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# Produce Transportation Best Practices

North American Produce Transportation Working Group (NAPTWG)

*Best practices* are generally-accepted, informally-standardized techniques, methods or processes that have proven themselves over time to accomplish given tasks. The idea is that with proper processes, checks and testing, a desired outcome can be delivered more effectively with fewer problems and unforeseen complications. In addition, a "best" practice can evolve to become better as improvements are discovered. The North American Produce Transportation Working Group Best Practices is a guidance document.

The Best Practice Documents are the recommendations created and agreed to by multiple facets of the produce industry supply chain.

The documents were also reviewed and endorsed by the Blue Book and the Dispute resolution Corporation (DRC) to ensure the documents were in keeping with industry trading guidelines for North America.

Note: This guidance represents the collective thinking of associations and companies that have endorsed the document. It does not create or confer any rights for or on any person or company and does not operate to bind members of any association which has endorsed the document, nor those with whom they do business.

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## TABLE OF CONTENTS

<b>Section 1</b>	
General Best Practices	3
Point of View Checklist Index	5
<b>Section 2</b>	
Shipper Checklist	6
<b>Section 3</b>	
Carrier Checklist	9
<b>Section 4</b>	
Receiver Checklist	12
<b>Section 5</b>	
Transportation Provider Checklist	15
<b>Appendix A</b>	
Definitions	18
<b>APPENDIX B</b>	
Good Temperature Guidelines	20

The distribution channel for fresh fruits and vegetables has many different players. To create a best practices document covering each player in an easily understood document would require many pages and be extremely challenging. For the sake of understanding across the distribution chain we use somewhat generic terms of shipper, receiver, carrier, and transportation provider. You will find the definitions in Appendix A of this document.

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## SECTION 1: General Best Practices

North American Produce Transportation Working Group (NAPTWG) recommends all parties subscribe to and follow these NAPTWG guidelines, which provide specific criteria and direction for most trading challenges. Situations not covered by these best practices should be clearly communicated and agreed throughout your supply chain.

### Know your supply chain partners

Firms should define and document the criteria their supply chain partners should consistently meet including the following:

- License(s), permit(s), and legal authority
- Insurance and/or bond(s)
- Compliance certification(s) for equipment, product(s), &/or process(es)
- Historical track record of equipment, product(s), &/or process(es)
- Adequate training & performance of involved personnel
- Listed & well-rated by industry credit reporting agencies
- Employs recognized authorities and resources to resolve industry disputes
- Membership in good standing with appropriate trade associations

Firms should require their personnel to review all new and existing vendors, customers, and transportation providers<sup>1</sup> for their compliance with these and other relevant criteria. The clear objective is to select and work with supply chain partners who are competent, compliant, reliable, honest, and fair. Sellers, buyers, and transportation providers who engage in collaborative sales and operational planning are better able to cope with the supply and demand management issues.

1. Communication is a key element to success. Expectations and procedures need to be discussed and explained fully to all stakeholders across the entire supply chain. Everyone must be able to adhere to important details such as standard temperatures and agreed time frames. These details must be communicated clearly up and down the supply chain. Supply chain efficiencies are created when there is clear, ongoing communication between all parties. As an example, when shippers, carriers, and receivers adopt a communication plan that keeps all parties informed with up-to-date appointment information and the ability of all parties to adhere to the scheduled time.
2. All members of the produce supply chain should approach transportation issues and disputes with an understanding of the impact on the customer and /or consumer.
3. Recognize the operator has special needs. Unlike most of us he may not see his home and family for days at a time. The opportunities to shower, grab a snack, or simply hear a friendly voice are all small and meaningful considerations you can provide to carriers when they are on the road. Courtesy helps to develop relationships and alleviates frustrations. Shippers and receivers strive to build loyalty, confidence, and trust with carriers by addressing relevant environmental factors. The following are excellent starting points:
  - a. If possible, provide access to showers, coffee, snacks, and other amenities
  - b. Encourage all employees to treat carriers with respect and to routinely extend simple courtesies, such as: “thank you”, “you’re welcome”, “have a safe trip”, “happy that you’ve arrived safely”
  - c. Streamline the process so that carriers can get in and out of facilities quickly
  - d. Streamline the payment process to carriers (e.g. electronic transfer of funds, pay within agreed upon terms, etc.)

