



## [MGN Logistics FedEx 2020 Rate Increase Review](#)

Effective January 6, 2020, FedEx increased their service rates by an *average* of 4.9% for FedEx Ground and Express. When it comes to carrier increases, it is very important to understand that they affect all shippers differently. The true impact you experience will depend on your businesses unique shipment characteristics. Some service levels will see up to almost an 8% increase in rate base adjustments alone!

In addition to the general 4.9% rate increase, FedEx has announced that various Accessorial Charges and Value-Added Services will be increasing. One major change they implemented this year is with the application of the Additional Handling Surcharge (Weight). Previously, the fee was only applicable on packages that weighed more than 70 lbs. The minimum weight has now been reduced and the fee applies to packages that weigh 50 lbs. or more.

In this analysis, **MGN Logistics** will outline and illustrate percentage increases for each service. Key factors including package size, shipment weight, service selected, zones shipped to, and accessorial fees will determine the real impact to your business in 2020.

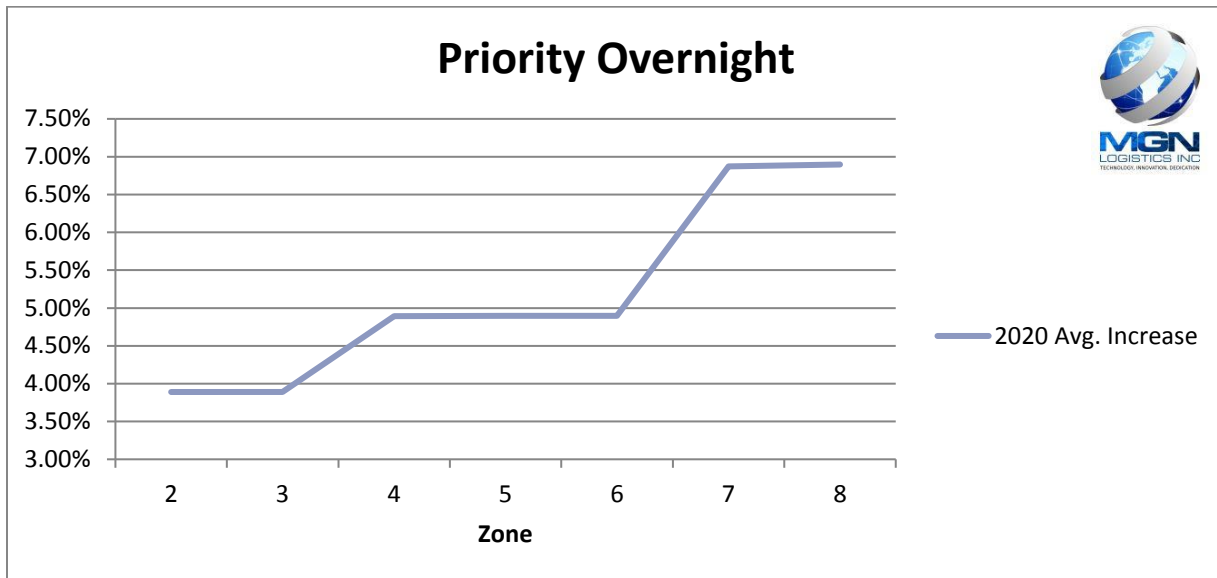
You need a partner dedicated to parcel analysis and management, who has the technology and expertise to help you understand how these “average” increases will truly impact your specific shipping profile. That is exactly what we do. Knowledge is power and understanding the complexities of carrier pricing agreements is precisely why you need us. Level the playing field in your next negotiation and contact us today.

MGN Logistics – Technology, Innovation, Dedication! For more information, please visit us at [www.mgnlogistics.com](http://www.mgnlogistics.com), or email us at [sales@mgnlogistics.com](mailto:sales@mgnlogistics.com)



## Increase Overview of Services

### Priority Overnight 2020 Increase



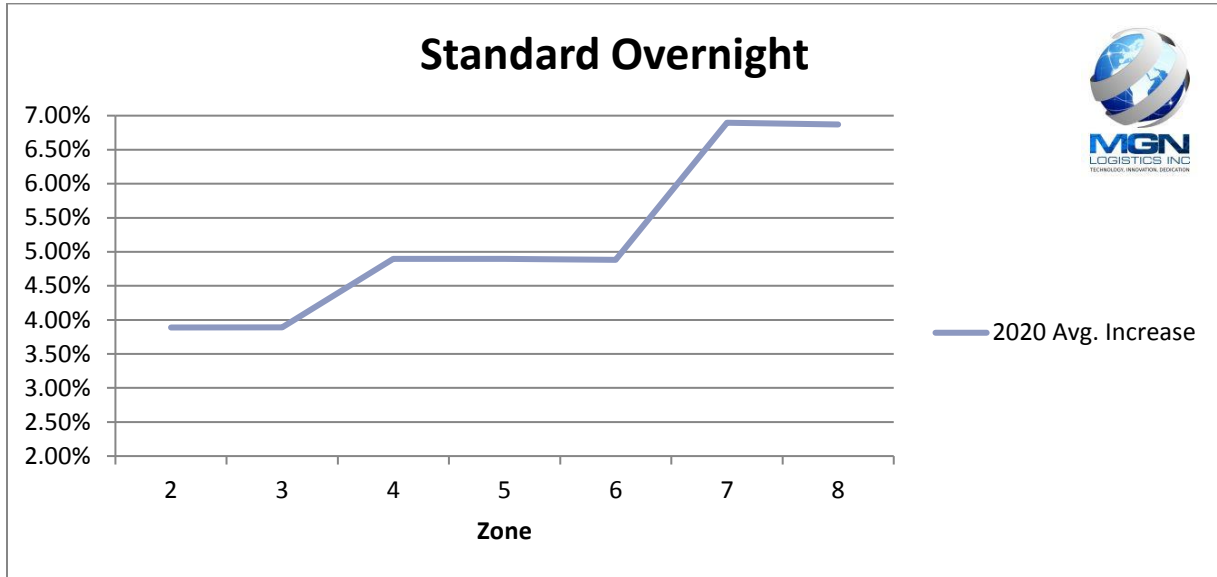
\*Average increase 1lb – 50lb for zones 2-8

