



[MGN Logistics FedEx 2023 Rate Increase Review](#)

Effective January 2nd, 2023, FedEx service rates will increase by an *average* of 6.9% 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 business's unique shipment characteristics. As illustrated below, some service levels will see up to almost a 10% increase in rate base adjustments alone!

In addition to the general 6.9% rate increase, FedEx has announced that various Accessorial Charges and Value-Added Services will be increasing.

Customers that ship larger packages may also feel another impact this year. The Ground Unauthorized Package Charge, which consists of packages measuring more than 108 inches in length, measuring more than 165 inches in length and girth combined, weighing more than 150 lbs, may be refused or returned to the shipper. However, at FedEx Ground's sole discretion, they may accept and deliver the package at rate of \$1,150 from \$1,025 last year, a whopping 12.2% increase.

Another noteworthy change is the increase to their Minimum Ground Package charge. For 2023, the minimum published charge will be increasing to \$10.10, in comparison to \$9.36 in 2022. That equates to a 7.9% increase.

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 2023.

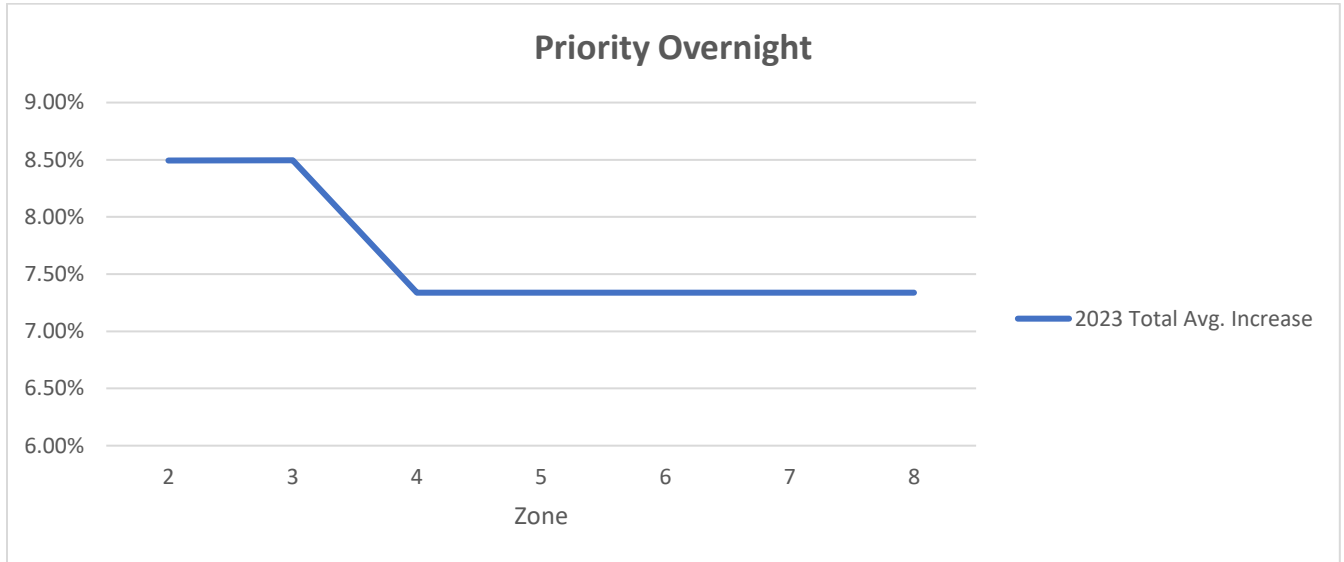
Now more than ever, you need a partner dedicated to parcel analysis and management, who has the technology and expertise to help you understand how these "average" increases will truly impact your specific shipping profile. That is exactly what we do. Knowledge is power and understanding the complexities 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, or email us at sales@mgnlogistics.com



Increase Overview of Services

Priority Overnight 2023 Increase



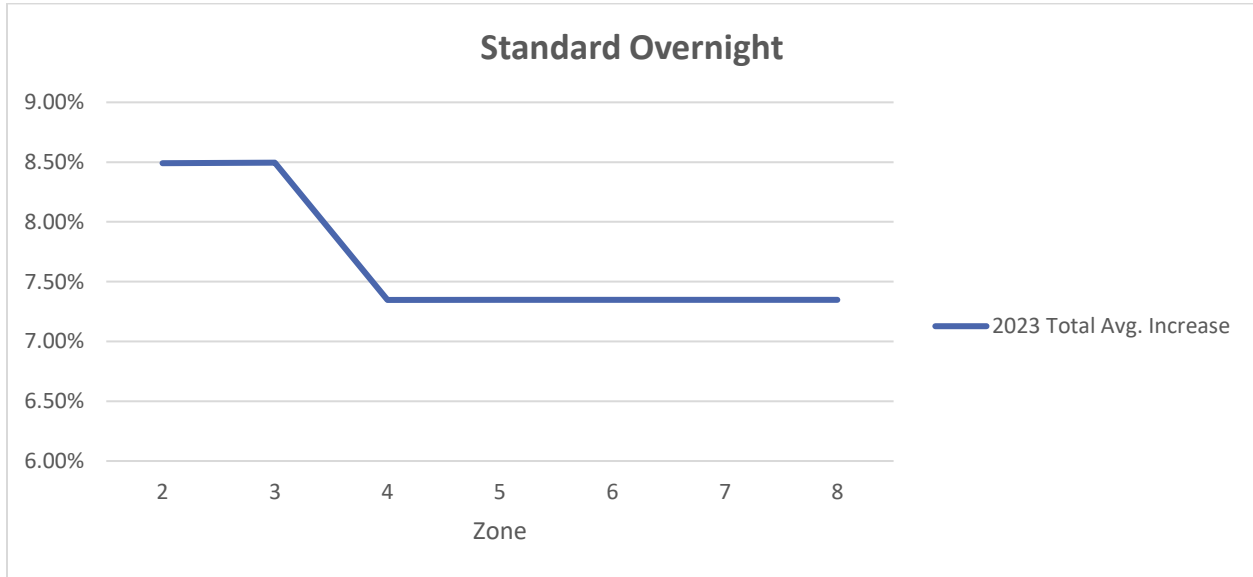
*Average increase 1lb – 50lb for zones 2-8