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- e. Strive to better understand the needs of the operator
  - f. Communicate fully and on a timely basis with carriers once they arrive at either loading or delivery point by providing good faith estimates as to when an operator will be able to back into a door, complete information as to the loading/unloading protocols, and explanations for procedures that may fall outside normal practices
4. For Less than Truckload (LTL) shipments it is advised that:
    - a. Shippers and Receivers practice good load planning
    - b. All Shippers and Receivers understand the impact of delays in loading and unloading
    - c. When government inspections are necessary, Receivers are encouraged to receive the shipment under protest rather than holding the truck
    - d. Shippers and Receivers either establish or work with consolidation centers where full loads of product can be cross docked into mixed loads
    - g. Shippers and Receivers have agreements in place to address accessorial charges
  5. Complete all paperwork accurately. In many cases this industry does not have formal signed contracts between parties. Whenever possible utilize electronic means. The documentation that each player completes forms the fabric of their rights and responsibilities when challenges arise. For example, the Bill of Lading (BOL) should contain the following minimum information:
    - a. Full name, address, telephone number (including an after-hours number), email and fax (if available) of the carrier and the party(ies) the product was purchased from and sold to
    - b. Specific description of food item – (e.g. brand, variety)
    - c. Quantity shipped or received
    - d. Date the covered activity started and ended
    - e. Temperature requirements of commodities being transported including pulp temperature at loading and during transit
    - f. Location(s) and serial numbers of temperature recording units placed on the load, preferably initialled by loader and operator
    - g. Designate “shipper load and count” if appropriate
    - h. Special needs or instructions as specified by the shipper and/or the Receiver
  6. Carriers are not required to provide pallets unless specifically agreed in advance
  7. Establish metrics to meet service expectations. Supply chain partners (shipper, carrier, and receiver) agree to service level metrics and expectations prior to moving a load or, in the case of an ongoing business relationship, periodically review a scorecard of service level metrics and expectations. Criteria to be considered include:
    - a. On-time delivery
    - b. Pick-up time
    - c. Load management to prevent damage
    - d. Temperature management requirements
    - e. Daily check-in calls while in-transit
    - f. Check-in calls to report break downs
    - g. Report temperature problems, or unusual delays
    - h. Check calls at departure, en route, and on arrival
    - i. Readiness of equipment
    - j. When detention charges go into effect
    - k. Appointment scheduling efficiency
    - l. Operator handling reduction

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- m. Container/load stabilization
  - n. Who is responsible for securing, maintaining, and returning temperature recorders where applicable
  - o. Operator properly documented (bio-terrorism)
  - p. Sanitation policies
8. All supply chain partners need to understand the requirements and their role in conforming to relevant Canadian, Mexican, and U.S. Customs Programs, and the U.S. Bioterrorism Act. A simple notice or documentation error can cause expensive delays.

## Point of View Checklists

NAPTWG has adopted a series of checklists to provide industry members with a quick reference for their day to day activities. The checklists have been organized according to function and include summaries from the view point of:

1. Shippers
2. Receivers (e.g. wholesalers, distributors, food service distributors, retailers)
3. Carriers
4. Transportation Providers

The checklists are each divided into two sections. The first part contains the information that needs to be discussed between the parties before finalizing any agreement. The second part provides an overview of what the parties need to do once the load arrives at its destination.

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## SECTION 2: Shipper Checklist

### Prior to loading:

#### Between the Shipper and the Receiver

- Unless another “Term of Sale” is specified and agreed to in writing by both parties (such as FOB, FOB acceptance final, FOB at delivered price, delivered sale), the default term is FOB. Similarly, when no grade standard is specifically agreed to, such as U.S. No.1, Canada No. 1, etc., the default standard is “no grade” with Good Arrival Guidelines applicable to FOB sales.
- Federal inspection (CFIA/USDA) is required to document a claim, unless there is a written agreement signed by both parties to use a private survey or internal quality control inspection.
- The shipper needs to be advised by the buyer where (i.e. geographic location) the load is being shipped to, including any stops before reaching final destination.
- If the Shipper arranges the transportation, the Shipper needs to collaborate with the Receiver to make sure the Receiver’s requirements are met. Receivers are responsible for communicating any special requirements. Any changes to the transportation instructions need approval from both the Shipper and Receiver.
- Estimated time of arrival /appointment time. The Shipper and the Receiver need to discuss their expectations. Hours of Service Regulations for operators must be observed, but the Buyer/Shipper does not know the status of the operator log book, and it is the Carrier’s duty to inform them if the operator does not have enough hours available to arrive within the desired timeframe.
- To the extent it is practical and creates efficiencies, an appointment scheduling process should be utilized rather than first come first served.
- The Shipper needs to maintain and make available accurate records of how the product was handled prior to loading the Carrier. These records need to be made available in the event there is an issue.
- Transportation checklist between the Packer/Shipper and the Operator:
  - Operator confirms refrigeration unit working properly
  - Operator confirms thermostat set point
  - Trailer or container pre-cooled or pre-warmed
  - The agreed to transit temperature inside the trailer or container that should be maintained throughout the trip
  - Clean trailer; free of debris
  - If operator is responsible for count, allow operator to count the load; otherwise load should be marked as “shippers load and count”
  - Door seals, chute and other equipment in good condition. (Remember both the Carrier and the Shipper can be held responsible for the condition of the trailer or container at shipping point.)
  - At each pick up point in the supply chain an established process to verify product loading temperatures should be established
  - Security seals should be used on all trailer or container doors/access points
  - Security seal serial numbers, if used must be noted on the BOL
- The Operator should be allowed to verify pulp temperatures at the time of loading the trailer or container. If the Operator cannot verify pulp temperatures, the Buyer should be contacted for instructions. It is the Packer /Shipper’s responsibility to load product at the right temperature. The Operator should verify multiple random pulp temperatures to ensure the refrigeration unit can maintain the specified temperature while en route.