### Priority Overnight 2020 Increase

WT (lbs)	2	3	4	5	6	7	8
1	3.87%	3.89%	4.90%	4.90%	4.89%	6.90%	6.90%
2	3.89%	3.89%	4.89%	4.89%	4.89%	6.89%	6.89%
3	3.90%	3.88%	4.89%	4.89%	4.90%	6.89%	6.90%
4	3.90%	3.88%	4.89%	4.89%	4.89%	6.89%	6.89%
5	3.90%	3.88%	4.89%	4.90%	4.90%	6.90%	6.90%
6	3.90%	3.90%	4.89%	4.90%	4.90%	6.90%	6.89%
7	3.88%	3.90%	4.89%	4.89%	4.90%	6.90%	6.90%
8	3.89%	3.89%	4.90%	4.90%	4.90%	6.90%	6.90%
9	3.89%	3.88%	4.89%	4.89%	4.90%	6.90%	6.90%
10	3.88%	3.89%	4.89%	4.90%	4.89%	6.90%	6.90%
20	3.89%	3.90%	4.89%	4.90%	4.90%	6.90%	6.90%
30	3.90%	3.89%	4.90%	4.90%	4.90%	6.90%	6.90%
40	3.90%	3.90%	4.90%	4.90%	4.90%	6.55%	6.90%
50	3.90%	3.90%	4.90%	4.90%	4.90%	6.90%	6.90%



### Standard Overnight 2020 Increase



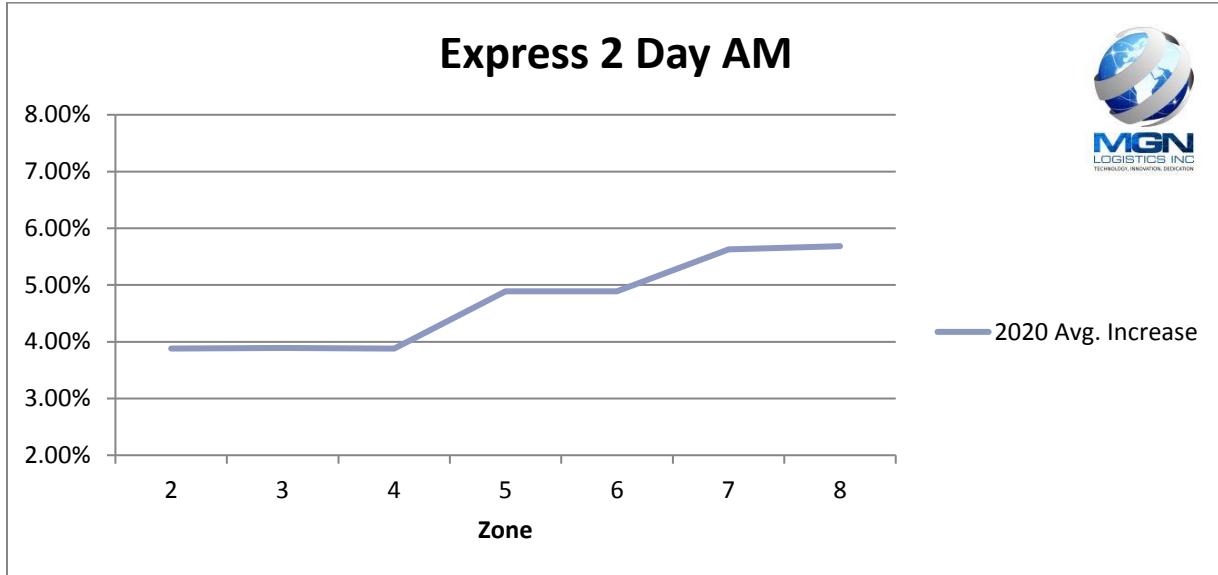
\*Average increase 1lb – 50lb for zones 2-8

### Standard Overnight 2020 Increase

WT (lbs)	2	3	4	5	6	7	8
1	3.90%	3.89%	4.89%	4.90%	4.90%	6.89%	6.89%
2	3.87%	3.90%	4.89%	4.89%	4.89%	6.90%	6.90%
3	3.88%	3.88%	4.89%	4.90%	4.89%	6.89%	6.90%
4	3.89%	3.89%	4.90%	4.89%	4.89%	6.90%	6.89%
5	3.88%	3.90%	4.90%	4.89%	4.89%	6.90%	6.90%
6	3.87%	3.90%	4.89%	4.90%	4.89%	6.89%	6.89%
7	3.89%	3.89%	4.90%	4.90%	4.90%	6.89%	6.90%
8	3.90%	3.89%	4.89%	4.90%	4.90%	6.89%	6.89%
9	3.89%	3.89%	4.90%	4.89%	4.89%	6.90%	6.90%
10	3.90%	3.89%	4.89%	4.90%	4.90%	6.89%	6.90%
20	3.89%	3.89%	4.90%	4.90%	4.89%	6.90%	6.90%
30	3.90%	3.90%	4.90%	4.90%	4.90%	6.90%	6.90%
40	3.89%	3.89%	4.90%	4.90%	4.90%	6.90%	6.86%
50	3.90%	3.90%	4.90%	4.89%	4.73%	6.90%	6.53%