Priority Overnight 2023 Increase

WT (lbs)	2	3	4	5	6	7	8
1	8.49%	8.49%	7.33%	7.33%	7.34%	7.33%	7.33%
2	8.50%	8.50%	7.33%	7.33%	7.33%	7.34%	7.34%
3	8.48%	8.49%	7.33%	7.33%	7.33%	7.33%	7.33%
4	8.48%	8.49%	7.33%	7.33%	7.34%	7.34%	7.34%
5	8.48%	8.49%	7.33%	7.34%	7.34%	7.34%	7.33%
6	8.49%	8.49%	7.33%	7.33%	7.34%	7.34%	7.33%
7	8.49%	8.49%	7.33%	7.34%	7.34%	7.34%	7.34%
8	8.49%	8.49%	7.34%	7.33%	7.34%	7.34%	7.33%
9	8.49%	8.49%	7.33%	7.33%	7.33%	7.33%	7.34%
10	8.50%	8.50%	7.34%	7.33%	7.34%	7.34%	7.34%
20	8.49%	8.49%	7.34%	7.34%	7.34%	7.34%	7.34%
30	8.49%	8.50%	7.34%	7.34%	7.34%	7.34%	7.34%
40	8.50%	8.50%	7.34%	7.34%	7.34%	7.34%	7.34%
50	8.49%	8.50%	7.34%	7.34%	7.34%	7.34%	7.34%
Avg Increase	8.49%	8.50%	7.34%	7.34%	7.34%	7.34%	7.34%



Standard Overnight 2023 Increase



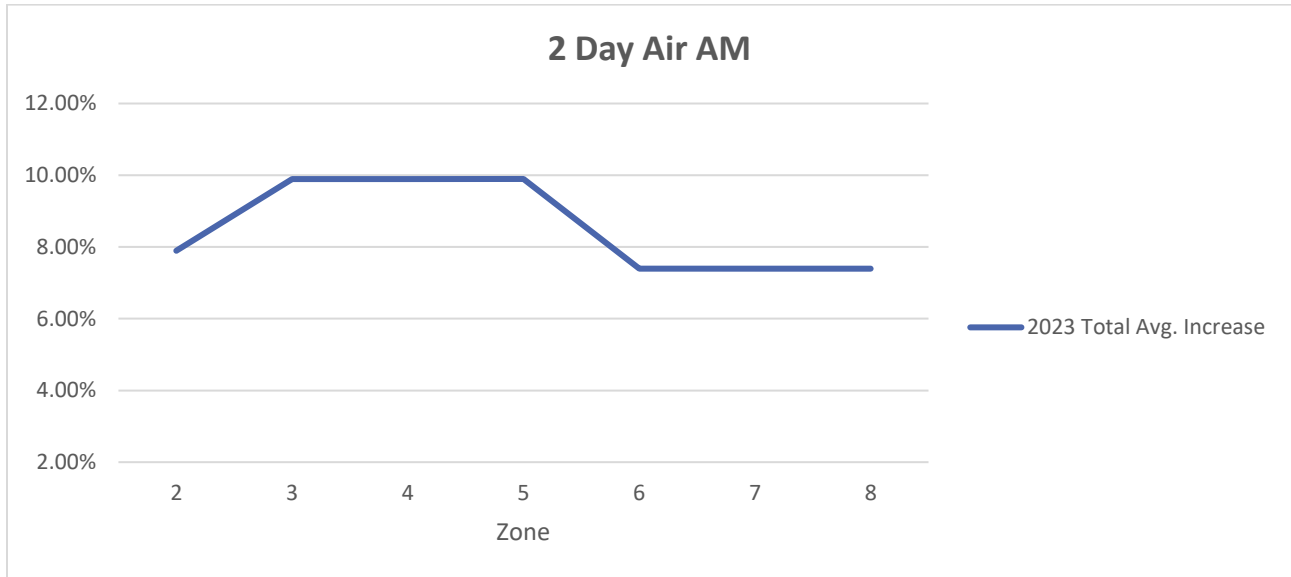
*Average increase 1lb – 50lb for zones 2-8

