution of vegetable shipment from the Rio Grand Valley for the past five years. Rail shipment accounted for between 40 and 50 percent of the total vegetable shipment during this period. This mode appears to be more important to vegetable shippers than citrus shippers. Since 1966-67 there has been an apparent trend of vegetable shipments away from rail, while truck shipments have increased during this period.

As the shippers change their shipping patterns from rail to truck, additional pressures will be placed on the motor carrier industry to

Table 2.6

Truck and Rail Shipments of Vegetables From the Lower Rio Grande Valley Region of Texas for the Years 1965-70

Rail Carlot Equivalents[1]

Season	Truck[1]	Percent	Vegetable Rail[2]	Percent	Total
1965-66	11017	54.8	9092	45.2	20109
1966-67	12945	49.9	12972	50.1	25917
1967-68	6779	50.9	6549	49.1	13328
1968-69	12349	51.0	11852	49.0	24201
1969-70	16655	57.6	12261	42.4	28916

Source: Texas Fruit and Vegetable Marker News Service: Daily Citrus Reports 1969-70; 1968-69 Marker News Service Publication, Texas Department of Agriculture and U. S. Department of Agriculture.

[1]Truck shipment in carlot equivalents (1,000cartons/carlot)

[2]Carlot shipments, includes rail cars, piggy back, and boat shipments.

provide more services. It is unrealistic, however, to assume that the railroads have not and do not currently provide a valuable service to the shipper. Many of the shippers indicated that if the railroads currently provided dependable service and adequate equipment they would prefer to ship by rail. Rail offers some advantages to the perishable food shipper that are not available when shipping by truck.

There are two railroads which serve the Rio Grande Valley, the Southern Pacific and the Missouri Pacific railroads. Almost all fruit and vegetable shippers in the valley are located on a siding of one of these lines. Several of the shippers located along the right of way of one railroad indicated that they use the line very seldom. Primarily, they cited poor delivery service and obsolete equipment as reason for not using the facility. These shippers were still making rail shipments but were trucking some of their produce and loading crews from the packing shed to a siding of the other line. This type of arrangement is obviously an inefficient and costly method of operation. The added cost of this system was estimated by the shippers to be $150-200 per car. It is apparent that no business, especially one as competitive of the fruit and vegetable industry, can afford to operate under this type of disadvantage for a extended period of time.

Truck Service:

During the personal interviews with the shippers, the interviewers attempted to determine their dependency on trucks, trucking requirements,

extent of shortages and the impact of shortages on their operation. It was discovered early in the interview process that data, which could be subjected to statistical analysis, were not available from the firms. Instead of using a questionnaire the investigator asked probing type questions during the interview. The resulting lack of quantitative data should not be interpreted as indicative of an absence of transportation problems or truck shortages', rather, this emphasizes the need for additional research efforts directed toward this group. Unfortunately, the interviews cannot be interpreted as representative of the situation in this area. Basically the information is only applicable to the firms interviewed at that particular time. The information received during the interviews does provide insight into the type of transport service required by the shippers and the problems encountered in the area of transportation. In order to determine the quality of service received and the economic effect of both truck and rail delays and shortages, an indepth study dealing only with the shippers should be undertaken. This was not the objective of the current research study.

Table 3.6 presents a summary of information received from the shippers during the personal interviews. Nine vegetable shippers and three citrus shippers were interviewed. One shipper handled both citrus and vegetables. The firms represented a wide range of sizes when compared by total shipments per season. In most cases, the large majority of the total shipments were to interstate destinations. Some of the firms indicated that generally their Texas shipments were picked up by the

Table 3.6

Results of Interviews With Selected Fruit and Vegetable Shippers in the Lower Rio Grande Valley of Texas

Commodity Shipped	Total Shipped Per Season[1]	Percent Texas Shipments	Percent Truck Shipment	Truck Shortage	Comments
Vegetables	300-400	5%	50%	Interstate	Need better rates to attract trucks.
Vegetables	500	33%	67%	Interstate	Poor equipment of interstate trucks; need better rates for trucks.
Citrus and Vegetables	1000	20%	--	Interstate	Poor equipment.
Citrus	6000	30%	85%	Interstate	Interstate rates too low to get good truckers into Texas.
Citrus	850	--	95%	Interstate	Shortages for specified points.
Vegetable	2000	10%	60%	Both	Interstate rates could be higher.
Citrus	700	5%	--	Interstate	Shortages caused by the nature of the product.
Vegetable	300	0	10%	Interstate	Shortages for specific point interstate rate too high.
Vegetable	8000	10%	75%	Both	Increasing demand for trucks.
Vegetable	1200	--	75%	--	Shortages for specific commodities.
Vegetable	1000	5%	80%	Interstate	Shortage occurs when certain commodities move.
Vegetable	500	5%	60%	Intrastate	Need "bobtail" trucks.
Vegetable	250	10%	90%	Intrastate	Need "bobtail" trucks

[1] In carlot equivalents

customer in his truck.

Truck movements represented from 10 to 95 percent of the total fruit and vegetable shipments of the firms interviewed. One vegetable shipper indicated use of trucks for only 10 percent of the firms total shipment. The remaining firms implied 50 percent or more of their shipments moved by truck. Almost all the firms mentioned that they had experienced some truck transportation shortages in their operations. Eight firms said that truck shortages were usually for interstate shipment; however, they also had intrastate shortages. Two of the firms said that most of their problems was securing trucks for intrastate shipment. The firms that had difficulty in obtaining sufficient interstate trucks mentioned that it was extremely hard to find trucks for shipments to certain areas of the country. These were usually areas in which backhauls were not available. Since a backhaul for the exempt carrier is limited to agricultural commodities, the trucker attempts to secure loads into points in which these items are available.

Some of the shippers indicated that the interstate rate level was not high enough to attract sufficient trucks into the area. Since interstate rates are exempt from economic regulation this is a problem that the shippers must solve. They must, however, be aware of the exempt rate structure in Florida and California when adjusting the truck rate they pay for out-of-state shipments. Finally, some of the shippers interviewed mentioned that it would be beneficial to their operation if there was more rate stability for all interstate shipments.

Interviews with Vegetable Shippers in the Hereford, Texas Area

The High Plains area of Texas is one of the most diversified agricultural production regions in the state. The Hereford area is an expanding region of vegetable production. Interviews were conducted in this area during the 1970 shipping season.

Truck Service:

Table 4.6 shows the shipping pattern from this area for the past three years. In 1968, 85.8 percent of the total shipments moved by truck and 14.2 percent by rail. By 1970, the truck share of total shipments had increased to 92.7 percent with a corresponding decrease in rail shipments. Three years data are obviously not enough to observe any long range trends, however, the data indicate a shift from rail to truck equipment. If this trend continues, the shippers in this area will require additional trucks and equipment to service their markets.

Table 4.6

Truck and Rail Vegetable Shipments from the Texas High Plains Region for the Years 1968-1970

Season	Truck	Percent	Rail	Percent	Total	Percent
1968	9,600	85.8	1,584	14.2	11,184	100.0
1969	8,882	86.9	1,337	13.1	10,219	100.0
1970	9,346	92.7	738	7.3	10,084	100.0

Source: Marketing Texas Vegetables; Herefords-High Plains-Panhandle District Summary of 1969 Season, August, 1970. Daily Vegetable Reports, Hereford, Texas 1970.

Table 5.6 presents a summary of information obtained from four interviews in the High Plains. Two firms said that shipment to Texas markets represented one-third of their total shipments. Both of these firms also indicated that more than 60 percent of their shipments are by truck. The other firms said that shipments to Texas markets represented 70 to 85 percent of the total shipments, trucks were used on 90 percent of all shipments. All four firms said that they were experiencing truck shortage for interstate shipments. One shipper was having shortages for intrastate markets as well as for interstate shipments.

Table 5.6

Results of Interviews with Selected Vegetable Shippers
In the High Plains of Texas

Total Shipped Per Season	Percent Texas Shipments	Percent Truck Shipments	Truck Shortage	Comments
500-600	30%	95	Interstate	Intrastate rates too high compared with interstate rate to Texas mkts.
250-275	33%	60	Interstate	Rates too high opposed to economic regulation.
700	70%	90	Interstate	Intrastate & Interstate rates out of line.
800	85%	90	Interstate & Intrastate	Intrastate & Interstate rates out of line.

Rail Service:

According to the shippers interviewed in the High Plains Region, rail car shipments account for from 5 to 40 percent of total shipments. Two shippers said they received satisfactory rail service, and two shipping firms stated that the rail service they received was unsatisfactory. Inadequate delivery service was the major complaint of the shippers regarding rail shipments. Lost cars and poor claim payments were also mentioned. No shipper interviewed had any complaints on rail car supply.

During the interviews in both the High Plains and the Lower Rio Grande Valley, several of the shippers indicated that they used box cars alongside their loading dock for storage. This practice is expensive to both the shipper and the railroad and is a waste of transportation equipment. Shippers indicated that they would prefer not to use the equipment in this manner but did on occasions when trucks did not arrive. A lack of cold storage in the shipping shed also contributed to this practice during peak harvest periods.