### Express 2 Day Air AM 2020 Increase



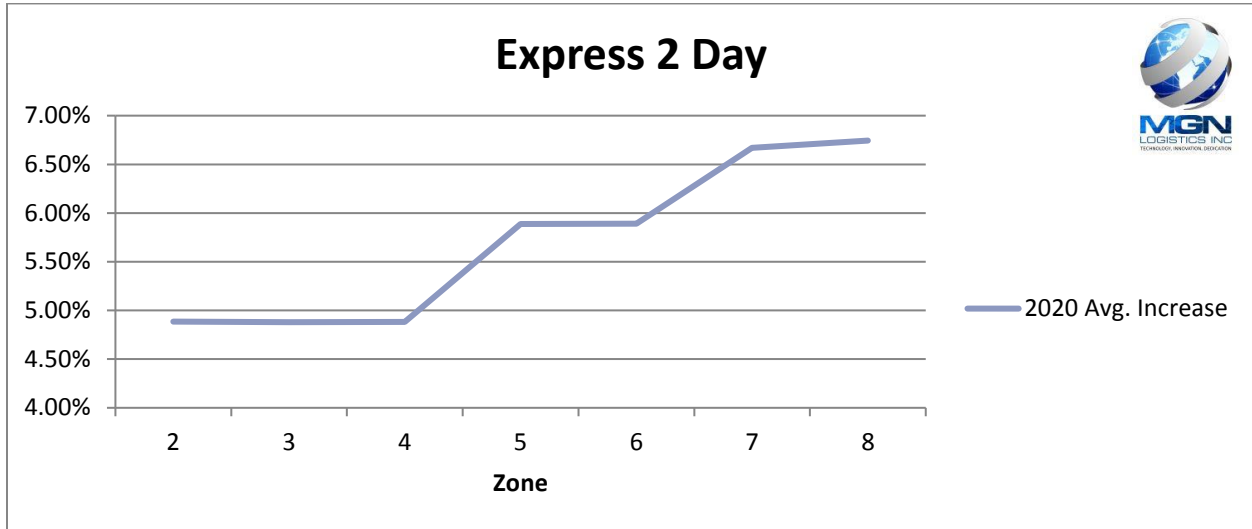
\*Average increase 1lb – 50lb for zones 2-8

### Express 2 Day Air AM 2020 Increase

WT (lbs)	2	3	4	5	6	7	8
1	3.86%	3.90%	3.86%	4.88%	4.87%	5.90%	5.89%
2	3.89%	3.87%	3.87%	4.87%	4.88%	5.89%	5.89%
3	3.87%	3.89%	3.86%	4.87%	4.88%	5.88%	5.90%
4	3.86%	3.89%	3.88%	4.90%	4.88%	5.89%	5.89%
5	3.89%	3.89%	3.87%	4.89%	4.88%	5.88%	5.89%
6	3.86%	3.88%	3.87%	4.89%	4.88%	5.89%	5.90%
7	3.87%	3.87%	3.90%	4.89%	4.89%	5.89%	5.90%
8	3.88%	3.89%	3.89%	4.89%	4.90%	5.90%	5.90%
9	3.88%	3.89%	3.88%	4.90%	4.89%	5.89%	5.89%
10	3.89%	3.89%	3.89%	4.88%	4.90%	5.89%	5.89%
20	3.89%	3.89%	3.89%	4.90%	4.90%	5.89%	4.86%
30	3.89%	3.89%	3.89%	4.90%	4.90%	4.01%	5.04%
40	3.90%	3.90%	3.89%	4.90%	4.90%	5.08%	4.86%
50	3.89%	3.90%	3.89%	4.90%	4.90%	4.86%	5.90%



### Express 2 Day 2020 Increase



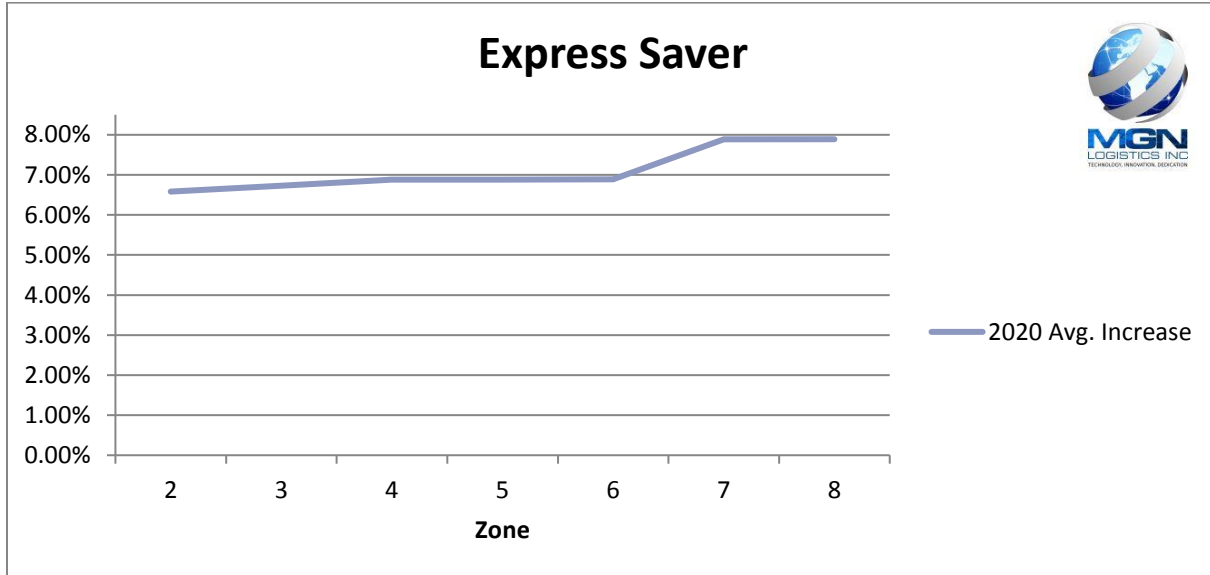
\*Average increase 1lb – 50lb for zones 2-8