- Final check before departure:
  - Confirm all temperature instructions, for example: refrigeration set point, F° or C°, continuous or cycle
  - In the absence of a temperature instruction, refrigeration units should be set to run continuously
  - Shipper should document location of recorder device on the BOL
  - Confirm accurate shipping and receiving address
  - Review receiver requirements as to appointments, unloading rules, etc.
  - Shipper should clearly document who loaded and checked product so parties can be contacted in event of an issue

## **On arrival:**

### **Between Receiver and Transportation Provider**

- Seal(s) serial numbers must be verified prior to opening the doors to document if they have been broken and/or replaced and by whom
- Any change-out of security seals should be documented and the broken seals kept with BOL
- If temperature recorders were ordered at shipping point, the receiver needs to locate and document where the recording devices were found on the trailer or container
- If a temperature monitoring device is permanently installed as part of the trailer or container reefer (i.e. "Smart Unit") it should be documented on the BOL and a download of the information should be provided promptly upon request
- All parties should be familiar with how to read a Smart Unit download document and those downloads should be made available to all parties
- Document the temperature readings from all temperature monitoring devices by keeping a copy of the temperature record(s) with the shipment documents or make them accessible electronically
- Temperature recorders should be listed on the BOL
- If the shipper documents that one or more temperature recording devices were installed with the BOL and no recorder is found on arrival, the receiver must document the missing recorder(s) on arrival
- Receiver should indicate who is "receiving" the goods with a printed and signed first and last name to identify individuals if there is a problem
- If unloading is delayed, the doors should be shut, unit left running, and the time of arrival / tender of delivery should be noted on the BOL

### **Between Receiver and Shipper**

- If the Receiver notices any product problems on arrival:
  - The Receiver should advise the Shipper, Transportation Provider, and Carrier promptly of rejection or any other unforeseen development of which he becomes aware
  - Once notified of a rejection, the Shipper, in the case of a product claim – not a carrier claim - should provide specific instructions to the Transportation Provider or Carrier on how the product is to be removed and disposed
  - The Receiver should document any visual evidence of damage using a digital camera, regardless of inspection or lack there-of
  - The Receiver must request a federal inspection as soon as possible after receipt of goods (usually within 8 hours), or obtain a written agreement from the Shipper to use an independent third party to inspect the load

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- In the situation where the Receiver cannot obtain a federal inspection (CFIA/USDA) or a federal inspector cannot provide it in a timely manner, the Receiver should proceed to obtain an inspection from an independent third party
  - Fax or email the results of the inspection to the Shipper as soon as possible (usually within 3 hours) after receiving the inspection results
  - If an agreement cannot be reached or decision makers are not available, a federal inspection (CFIA/USDA) should be called promptly
  - If product fails contract terms (default is FOB PACA Good Arrival Guidelines or CFIA destination tolerances where applicable—see appendix A), based on a federal inspection, or some other pre-agreed private survey or pre-agreed Quality Control inspection, the Shipper and the Receiver can:
    - Negotiate a price adjustment, and if price adjustment is negotiated, confirm the adjustment in writing. Receive a product in under protest with proper documentation, including an inspection certificate, and the account of sales to the impacted parties
    - Reject the product prior to unloading for any purpose other than inspection unless otherwise agreed
    - Handle on an open basis or on consignment; however many businesses, especially retail, cannot meet accounting requirements for consignment
    - Agree to repack/recondition product by discussing charges and procedures, and confirming details in writing
    - Any redelivery terms should be agreed upon by all parties
    - Regardless of fault, all parties should work together to mitigate losses
  - Document all communications in writing between buyer and seller prior to and after negotiations by taking notes and emailing/faxing your understanding)
  - If a Private Survey or a Quality Control inspection was agreed to, follow the same procedure for notice and documentation set out for a federal Inspection
  - When more than 5% of the product is going to be discarded, you should request an official inspection certificate showing the extent of the damage (e.g. 60% soft and decay). The amount of damage will be evidence as to the lack of commercial value. Be advised that a statement by a federal inspector which merely says “applicant states no commercial value or product to be dumped” is not acceptable as evidence of product was without commercial value.
  - All parties of interest should agree on proof of the produce disposal by way of certificate or other acceptable documentation.