Standard Overnight 2023 Increase

WT (lbs)	2	3	4	5	6	7	8
1	8.49%	8.48%	7.35%	7.35%	7.34%	7.34%	7.34%
2	8.50%	8.50%	7.34%	7.34%	7.34%	7.34%	7.35%
3	8.48%	8.49%	7.35%	7.34%	7.35%	7.35%	7.35%
4	8.48%	8.50%	7.34%	7.35%	7.34%	7.35%	7.34%
5	8.48%	8.49%	7.34%	7.34%	7.34%	7.34%	7.34%
6	8.49%	8.49%	7.35%	7.34%	7.34%	7.34%	7.35%
7	8.48%	8.50%	7.35%	7.34%	7.35%	7.35%	7.34%
8	8.49%	8.50%	7.34%	7.35%	7.35%	7.35%	7.34%
9	8.49%	8.49%	7.35%	7.34%	7.33%	7.34%	7.35%
10	8.49%	8.49%	7.34%	7.34%	7.35%	7.35%	7.34%
20	8.50%	8.50%	7.35%	7.35%	7.35%	7.35%	7.35%
30	8.49%	8.49%	7.35%	7.35%	7.35%	7.35%	7.35%
40	8.49%	8.50%	7.35%	7.35%	7.35%	7.35%	7.35%
50	8.49%	8.50%	7.35%	7.35%	7.35%	7.35%	7.35%
Avg Increase	8.49%	8.50%	7.35%	7.35%	7.35%	7.35%	7.35%



Express 2 Day Air AM 2023 Increase



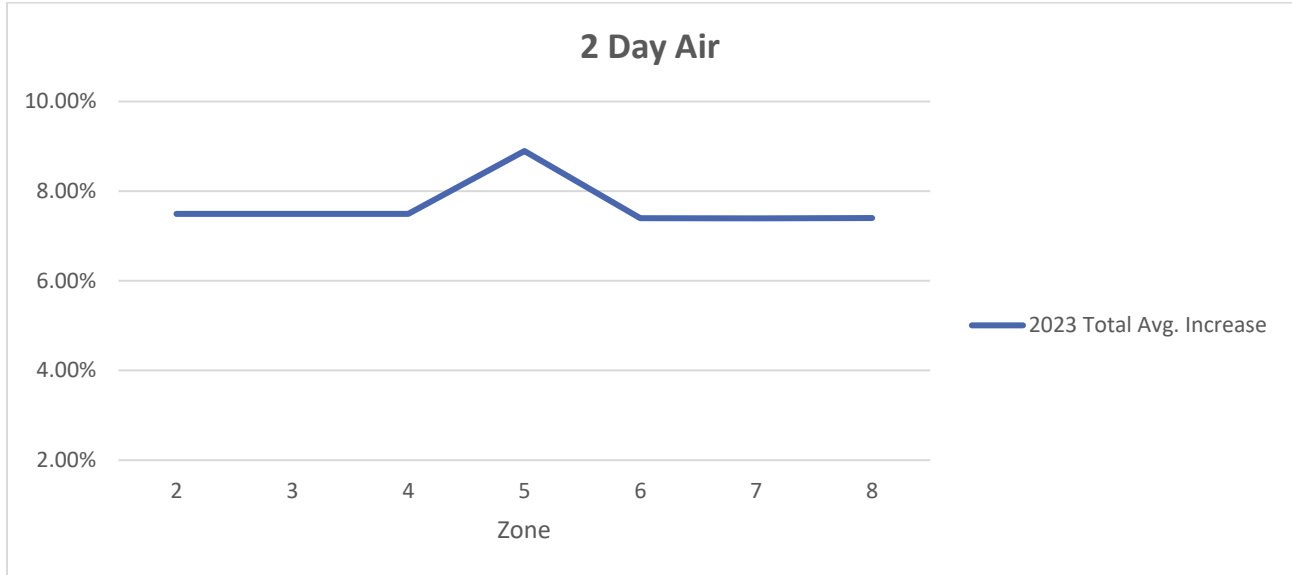
*Average increase 1lb – 50lb for zones 2-8

Express 2 Day Air AM 2023 Increase

WT (lbs)	2	3	4	5	6	7	8
1	7.87%	9.89%	9.89%	9.87%	7.38%	7.38%	7.39%
2	7.90%	9.89%	9.88%	9.88%	7.40%	7.39%	7.40%
3	7.89%	9.89%	9.89%	9.87%	7.40%	7.38%	7.39%
4	7.86%	9.90%	9.88%	9.89%	7.39%	7.39%	7.40%
5	7.87%	9.90%	9.88%	9.90%	7.39%	7.40%	7.39%
6	7.88%	9.89%	9.90%	9.89%	7.39%	7.39%	7.40%
7	7.88%	9.89%	9.88%	9.89%	7.40%	7.39%	7.39%
8	7.88%	9.88%	9.89%	9.88%	7.39%	7.39%	7.40%
9	7.88%	9.89%	9.90%	9.90%	7.39%	7.39%	7.40%
10	7.89%	9.90%	9.90%	9.89%	7.40%	7.40%	7.40%
20	7.88%	9.88%	9.89%	9.89%	7.40%	7.40%	7.39%
30	7.90%	9.89%	9.90%	9.90%	7.40%	7.40%	7.40%
40	7.90%	9.90%	9.90%	9.90%	7.40%	7.40%	7.40%
50	7.90%	9.90%	9.89%	9.90%	7.35%	7.40%	7.40%
Avg Increase	7.89%	9.89%	9.89%	9.90%	7.40%	7.40%	7.40%