Interstate Shortages

In both of the fruit and vegetable producing regions in Texas a large majority of the shippers contacted said that they were experiencing shortage of motor truck equipment for interstate shipments. This type problem was anticipated at the start of the study but was not considered a major factor effecting truck supply in Texas.

Interstate truck shortages are of concern to Texas agriculture and

in turn the state because they affect the ability of Texas shippers of agricultural products to compete in out-of-state markets. The aspects of interstate regulations on the operations of motor carriers of agricultural commodities and the role of the RCT have been discussed in a previous section and will not be repeated. This section, however, will be concerned with the interstate shortage, assuming one exists, from the vantage point of the shipper.

It is important to understand that no trucking firm hauling agricultural products has an obligation to provide equipment for interstate shipments. In securing truck transportation the shippers compete with each other and with other producing states. At specific times there may be an abundance of trucks available for out-of-state shipments and at other times a critical shortage. Even when there is a sufficient supply of trucks, shippers may have difficulty in making shipment to certain locations.

Without some internal or external force the transportation rates on exempt commodities may be subject to extreme fluctuations. It should be pointed out, however, that the Texas Citrus and Vegetable Growers and Shippers Association publishes a "suggested schedule" of transportation charges to various markets in the U. S. Apparently the Association attempts, and most shippers comply, to have their members abide by this schedule. In this instance the Association acts as an internal force in stabilizing the rate structure for the benefit of the member firms. A stable rate structure may be an asset to the fresh produce shipper since

he can devote his major efforts to the marketing phase of his operations instead of competing on a transportation basis.

In interviewing the shippers, the interviewer attempted to determine what, in their opinion, would alleviate the shortage of trucks for interstate shipments. Several of the shippers stated that the interstate rates would have to be raised to a level comparable with the interstate rate structure on shipments from California and Florida in order to attract additional trucks into Texas. Since the exempt carriers have a high degree of mobility, the firms will attempt to maximize income by serving areas with the most profitable rate structure. Many of the shippers interviewed stated that they would like to see some type of transportation rate stability in the interstate marketing of agriculture products. They felt that a higher rate structure would attract more and better trucking firms into the Valley.

The Intrastate Problem

During the interviews with the fruit and vegetable shippers of Texas, it was found that those firms contacted did not face a critical shortage of trucks for intrastate shipments. But this is only indicative of the firms contacted and is not meant to imply that even these firms are free of truck shortages or delays in their operations during the shipping season. One of the basic reasons for the lack of shortages is because of the responsibility for service placed on the permitted carriers engaged in intrastate commerce. Additionally, the permitted carriers can expand and contract their fleet size through lease agreements with truckers which do

not have a RCT operating certificate. From interviews conducted by investigators of the RCT it also appeared that most cases of reported truck shortages were in the interstate area.

Fruit and vegetable shippers, however, are faced with a complex problem in marketing their products in Texas markets. In these markets, as well as out-of-state points, Texas products engage in a high degree of competition with products from other areas of the nation. Because of the high degree of homogeneity among these products, they usually compete on a price basis in the market.

Due to the high level of regional competition between the producing regions the shippers are acutely aware of the transportation rates on in-bound shipments of competing produce. Any disparity in transportation rates between competing regions may have repercussions in the market place. Under the dichotomy of economic regulation of agricultural products, it is alledged by Texas shippers that they are placed in an untenable position.

According to shippers interviewed, there is a difference in the intrastate rates which they pay on Texas shipments and the interstate rates on in-bound shipments to Texas points. In other words, the cost of moving products within Texas is greater than the cost of moving similar commodities into Texas markets from out-of-state even though the distance of the interstate shipment is equal to or greater than the intrastate distance. This may not be the case on the majority of shipments, but it apparently occurs frequently enough to disrupt Texas markets.

A situation such as this can develop because of several reasons. For example, potatoes are produced in the Herefors, Texas, and Clovis, New Mexico,

areas. Shipments originating from packing sheds in Hereford and terminating in Dallas are subject to Texas economic regulation. The transportation rate on such a shipment is described in a RCT tariff and can only be transported by a carrier with an intrastate permit. A shipment from Clovis, however, can move at any rate agreed upon by the shipper and the carrier. Frequently the rate is below the intrastate structure because of highly competitive nature of exempt transportation. Truckers could theoretically withdraw their services from the Clovis area and offer their services in the Hereford area where the rate is higher, but they may not legally do this without a Texas intrastate permit. Under this set of circumstances an economic handicap is placed on Texas shippers and producers. This same situation can arise on shipment of fruits and vegetables from the valley or on almost any commodity which is produced and marketed in Texas.

A discrepancy between the intrastate and interstate truck rate structure, where the interstate rate is lower, does not necessarily indicate that the intrastate rate is excessive. The rate charged on an intrastate shipments may clearly reflect the trucking firms operating cost plus a return to management and it is unrealistic to ask the trucker to subsidize the shipper by reducing rates. Charges on interstate shipments may be below truck operating costs due to the competitiveness of exempt trucking, the high mobility of the firms, the use of below cost exempt backhauls by regulated and private truckers, and the fluctuating rate structure associated with this type of trucking.

Additional research efforts should be directed toward the relation between intrastate and interstate truck rates and the effect of the inter-

state rate on Texas agricultural industry. Although this directly influences Texas, it is neither a Texas problem nor one that can be solved wholly within the state. There is also a pressing need to determine the cost characteristics of both the intrastate and interstate SMC firms.

Texas Agricultural Production and Shipping Seasons

The purpose of this section of the report is to provide some basic information on the production and shipping of agricultural products in Texas. Data in this section were provided by the Texas Department of Agriculture, Marketing Division; through the Federal-State Market News Service; and the United States Department of Agriculture, Consumer and Marketing Service.

The agricultural commodities, as well as the state's production areas, are very diversified. The High Plains, where a dynamic feed-lot industry is emerging, produces grain, livestock, vegetables, and cotton. These, and associated and supporting industries, make a significant contribution to the economy of this area. East Texas is the location of a growing poultry industry that has an increasing demand for feed grain inputs. Vegetable production is engaged in by many small truck farms in this area. Grain production occurs in the central part of the state, as well as in other areas of Texas. In the Coastal Bend region feed grain production is a major activity of many of the farms. Cotton and vegetable production also make a significant contribution to the economy of this area. In the area below San Antonio to the Lower Rio Grande Valley and west to the Winter Garden

is the site of major fruit and vegetable industry. This is the only area in the state where citrus production occurs. This area also produces grain and cotton. The western part of the state produces a large amount of cotton and grain and some vegetable production is located in the Pecos area.

Livestock production occurs in all areas of the state. While feedlot activities are located primarily in the High Plains Region, other areas of the state engage in this activity. Dairy herds are found in many areas of the state, especially those close to metropolitan centers.

The production of agricultural products, however, is only the first stage in the marketing system. Before the products are consumed, they are stored, processed, and handled numerous times. Transportation, by all modes, is the connecting link among the various points in the marketing system. Truck and rail are the predominant modes used to transport agricultural products in the state. Because of the wide production areas and the numerous crops produced, some transport facilities are always being demanded, but transportation requirements are heaviest during harvest periods.

Table 6.6 shows the receipts from Texas agricultural production by months for the past four years. These data show the receipts from marketing and indicate the periods of peak marketing. Since marketing closely follows production and since transportation is required to market, the table indicates periods of peak transport equipment demand.

The receipts from livestock marketing remain fairly stable over time, implying that these transportation requirements are also constant. Undoubtedly there are certain times in specific areas where the requirements

TABLE 6.6

Receipts from Texas Agricultural Production
1966 - 1969 By Months
(In Millions of Dollars)

Year	Months												Total
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	
1966													
Livestock	106	101	120	114	120	120	113	125	123	118	113	114	1,387
Crops	253	83	36	26	33	79	118	114	104	138	172	156	1,312
Total	359	184	156	140	153	199	231	239	227	256	285	270	2,699
1967													
Livestock	115	103	111	104	123	123	116	126	115	121	110	104	1,371
Crops	137	37	31	27	41	47	133	142	87	127	163	140	1,112
Total	252	140	142	131	163	170	249	269	202	248	273	244	2,483
1968													
Livestock	110	102	109	113	128	120	130	124	128	134	116	108	1,422
Crops	138	46	34	28	25	52	133	139	106	171	200	175	1,246
Total	248	148	143	141	153	172	263	263	233	305	316	383	2,668
1969													
Livestock	132	107	129	143	162	155	149	152	175	182	155	142	1,783
Crops	180	45	30	27	44	54	94	103	112	131	134	167	1,122
Total	312	152	159	170	206	209	243	255	287	313	289	309	2,905

Source: USDA Farm Income Situation Report FIS 216, July 1970.

fluctuate, but for the state, this appears to be a relatively stable requirement. Crop production and marketing, as would be expected and as Table 6.6 shows, are extremely variable throughout the year. If, as is assumed, these data also indicate transportation requirements of Texas agriculture, the requirements are also variable. At one period of time sufficient equipment may be available to satisfy these requirements; while at other times, the supply is inadequate, and more equipment must be brought into service if the commodities are to move. It would be unrealistic, and of course this is not the case, to require Texas carriers to provide equipment throughout the year to meet peak requirements. In order to meet these requirements, however, the intrastate carriers may lease vehicles during peak periods. Also, the interstate carriers will enter and provide much of the service for shipments to interstate points. Any impediment in attracting this group of carriers to Texas may cause critical shortages during harvest.