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## SECTION 3: Carrier Checklist

### Prior to loading:

#### Between Shipper-Carrier-Receiver

- Unless another “Term of Sale” is specified and agreed to in writing by both parties (such as FOB, FOB acceptance final, FOB at delivered price, or delivered sale) the default term is FOB
- Similarly, when no grade standard is specifically agreed to, such as U.S. No.1, Canada No. 1, etc., the default standard is “no grade” with Good Arrival Guidelines applicable to FOB sales
- In the absence of any agreement or clear BOL instructions on temperature, NAPTWG’s best practice for temperature will follow the University of California Davis, Good Temperature Guidelines (see appendix B) as industry accepted standard
- The Carrier needs to be advised by the Receiver where the load is being shipped to, including any additional pick up or delivery stops before reaching final destination
- If the Shipper arranges the transportation, the Shipper needs to collaborate with the Receiver to make sure the Receiver’s requirements are met.
- Receivers are responsible for communicating any special requirements and any changes to the transportation instructions need approval from the Shipper and Receiver
- The Packer/Shipper, Carrier, and Receiver need to fully discuss their needs for estimated time of arrival / appointment time. Hours of Service Regulations for drivers must be observed, but the Buyer/Shipper does not know the status of the Operator’s log book, and it is the Carrier’s responsibility to inform them if the Operator has enough hours available to meet the desired appointment
- In the absence of any agreement on transit times, conformance to contract will default to reasonable dispatch, which usually means 500 miles in a 24 hour period from point of departure to end point
- All parties should be extremely cautious not to ask the Operator to do anything that is unsafe or unlawful
- The Packer/Shipper needs to maintain accurate records of how the product was handled prior to loading the truck
- The contracting party is responsible for prompt payment of the carriage charges in full to the Carrier as specified in the contract of carriage or other agreement
- The Operator needs to be allowed to verify pulp temperatures before loading the trailer or container; if the Operator cannot verify pulp temperatures, the Receiver needs to be contacted for instructions
- The Operator needs to comply with all temperature instructions and confirm documentation of the location of temperature recording devices
- The Operator needs to verify the load count matches the manifest, and if a count cannot be verified, the original BOL needs to be marked “shippers load and count”

### On arrival:

#### Between the Carrier and the Receiver

- Federal Inspection (CFIA/USDA) , or marine survey where applicable is required to document a claim, unless there is a written agreement between the parties to use a Private Survey or an internal Quality Control Inspection.

- Seals and serial numbers must be checked prior to opening the doors to document if they have been broken and/or replaced.
- If temperature recorders were ordered at shipping point, the Receiver needs to locate and document where the recording devices were found on the trailer or container.
- Note if there is a built in temperature monitoring device on the trailer or container's reefer (i.e. "Smart Unit")
- With the Operator, review the temperature readings prior to unloading from all temperature monitoring devices and document the temperature results prior to the Carrier departing
- If the Shipper places one or more temperature recording devices on the load, and no recorder is found on arrival, the Receiver must document the missing recorder(s) on arrival, and resolve the issue with the Carrier
- If unloading is delayed, parties need to discuss if doors should be open or closed, and unit on or off
- Note time of arrival / tender of delivery
- On arrival, note: moisture, frost, off odors, etc.
- Document who is "receiving" the goods with a printed and signed first and last name for identification in the event of a problem If the Receiver notices any product problems on arrival believed to be caused by the Carrier:
  - The Receiver must immediately notify the Shipper and the Carrier
  - The Receiver must receive the product under protest and claim damages
  - The Receiver must request a federal inspection as soon as possible after receipt of goods (usually within 8 hours), after arrival, or obtain the written agreement of the Carrier to use an independent third party to inspect the load
  - In the situation where the Receiver cannot obtain a federal inspection or the government cannot provide the inspection in a timely manner, and taking into consideration the importance of knowing the temperature and condition of the product on arrival, the Receiver needs to obtain an inspection from an independent third party
  - The Receiver must fax or email the results of the inspection to the interested parties (usually within 3 hours) after receiving the inspection results
  - If an agreement cannot be reached or decision makers are not available, a federal inspection needs to be called promptly
- If the Carrier breaches the contract of carriage and damages the product, or otherwise causes provable losses, the Carrier and the Receiver can:
  - Negotiate a price adjustment and confirm an adjustment in writing. Receive a product in under protest with proper documentation, including an inspection certificate, and the account of sales to the impacted parties
  - Reject the product prior to unloading for any purpose other than inspection unless otherwise agreed Handle on an open basis or on consignment; however many businesses, especially retail, cannot meet accounting requirements for consignment
  - Agree to repack/recondition product by discussing charges and procedures, and confirming details in writing
  - Any redelivery terms should be agreed upon by all parties
  - Regardless of fault, all parties should work together to mitigate losses
- Document in writing all communications between Buyer, Seller, and Carrier prior to and after negotiations by taking notes and emailing/faxing your understanding
- If a Private Survey or Internal Quality Control inspection was agreed to, follow the same procedure for notice and documentation set out for a federal inspection

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- When more than 5% of the product is going to be discarded, you must request an official inspection certificate showing the extent of the damage (e.g. 60% soft and decay); the percentage of damage will be the evidence of the lack of commercial value
  - Be advised a statement by a federal inspector which only states “applicant states product to be dumped” is not acceptable as evidence product was without commercial value
  - All parties of interest should agree on proof of the produce disposal by way of a certificate or other acceptable documentation