### Express 2 Day 2020 Increase

WT (lbs)	2	3	4	5	6	7	8
1	4.88%	4.90%	4.90%	5.88%	5.89%	6.90%	6.89%
2	4.85%	4.87%	4.86%	5.87%	5.88%	6.88%	6.87%
3	4.88%	4.86%	4.87%	5.89%	5.88%	6.88%	6.90%
4	4.89%	4.89%	4.88%	5.87%	5.89%	6.90%	6.90%
5	4.89%	4.87%	4.88%	5.89%	5.89%	6.89%	6.89%
6	4.87%	4.86%	4.87%	5.89%	5.89%	6.89%	6.90%
7	4.86%	4.88%	4.89%	5.90%	5.88%	6.89%	6.89%
8	4.89%	4.87%	4.88%	5.89%	5.89%	6.89%	6.89%
9	4.90%	4.88%	4.88%	5.88%	5.89%	6.90%	6.90%
10	4.90%	4.87%	4.88%	5.89%	5.89%	6.90%	6.89%
20	4.90%	4.89%	4.89%	5.89%	5.89%	6.89%	6.89%
30	4.90%	4.89%	4.90%	5.90%	5.90%	6.90%	6.90%
40	4.90%	4.90%	4.90%	5.90%	5.90%	6.90%	6.90%
50	4.89%	4.89%	4.90%	5.90%	5.90%	3.78%	4.81%



### Express Saver 2020 Increase



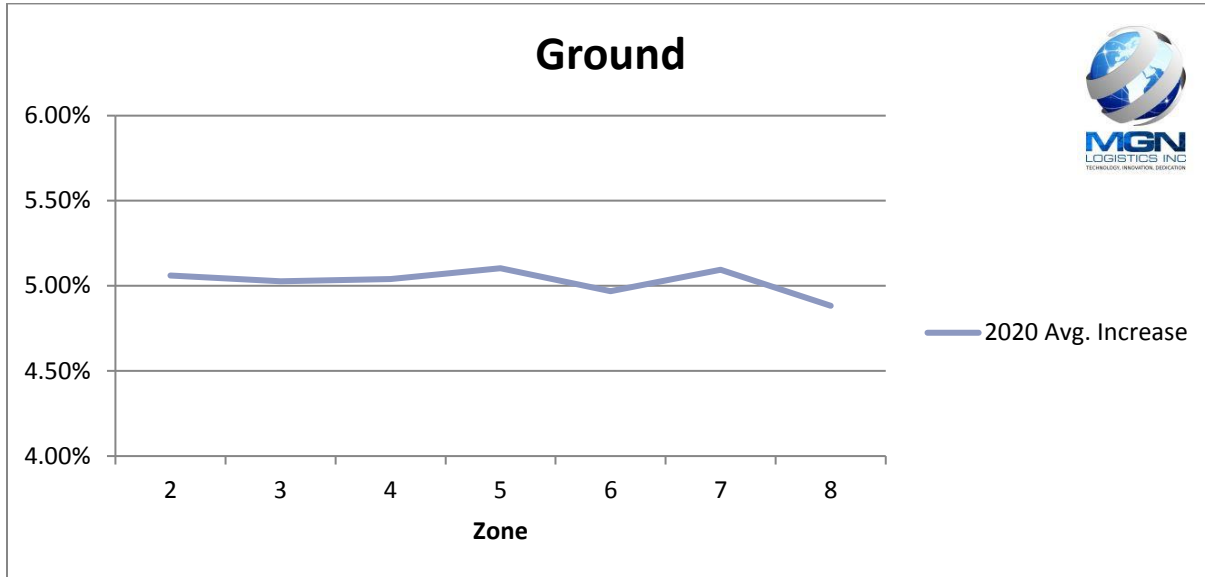
\*Average increase 1lb – 50lb for zones 2-8

### Express Saver 2020 Increase

WT (lbs)	2	3	4	5	6	7	8
1	4.85%	5.85%	6.89%	6.87%	6.86%	7.86%	
2	4.76%	5.80%	6.88%	6.85%	6.88%	7.88%	
3	6.86%	6.82%	6.85%	6.85%	6.88%	7.89%	
4	6.86%	6.87%	6.89%	6.87%	6.87%	7.88%	
5	6.86%	6.87%	6.86%	6.89%	6.89%	7.88%	
6	6.87%	6.88%	6.88%	6.87%	6.88%	7.88%	
7	6.87%	6.89%	6.90%	6.87%	6.89%	7.88%	
8	6.87%	6.89%	6.89%	6.87%	6.89%	7.88%	
9	6.90%	6.87%	6.87%	6.90%	6.89%	7.88%	
10	6.88%	6.90%	6.87%	6.88%	6.88%	7.89%	
20	6.89%	6.89%	6.89%	6.90%	6.89%	7.90%	
30	6.90%	6.89%	6.89%	6.89%	6.89%	7.89%	
40	6.90%	6.90%	6.89%	6.90%	6.90%	7.90%	
50	6.89%	6.90%	6.90%	6.90%	6.90%	7.90%	