Table 7.6 shows the six leading states by cash receipts for selected agricultural commodities. California is the leading agricultural state by this standard. Texas ranks third in cash receipts of all agricultural commodities and is second in cash receipts from livestock, for two of the crops, sorghum and cotton, Texas ranks first. Texas is the fourth ranked state by cash receipts for both oranges and lettuce.

TABLE 7.6

Six Leading States by Cash Receipts for
Selected Agricultural Commodities

Commodity	State Rank					
	1	2	3	4	5	6
All Commodities	Calif.	Iowa	Texas	Ill.	Minn.	Nebr.
All Livestock	Iowa	Texas	Calif.	Nebr.	Ill.	Minn.
All Crops	Calif.	Ill.	Texas	Fla.	Iowa	N. C.
Sorghum Grains	Texas	Kan.	Nebr.	Calif.	Okla.	Ariz.
Oranges	Fla.	Calif.	Ariz.	Texas	---	---
Cotton	Texas	Calif.	Miss.	Ark.	Ariz.	Ala.
Lettuce	Calif.	Ariz.	N. M.	Texas	Fla.	Ohio

Source: USDA Farm Income Situation Supplement to Report FIS 216, July 1970.

Table 8.6 shows the five leading agricultural commodities produced in Texas, by cash receipts. They are cattle, sorghum grains, cotton lint, dairy products, and eggs. As these last two tables indicate, agricultural production in Texas is very diversified. A large segment of our state is deeply involved in this activity. Texas, also makes a significant contribution to the total agricultural production in the country. In order to market these commodities efficiently, Texas must have satisfactory transport system.

TABLE 8.6

Five Leading Agricultural Commodities Produced in Texas by Cash Receipts

Rank	Commodity
1	Cattle
2	Sorghum Grains
3	Cotton Lint
4	Dairy Products
5	Eggs

Source: USDA Farm Income Situation Supplement to Report FIS 216, July 1970.

Future Requirements

In 1966, the Agricultural Economics Department, Texas A&M University, estimated Texas' share of projected U. S. requirements for certain farm products to the year 2020. This information provides an insight to the future transportation requirements of Texas. Undoubtedly, technology will make new and, hopefully, better equipment available, but regardless, farm products will still have to be moved from production and processing points to consumption points by some mode. New demands will be placed on the transportation system in the future. In order to meet these demands, plans must be made now and programs initiated which will insure an adequate transportation network. Not only is it necessary to have the physical facilities such as highways and ports and air terminals, but they must be used efficiently.

Table 9.6 shows the estimated requirements of Texas agriculture for the years 1980, 2000, and 2020. Adequate transportation will continue to have a vital role in agricultural marketing. Texas requirements for transport services have increased during the past few years and will continue to increase in the years ahead.

The State of Texas should act now to provide an environment in which a transportation system can develop and which will answer the current and future needs of agriculture in Texas. This includes dependable, high quality truck and rail service for both intrastate and interstate shipments. The needs of the agricultural shipper as well as the requirements of the transport firms must be considered in any future program. An appropriate state agency should be specifically charged with transportation as it affects promotion of the Texas economy, which is not now the case.

Table 9.6

Texas' Share of Projected United States Requirements of Farm Products for Specified Years

Commodity	Percentage of U. S. Requirements Year 1980	Year 2000	Year 2020
Livestock Products:			
Beef and Veal	9.80	9.90	10.00
Lamb and Mutton	10.00	10.00	10.00
Pork	1.20	1.10	1.00
Chickens	6.00	6.00	6.00
Turkeys	6.00	6.50	7.00
Milk	2.30	2.20	2.10
Eggs	4.10	4.15	4.20
Crops, Non-Feed:			
Wheat	5.00	6.00	7.00
Cotton	30.00	32.50	35.00
Rice (Rough)	28.00	30.00	32.00
Peanuts	12.00	14.00	16.00
Other Oil Crops	1.00	1.50	2.00
Sugar Beets	3.50	5.00	6.50
Potatoes	1.50	1.75	2.00
Sweet Potatoes	8.00	9.00	10.00
Vegetables	12.00	13.50	15.00
Grapefruit	35.00	40.00	45.00
Other Citrus	5.00	7.00	9.00
Fruits, Non-Citrus	.25	.30	.35
Tree Nuts	10.00	11.00	12.00
Crops, Feed:			
Corn for Grain	1.00	1.50	2.00
Oats	2.00	2.50	3.00
Barley	1.50	1.75	2.00
Sorghum for Grain	45.00	47.50	50.00

Source: Projections of Crop and Livestock Production in Texas, 1980-2000-2020. Department Information Report No. 66-8, Department of Agricultural Economics and Sociology, Texas A&M University, page 8.

Summary

This section has been devoted to the transportation problems of shippers of agricultural commodities and their shipping requirements. Interviews conducted with shippers of fruits and vegetables indicate that a shortage of truck transportation equipment for interstate shipments exists in these production regions. Shortages of trucks for intrastate movements, however, were not as prevalent as expected. Because of a lack of data it was impossible to determine either the economic consequence of these shortages or the duration of shortages.

1. Rail service and equipment for perishable commodities was found to be less than satisfactory for the efficient movement of Texas products.
2. An inspection of shipping facilities in the Rio Grande Valley area indicated that some shippers were not able to operate efficiently because the rail equipment furnished did not meet their requirements.
3. In numerous cases shippers were incurring additional labor and transportation costs in their operations because of inadequate service.
4. Products from the Texas Valley compete in both intrastate and interstate with similar products from California and Florida.
5. Differences in transportation charges can and do influence the ability of Texas shippers to compete in certain markets.

6. According to information received during personal interviews with fruit and vegetable shippers the intrastate-interstate rate differential, at times, places them at a competitive disadvantage within the state.

Texas is one of the leading agricultural producing states in the nation, and it is expected that agricultural production in the state will continue to increase. If Texas agriculture is to prosper, it is necessary that sufficient transportation service, equipment and facilities are available. As production increases additional pressures will be placed on the transportation resources every effort should be made to insure that these resources are available.

CHAPTER VII

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

Texas is one of the leading agricultural producing states in the nation. As such, there is a large demand for surface transportation. Highway and railroad facilities serve most, if not all, regions in the state. The agri-industry of the state is dependent on efficient and dependable transport service provided at reasonable cost. Without this resource, agricultural producers and shippers will be unable to compete in the local, national and world markets. Agricultural production and marketing are vital to the overall economy of the state and the Legislature should insure that transportation resources are available to serve the industry. Estimates show that Texas agriculture could continue to provide an increasing share of the nation's food and fiber requirements. Without adequate transportation, these estimates will not materialize.

Truck transportation of agricultural commodities in Texas can be classified as intrastate transportation and interstate transportation. Both of these groups contribute to the total supply of trucks and provide unique services to the shippers. Texas presents an interesting dichotomy in regulatory control; the intrastate segment is subject to economic regulation by the Texas Railroad Commission, while the interstate segment is exempt from all such regulation by the Motor Carrier Act of 1935. In the intrastate segment, entry and rates are controlled by the Texas Railroad Commission, and only those firms with an operating certificate may legally transport agricultural commodities. The firms in the interstate segment may load or unload in Texas after obtaining a RCT permit to use the highways of Texas; however, entry into this traffic and the rates charged are not subject to economic regulation by any group.

It is not possible to discuss or study the supply of trucks available to serve Texas agriculture without including both segments and the regulatory environment in which they operate. Texas shippers have a requirement for both intrastate and interstate truck service. Without adequate transportation, Texas producers and shippers find themselves in a noncompetitive position.

It was found in this study that, according to the Bureau of the Census data, there are more than 250,000 vehicles in the state which carry farm products. This is considerably more vehicles of this type than are registered in most states. However, only 48,389 of these are classed as commercial vehicles. Many of the remaining vehicles are in manufacturing and wholesale and retail trade and may not consistently serve Texas agriculture. Only 3,132 vehicles which carried farm products as the principal product were in the "for-hire" major use category in 1967. These are the vehicles which provide the bulk of the truck transportation services to Texas agricultural shippers. This group includes vehicles which primarily pull trailer equipment designed for livestock and grain, as well as highly perishable commodities such as citrus and vegetables. These vehicles serve both intrastate and interstate markets, but the distribution is unknown. Similar data were prepared for various agriculturally oriented states for comparative purposes.

From data provided by the Railroad Commission of Texas, it was determined that there were 1,059 specialized motor carriers with intrastate operating authority. Only 75 of these firms had authority to haul "agricultural products in their natural state," which is defined as fruits and vegetables, planting seed, peanuts, cottonseed, and similar items. Nine-hundred and

eighty-four firms had a livestock and grain permit; according to the annual reports filed with the Commission, however, 325 of these firms did not exercise their authority to haul livestock and grain in 1968.