## SECTION 4: Receiver Checklist

### Prior to loading the truck:

#### Between the Shipper and the Receiver

- Unless another “Term of Sale” is specified and agreed to in writing by both parties (such as FOB, FOB acceptance final, FOB at delivered price, or delivered sale) the default term is FOB
- Similarly, when no grade standard is specifically agreed to, such as U.S. No.1, Canada No. 1, etc., the default standard is “no grade” with Good Arrival Guidelines applicable to FOB sales
- When available, federal inspection (CFIA/USDA) or marine survey where applicable, is required to document a claim, unless there is a written agreement signed by both parties to use a Private Survey or an internal Quality Control Inspection
- The Receiver needs to make sure the Shipper knows where the load is being shipped to, including any stops before reaching final destination; blind loads should have at least geographic location
- If the Shipper arranges the transportation, the Receiver needs to ensure that the shipper is fully informed of all the receiver’s requirements
- Any changes to the transportation instructions need approval from the Shipper and Receiver
- The Packer/Shipper and Receiver need to fully discuss their needs for estimated time of arrival / appointment time. Hours of Service Regulations for drivers must be observed, but the Buyer/Shipper does not know the status of the Operator’s log book, and it is the Carrier’s

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responsibility to inform them if the Operator has enough hours available to meet the desired appointment

- Who unloads? It should not be assumed the Operator will unload or pay to unload the trailer; rather the parties need to agree who is responsible for unloading prior to loading and shipping
- NAPTWG Best Practice is that receivers unload product unless other agreements have been made
- Lumper or gate fees
  - Carriers are not responsible for lumper fees unless otherwise agreed
  - The best practice is for the Receiver to pay for any unloading charges
  - The Carrier should be advised of any such fees in advance and if fees are to be expected those fees are to be reimbursed or built into the freight rate

### **Between the Shipper and the Transportation Provider**

- Transportation Checklist between the shipper and the operator:
  - Refrigeration unit working properly
  - Thermostat calibrated
  - Trailer or container pre-cooled or pre-warmed
  - Clean trailer and document any trailer issues including physical damage, off odors, etc.
  - Allow operator to count the load, or mark BOL "shipper's load and count"
  - Door seals, chute, and other equipment in good condition. (Remember both the Carrier and the Shipper can be held responsible for the condition of the trailer or container at shipping point)
- The Operator should be allowed to verify pulp temperatures at the time of loading the trailer or container; if the Operator cannot verify pulp temperatures, the Buyer needs to be contacted for instructions
- The Operator needs to comply with all temperature instructions and document location of temperature recording devices on the BOL

### **On arrival:**

#### **Between Receiver and Transportation Provider**

- Seals and serial numbers must be checked prior to opening the doors to document if they have been broken and/or replaced and by whom
- If temperature recorders were ordered at shipping point, the receiver needs to locate and document where the recording devices were found on the truck
- Is there a temperature monitoring device on the truck's reefer? (i.e. Smart Unit™ or DataLink™)
- Review the temperature recordings on all temperature recording devices with the driver and document the readings prior to the truck departing if possible
- If the Shipper places one or more temperature recording devices on the load, and no recorder is found on arrival, the Receiver must document the missing recorder(s) on arrival, and must resolve the issue with the Carrier
- The Receiver needs to advise the Transportation Provider and the Shipper promptly of rejection or any other unforeseen development of which he becomes aware
- If unloading is delayed, parties need to discuss if doors ought to be open or closed, and unit on or off
- Whenever possible take a picture to document any and all exceptions
- Document:

- Note time of arrival / tender of delivery
- Moisture, frost, off odors, etc.
- Who is “receiving” the goods by a printed and signed first and last name for identification in the event of a problem

### **Between the Receiver and the Shipper**

- If the Receiver notices any product problems on arrival:
  - The Receiver must notify the Shipper, Carrier and the Transportation Provider, not just the Operator, immediately
  - The Receiver must request a federal inspection (CFIA/USDA) as soon as possible (usually within 8 hours), after arrival, or obtain a written agreement from the Shipper allowing an independent third party to inspect the load
  - In a situation where the receiver cannot obtain a federal inspection (CFIA/USDA) or the federal inspector cannot provide the inspection in a timely manner, the Receiver needs to obtain an inspection from an independent third party
  - Fax or email the results of the inspection to the seller (usually within 3 hours) after receiving the inspection results, and fax or email scanned copy of the results to all interested parties
  - If an agreement cannot be reached or decision makers are not available, a federal inspection (CFIA/USDA) needs to be called
- If product fails to meet contract terms (default is FOB Good Arrival Guidelines), based on a federal inspection, or some other pre-agreed private survey or pre-agreed Quality Control inspection, you can:
  - Negotiate a price adjustment and confirm an adjustment in writing
  - If product is to be rejected, rejection should be prior to unloading for any reason other than inspection
  - Receive under protest with documentation including an inspection certificate, account of sales, etc. Handle on an open basis or on consignment; however many businesses, especially retail, cannot meet accounting requirements for consignment
  - Agree to repack/recondition product with parties discussing charges and procedures, and confirming all details in writing
- Document all communications in writing between Buyer and Seller prior to and after negotiations (take notes and email/fax your understanding)
- If a Private Survey or a Quality Control inspection was agreed to, follow the same procedure for notice and documentation set out for a federal inspection
- When more than 5% of the product is going to be discarded, you must request an official inspection certificate showing the extent of the damage (e.g. 60% soft and decay)
- The amount of damage will be evidence as to the lack of commercial value
- Be advised a statement by a federal inspector which merely says “applicant states product to be dumped” is not acceptable as evidence of product without commercial value
- All parties of interest should agree on proof of the produce disposal by way of certificate or other acceptable documentation