Express 2 Day Air 2023 Increase



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

Express 2 Day Air 2023 Increase

WT (lbs)	2	3	4	5	6	7	8
1	7.47%	7.49%	7.49%	8.87%	7.38%	7.38%	7.38%
2	7.50%	7.48%	7.46%	8.90%	7.40%	7.39%	7.40%
3	7.47%	7.46%	7.48%	8.87%	7.38%	7.39%	7.40%
4	7.46%	7.49%	7.50%	8.87%	7.38%	7.39%	7.38%
5	7.50%	7.50%	7.47%	8.89%	7.39%	7.39%	7.40%
6	7.47%	7.48%	7.48%	8.88%	7.39%	7.40%	7.39%
7	7.49%	7.48%	7.50%	8.88%	7.39%	7.39%	7.40%
8	7.50%	7.49%	7.49%	8.89%	7.39%	7.39%	7.39%
9	7.49%	7.48%	7.50%	8.90%	7.40%	7.40%	7.39%
10	7.50%	7.47%	7.49%	8.89%	7.39%	7.39%	7.40%
20	7.49%	7.49%	7.50%	8.90%	7.40%	7.39%	7.40%
30	7.50%	7.50%	7.50%	8.89%	7.40%	7.40%	7.40%
40	7.49%	7.49%	7.50%	8.90%	7.40%	7.40%	7.40%
50	7.50%	7.50%	7.49%	8.90%	7.40%	7.40%	7.40%
Avg Increase	7.49%	7.49%	7.49%	8.90%	7.40%	7.40%	7.40%



Express Saver 2023 Increase



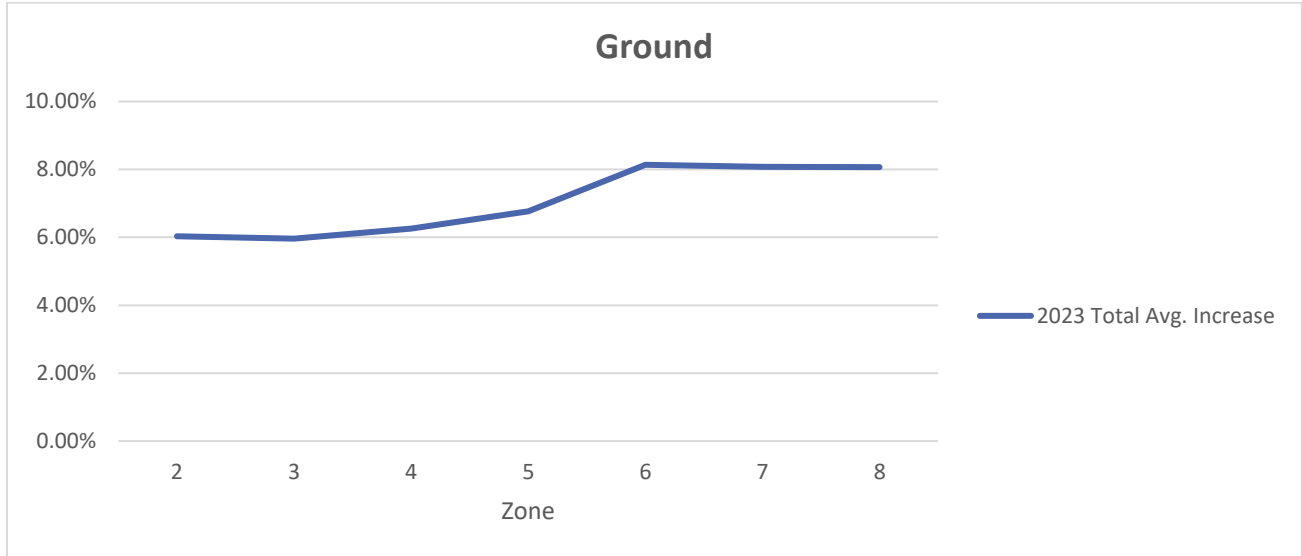
*Average increase 1lb – 50lb for zones 2-8

Express Saver 2023 Increase

WT (lbs)	2	3	4	5	6	7	8
1	7.46%	7.46%	7.46%	11.90%	11.89%	11.89%	11.88%
2	7.48%	7.47%	7.47%	11.86%	11.90%	11.87%	11.88%
3	7.46%	7.49%	7.47%	11.88%	11.89%	11.88%	11.89%
4	7.47%	7.46%	7.47%	11.88%	11.88%	11.89%	11.89%
5	7.49%	7.47%	7.50%	11.87%	11.88%	11.90%	11.90%
6	7.47%	7.48%	7.49%	11.89%	11.89%	11.89%	11.89%
7	7.48%	7.49%	7.48%	11.88%	11.88%	11.90%	11.89%
8	7.49%	7.48%	7.47%	11.89%	11.88%	11.89%	11.89%
9	7.47%	7.49%	7.47%	11.89%	11.89%	11.90%	11.89%
10	7.47%	7.47%	7.47%	11.89%	11.89%	11.89%	11.89%
20	7.49%	7.49%	7.50%	11.89%	11.89%	11.89%	11.89%
30	7.49%	7.50%	7.50%	11.90%	11.89%	11.90%	11.90%
40	7.50%	7.49%	7.49%	11.90%	11.90%	11.90%	11.90%
50	7.50%	7.49%	7.50%	11.90%	11.90%	11.90%	11.90%
Avg Increase	7.49%	7.49%	7.49%	11.89%	11.90%	11.90%	11.90%