## Ground 2020 Increase



\*Average increase 1lb – 50lb for zones 2-8

## Ground 2020 Increase

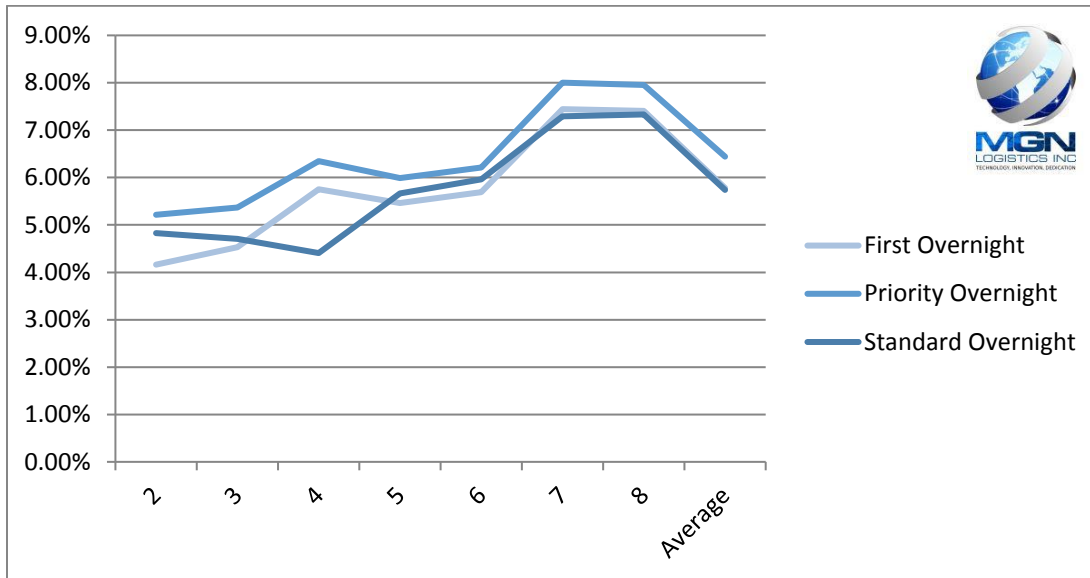
WT (lbs)	2	3	4	5	6	7	8
1	4.84%	4.25%	4.35%	4.27%	4.34%	4.29%	4.32%
2	4.34%	4.32%	4.33%	4.34%	4.34%	4.27%	4.29%
3	4.28%	4.35%	4.30%	4.31%	4.31%	4.34%	4.30%
4	4.27%	4.28%	4.26%	4.34%	4.30%	4.27%	4.31%
5	5.34%	5.28%	5.34%	5.30%	5.31%	5.27%	5.27%
6	5.27%	5.33%	5.30%	5.30%	5.27%	5.29%	5.32%
7	5.28%	5.30%	5.33%	5.30%	5.32%	5.29%	5.27%
8	5.27%	5.34%	5.28%	5.27%	5.31%	5.27%	5.29%
9	5.29%	5.26%	5.29%	5.30%	5.27%	5.33%	5.33%
10	5.26%	5.30%	5.32%	5.31%	5.30%	5.28%	5.28%
20	4.51%	4.47%	4.52%	5.50%	5.48%	5.51%	5.49%
30	5.49%	5.48%	5.52%	5.51%	5.50%	5.51%	4.51%
40	5.70%	5.71%	5.72%	5.70%	4.69%	5.70%	4.71%
50	5.70%	5.70%	5.70%	5.70%	4.81%	5.70%	4.69%



## Domestic Air Services Breakdown

Service	2	3	4	5	6	7	8	Average
First Overnight	4.16%	4.53%	5.75%	5.46%	5.69%	7.44%	7.41%	5.78%
Priority Overnight	5.21%	5.37%	6.35%	5.99%	6.21%	8.00%	7.96%	6.44%
Standard Overnight	4.83%	4.70%	4.41%	5.66%	5.96%	7.29%	7.33%	5.74%

## Domestic Air Services



## 5 Year Historical Minimum Charge Overview

Service	Min Net 2015	Min Net 2016	Min Net 2017	Min Net 2018	Min Net 2019	Min Net 2020	\$ Increase	% Increase
Ground	\$6.61	\$6.94	\$7.25	\$7.58	\$7.85	\$8.23	\$0.38	4.84%
First Overnight	\$53.35	\$54.09	\$55.59	\$57.69	\$59.18	\$60.31	\$1.13	1.91%
Priority Overnight	\$25.35	\$26.09	\$26.59	\$27.69	\$29.18	\$30.31	\$1.13	3.87%
Standard Overnight	\$22.30	\$23.83	\$24.59	\$25.79	\$27.18	\$28.24	\$1.06	3.90%
2 Day Air AM	\$16.96	\$18.04	\$18.41	\$19.13	\$19.71	\$20.47	\$0.76	3.86%
2 Day Air	\$14.75	\$15.69	\$16.50	\$17.52	\$18.22	\$19.11	\$0.89	4.88%
Express Saver	\$13.90	\$14.83	\$14.83	\$15.45	\$16.07	\$16.85	\$0.78	4.85%





## FedEx Accessorial Changes – Overview

Surcharge Name	Applicable Services	2019	2020	
<b>Additional Handling Surcharge</b>	U.S. Express Package Services, U.S. Ground Services, International Ground Service	\$13.50 per package (Dimension)	\$15 per package (Dimension)	
	International Express Package Services	\$13.50 per shipment (Dimension)	\$15 per shipment (Dimension)	
	U.S. Express Package Services, U.S. Ground Services, International Ground Service	\$20 per package (Weight)	\$24 per package (Weight)	
	International Express Package Services	\$20 per shipment (Weight)	\$24 per shipment (Weight)	
	U.S. Express Services, U.S. Ground Services, International Ground Service	\$12 per package (Packaging)	\$13 per package (Packaging)	
	International Express Package Services	\$12 per shipment (Packaging)	\$13 per shipment (Packaging)	
	U.S. Express Freight Services	\$175 per freight handling unit	\$185 per freight handling unit	
	International Express Freight Services	\$175 per shipment	\$185 per shipment	
	<b>Additional Handling Surcharge — Non-Stackable</b>	U.S. Express Freight Services	\$215 per freight handling unit	\$230 per freight handling unit
		International Express Freight Services	\$215 per shipment	\$230 per shipment
<b>Address Correction</b>	U.S. Express Package Services, International Express Package Services, International Express Freight Services, U.S. Ground Services, International Ground Service	\$16 per correction	\$17 per correction	
	U.S. Express Freight Services	\$84 per correction	\$88.50 per correction	