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## SECTION 5: Transportation Provider Check List

### Prior to loading:

#### Between Shipper, the Transportation Provider, and the Receiver

- It is the Transportation Provider's duty to fully inform the parties of all terms and conditions of the proposed contract
- Unless another "Term of Sale" is specified and agreed to in writing by both parties (such as FOB, FOB acceptance final, FOB at delivered price, or delivered sale), the default term is FOB
- Similarly, when no grade standard is specifically agreed to, such as U.S. No.1, Canada No. 1, etc., the default standard is "no grade" with Good Arrival Guidelines applicable to FOB sales
- Transit temperatures must be specified on the BOL, and in the absence of any agreement or clear BOL instructions on temperatures, NAPTWG's best practice for temperature will follow the University of California - Davis Good Temperature Guidelines for an industry accepted standard (See Appendix B – Courtesy of University of California Davis)
- The Shipper and the Transportation Provider need to be advised by the Receiver where (i.e. geographic location) the load is being shipped to, including any delivery or pickups before reaching final destination
- If the Shipper arranges the transportation, the Receiver needs to ensure that the Shipper and the Transportation Provider are informed of all the Receiver's requirements.
- Any changes to the transportation instructions must be approved by the Shipper or Receiver, not the Transportation Provider.
- The Shipper, Transportation Provider and Receiver need to fully discuss their needs for estimated time of arrival /appointment time. Hours of Service Regulations for drivers must be observed, but the Buyer/Shipper does not know the status of the Operator's log book, and it is the Carrier's responsibility to inform them if the driver has enough hours available to meet the desired appointment
- In the absence of any agreement on transit time, conformance to contract will default to the NAPTWG's Best Practice of 500 miles per 24 hour period
- The Operator/Carrier should not accept a load if he/she is incapable of completing the haul legally, and Transportation Providers must promptly relay any information from the Carrier to the Shipper/Receiver regarding delays or transit issues
- The Packer/Shipper needs to maintain accurate records of how the product was handled prior to loading the truck
- After all parties agree on the terms of the commercial transportation agreement, the Transportation Provider shall prepare in writing and deliver promptly to the carrier a load confirmation including relevant details of the agreement

### On arrival:

#### Between the Transportation Provider, the Carrier, and the Receiver

- Whenever possible take a picture to document any and all exceptions to BOL and trailer
- Seals must be checked prior to opening the doors to document if they have been broken and/or replaced and by whom
- If temperature recorders were ordered at shipping point, the Receiver is responsible to locate and document where the recording devices were placed on the truck
- Note if there is a temperature recording device as part of the on the truck's reefer system (i.e. Smart Unit™ or DataLink™)

- Document and secure a copy of the temperature readings prior to unloading from all temperature monitoring devices included with the BOL
- If the Shipper documents and places one or more temperature recording devices on the load, and no recorder is found on arrival, the Receiver must document the missing recorder(s) on arrival, and must resolve the issue with the Carrier.
- If unloading is delayed, the Carrier and the Receiver need to discuss and determine if doors ought to be open or closed, and unit on or off.
- Note time of arrival /tender of delivery
- Note moisture, frost, off odors, etc.
- Document who is “receiving” the goods with a printed and signed first and last name for identification in the event of a problem
  - The Transportation Provider needs to advise the Shipper promptly of rejection by the Receiver or any other unforeseen development of which he is informed, and if the Receiver notices any product problems on arrival: The Receiver must immediately notify the Shipper, the Transportation Provider, and the Carrier.
  - The Receiver must request a federal Inspection on arrival (usually within 8 hours), or obtain a written agreement from the Shipper, Carrier, or Transportation Provider
  - In the situation where the Receiver cannot obtain a federal inspection or the government cannot provide the inspection in a timely manner, and taking into consideration the importance of knowing the temperature and condition of the product on arrival, the Receiver should obtain an inspection from an independent third party
  - The Receiver must fax the results of the inspection to the Shipper and the Transportation Provider promptly (usually within 3 hours) after receiving the inspection results
  - Unless otherwise agreed in writing, faxing the results of the inspection to the Transportation Provider does not mean that the Receiver and/or the Carrier have complied with his/her obligation to inform the Shipper of the results of the inspection in a timely manner.
  - If an agreement cannot be reached or decision makers are not available, a federal Inspection needs to be called promptly
- If product fails contract terms (default is FOB good arrival guidelines), based on a federal Inspection, on some other pre-agreed private survey or pre-agreed Quality Control inspection, the Shipper and the Receiver (or Transportation Provider if carrier claim) can:
  - Negotiate a price adjustment in writing
  - Reject the produce prior to unloading for any reason other than inspection
  - If the Receiver can take product in under protest with documentation including an inspection certificate, account of sales, etc., they should do so
  - Handle on an open basis or on consignment; however many businesses, especially retail, cannot meet accounting requirements for consignment
  - Agree to repack/recondition product with parties discussing charges and procedures, and confirming all details in writing
- Document all communications between Buyer, Seller and Transportation Provider prior to and after negotiations
- If a Private Survey or Quality Control inspection was agreed to, follow same procedure for notice and documentation set out for a federal Inspection
- When more than 5% of the product is going to be discarded, you should request an official inspection certificate showing the extent of the damage (e.g. 60% soft and decay). The amount of damage will be evidence as to the lack of commercial value