Ground 2023 Increase



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

Ground 2023 Increase

WT (lbs)	2	3	4	5	6	7	8
1	7.91%	7.57%	7.61%	7.64%	7.56%	7.56%	7.60%
2	7.60%	6.57%	7.64%	7.63%	7.62%	7.57%	7.59%
3	6.58%	6.57%	6.62%	7.63%	7.62%	7.58%	7.63%
4	6.58%	6.62%	7.63%	7.59%	7.59%	7.58%	7.61%
5	6.58%	6.57%	6.57%	7.60%	7.50%	7.62%	7.53%
6	6.53%	6.54%	7.51%	7.50%	7.49%	7.48%	7.53%
7	6.51%	6.47%	7.53%	7.53%	7.49%	7.53%	7.48%
8	6.49%	6.47%	7.48%	7.51%	7.50%	7.52%	7.49%
9	6.47%	6.53%	6.50%	7.51%	7.53%	7.50%	7.52%
10	6.46%	6.53%	6.51%	7.49%	7.50%	7.48%	7.49%
20	6.30%	6.30%	6.28%	7.31%	7.32%	7.30%	7.30%
30	5.48%	5.49%	5.50%	6.49%	8.51%	7.50%	8.50%
40	5.50%	5.50%	6.23%	6.49%	8.50%	8.51%	7.77%
50	6.52%	6.51%	6.51%	6.49%	8.50%	8.51%	8.49%
Avg Increase	6.03%	5.96%	6.26%	6.77%	8.14%	8.07%	8.07%

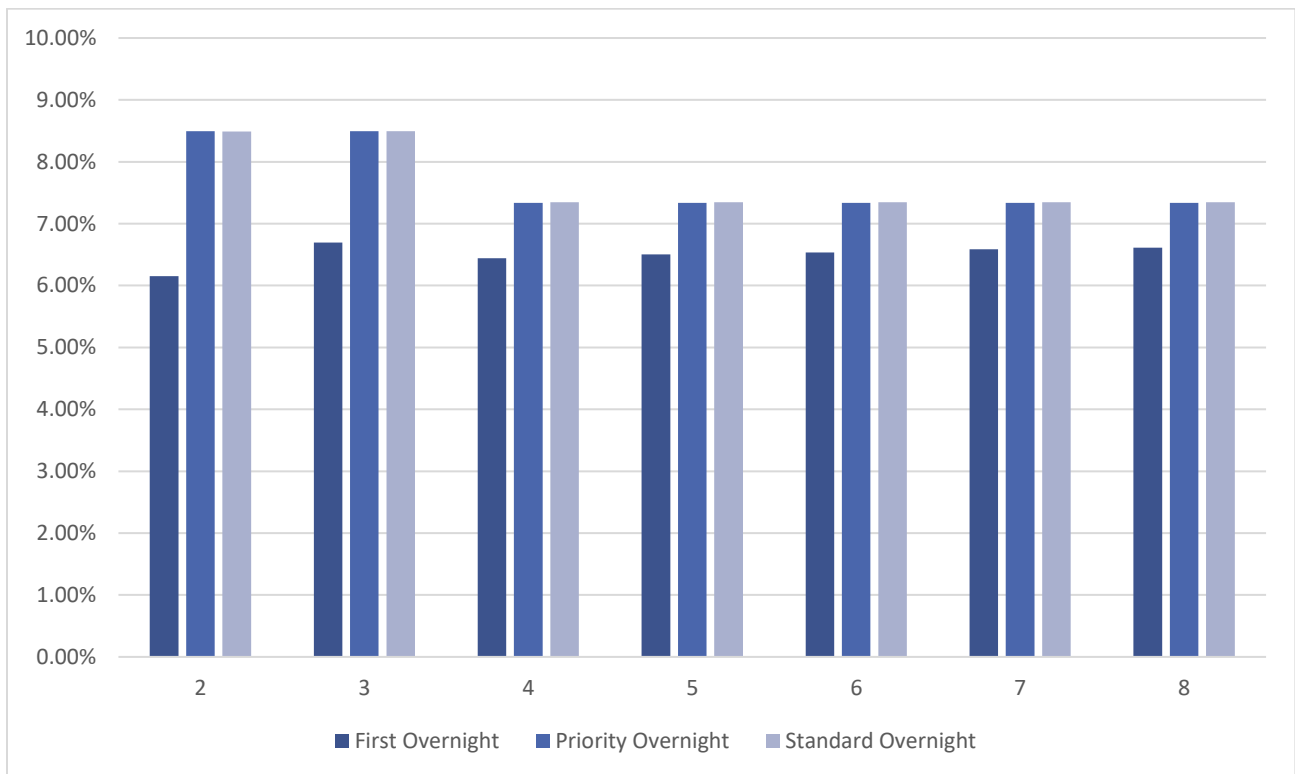


Domestic Air Services Breakdown

Service	2	3	4	5	6	7	8	Average
First Overnight	6.15%	6.70%	6.44%	6.51%	6.53%	6.59%	6.61%	6.50%
Priority Overnight	8.49%	8.50%	7.34%	7.34%	7.34%	7.34%	7.34%	7.67%
Standard Overnight	8.49%	8.50%	7.35%	7.35%	7.35%	7.35%	7.35%	7.68%