<b>Surcharge Name</b>	<b>Applicable Services</b>	<b>2019</b>	<b>2020</b>
	Maximum charge with FedEx Express Multiweight® Pricing	\$112 per shipment	\$119 per shipment
	Maximum charge with FedEx Ground Multiweight® Pricing	\$48 per shipment	\$51 per shipment
<b>Dangerous Goods (dry ice)</b>	U.S. Express Package Services	\$5.55 per package	\$5.85 per package
	International Express Package Services	\$5.55 per shipment	\$5.85 per shipment
<b>Dangerous Goods (accessible)</b>	FedEx First Overnight®, FedEx Priority Overnight®	\$98 per package	\$105 per package
	FedEx First Overnight® Freight, FedEx 1Day® Freight	Greater of \$104 per shipment or \$0.82 per lb.	Greater of \$109.50 per shipment or \$0.87 per lb.
	International Express Package Services, International Express Freight Services	Greater of \$153.50 per shipment or \$0.83 per lb.	Greater of \$162.50 per shipment or \$0.88 per lb.
<b>Dangerous Goods (inaccessible)</b>	U.S. Express Package Services	\$49 per package	\$51.50 per package
	U.S. Express Freight Services	Greater of \$48 per shipment or \$0.31 per lb.	Greater of \$50.50 per shipment or \$0.33 per lb.
	International Express Package Services, International Express Freight Services	Greater of \$75.50 per shipment or \$0.41 per lb.	Greater of \$81 per shipment or \$0.44 per lb.
<b>Declared Value</b>	U.S. Express Package Services, U.S. Ground Services, International Ground Service	\$3 for shipments valued between \$100.01–\$300	\$3.15 for shipments valued between \$100.01–\$300
		\$1 per \$100 of declared value for shipments valued in excess of \$300	\$1.05 per \$100 of declared value for shipments valued in excess of \$300
	International Express Package Services,	\$1 per \$100 of value in excess of \$100 or	\$1.05 per \$100 of value in excess of \$100



<b>Surcharge Name</b>	<b>Applicable Services</b>	<b>2019</b>	<b>2020</b>
	International Express Freight Services	\$9.07 per lb., whichever is greater	per \$9.07 per lb, whichever is greater.
	U.S. Express Freight Services	\$1 per \$100 of value in excess of \$100 or \$1 per lb., whichever is greater	\$1.05 per \$100 of value in excess of \$100 or \$1.05 per lb., whichever is greater
<b>Delivery Area Surcharge</b>	U.S. Express Package Services, FedEx Ground (Residential)	\$4.20 per package	\$4.40 per package
	U.S. Express Package Services, U.S. Ground Services (Extended Residential)	\$4.65 per package	\$5.40 per package
	U.S. Express Package Services (Commercial)	\$2.85 per package	\$3.10 per package
	U.S. Express Package Services (Extended Commercial)	\$2.85 per package	\$3.60 per package
	FedEx Ground (Commercial)	\$2.70 per package	\$2.95 per package
	FedEx Ground (Extended Commercial)	\$2.70 per package	\$3.45 per package
	Express Alaska Package Services (Residential, Commercial)	\$27.50 per package	\$29 per package
	Express Hawaii Package Services (Residential, Commercial)	\$8.40 per package	\$8.85 per package
	FedEx Home Delivery® (Residential)	\$3.65 per package	\$4 per package



<b>Surcharge Name</b>	<b>Applicable Services</b>	<b>2019</b>	<b>2020</b>
	Maximum charge with FedEx Express Multiweight Pricing (Residential, Commercial, Extended Residential, Extended Commercial)	\$14.25 per shipment (Commercial, Extended Commercial)	\$15.50 per shipment (Commercial)
			\$18 per shipment (Extended Commercial)
		\$21 per shipment (Residential)	\$22 per shipment (Residential)
		\$23.25 per shipment (Extended Residential)	\$27 per shipment (Extended Residential)
	Maximum charge with FedEx Ground Multiweight Pricing (Residential, Extended Residential, Commercial, FedEx Home Delivery Residential, FedEx Home Delivery Extended Residential)	\$13.50 per shipment (Commercial, Extended Commercial)	\$14.75 per shipment (Commercial)
		\$21 per shipment (Residential)	\$17.25 per shipment (Extended Commercial)
		\$18.25 per shipment (FedEx Home Delivery Residential)	\$22 per shipment (Residential)
		\$23.25 per shipment (Extended Residential, FedEx Home Delivery Extended Residential)	\$20 per shipment (FedEx Home Delivery Residential)
			\$27 per shipment (Extended Residential, FedEx Home Delivery Extended Residential)
<b>Delivery Reattempt Charge</b>	U.S. Express Freight Services	Greater of \$63.50 per shipment or \$0.069 per lb.	Greater of \$67 per shipment or \$0.073 per lb.
<b>Extended Service Area Delivery</b>	U.S. Express Freight Services	\$140 per shipment	\$175 per shipment
<b>Extended Service Area Pickup</b>	U.S. Express Freight Services and FedEx International Premium®	\$140 per shipment	\$175 per shipment