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- Be advised a statement by a federal inspector which only states “applicant states product to be dumped” or “is without commercial value” is not acceptable as evidence of product without commercial value
  - All parties of interest should agree on proof of the produce disposal by way of certificate or other acceptable documentation



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## Appendix A

### DEFINITIONS

**Broker:** This NAPTWG Best Practices document contains references which are representative of those parts of the chain who are contractually and financially responsible for getting the product from shipping point to its final destination. We have specifically not included produce or transportation brokers. A broker by definition is not a financially responsible party and cannot make decisions independently from his principal. The industry has evolved and the vast majority of transactions include produce and transportation firms who are not brokers, but firms who take both contract and financial responsibility when entering into a business transaction. A firm operating as a broker, or a firm using a broker are responsible for demonstrating all parties were aware before, during, and after any agreements that all parties knew they were negotiating with a party who was not financially and contractually responsible for carrying out the agreed terms.

**Carrier:** Individual or entity that physically transports produce from shipping point to destination.

**CFIA:** Canadian Food Inspection Agency

**Consignment sale:** When produce is sold on consignment, it is sold by someone other than the owner of the produce, namely, the “consignee.” Commission and expenses are deducted from gross proceeds to arrive at the return due the owner or “consignor.” Consignees are expected to use good-faith to arrive at reasonable returns and to support their returns with a detailed accounting and a timely government inspection certificate.

**DRC:** Dispute Resolution Corporation

**FOB Sale:** Usually a fixed-price sale where, as between buyer and seller, the risk of loss or damage in transit is borne by the buyer.

**Good Delivery/Good Arrival:** These terms are synonymous and refer to the shipper’s warrantee of suitable shipping condition, which is the shipper’s assurance that produce sold on an FOB basis will arrive at contract destination without abnormal deterioration, provided transportation conditions are normal. Good Arrival Guidelines for assessing what constitutes abnormal deterioration are issued by the USDA’s PACA Branch (U.S. guidelines) and the DRC (Canadian guidelines). These guidelines are based on the percentage of defects reported at contract destination by a timely government inspection certificate.

**Hours of Service:** Regulations governing the number of hours an operator may legally drive and/or be “on duty” on a daily and weekly basis.

**NAPTWG:** The North American Produce Transportation Working Group is a subcommittee of United Fresh Produce Association’s Supply Chain Committee.

**Open Sale:** A sale whereby the parties intend to agree on a price, not at time of purchase, but at some later time, usually after the product has been resold by the buyer. When no agreement on price can be reached, a “reasonable” price may be determined with reference to (i) the market value of the commodity in question, (ii) its condition upon arrival as shown by a timely government inspection certificate, (iii) reasonable and customary deductions for profit and handling, and (iv) any freight expenses incurred by the buyer. A “price-after-sale” transaction is a type of open sale whereby the parties specifically intend to agree on price after the product is sold.

**Operator:** Person or persons responsible for driving the truck or conveyance from shipping point to destination, using due care to protect the produce in the carrier’s possession (e.g. monitoring temperature control), and performing other duties as agreed by the carrier and the party that hired the carrier.

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**PACA:** An office of the U.S. Department of Agriculture responsible for administering the Perishable Agricultural Commodities Act enacted to promote fair trading practices in the produce industry.

**Receiver:** Individual or entity accepting delivery of produce.

**Shipper:** Produce seller operating storage and loading facilities from which produce is shipped.

**Should:** Used to express what is probable or expected. While “should” can express a recommendation, advice, obligation, or expectation in different circumstances, for purposes of this document it means if you are following the Best Practices set forth in this document there is an expectation among others following the practices that you will strive to adhere to that point.

**Transportation Provider:** These individuals or entities do not haul produce themselves, but take responsibility for meeting the transportation needs of their customers by hiring underlying carriers, coordinating shipping details, and monitoring performance. A Transportation Provider is a principal party to two separate contracts: one purchasing transportation services from a carrier; and the other selling the transportation services to a produce vendor. Although the term “Truck Broker” is used loosely in the industry, Transportation Providers are not “brokers” in the technical sense of the word.