In addition to the intrastate SMC, it was found that there were 3,155 SMC with permits to use the highways of Texas in interstate commerce. Of this group, 592 were selected to receive a questionnaire. It should be pointed out that it was not possible to determine from the mailing list which of these firms carried agricultural commodities.

A questionnaire was mailed to 734 intrastate and 592 interstate SMC: of these groups, 46.0 percent and 46.6 percent, respectively, responded. From a total of 338 intrastate firms responding, only 69.2 percent reported any movement of agricultural products and livestock in 1969. Of the 276 interstate firms responding to the questionnaire, only 64.0 percent served Texas agriculture in 1969. It was also found that the responding firms in both groups attempt to meet peak or seasonal requirements through leasing additional equipment. This practice gives the firms flexibility without tying up large amounts of capital in their operations. In the intrastate situation, however, it does tend to indicate that additional firms and individuals would serve agriculture if certificates were available.

Among the intrastate carriers, the most common types of equipment were cattle and grain trucks. Refrigerated trailers represented 10.9 percent of the total reported. Interstate carriers that responded reported that 57.9 percent of their trailers were refrigerated. One reason for this difference is due to the interstate carriers serving areas other than Texas that require refrigerated equipment.

The intrastate firms which responded reported that 87.9 percent of their truck trips were hauling agricultural commodities and that 92.3 percent of these involved Texas points. It was also found that 77.4 percent of the reported trips hauling agricultural commodities were within the state. This tends to confirm that these carriers concentrate their activities in Texas. On the other hand, only 62.8 percent of the reported trips of the interstate carriers hauling agricultural commodities involved Texas points. If this percentage could be increased, it would improve the situation of Texas shippers.

Livestock shipments accounted for 48.8 percent of the total trips involving agricultural commodities of the intrastate carriers; grain represented 18.6 percent of the trips. Only 7.6 percent of the reported truck trips involved fruits and vegetables. The interstate carriers reported that 34.9 percent of their trips was in the movement of livestock and 31.9 percent involved fruits and vegetables.

Both the intrastate and interstate carriers reported that they had failed to provide equipment when requested. The most common reason given for not furnishing the equipment was because it was not available. Sixty-eight intrastate firms and forty-seven interstate firms gave this reason. Unsatisfactory rates was the next most frequent reason given by both groups. It is interesting to note that 12.7 percent of the interstate firms which refused to provide equipment did so because back hauls were not available.

Interviews with shippers of fruits and vegetables and information from published data sources indicate that reliance on trucks for transport service has been increasing over time. It is expected that this trend will continue. Shippers use trucks almost entirely for intrastate shipments. The shippers

indicated that truck shortages occurred primarily for interstate shipments, although shortages of trucks for intrastate shipments were also reported. Since a large percentage of Texas fruits and vegetables is marketed in interstate markets, the shippers are sensitive to truck shortages in this area. One of the major problems that the shippers face on intrastate marketing is the rate differential between shipments within Texas and those shipments into Texas from competing producing areas. They maintain that this differential puts them at a competitive disadvantage in serving Texas markets.

Recommendations

The purpose of this section is to present some recommendations designed to increase the supply of trucks available to Texas agriculture. These recommendations are legislative as well as promotional and include programs which the shippers can initiate to improve their transportation situation.

1. The Railroad Commission of Texas should institute a "use it or lose it" policy of regulation. Firms with agricultural products and/or livestock and grain certificates should be encouraged to use their authority. Permits should not be held unused for the purpose of speculation.

2. The Texas Department of Agriculture, Texas A&M University, or some other qualified research agency should institute a study to determine the current and future transportation requirements of Texas agriculture. In conjunction with this, information should be furnished intrastate and interstate carriers of agricultural commodities regarding the current transportation requirements of shippers and producers throughout the state.

3. The State of Texas, through its appropriate agencies, should be aware of transportation legislation and programs on the national level which directly affect Texas agriculture. This would require the various agencies to present the view of Texas at legislative hearings. An example of this would be active participation in the railcar shortage problem.

4. The State of Texas should examine, in depth, the economic consequences of the dichotomy of agricultural transportation on Texas agriculture. Specifically, questions such as "does intrastate regulation, coupled with the interstate exemption, place Texas producers and shippers at a competitive disadvantage in serving certain markets," should be examined.

5. Railroad Commission rules and regulations in the area of agricultural transportation which are, or maybe, an impediment to interstate commerce should be re-examined.

6. The Railroad Commission should also examine the feasibility of increasing certain fees in order to generate funds for items such as the computerization of the firms' annual reports. The Commission should insure the validity of the reports filed by the carriers. The need to collect, handle, store and retrieve reliable data, relative to certain basic industry and firm characteristics is essential to the regulatory function. In addition, continued research in this area will provide meaningful information to both the shipper and carrier.

7. Producers and shippers of agricultural commodities should make every effort to utilize available transportation facilities more efficiently. Along this line, improved scheduling procedures on the part of shippers would increase truck and rail supply. The use of rail boxcars as storage is an extreme example of misused transport resources.

8. Shippers of agricultural commodities should endeavor to develop a suggested schedule of charges on out of state shipments at a level which is sufficient to attract adequate trucks into the state for interstate shipments.

9. Stability of rates for interstate shipments would reduce the time spent in negotiating cheap rates and enable shippers to devote more time to their primary objective of merchandising.

10. Shippers of agricultural products should initiate a study to develop records and data which would reflect the economic consequence of truck shortages on their operations.

If the Texas economy is to grow, sufficient transportation resources must be available to both the industrial and agricultural sectors. This study has attempted to point out areas where Texas agriculture is not being provided adequate transportation resources. Rail service on interstate shipments is less than satisfactory and poor delivery time places Texas at a disadvantage in the major markets. Truck shortages and delays are prevalent for interstate shipments, especially in the Rio Grand Valley. There is some indication that intrastate-interstate rate differentials place Texas shippers at a competitive disadvantage within the state. Additional research into this specific area appears warranted in order to determine if such a differential exist. Any program initiated by the State should recognize the different roles of the interstate and intrastate motor carrier in the movement of agricultural commodities and their impact on the agricultural industry of the State.

The value of intrastate permits which have recently sold indicates a relatively high current value as opposed to the cost of the certificate from the state. This may imply a shortage of permits or reflect the

difficulty encountered in securing a operating authority from the Texas Railroad Commission.

APPENDIX

CHAPTER II

RAILROAD COMMISSION OF TEXAS

TRANSPORTATION DIVISION

AUSTIN, TEXAS

WALTER WENDLANDT
Director

With regard to your request, I must advise that the Railroad Commission of Texas has a definite procedure which must be followed to obtain temporary emergency authority. Before any action can be taken on a request for temporary authority, a permanent application on Form No. 9 must be on file with us. All insurance and equipment filings must be made. For your convenience, I am enclosing appropriate permanent authority application form with necessary instructions and attachments.

In addition to the application described above, send a letter request asking for temporary emergency authority. Accompanying the letter request should be a letter from your shipper or consignee stating that it has a shipment which must move immediately. The shipper's letter will be our justification for granting emergency authority.

Be sure to have your insurance filings made as soon as possible in the name of the carrier.

Each application requires a $25.00 filing fee; therefore send two separate checks for $25.00 each with the application and TEA. The completed application and request and fees should then be mailed to Director, Transportation Division, Drawer EE, Capitol Station, Austin, Texas 78711.

The filing fee checks must be payable to Texas State Treasurer, in the form of Cashier's Check, Certified Check or Money Order.

The permanent application and request for temporary emergency authority should be filed at the same time.

Please hand your insurance agent the attached <u>insurance instructions immediately</u>. All out of state carriers <u>must</u> have <u>their insurance requirements signed by an insurance agent who is a Texas resident</u>.

Yours very truly,

EXAMINER

Enclosures

IT IS SUGGESTED THAT THESE INSTRUCTIONS BE TURNED OVER TO YOUR INSURANCE AGENT IMMEDIATELY.

RAILROAD COMMISSION OF TEXAS

TRANSPORTATION DIVISION

INSTRUCTIONS REGARDING MOTOR CARRIER INSURANCE AND FEES

INSURANCE

1. PUBLIC LIABILITY AND PROPERTY DAMAGE INSURANCE
   The minimum limits are (1) $25,000 for injury or death of one person, (2) $100,000 for injury or death to more than one person, and (3) $10,000 for damage to property of others. Evidence of this insurance must be filed on Railroad Commission Form 77C. Carriers of explosives or other dangerous commodities (such as combustible or inflammable petroleum products) which employ less than three persons must attach Endorsement 27 to their Public Liability and Property Damage coverage.
2. WORKMEN'S COMPENSATION
   All motor carriers must file Workmen's Compensation or an affidavit that if the carrier registers less than three trucks, unless the owner is permanent operator of one of these three vehicles. Evidence of this insurance must be filed on Railroad Commission Form 504.
3. CARGO INSURANCE
   $1,000 coverage for each vehicle. The filing of cargo insurance is optional with all INTERstate carriers and all contract carriers. Evidence of this insurance is filed on Railroad Commission Form 102D.
4. C.O.D. BOND
   All carriers transporting C.O.D. shipments shall file a bond covering such shipments in the minimum coverage $10,000. Carriers which do not transport C.O.D. shipments must file an affidavit stating such shipments are not transported to be relieved of this bond requirement. The filing of a C.O.D. bond or the affidavit is optional with all INTERstate carriers and contract carriers, operating exclusively in interstate commerce.

