



FEDEX & UPS RATE INCREASE for 2019

FedEx will increase the following list rates effective January 7, 2019

- FedEx Express US domestic list rates will increase an average of 4.9%
- FedEx Express U.S. Export and Import list rates will increase an average of 4.9%
- FedEx Ground and Home Delivery list rates will increase an average of 4.9%
- FedEx specified the Smart Post standard list rates will increase without stating an amount
- FedEx Freight LTL list rates will increase an average of 5.9%

UPS increases the following list rates effective on December 26th, 2018

- UPS Domestic Air Express rates will increase an average of 4.9%
- UPS Ground Service list rates will increase an average net 4.9%
- UPS International services will increase its list rates an average of 4.9%
- UPS SurePost will also increase without stating the amount of increase
- UPS Freight Rates will increase without stating the amount of increase

A look inside the 2019 all-inclusive FedEx & UPS Rate Increase

FedEx & UPS announced an Average Rate Increase of 4.9%. Unquestionably, everyone this day and age understands that the accurate financial impact is significantly higher than specified. Combining rates, accessorials fees, fuel surcharges, and the addition of new items will drive the 4.9% increase to about 15% or 17% depending on service types and shipment characteristics.

As an example, each carrier increased SurePost & SmartPost much higher than 4.9%. The Minimum for SurePost 1 lb + shipments increased 10% increase from \$7.74 to \$8.52. Also, the Minimum for SurePost less than 1 lb increased 10% increase from \$7.70 to \$8.46. All the SurePost rates actually increased 9.00% to 9.35%. To add insult to injury, the SurePost Delivery Area Surcharge climbed 32.14% from \$1.40 to \$1.85. The Extended Delivery Area Surcharge also climbed to 23.68% from \$1.90 to \$2.35.

Additional Items introduced this year will impact Transportation Budgets

Domestic Air Fuel Surcharge will increase by 0.25% for all thresholds on December 31, 2018. UPS fuel surcharges will now apply to Additional Handling, Over Maximum Limits, Signature Required and Adult Signature Required Accessorials. Also, a processing fee of \$2.00 per package will be charged when Package Level Detail (PLD) is not provided to UPS prior to delivery.

2019 In-Depth Assessment of the Actual UPS Rate increase follows

Rate increases by service indicate 1lb to 20 lbs shipments are actually 6% or higher. If you check the service graphs to follow; you will see that most all shipments are in that weight range.