## Appendix B

### Good Temperature Guidelines

#### Compatibility Chart for Fruits & Vegetables in Short-Term Transport or Storage Jim Thompson – University of California Davis

Table 1: Compatible produce for long-distance transport. Produce in the same temperature column can be safely mixed. Ethylene-sensitive vegetables should not be mixed with ethylene-producing fruits and vegetables. Dry vegetables can be mixed with other fruits and vegetables on trips lasting less than about 1 week.

		<b>Recommended Storage Temperatures</b>			
		0-2 C (32-36 F)	4-7 C(40-45 F)	7-10 C(45-50 F)	13-18 C (55-65 F)
<b>Produce</b>					
<b>Dry vegetables</b>	dry onion 1,3,9    garlic				ginger <sup>5</sup> pumpkin squash, winter
<b>Ethylene-Sensitive vegetables</b>	arugula*    chicory    kale* asparagus    Chinese/leek <sup>8</sup> Belgian/    cabbage    lettuce mint endive    collards*    mushroom* <sup>7</sup> bok choy    cut    mustard broccoflower    vegetables.    green* broccoli*    endive    parsley br sprouts    escarole    parsnip cabbage <sup>1</sup> green    snow peas* carrot 1,3    onion <sup>7</sup> spinach* cauliflower    herbs (not    sweet peas* celery <sup>1,3,9</sup> basil)    turnip greens chard    kailon*    watercress	beans, snap etc* <sup>10</sup> cactus leaves fava bean lima bean potato, late crop <sup>1</sup> southern peas*	basil* chayote cucumber* eggplant* <sup>5</sup> kiwano long bean okara pepper (chili) squash, summer* tomatillo watermelon	potato, early crop* tomato, mature green	

<b>Recommended Storage Temperatures</b>						
0-2 C (32-36 F)	4-7 C(40-45 F)		7-10 C(45-50 F)	13-18 C (55-65 F)		
<b>Produce</b>						
<b>Vegetables (not ethylene sensitive)</b>	alfafa sprts amaranth*	daikon	rhubarb7		calabaza	cassava
	anise	horseradish jerusalem	rutabaga salsify		haricot vert	jicama
	artichoke	artichoke	scorzonera		pepper, bell*10	sweet potato (boniato)
	bean sprouts*	kohlrabi	shallot		winged bean	taro (malanga)
	beet	lo bok	sweet corn			yam
	celeriac	raddichio	swiss chard		luffa* **	tomato, ripe* **
		radish	turnip			
			waterchestnut			
<b>Fruits and Melons (very low ethylene producing)</b>	arbados cherry	logan	blood	babaco	bitter melon breadfruit	
	blackberry	loquat	orange4	tamarillo	canistel	
	blueberry	lychee	cactus pear	calamondin*	grapefruit, CA, AZ4	
	caimito	orange FL4	(tunal)	tangelo	jaboticaba*	
	cashew apple	persimmon	jujube	carambola		
	cherry	raspberry*	kumquat	ugli fruit		
	coconut	strawberry*	mandarin4	casaba melon		
	currant		olive	cranberry		
	date		orange, CA, AZ4	grapefruit4		
	dewberry		pepino	Juan Canary melon		
	elderberry		pomegranate	lemon4		
	gooseberry		tamarind	lime4		
	grape6,7,8		tangerine4	limequat		
				pineapple2,10		
				pummelo4		
<b>Ethylene-producing</b>	apple1,3,9	peach	durian	avocado,	atemoya	papaya

fruits and melons	apricot	pear, Asian	feijoa	unriope	banana	plantain
	avocado, ripe	pear, European <sup>1,9</sup>	guava	crenshaw melon	cherimoya	rambutan
	cantaloupe	plum	honeydew melon	custard apple	jackfruit	sapodilla
	cut fruits	plumcot	persian melon	passion fruit (granadilla)	mamey	sapote
	fig 1,7,8	prune		sugar apple	mango	soursop
	kiwifru	quince			mangosteen*	
	nectarine					

**Notes:**

\* Less than 14-day shelf life at recommended temperature and normal atmosphere condition.

\*\* Produces moderate amounts of ethylene and should be treated as an ethylene-producing fruit.

1. Odors from apples and pears are absorbed by cabbage, carrots, celery, figs, onions and potatoes
2. Avocado odor is absorbed by pineapple
3. Celery absorbs odor from onion, apple, and carrot
4. Citrus absorbs odor from strongly scented fruits and vegetables
5. Ginger odor is absorbed by eggplant
6. Sulfur dioxide released from pads used with table grapes will damage other produce
7. Green onion odor is absorbed by fig, grape, mushroom, rhubarb and corn
8. Leek odor is absorbed by fig and grape
9. Onion odor is absorbed by apple, celery, pear, and citrus
10. Pepper odor is absorbed by beans, pineapple, and avocado

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*Note: This guidance represents the collective thinking of associations and companies that have endorsed the document. It does not create or confer any rights for or on any person or company and does not operate to bind members of any association which has endorsed the document, nor those with whom they do business.*

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