Please advise your insurance agent that the insurance forms are not supplied by the Railroad Commission but must be obtained from the Steck Company, P.O. Box 968, Austin, Texas 78767. Each form must be properly completed and must be signed by an insurance agent who is a Texas resident. The regulations governing insurance are found in Motor Transportation Regulations, "Part 12."

FEES

The filing fee for all applications, except for application for contract carrier permit is $25.00, for contract carrier permits is $10.00. These fees must be in the form of cashier's check, certified check, or money order, payable to the Texas State Treasurer and must be attached to application when filed.

DO NOT INCLUDE IN THE SAME CHECK THE FEES REQUIRED BELOW, THAT IS, PLATE AND TAX FEES ON EQUIPMENT, ON THE 10% FEE (HIGHWAY FUND) OR THE CONSIDERATION FOR SALES OR LEASES OF CERTIFICATES OR PERMITS.

OTHER FEES

All remittances must be in the form of a certified check, cashier's check, or money order and made payable to the Texas State Treasurer, and mailed to Fee Section, Transportation Division, Railroad Commission of Texas, Drawer EE, Capitol Station, Austin, Texas 78711.

The annual plate and tax fee is $11.00 for each truck. This fee is prorated on a fiscal year commencing September 1 and is prorated for each month as follows:

September---$11.00	December---$8.50	March---$6.00	June-----$3.50
October----- 10.17	January---- 7.67	April--- 5.17	July----- 3.50
November---- 9.33	February--- 6.83	May----- 4.34	August--- 3.50

RECIPROCAL FEES

The States listed below have entered into reciprocal fee agreements with the State of Texas. Carriers domiciled in these States are required to (1) register each truck and (2) carry a route and commodity authority card in the cab of each truck. Carriers domiciled in Florida and Georgia must pay $1.00 and, in addition to these two above requirements, attach Railroad Commission of Texas plates to each of their trucks. It is not necessary for carriers domiciled in the following States to pay plate fees in Texas.

Arkansas	Kentucky	Missouri	North Carolina	South Dakota
California	Louisiana	Nebraska	Ohio	Tennessee
Delaware	Maryland	New Hampshire	Oklahoma	Vermont
Illinois	Michigan	New Jersey	Pennsylvania	Wisconsin
Iowa	Minnesota	New York	South Carolina	

The regulations pertaining to fees are found in Motor Transportation Regulations, "Part 9."

This instruction sheet is furnished for general information and does not supersede any regulations. In case of doubt, please consult the Motor Transportation Regulations of the Railroad Commission of Texas. A copy of these Regulations may be obtained for 54 cents by writing to the Transportation Division, Railroad Commission of Texas, Drawer EE, Capitol Station, Austin, Texas 78711. The 54 cents remittance must be in the form of a certified check, cashier's check, or money order, payable to the Texas State Treasurer.

FORM 9

APPLICATION FOR AUTHORITY TO USE THE HIGHWAYS OF TEXAS
IN INTERSTATE COMMERCE

Note - Application will not be received and filed unless all requirments and instructions are complied with. Read application blank carefully before filling out.

Applicant_____

Address (Street)_____

(Town)_____ (State)_____

(Zip Code)_____

Applicant's Attorney_____

Address (Street)_____

(Town)_____ (State)_____

(Zip Code)_____

Docket No._____ Certificate No._____

Date Filed_____ Permit No._____

APPLICATION FOR AUTHORITY TO USE THE HIGHWAYS OF TEXAS IN INTERSTATE COMMERCE

(Read instructions on page 5 hereof before answering)

BEFORE THE

RAILROAD COMMISSION OF TEXAS

I. Application of _____
(Name) (Trade name)

_____

whose business address is _____
(Street) (City)

_____.
(State) (Zip Code)

II. State whether an individual, partnership, corporation, association, fiduciary, or other legal entity. If a partnership, give name and address of all partners. If a corporation, give name of states in which incorporated, and the names and addresses of all directors and officers. If an association, give names and addresses of all directors and officers.

III. Appropriate authority is applied for to:

_____ use the highways of Texas in interstate commerce under the provisions of Section 203 (b), Interstate Commerce Act, Part II; or
_____ use the highways of Texas in interstate commerce in accordance with appropriate authority issued to applicant by the Interstate Commerce Commission pursuant to the provisions of the Interstate Commerce Act, Part II, as follows:

(give detailed description of exactly the type and character of interstate operations proposed. If authority is to use highways in interstate commerce in accordance with a certificate of permit issued by the Interstate Commerce Commission, comply with Paragraph VII of this application.)

IV. A financial statement showing in detail applicant's current financial condition is attached hereto as Exhibit "A".

V. Applicant proposes to use ____ motor vehicles in the proposed service of the kind described in Exhibit "B" hereto attached. Vehicles are to be described by (a) name of manufacturer, (b) motor number, (c) style and yearly model, (d) capacity in tons, and (e) type of special equipment, if any.

VI. A description of other property to be used in the proposed motor carrier service, including terminal and station facilities, and repair shops, is attached hereto as Exhibit "C".

VII. Attach hereto as Exhibit "D" a statement containing the following: (a) the commodity or commodities, or class of commodities which applicant proposes to transport in interstate commerce over the highways of Texas under the provisions of Section 203 (b), Interstate Commerce Act, Part II; (b) a statement of the territory within which, or the points and highway routes to or from or between which the applicant desires to operate; and (c) if this is an application to use the highways of Texas in interstate commerce in accordance with appropriate authority granted to applicant by the Interstate Commerce Commission, then attach as a part of Exhibit "D" an exact copy of such operating authority.

VIII. If applicant is an out-of-state carrier, attach hereto as "Exhibit E" a designation of a Texas agent for service of notices, orders and process. Such designation of Texas agent shall give the full and correct name of the carrier; the complete address of its principal office and place of business; the full name of the person designated as agent for service, stating whether such person is an individual, corporation, association, or partnership; and shall give the complete Texas address of the designated agent. The designation shall be dated and signed by the carrier making the designation and the title of the person actually executing the designation shall be stated.

IX. Applicant understands that the filing of this application does not, in itself, constitute authority to operate.

Dated at _____ this the _____ day of _____, 19____.

_____
Applicant

Name and Address of Applicant's Attorney

_____

_____

_____

AFFIDAVIT

COUNTY OF)
) ss:
STATE OF)

_____, being duly sworn, states
(Name of Affiant)
that he files this application as (indicate relationship to applicant, that is, owner or proprietor, title as officer of applicant corporation or association, member of applicant partnership, or other authorized representative of applicant)_____
_____; that, in such capacity, he is qualified and authorized to file and verify such application; that he has carefully examined all the statements and matters contained in the application; and that all such statements made and matters set forth therein are true and correct to the best of his knowledge, information, and belief. Affiant further states that the application is made in good faith, with the intention of presenting evidence in support thereof in every particular.

_____
(Signature of affiant)

SUBSCRIBED AND SWORN TO before me, a _____
in and for the State and County above named, this, the
_____ day of _____, 19 _____.

_____

My Commission expires _____.

INSTRUCTIONS

1. FORM - if this form is not used, application shall be typewritten on paper 8½" wide and 14" long with appropriate margins on the left and right side.

2. EXHIBITS - shall be typewritten and on the same size paper as the application.

3. NUMBER OF COPIES - there shall be filed with the Director of Transportation, Railroad Commission of Texas, Ernest O. Thompson State Office Building, Austin, Texas, the original of said application.

4. FILING FEE - $25.00 on each application where the authority sought is for common carrier or specialized motor carrier interstate authority and $10.00 for each application where interstate contract carrier authority is sought. Filing fee must be in form of a cashier's check or money order payable to the State Treasurer and must accompany the application. The filing fee will be retained even though the application is not approved.

5. INQUIRIES - all inquiries regarding the filing, docketing, hearing, and processing of applications should be directed to the Director of Transportation or Docket Examiner, Railroad Commission of Texas, P.O. Drawer EE, Capitol Station, Austin, Texas 78711.

6. HEARINGS - The Commission conducts two Regular Non-Contested hearings each month; i.e., on applications which are not contested. All applications are subject to publication in the Notice and all are subject to hearing except applications on Exempt Commodities only.

7. DEADLINES - Applications received in the Commission office prior to 5:00 p.m. on or before the 5th and 20th each month, will be published in the Notice and set for hearing on the Non-Contested Docket approximately 26 days thereafter.