<b>Surcharge Name</b>	<b>Applicable Services</b>	<b>2019</b>	<b>2020</b>
<b>Extra Services Charge</b>	U.S. Express Freight Services and FedEx International Premium	\$94.50 per handler hour (\$94.50 minimum)	\$99.50 per handler hour (\$99.50 minimum)
<b>FedEx® Collect on Delivery (C.O.D.)</b>	U.S. Express Package Services	\$14.50 per package	\$15.50 per package
	U.S. Express Freight Services	\$79 per shipment	\$83 per shipment
	Maximum charge with FedEx Express Multiweight Pricing	\$101.50 per shipment	\$108.50 per shipment
<b>FedEx® Delivery Signature Options</b>	U.S. Express Package Services, U.S. Ground Services, International Ground Service	Adult Signature Required: \$6.05 per package	Adult Signature Required: \$6.35 per package
		Direct Signature Required, Indirect Signature Required: \$5 per package	Direct Signature Required, Indirect Signature Required: \$5.25 per package
	International Express Package Services	Adult Signature Required: \$6.05 per shipment	Adult Signature Required: \$6.35 per shipment
		Direct Signature Required, Indirect Signature Required: \$5 per shipment	Direct Signature Required, Indirect Signature Required: \$5.25 per shipment
	Maximum charge with FedEx Express Multiweight or FedEx Ground Multiweight Pricing	Adult Signature Required: \$42.35 per shipment	Adult Signature Required: \$44.45 per shipment
		Direct Signature Required, Indirect Signature Required: \$35 per shipment	Direct Signature Required, Indirect Signature Required: \$36.75 per shipment
<b>FedEx Email Return Label</b>	U.S. Express Package Services, U.S. Express Freight Services, U.S. Ground Services, International Ground	\$1 per label	\$1.05 per label



<b>Surcharge Name</b>	<b>Applicable Services</b>	<b>2019</b>	<b>2020</b>
	Service (Canada to U.S.)	\$1 per shipment	\$1.05 per shipment
	International Express Package Services, International Express Freight Services		
<b>FedEx ExpressTag®</b>	U.S. Express Package Services	\$5.80 per package	\$6.10 per package
<b>FedEx Ground® C.O.D.</b>	FedEx Ground, International Ground Service — regular and guaranteed	\$14.50 per package	\$15.50 per package
	FedEx Ground, International Ground Service — currency	\$14.50 per package Additional charge of \$31.50 per package or 4% of the currency C.O.D. amount (whichever is greater) for currency C.O.D. within the U.S. Additional charge of \$31.50 per package for currency C.O.D. to Canada	\$15.50 per package Additional charge of \$33.50 per package or 4% of the currency C.O.D. amount (whichever is greater) for currency C.O.D. within the U.S. Additional charge of \$33.50 per package for currency C.O.D. to Canada
	Maximum charge with FedEx Ground Multiweight Pricing — regular and guaranteed	\$101.50 per shipment	\$108.50 per shipment
	Maximum charge with FedEx Ground Multiweight Pricing — currency	\$346.50 per shipment	\$368.50 per shipment
<b>FedEx Ground® Electronic C.O.D. (E.C.O.D.)</b>	FedEx Ground	\$14.50 per package plus an additional weekly service charge of \$10.50 for deposit	\$15.50 per package plus an additional weekly service charge of \$11.50 for deposit



<b>Surcharge Name</b>	<b>Applicable Services</b>	<b>2019</b>	<b>2020</b>
		within 48 hours, or \$37 for deposit in 24 hours	within 48 hours, or \$39 for deposit in 24 hours
	Maximum charge with FedEx Ground Multiweight Pricing	\$101.50 per shipment	\$108.50 per shipment
<b>FedEx Ground® Alternate Address Pickup Fee</b>	U.S. Ground Services, International Ground Service	\$10.50 per unique address per week	\$11.50 per unique address per week
<b>FedEx Ground® Automated Pickup Weekly Fee</b>	U.S. Ground Services, International Ground Service	\$13 per week	\$14 per week
<b>FedEx Home Delivery Convenient Delivery Options</b>	FedEx Home Delivery	\$3.15 per shipment (Date Certain)	\$3.35 per shipment (Date Certain)
		\$7.35 per shipment (Evening)	\$7.75 per shipment (Evening)
		\$16 per shipment (Appointment)	\$17 per shipment (Appointment)
<b>FedEx Print Return Label</b>	U.S. Express Package Services, U.S. Express Freight Services, U.S. Ground Services, International Ground Service (Canada to U.S.)	\$1 per label	\$1.05 per label
		\$1 per shipment	\$1.05 per shipment
	International Express Package Services, International Express Freight Services (U.S. import-rated shipments only, for all origins)		
<b>Ground Unauthorized Package Charge</b>	U.S. Ground Services, International Ground Service	\$675 per package	\$875 per package
<b>Ground Weekly Pickup Fee</b>	Ground Services	\$14.50 per week (invoiced weekly shipping charges of \$75 or more)	\$15.50 per week (invoiced weekly shipping charges of \$75 or more)



<b>Surcharge Name</b>	<b>Applicable Services</b>	<b>2019</b>	<b>2020</b>
		\$29 per week (invoiced weekly shipping charges of less than \$75)	\$31 per week (invoiced weekly shipping charges of less than \$75)
<b>Hazardous Materials</b>	FedEx Ground	\$35 per package	\$37 per package
<b>Inside Delivery Charge</b>	U.S. Express Freight Services	Greater of \$105 per shipment or \$0.068 per lb.	Greater of \$110.50 per shipment or \$0.072 per lb.
<b>Inside Pickup Charge</b>	U.S. Express Freight Services and FedEx International Premium	Greater of \$105 per shipment or \$0.068 per lb.	Greater of \$110.50 per shipment or \$0.072 per lb.
<b>International Out-of-Delivery-Area Surcharge</b>	International Express Package Services, International Express Freight Services	Greater of \$38 per shipment or \$0.38 per lb.	Greater of \$40 per shipment or \$0.40 per lb.
<b>International Out-of-Pickup-Area Surcharge</b>	International Express Package Services, International Express Freight Services (U.S. import-rated shipments only, for all services)	Greater of \$38 per shipment or \$0.38 per lb.	Greater of \$40 per shipment or \$0.40 per lb.
<b>Metro Service Area Delivery</b>	U.S. Express Freight Services	\$140 per shipment	\$175 per shipment
<b>Metro Service Area Pickup</b>	U.S. Express Freight Services and FedEx International Premium	\$140 per shipment	\$175 per shipment
<b>Missing or Invalid Account Number (including account number correction)</b>	U.S. Express Package Services, International Express Package Services, U.S. Express Freight Services, International Express Freight Services U.S. Ground Services, International Ground Service	\$16 per shipment	\$17 per shipment
<b>Northern Canada Surcharge</b>	International Ground Service	\$73.50 per package (70 lbs. or less)	\$77.50 per package (70 lbs. or less)





