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Target Interstate deciphers rules to benefit the fresh produce supply chain

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The Federal Motor Carrier Safety Administration is an agency within the United States Department of Transportation that regulates the trucking industry.

Days before the 90-day electronic logging device waiver expired, the FMCSA announced that hours-of-service rules don't start until drivers have traveled 150 air-miles away from pickup points.

Target Interstate, a leading fresh produce transportation and logistics firm based at Hunt Point Terminal Market in Bronx, NY, is well versed on this topic, and stays on top of every related



detail. Evan Kazan, director of business development, with his father, Paul Kazan, company president.

Evan Kazan, director of business development, who works hand-in-hand with his father, company president, Paul Kazan, said the way the rules were initially written, there was an exemption for trucks carrying produce from the farms to the coolers to help the farmers get their harvests to the shipping points.

“These rules did not take into consideration that the trucking industry is not uniformed, and the agricultural industry is especially unique,” he said. “The initial rule required dramatic changes to long established business practices, and they needed to be implemented in a relatively short amount of time. We anticipated there to be requests for exceptions to be made.”

Waiting time is still a big concern for trucking companies, according to Kazan. In the past, the common metric used by carriers to determine efficiency and breakeven analysis was dollars per mile.

“Companies wanted to maximize the number of miles per day, and hours-of-service wasn’t as big of an issue,” he explained. “With the ELD mandate, the bottleneck isn’t the driver’s physical capabilities and miles in a day, but time management.

Therefore the newer metric of efficiency is dollars per hour. Drivers have 11 hours of driving to make as much money in a day as possible.

Adjustments, Kazan pointed out, are already being made on the shipping end with many shippers moving to an appointment system to cut down on wait time, but on the receiving end things have mostly remained the same.

“It’s a cliché, but ‘time is money,’ and if the entire supply chain can work together to decrease the driver’s non-productive time, costs should decrease,” he said.

Anything receivers can do to help drivers manage their hours more efficiently will help keep costs down. Kazan said that there are new technologies available that customers can utilize to track their shipments in real time.

“Whether they track a sensor in the trailer, the ELD device or the driver’s cell phone, they have the ability to know where everything is at a moment’s notice,” he said. “If they know exactly where their shipments are at all times, they can schedule their receiving accordingly.”

Further, if receivers can narrow their unloading windows into three to four hour time slots, drivers would be able to manage their hours better and pass the savings along to the customer.

Also driving during peak traffic congestion is not an efficient use of the driver’s time.

“If they can remain off- duty for a few extra hours and avoid some of the heaviest traffic they can be more efficient with their time,” said Kazan. “Drivers are building these obstacles into their prices anticipating losing time and money during the trip. Anything to lower these obstacles will lower costs.”

Trucking fresh produce has definitely become more challenging than in years past, but adjustments can be made to counteract some of the difficulties. Kazan said the ELD mandate in conjunction with shortage of carrier capacity has allowed truckers to be more particular in the types of loads they want, from number of pickups, to destination and transit times.

“The more flexible customers can be, the more successful they will be in getting trucks at attractive prices,” he added. “Eventually everyone will adjust to the market conditions and people will have a new norm of doing business.”

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