DO NOT INCLUDE IN THE SAME CHECK THE PLATE AND TAX FEES ON EQUIPMENT, OR THE 10% FEE (HIGHWAY FUND), OR THE CONSIDERATION FOR SALES OR LEASES OF CERTIFICATES OR PERMITS.

DESIGNATION OF TEXAS AGENT

FOR OUT OF STATE CARRIER SERVICE OF PROCESS

_____
(Full and correct name of carrier)

having its principal office at _____
(Number and Street)

_____
(City and State)

hereby designates the following-named resident of Texas, as the person upon whom process issued by any Court in any action against the carrier may be served in Texas:

_____
(Full name of person designated)

_____
(State whether individual, partnership, corporation, or association.)

_____
(Number and Street)

_____, Texas.

Witness, the hand and seal of the carrier at _____,
(City)

_____, this _____ day of _____, 19___.
(State)

_____
(Name of Carrier)

By: _____
(Name and title of person excuting this designation)

IMPORTANT

(1) The person named as agent must actually reside in Texas.

(2) Change in the designation may be made ONLY by filing a new designation in writing with the Transportation Division, Railroad Commission of Texas, Drawer EE, Capitol Station, Austin, Texas 78711.

AFFIDAVIT

THE STATE OF _____ }
} KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF _____ }

That I, _____ , in the capacity as Attorney for the Applicant, _____ , which has made an Application with the Railroad Commission of Texas to obtain authority to transport commodities in interstate commerce which are exempt from economic regulation under the provisions of Section 203 (b) (6), Interstate Commerce Act, Part II; in my capacity as Attorney for the Applicant, I am authorized to state that the Application is set for hearing on _____ at Austin, Texas, under Docket No. _____, and this Affidavit is being submitted in lieu of appearance at said hearing in accordance with the Rules of Practice and Procedure before the Transportation Division of the Railroad Commission.

In the Application submitted to the Commission, a financial statement was submitted as Exhibit "A". Said financial statement was a true and correct representation of the financial status of Applicant as of the date of the filing of said Application, and has not substantially changed since that time. An Exhibit "B" was also filed representing equipment owned and operated by said Applicant. This Exhibit was true and correct at the time of filing of the Application, and this Exhibit has not changed in any manner since the filing of same. All other required Exhibits were attached to said Application and are true and correct.

Applicant and its employees are cognizant of the rules and regulations of the Railroad Commission of Texas and the Department of Public Safety, and of the laws of the State of Texas, and specifically those relating to safety and to liability insurance requirements which afford protection to the traveling public on the highways of Texas. If this authority is granted to Applicant as applied for, it will continue to abide by the rules and regulations of the Railroad Commission, the Department of Public Safety, and the laws of the State of Texas. It is not the intention of the Applicant to or attempt to operate this authority if so granted for any purpose other than that of transportation in interstate commerce of those commodities exempt from economic regulation under Federal law.

AFFIDAVIT

Applicant understands that the filing of the original Application and the filing of this Affidavit do not in themselves constitute authority for it to operate over the highways of Texas transporting commodities exempt from economic regulation.

DATED at _____, _____, this _____ day of _____ 19____.

_____

THE STATE OF _____)
)
COUNTY OF _____)

BEFORE ME, a Notary Public in and for _____ County, _____, on this day personally appeared _____, Attorney for _____, who being by me duly sworn, upon oath says: he has been authorized to make the representations set forth above and says the same are true and correct to the best of his knowledge and belief.

SUBSCRIBED AND SWORN TO BEFORE ME, by the said Affiant this _____ day of _____ 19____, to certify which witness my hand and seal of office.

_____
Notary Public in and for
County,

MY COMMISSION EXPIRES:

Exhibit "B" and/or
Equipment Report

RAILROAD COMMISSION OF TEXAS
TRANSPORTATION DIVISION
MOTOR TRANSPORTATION SECTION
DRAWER SF
AUSTIN, TEXAS 78711

Texas Railroad Commission
Permit or
Certificate No. _____
LIST ONLY ONE ON EACH REPORT

Applicant

Street Town State Zip Code

THE FOLLOWING IS A LIST OF THE EQUIPMENT I/WE WISH TO REGISTER UNDER THE ABOVE NUMBERED PERMIT OR CERTIFICATE FOR THE FISCAL YEAR ENDING AUGUST 31, 19____.

DO NOT LIST TRAILERS

	Make of Truck	Truck No.	Motor No.	Railroad Commission Plate No. (For RRC Use Only)
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				
16.				
17.				
18.				
19.				
20.				

REMIT ONLY BY CASHIER'S CHECK OR MONEY ORDER
MADE PAYABLE TO THE STATE TREASURER

THE STATE OF _____)
COUNTY OF _____)

_____
Motor Carrier Sign Here

BEFORE ME, the undersigned authority, on this _____ day of _____, 19_____, personally appeared _____ who being by me duly sworn, states that the above and foregoing report is true and correct.

Witness my hand and the seal of office this _____ day of _____, 19_____.

_____
Notary Public

_____ County, _____.

THIS FORM MUST BE COMPLETE IN EVERY DETAIL OR IT WILL BE RETURNED FOR CORRECTIONS

(For Railroad Commission Use Only)

ALL INSURANCE OK FOR
_____ TRUCKS

_____ By _____

_____ PLATES @ $1.00 _____
TAX _____
AMOUNT REMITTED _____
_____ By _____

RECEIPT NUMBER _____

PLEASE READ CAREFULLY BEFORE FILLING OUT THIS FORM

If you are domiciled in one of the following states, and have only INTERSTATE authority, you are NOT required to pay fees to register your equipment with this Commission.

The Regulatory Body of each of the following states is reciprocal with this Commission insofar as payment of plate and tax fees is concerned. All carriers domiciled in the reciprocal states must register equipment and receive an identification card to be carried in the cab of each truck

Arkansas	Kentucky	Nebraska	Oklahoma
Delaware	Louisiana	New Hampshire	Pennsylvania
*Florida	Maryland	New Jersey	South Carolina
*Georgia	Michigan	New York	South Dakota
Illinois	Minnesota	North Carolina	Tennessee
Indiana	Missouri	Ohio	Vermont
Iowa	California		Wisconsin

NOTE: *Carriers, resident or domiciled in Georgia must pay $1.00 and attach Railroad Commission license plates to their vehicle.

Carriers resident or domiciled in FLORIDA must pay $5.00 and attach RRC plates to each vehicle.

If you are domiciled in a state NOT listed above, or if you have TEXAS INTRASTATE authority you are required to pay fees as outlined below. Your initial registration for each year is $11.00 per truck, then the fees are prorated monthly as shown below.

The annual plate and tax fee per truck for the fiscal year beginning each September 1st is $11.00. The amount of plate and tax fee per truck due for the remainder of the fiscal year on an application granted after September 1st is prorated according to date of order granting the authority, as follows:

Sept.---$11.00	Dec.---$8.50	March---$6.00	June---$3.50
Oct. --- 10.17	Jan. --- 7.67	April --- 5.17	July--- 3.50
Nov. --- 9.33	Feb.--- 6.83	May --- 4.34	Aug.--- 3.50

All remittances must be in the form of a CERTIFIED CHECK, CASHIER'S CHECK or MONEY ORDER and made payable to the STATE TREASURER, but FORWARDED TO THE MOTOR TRANSPORTATION DIVISION

IF YOU WILL FOLLOW THE ABOVE INSTRUCTIONS, IT WILL ENABLE US TO GIVE YOU FASTER AND BETTER SERVICE. YOUR COOPERATION WILL BE MOST APPRECIATED.

YOU ARE REQUIRED TO REGISTER EACH YEAR BEFORE AUGUST 31. ANY EQUIPMENT THAT YOU HAVE REGISTERED DURING ONE FISCAL YEAR AND HAVE HAD CARDS ISSUED FOR, WILL HAVE TO BE RE-REGISTERED EACH YEAR BEFORE AUGUST 31, AS THESE CARDS EXPIRE AS OF AUGUST 31 EACH YEAR.

IMPORTANT NOTICE: For the purposes of determining whether or not you are RECIPROCAL and do not pay fees, we go by the State that the home office of the certificate or permit is in, NOT where the truck or trucks may happen to be when this application is filed.

ORDER GRANTING TEMPORARY EMERGENCY AUTHORITY TO USE THE HIGHWAYS OF TEXAS IN THE TRANSPORTATION, IN INTERSTATE COMMERCE ONLY, OF THOSE COMMODITIES EXEMPT BY THE I.C.C. UNDER THE FEDERAL MOTOR CARRIER ACT TITLE II SECTION 203(b)(6).

RAILROAD COMMISSION OF TEXAS
TRANSPORTATION DIVISION
MOTOR TRANSPORTATION SECTION
MOTOR CARRIER DOCKET 26984

DATE ISSUED:

O R D E R & C E R T I F I C A T E

By the authority delegated to the Director of Transportation in Section 17.3 and Section 17.12(b) of the Motor Transportation Regulations, as amended, this application for temporary emergency authority was presented to the Director in his office in Austin, Texas, and the following findings were made:

That the request for temporary emergency authority to use the highways of Texas in interstate commerce only in the transportation of commodities exempt by the I.C.C. by the Federal Motor Carrier Act, Title II, Section 203(b)(6), together with a complete application for such permanent authority, was filed, letter or telegrams from at least one supporting shipper stating in detail the nature of the emergency, and a filing fee in addition to the regular filing fee was received. That Applicant's request for temporary emergency authority be granted pending a hearing and determination by the Director on the merits of the regular application, and further that the Applicant has complied with insurance and fee requirements of the Motor Transportation Regulations.