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

Domestic Air Services





Average Express Services Rate Increase - Historical

Express Services								
Average Rate Increase								
Service	2016	2017	2018	2019	2020	2021	2022	2023
First Overnight	4.33%	3.64%	5.26%	5.78%	5.27%	4.65%	5.72%	6.50%
Priority Overnight	4.83%	3.61%	5.46%	6.44%	5.53%	4.76%	6.33%	7.67%
Standard Overnight	6.12%	4.03%	9.30%	5.74%	5.04%	4.46%	6.45%	7.67%
2 Day AM	7.61%	5.03%	6.41%	7.56%	4.73%	7.31%	8.24%	8.54%
2 Day	7.34%	5.48%	4.74%	7.17%	5.94%	5.04%	5.06%	7.65%
Express Saver	7.34%	3.60%	6.05%	7.28%	7.10%	5.43%	9.49%	10.01%

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

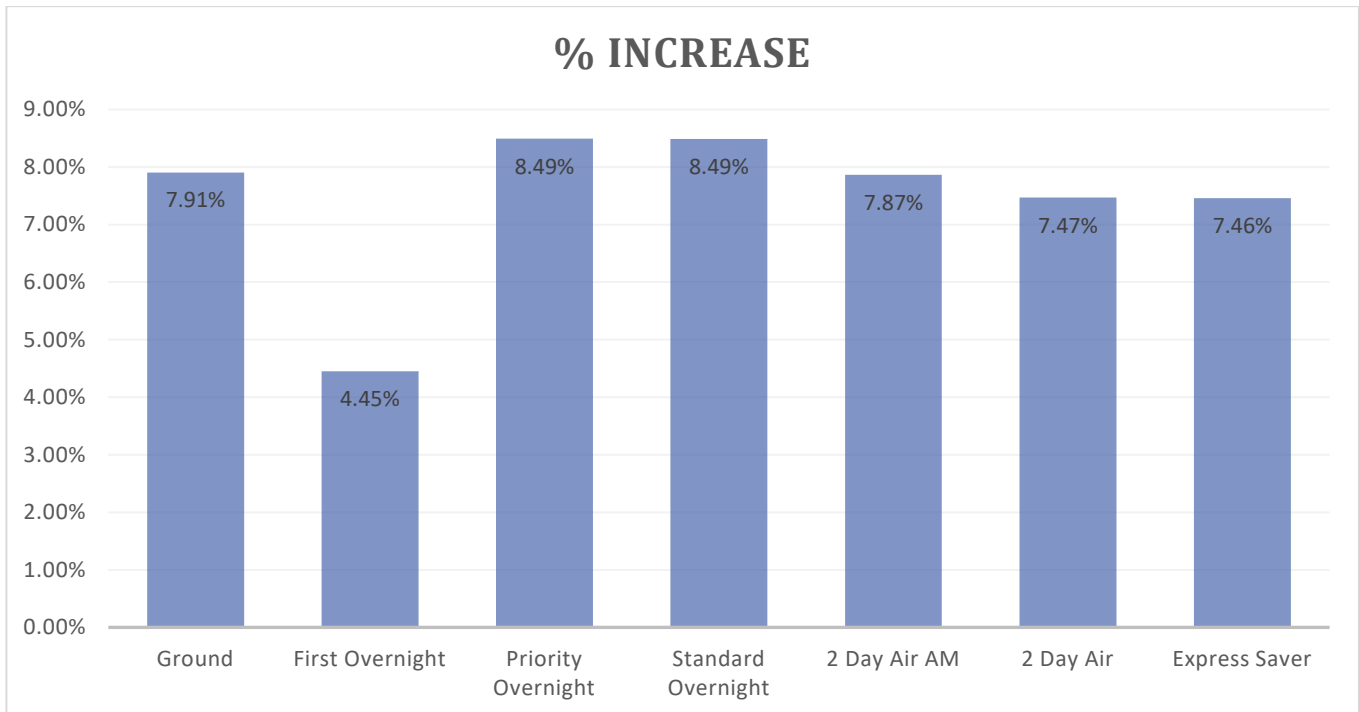
Average Ground Service Rate Increase - Historical

Ground Service								
Average Rate Increase								
WT	2016	2017	2018	2019	2020	2021	2022	2023
1-5 lbs.	5.79%	4.88%	5.04%	3.86%	4.52%	6.56%	7.46%	7.36%
6-10 lbs.	5.54%	5.37%	5.40%	4.72%	5.29%	5.04%	6.49%	7.21%
11-20 lbs.	5.16%	5.27%	5.35%	5.04%	5.07%	4.82%	6.25%	6.95%
21-30 lbs.	4.73%	5.32%	5.24%	5.59%	4.98%	4.70%	5.94%	7.11%
31-70 lbs.	4.42%	4.95%	4.80%	5.58%	5.35%	5.07%	5.91%	7.46%
71-150 lbs.	3.21%	4.18%	4.04%	4.68%	4.69%	4.74%	5.82%	7.14%



