CALCULATING YOUR TRANSPORTATION COSTS: Delivery to a Warehouse* **General Information** Ε Enter "1" if using the IRS standard mileage rate Commodity to be delivered (otherwise leave blank) Commodity unit (case, pound, carton, etc.) NOTE: Current IRS standard mileage rate (\$/mile) \$ 0.55 Distributor price per unit Delivery size, in units Labor rate (\$/hr) **Operating Costs per Mile** (don't use IRS rate) Fuel costs B11/B14 = Unloading time per delivery (minutes) 10 Delivery route (miles, round trip) Maintenance/Repair B17/B19 = Fuel cost (gas or diesel, \$/gal) 11 Tires B15/B16 = Depreciation B18/B19 = 12 Labor $(B9/60 + B10/B20) \times B8/B10 =$ **Vehicle Information Total Operating Costs per Mile** 14 Vehicle fuel economy (mpg) E9+E10+E11+E12+E13 = 15 Vehicle tire costs (set of tires) **Total Operating Costs per Trip** 16 Vehicle tire life (thousand miles) $E14 \times B10 =$ Expected maint./repair expenses this year **Distribution Cost per Unit of Produce** Expected depreciation this year E16/B7 ="Farm Gate" Margin per Unit Expected miles driven this year 20 Avg speed when making deliveries (mph) B6 - E18 =

^{*}A warehouse, or large distributor, typically takes ownership of the produce and negotiates both pricing and delivery specifications.