Accordingly, it is Ordered that applicant be granted Temporary Emergency Authority in interstate commerce only as follows:

> To use the highways of Texas in the transportation in interstate commerce of those commodities exempt from economic regulation under the Interstate Commerce Act, Section 203 (b) (6), Part II, namely, ORDINARY LIVESTOCK, FISH (including SHELLFISH) and AGRICULTURAL (including HORTICULTURAL) COMMODITIES (not including manufactured products thereof).

It is further Ordered and made a condition of this certificate that the carrier observe and comply with the laws of the State of Texas and this Commission's Orders, rules and regulations.

This certificate expressly prohibits the carrier from engaging in intrastate commerce from any Texas point to any other Texas point.

This Temporary Emergency Authority shall become permanent after favorable action upon the underlying regular application, and after this Certificate has been stamped PERMANENT.

RAILROAD COMMISSION OF TEXAS

By Walter Wendlandt, Director of Transportation

RAILROAD COMMISSION OF TEXAS

TRANSPORTATION DIVISION

AUSTIN, TEXAS

WALTER WENDLANDT
Director

Docket No. 26984

December 5, 1969

OFFICIAL NOTICE

TWENTY DAY NOTICE TO COMPLY WITH INSURANCE AND REGISTRATION FEES

Your application has been recommended for approval to the Commission by the Examiner. This recommendation is subject to your compliance within TWENTY (20) days from the above date with the following requirements which are checked:

__xx Public Liability and Property Damage Insurance on Railroad Commission Form 77C.

_____ Cargo Insurance on Railroad Commission Form 102D.

_____ Workmen's Compensation Insurance on Railroad Commission Form 504. If you have less than three (3) trucks, you may either take out Workmen's Compensation Insurance or sign and return the enclosed affidavit.

_____ C. O. D. Bond in the amount of $10,000. If you handle no C. O. D. shipments, you must sign and return the enclosed C. O. D. affidavit.

_____ Plate fees in the amount of $_____ FOR EACH TRACTOR. By State law, we can accept this only if paid by cashiers check or money order payable to the Texas State Treasurer.

_____ A SEPARATE cashiers check or money order payable to the Texas State Treasurer for $_____ which is 10% of the purchase or lease price.

_____ The SELLER, or operator of the certificate being sold or leased, must complete and return the enclosed operating report for all INTRASTATE operations under the certificate from January 1, 19____.

Failure to comply with all the checked requirements within twenty days will result in withdrawal of the examiner's recommendation and dismissal of your application.

cc:

WW:gcl

OFFICIAL NOTICE

Walter Wendlandt

by: Walter Wendlandt
Director, Transportation Division

Transportation Division Notice B

McAllen, Texas
December 3, 1969

Railroad Commission of Texas

Austin, Texas

Gentlemen:

I am applying for temporary rights and also for permanent rights to haul for Company, as they are in urgent need to move their strawberry loads.

Please find enclosed two $25.00 checks to cover fees for both permits.

Very truly yours,

December 3, 1969

Railroad Commission of Texas

Austin, Texas

Gentlemen:

We would appreciate your granting temporary rights to to haul strawberries for us, as we have shipments to move at once and no trucks to move them on.

A COPY OF THE QUESTIONNAIRE SENT TO AGRICULTURAL PRODUCTS CARRIERS BY THE RAILROAD COMMISSION OF TEXAS

Name and address of Carrier:

Certificate number:

When was the Certificate acquired?:

Was it acquired by application or by purchase:

If purchased, what was consideration for the agricultural products portion of the Certificate:

Is the agricultural products portion of your authority unlimited statewide:

If not, set out limitations:

How many units of equipment did you register with the Commission during the years beginning Sept. 1, 1968, Sept. 1, 1969, and Sept. 1, 1970:

Name the points at which equipment was stationed during 1968, 1969, 1970:

At what points, prior to 1968, was equipment based, even on a temporary basis during harvest season:

Attach as Schedule "A" points of origin from which shi ments originated in 1968, 1969, and 1970:

How many loads of agricultural products in their natural state were transported in intrastate commerce during each of the years 1968, 1969, 1970:

Attach as Schedule "B" a list of shipments handled in intrastate commerce only, of agricultural products in their natural state, for the second week of each month from January of 1968 through September of 1970, which schedule shall show name of consignor, name of consignee, waybill number, date of shipment, origin and destination, weight of shipment, and commodity transported:

What solicitation efforts did you make in 1968, 1969, and 1970, to secure business in the area in which you are authorized to operate:

APPENDIX

CHAPTER IV

TEXAS TRANSPORTATION INSTITUTE
Agricultural Products Hauling Study

'irm Number_____

Questionnaire to Haulers Holding
Texas Interstate Permits

YOUR FIRM HAS BEEN SELECTED AS A SAMPLE FIRM IN A TRANSPORTATION STUDY SPONSORED BY THE TEXAS LEGISLATURE. THE PURPOSE OF THE STUDY IS TO CONDUCT AN ANALYSIS OF THE DEMAND FOR AND SUPPLY OF TRUCK TRANSPORTATION AVAILABLE FOR THE MOVEMENT OF AGRICULTURAL COMMODITIES. THE INFORMATION IS NECESSARY IN ORDER TO PROVIDE CURRENT DATA FOR POLICY DECISIONS REGARDING AGRICULTURAL TRUCKING. YOUR ASSISTANCE IN THIS EFFORT WILL BE APPRECIATED AND WILL CONTRIBUTE TO FUTURE PLANS, PROGRAMS AND POLICIES INVOLVING AGRICULTURAL TRANSPORTATION.

PLEASE ANSWER ALL QUESTIONS AS ACCURATELY AS POSSIBLE. THE INFORMATION YOU FURNISH WILL BE CONSIDERED CONFIDENTIAL AND WILL NOT BE IDENTIFIED BY FIRM IN THE ANALYSIS.

PLEASE RETURN THE QUESTIONNAIRE IN THE ENCLOSED ENVELOPE WITHIN TEN (10) DAYS AFTER RECEIPT.

1. During the year 1969, did your firm haul any agricultural commodities from points inside Texas to points outside of Texas? Yes___ No___
(Agricultural commodities are defined as those commodities exempt from economic regulation by the I.C.C. and include fresh fruits and vegetables, livestock, processed and live poultry, eggs, grain, cotton, wool and other farm products.)

IF YOU ANSWERED YES TO THIS QUESTION, PLEASE COMPLETE QUESTION NUMBER 2.
IF YOU ANSWERED NO TO THIS QUESTION, YOU HAVE COMPLETED THE QUESTIONNAIRE.
PLEASE RETURN IT IN THE ENCLOSED ENVELOPE.

2. How many loads of these commodities did your firm haul out of Texas during 1969? (check one)

( ) 1 - 25
( ) 26 - 50
( ) Over 50

YOUR FIRM'S COOPERATION IS ESSENTIAL TO THE SUCCESS OF THIS STUDY.
PLEASE RETURN THE QUESTIONNAIRE WHEN COMPLETED.

APPENDIX

CHAPTER V

TRUCK SUPPLY - THE SPECIALIZED MOTOR CARRIER'S VIEW

The purpose of this section is to present some comments provided by the truckers responding to the mail questionnaire. Many of the firms had some very strong opinions on truck supply in Texas as well as other factors affecting both shippers and carriers. Comments from the intrastate carriers and interstate carriers will be presented separately.

Comments of Intrastate Specialized Motor Carriers

1. Grain hauling freight rate too low for one way haul.

2. Too many unauthorized truckers in the business.

3. Too many do-it-yourself units in operation.

4. In my opinion, the rates and regulations set by the RCT will never be of any help to those involved, growers, shippers, and receivers, until two things happen:

   (a) First, they must be enforced.

   (b) The Interstate Commerce Commission must set regulations and rates on agriculture products in interstate traffic. The reason for this is, no matter how much the permitted carriers complain, there aren't enough intrastate loads to build 100% business on.

5. We haul primarily pipe and oil field equipment and heavy commodities. We do not solicit the movement of agricultural commodities as the rate is too cheap. We are now in a better class hauling as well as a much better paying type of hauling.

6. I could more than double my income if I had authority from the Railroad Commission of Texas to haul watermelons, onions, potatoes, and sacked steer manure within the state of Texas. I load some of these commodities within the state and transport them to other states. I would do this more often if the rates were better; or if I could secure a back-load on these trips. I tried unsuccessfully in 1963 or 1964 to get authority from the Railroad Commission of Texas to haul agricultural commodities in their natural state within the state of Texas. I wish the Railroad Commission of Texas

would grant authority to everyone to haul agricultural commodities within the state of Texas or to do away with all permits altogether. I own two Railroad Commission of Texas permits. I haul bulk grain within the state and there is no way the shipper ever pays those rates as set out by the RCT. The only correct rates I ever receive within the state are those paid by the various planting seed companies. I am glad my firm was selected as a sample firm in your study. I feel that the present rules and regulations of the Railroad Commission of Texas are antiquated and are a detriment to agricultural producers and truckers within this state.