5 Year Historical Minimum Charge Overview

Service	Min Net 2017	Min Net 2018	Min Net 2019	Min Net 2020	Min Net 2021	Min Net 2022	Min Net 2023	\$ Increase	% Increase
Ground	\$7.25	\$7.58	\$7.85	\$8.23	\$8.76	\$9.36	\$10.10	\$0.74	7.91%
First Overnight	\$55.59	\$57.69	\$59.18	\$60.31	\$62.76	\$65.14	\$68.04	\$2.90	4.45%
Priority Overnight	\$26.59	\$27.69	\$29.18	\$30.31	\$31.76	\$34.14	\$37.04	\$2.90	8.49%
Standard Overnight	\$24.59	\$25.79	\$27.18	\$28.24	\$29.05	\$31.22	\$33.87	\$2.65	8.49%
2 Day Air AM	\$18.41	\$19.13	\$19.71	\$20.47	\$21.48	\$23.52	\$25.37	\$1.85	7.87%
2 Day Air	\$16.50	\$17.52	\$18.22	\$19.11	\$20.04	\$21.02	\$22.59	\$1.57	7.47%
Express Saver	\$14.83	\$15.45	\$16.07	\$16.85	\$17.82	\$19.57	\$21.03	\$1.46	7.46%





FedEx Accessorial Changes – Overview

Additional Handling (US 48 Ground and Express)	Zone	2022	2023	% Increase
Dimension	2	\$15.75	\$18.50	17.46%
Dimension	3-4	\$17.50	\$20.50	17.14%
Dimension	5-6	\$19.50	\$22.50	15.38%
Dimension	7+	\$21.50	\$25.00	16.28%
Dimension Avg				16.50%

Weight	2	\$25.25	\$29.00	14.85%
Weight	3-4	\$27.50	\$31.50	14.55%
Weight	5-6	\$29.50	\$33.50	13.56%
Weight	7+	\$31.50	\$36.00	14.29%
Weight Avg				14.29%

Packaging	2	\$14.00	\$16.50	17.86%
Packaging	3-4	\$16.00	\$19.00	18.75%
Packaging	5-6	\$17.00	\$20.00	17.65%
Packaging	7+	\$18.00	\$21.00	16.67%
Packaging Avg				17.69%

Delivery Area Surcharge	2022	2023	% Increase
Express Residential	\$5.20	\$5.55	6.73%
Express Extended Residential	\$6.50	\$7.15	10.00%
Express Commercial	\$3.55	\$3.70	4.23%
Express Extended Commercial	\$4.25	\$4.50	5.88%
FedEx Ground Residential	\$4.80	\$5.30	10.42%
Ground Extended Residential	\$6.50	\$7.15	10.00%
FedEx Ground® Commercial	\$3.40	\$3.70	8.82%
FedEx Ground Extended Commercial	\$4.10	\$4.50	9.76%
FedEx Home Delivery Residential	\$4.80	\$5.30	10.42%
Avg Increase			9.84%



Residential	2022	2023	% Increase
Express	\$5.30	\$5.80	9.43%
Ground & Int'l Ground	\$5.20	\$5.50	5.77%
FedEx Home Delivery	\$4.75	\$5.15	8.42%
Avg Increase			7.87%

Surcharge name	Applicable services	2022	2023
Additional Handling Surcharge	U.S. Express Package Services, U.S. Ground Services	Dimension:	Dimension:
		Zone 2: \$15.75 per package	Zone 2: \$18.50 per package
		Zones 3-4: \$17.50 per package	Zones 3-4: \$20.50 per package
	International Express Package Services	Zone 5-6: \$19.50 per package	Zone 5-6: \$22.50 per package
		Zone 7+: \$21.50 per package	Zone 7+: \$25 per package
		\$21.50 per shipment (Dimension)	\$25 per shipment (Dimension)
International Ground Service	\$21.50 per package (Dimension)	\$25 per package (Dimension)	
	U.S. Express Package Services, U.S. Ground Services	Weight:	Weight:
		Zone 2: \$25.25 per package	Zone 2: \$29 per package
Zones 3-4: \$27.50 per package		Zones 3-4: \$31.50 per package	
International Express Package Services	Zone 5-6: \$29.50 per package	Zone 5-6: \$33.50 per package	
	Zone 7+: \$31.50 per package	Zone 7+: \$36 per package	
	\$31.50 per shipment (Weight)	\$36 per shipment (Weight)	
International Ground Service	\$31.50 per package (Weight)	\$36 per package (Weight)	
	U.S. Express Package Services, U.S. Ground Services	Packaging:	Packaging:
		Zone 2: \$14	Zone 2: \$16.50
Zones 3-4: \$16		Zones 3-4: \$19	
Zones 5-6: \$17		Zones 5-6: \$20	
	Zone 7+: \$18	Zone 7+: \$21	