<b>Surcharge Name</b>	<b>Applicable Services</b>	<b>2019</b>	<b>2020</b>
		\$105 per package (more than 70 lbs.)	\$115 per package (more than 70 lbs.)
<b>Oversize Charge</b>	U.S. Express Package Services, FedEx Ground, International Ground Service	\$90 per package	\$100 per package
	FedEx Home Delivery	\$90 per package	\$120 per package
<b>Payer Rebilling</b>	U.S. Express Package Services, International Express Package Services, U.S. Express Freight Services	\$16 per shipment	\$17 per shipment
<b>Reroute of Shipment</b>	U.S. Express Package Services	\$16 per package	\$17 per package
	U.S. Express Freight Services	\$84 per shipment	\$88.50 per shipment
	Maximum charge with FedEx Express Multiweight Pricing	\$112 per shipment	\$119 per shipment
<b>Residential Delivery Charge</b>	U.S. Express Package Services, U.S. Ground Services, International Ground Service	\$4.40 per package	\$4.65 per package
	International Express Package Services (to Canada, and U.S. import-rated shipments from all origins)	\$4.40 per shipment	\$4.65 per shipment
	Maximum charge with FedEx Express Multiweight or FedEx Ground Multiweight Pricing	\$39.60 per shipment	\$41.85 per shipment
	FedEx Home Delivery	\$3.80 per package	\$4 per package
	U.S. Express Freight Services, International Express Freight Services (to Canada, and U.S. import-rated	\$140 per shipment	\$150 per shipment



<b>Surcharge Name</b>	<b>Applicable Services</b>	<b>2019</b>	<b>2020</b>
	shipments from all origins)		
<b>Residential Pickup Charge</b>	U.S. Express Freight Services, International Premium	\$140 per shipment	\$150 per shipment

\*Please check your FedEx shipping agreement to determine the net impact of these changes on your shipping costs.

Please consult the FedEx Service Guide for additional details regarding applicable services and definitions.

## **MGN Logistics Technology**

### ***Leveraging Technology to Optimize Parcel Shipping Costs***

Parcel shipping and carrier agreements have become very complex. With pages and pages of varying rates, discounts, surcharges and multiple zones, understanding these agreements can be nearly impossible for most shippers. Even the most sophisticated corporate shippers require specialized software to analyze these agreements and make sense of them. This is where MGN Logistics can help. MGN Logistics is a leading provider of IT solutions for the freight management and transportation industry. Their Transportation Management Software or TMS platform has been the backbone of some of the country's largest 3PLs for many years. Now, this innovative technology is being made available to individual private companies to assist in improving operational efficiencies. Imagine having on-demand technology that can definitively illustrate the potential impacts to changes in your UPS or FedEx carrier pricing agreements. Data driven technology that you can leverage, to level the playing field for effective carrier negotiations that produces results!

### ***We call it "RAMS"***

RAMS (Rating Agreement Management System) is a proprietary technology that provides on-demand parcel rate comparisons based on your actual shipment history. It allows re-rating across carrier agreements, pricing proposals, and year to year carrier base rate changes. RAMS eliminates the guess work and allows informed decision making. This technology was only available to the largest corporate entities, but it is now available to shippers of all sizes.

### ***How does RAMS benefit you?***

During a bid or agreement restructuring, your newly proposed carrier agreement data is uploaded to the RAMS system, thereby determining how the proposed changes will impact your parcel spend. The



RAMS system provides the ability to re-rate every individual historical shipment during a given time frame. Therefore, giving complete and accurate visibility of the impact of proposed service options, assessorial fees, fuel surcharges, and even DIM rated shipments. Unlike the carriers or any of MGN's competitors, they do not use averages to determine your projected bottom-line results, rather, they use actual shipment data detailing costs to the penny.

This sophisticated technology benefits shippers by providing actionable intelligence. For example, prior to signing any carrier agreement, the client knows exactly what the impact of the proposed pricing changes will be, and how it will affect their bottom line. Once the new agreement is published, MGN can then provide a weekly, monthly or quarterly savings report. This report illustrates savings achieved by service levels and surcharges, throughout the lifetime of the agreement.

Additionally, the RAMS system provides an annual General Rate Increase (GRI) Impact Analysis. Each year, the carriers announce changes to their base rates, minimum charges and surcharges or assessorial fees. Carriers typically state this general rate increase as a flat percentage; however, this is really an "average" of all increases across all weights and services. Depending on your company's unique shipping profile, your true increase could be significantly higher than that "average". Understanding exactly how a carrier rate increase effects your business is powerful information. Having on-demand access to our proprietary technology is exactly the LEVERAGE your business needs to effectively navigate carrier negotiations and optimize your rates.

### **Summary**

The overall analysis of the 2020 GRI increase concludes that all services will be impacted. Your specific shipping profile will determine the true impact of these increases to your company.

To truly understand what impact this has on your business, MGN Logistics can provide you with a thorough and detailed analysis.

Our unique industry **Knowledge**, combined with our superior web-based **Technology** will provide you with the **Leverage** needed to optimize your carrier agreements.

For a no-obligation consultation and business review, please email us at [sales@mgnlogistics.com](mailto:sales@mgnlogistics.com).