7. I recently approached a local elevator man about a job hauling soybeans from Muleshoe to Lubbock; he said, "Sure if you can haul for 8¢ a hundred." The RCT rate is 21¢. He got his beans hauled, but not by me. When we ask a shipper to appear as a witness to amend a certificate to include agricultural products, they say, "Why should I? I get my products hauled cheaper than would haul them now." I can't argue with that. As long as the noncertified, noninsured, rate cutting trucks are allowed to operate, the certified trucker, who is required to carry heavy insurance and registration rates, is going to suffer. I personally believe it would be a good idea to issue every certificate holder a blanket authority to haul agricultural commodities within the state, then enforce the rates.

8. I think vegetables and produce should be exempt in state and out.

9. The reason that we do not haul any more than we do is because the authority to load farm commodities in other areas is too hard and expensive to get. The Railroad Commission has made it very difficult for Texas truckers to operate. The hauling rates they have set are so high that it has forced the people to hire unpermitted trucks to haul their commodities. Texas truckers could keep up with the demands if they were given the opportunity to compete with one another and were released from the control of the Railroad Commission.

10. I haul only cattle. I cannot tie up money in equipment to just take care of the rush season. The Railroad Commission has become so hard to please that it is almost impossible to operate.

11. Poor rates and lack of regulations on the part of the RCT on these commodities make it undesirable to haul. Also, most agricultural commodities are handled by brokers which tend to drive the rates down further.

12. Rates are satisfactory for truckers, but some shippers do not want to pay this rate. I think that anyone who has the proper equipment should be able to transport commodities to or from points where said equipment is needed. Furthermore, I think rate regulation is most essential, but I do not think the RCT should deny anyone intrastate authority who has proper equipment and a sound financial statement.

13. On interstate shipments of cattle during a few weeks in spring and fall rush, we have to turn down some loads because of the prevailing lower rate on unregulated movements when we already have plenty to do on the regulated Texas tariff (which is basically the same as it was fifteen years ago, except on some longer hauls where it is now cheaper; in no instance is the cattle rate higher than fifteen years ago, on the Texas tariff). The reason for this is that we do not make a practice of suddenly raising interstate rates just because there is a rush on. When we have a choice we naturally choose the Texas hauls that will yield a profit. The cattle truckers who haul strictly on the "prevailing" interstate rate (and some do it often on intrastate movements) by and large wind up going broke.

14. I could haul cabbage, onions, watermelons, and potatoes 8 or 9 months out of the year; load and unload in the state of Texas; if I had authority from the Railroad Commission of Texas to haul these commodities. I have been in the trucking business in Texas continuously since 1926 and own two Texas Intrastate RCT permits. At one time I owned 18 tractors and trailers and could keep them busy within this state 90% of the time. Since the state put in the agriculture products permits, the shippers have refused to load me because I didn't have proper authority from the Railroad Commission of Texas. I applied for an agriculture commodities permit and was denied this authority in 1964. I had 7 or 8 good witnesses trying to help me get this authority, but it was not granted.

15. Texas has no control over its brokers and shippers for bad checks. Promise one thing and pay another according to supply and demand. While taxes and costs have soared, rates on farm products have remained the same, some are lower in some cases, and this area of transportation has been picked on by all carriers, so it is left to be regulated by supply and demand. As a one truck operator I have hunted for the places with the greatest demand and the lowest supply. I used to run Texas 30 or more times a year until Mo-Pacific RR put 1,000 piggy back trailers in the Valley and shippers asked me to compete in a heartless manner, or in some cases haul for less than piggy back rate or starve in Texas. But, when the pendulum swings back, I shall be happy to move Michigan apples and cranberries to Texas and all Texas farm products to northern markets.

16. There is a shortage of interstate trucks due to the low profit level in agri-products. Common carriers and rails use these products to supplement their operation and set rates low enough to make it almost impossible to operate at a profit when depending on these commodities only. There is a great shortage of equipment for intrastate hauling due to the small number of permits with rights to haul to and from any point in Texas. The seasons are short in most areas and no one can afford to own equipment to haul from only one or two areas. The results are poor service and such a shortage of legal trucks that shippers are forced to use illegal trucks. This also sets aside any uniform rate charges as the illegal trucks are not regulated in any way. There can be no dependable service until there are enough permits issued on a statewide basis that enough equipment will be available.

Comments of Interstate Specialized Motor Carriers

1. We did not operate in or out of Texas in 1969 because of poor rates and bad loading conditions. We can't have trucks and drivers in a melon field two or three days to load as we had in 1968.

2. We would like to the Railroad Commission of Texas take a firmer stand on the rates of exempt commodities in the state of Texas, and get them up to a better standard, like the South Florida Truck Brokers, here in Florida.

3. Listed below are some suggestions to aid the transportation industry:

(a) Let the RCT set interstate rates on Texas agricultural products to stop so much rate cutting.

(b) Open up the availability of intrastate permits to Texas residents.

(c) Everyone should have to have a permit, but when it is a rush season on certain commodities, they should let anyone haul the commodities with a special permit. East Texas watermelon farmers and the Valley melon farmers, too, lost many, many melons in the fields due to the lack of transportation equipment. This came about through a crackdown by the D.P.S. on all trucks and the heavy fines ($100 minimum).

(d) We need to train more drivers through technical training schools (Connally Tech).

(e) Lower insurance rates for agricultural products haulers.

4. Our firm is interested in hauling agricultural commodities out of Texas, however, we have a lack of information on the hauling available. If we could be furnished some information available on the hauling available, we would gladly consider registering more equipment with the Texas authorities. Your reply will be awaited, along with the information requested.

5. The rates from Texas to New York are much lower than from South Florida to New York City. And from Texas you have to drive about 15 more hours for less. Example: From Immokalee, Florida to Boston, Massachusetts - $1,156.00. From Pharr, Texas to Boston, Massachusetts - $1,100.00, they wanted me to go for $900.00. (Editor's note: The $1,100.00 is a suggested charge.)

6. We don't have authority to haul within the state of Texas. We'd like to have one but it is not available. We can lease to people that have authority, but they take too much percentage to where it doesn't pay to haul produce on that basis. We know that there are people that have this authority and don't even have trucks of their own, but lease the same to truckers. We would like to see it where a person getting this kind of authority would have to present proof of ownership of equipment before receiving such authority or allowing persons that already have the exempt commodity authority to be able to haul within the state of Texas.

7. Most people in the trucking business need badly one of two things, either the management or owners need to make a couple of cost analysis per mile operated on any given piece of equipment and adjust their rates to offset cost of operation and allow reasonable profits for their own efforts and business investment. If a firm isn't capable of handling this cost analysis, there are available outside firms to perform such services. Until such time as all trucking companies realize their own particular needs and cost of operation on a per mile basis, we will continue reading about failures and seeing brochure after brochure on another and another and another trucking firm going out of business (in most cases just can't make ends meet) and having to put up their years of effort and worry on a sale bill for someone to buy for pennies on the dollar invested.

8. Believe that all truckers who hold RCT plates should be allowed to operate intrastate (wholly within state of Texas) and not to be restricted to interstate operation. Shippers need this service from all permitted trucks who hold RCT certificates. The few who hold intrastate permits cannot take care of shippers' needs. It is impossible for the small one truck owner-operator to obtain intrastate authority because of the expense of obtaining a lawyer and protests from people who at present have these limited permits. Something needs to be done to change this practice.

9. Texas rates are satisfactory. It's the out-of-state-hauls that are not. It must be noted that we go out of our way for finding backhauls, but in many instances we are delayed up to a week at a time, due to the lack of availability of "exempt" backloads. It is impossible financially to return empty on a trip of over 500 miles when you get paid out-of-state rates. If there could be a system whereby you could haul "nonexempt" items on a return load basis at least to your home state, it would certainly improve our condition of operations, and thereby improving the truckers' service to shippers and receivers.

10. It is nearly impossible to get a load which is to be unloaded in Texas. I think this is wrong for the simple reason that I have the same insurance as the firms that have permits to unload in Texas. Also, I try to stay within the law. I make my living with my truck, but have a hard time getting loads. I know several firms that have only one old truck to haul, yet they get all the loads because they have the permit. But they won't haul because they can always get me to take the load for them and get a percentage of my profits.

11. When a truck leaves on a loaded trip there's no assurance that there will be a load to Texas. The rate being unsatisfactory most of these trips cannot be afforded. Drivers (good) are hard to find because the trips do not pay enough and so he does not make enough. Needs: Setting up a local brokerage system to where a trucker may contact anytime, anywhere; more intrastate permits; better rates; reduction in cost of insurance; also, certain tax breaks.