Surcharge name Applicable services 2022 2023



Additional Handling Surcharge (cont.)	International Express Package Services	\$18 per shipment (Packaging)	\$21 per shipment (Packaging)
	International Ground Service	\$18 per package (Packaging)	\$21 per package (Packaging)
	International Priority Freight, International Economy Freight	\$215 per shipment	\$240 per shipment
	U.S. Express Freight Services	\$215 per freight handling unit	\$240 per freight handling unit
Additional Handling Surcharge – Non-Stackable	U.S. Express Freight Services	\$270 per freight handling unit	\$300 per freight handling unit
	International Priority Freight, International Economy Freight	\$270 per shipment	\$300 per shipment
Address Correction	U.S. Express Package Services, International Express Package Services, International Express Freight Services, U.S. Ground Services, International Ground Service	\$19.50 per correction	\$21 per correction
	U.S. Express Freight Services	\$99 per correction	\$110 per correction
	Maximum charge with FedEx Express Multiweight® Pricing	\$136.50 per shipment	\$147 per shipment
	Maximum charge with FedEx Ground Multiweight® Pricing	\$58.50 per shipment	\$63 per shipment
Dangerous Goods – Dry Ice	U.S. Express Package Services	\$6.55 per package	\$7.05 per package
	International Express Package Services	\$6.55 per shipment	\$7.05 per shipment
Dangerous Goods (accessible)	First Overnight, Priority Overnight	\$130 per package	\$145 per package
	First Overnight Freight, 1Day Freight	Greater of \$130 per shipment or \$1.04 per lb.	Greater of \$145 per shipment or \$1.16 per lb.
	International Express Package Services, International Express Freight Services	Greater of \$195 per shipment or \$1.06 per lb.	Greater of \$217 per shipment or \$1.18 per lb.
Dangerous Goods (inaccessible)	U.S. Express Package Services	\$61.50 per package	\$68.50 per package
	U.S. Express Freight Services	Greater of \$60.50 per shipment or \$0.39 per lb.	Greater of \$66.50 per shipment or \$0.43 per lb.
	International Express Package Services, International Express Freight Services	Greater of \$96.50 per shipment or \$0.53 per lb.	Greater of \$107.50 per shipment or \$0.59 per lb.
Declared Value	U.S. Express Package Services, U.S. Ground Services, International Ground Service	\$3.75 for shipments valued between \$100.01 and \$300 \$1.25 per \$100 of declared value for	\$3.90 for shipments valued between \$100.01 and \$300 \$1.30 per \$100 of declared value for shipments valued in excess of \$300



		shipments valued in excess of \$300	
U.S. Express Freight Services	\$1.25 per \$100 of value in excess of \$100 or \$1.00 per lb., whichever is greater		\$1.30 per \$100 of value in excess of \$100 or \$1.00 per lb., whichever is greater
International Express Package Services, International Express Freight Services	\$1.25 per \$100 of value in excess of \$100 or \$9.07 per lb., whichever is greater		\$1.30 per \$100 of value in excess of \$100 or \$9.07 per lb., whichever is greater

Surcharge name	Applicable services	2022	2023
FedEx® Delivery Signature Options	U.S. Express Package Services, U.S. Ground Services, International Ground Service	Adult Signature Required: \$7.15 per package Direct Signature Required, Indirect Signature Required: \$5.90 per package	Adult Signature Required: \$7.65 per package Direct Signature Required, Indirect Signature Required: \$6.35 per package
	International Express Package Services	Adult Signature Required: \$7.15 per shipment Direct Signature Required, Indirect Signature Required: \$5.90 per shipment	Adult Signature Required: \$7.65 per shipment Direct Signature Required, Indirect Signature Required: \$6.35 per shipment
	Maximum charge with FedEx Express Multiweight or FedEx Ground Multiweight Pricing	Adult Signature Required: \$50.05 per shipment Direct Signature Required, Indirect Signature Required: \$41.30 per shipment	Adult Signature Required: \$53.55 per shipment Direct Signature Required, Indirect Signature Required: \$44.45 per shipment
FedEx ExpressTag®	U.S. Express Package Services	\$6.85 per package	\$7.35 per package
FedEx Ground® Call Tag	U.S. Ground Services	\$7 per package (commercial pickup requested via electronic shipping solutions or fedex.com/pickup) \$8 per package (requested via FedEx Customer Service) \$8 per package (residential pickup)	\$7.35 per package (commercial pickup requested via electronic shipping solutions or fedex.com/pickup) \$8.40 per package (requested via FedEx Customer Service) \$8.40 per package (residential pickup)
FedEx Ground® C.O.D.	FedEx Ground, International Ground Service – regular and guaranteed	\$17.50 per package	\$19 per package
	FedEx Ground, International Ground Service – currency	\$17.50 per package Additional charge of \$38 per package or 4% of the currency C.O.D. amount (whichever is greater) for currency C.O.D. within the U.S.	\$19 per package Additional charge of \$41 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 \$38 per package for currency C.O.D. to Canada	Additional charge of \$41 per package for currency C.O.D. to Canada
	Maximum charge with FedEx Ground Multiweight Pricing – regular and guaranteed	\$122.50 per shipment	\$133 per shipment
	Maximum charge with FedEx Ground Multiweight Pricing – currency	\$418 per shipment	\$451 per shipment
FedEx Ground® Electronic C.O.D. (E.C.O.D.)	FedEx Ground	\$17.50 per package plus an additional weekly service charge of \$13.50 for deposit within 48 hours, or \$43.50 for deposit in 24 hours	\$19 per package plus an additional weekly service charge of \$14.50 for deposit within 48 hours, or \$47 for deposit in 24 hours
	Maximum charge with FedEx Ground Multiweight pricing	\$122.50 per shipment	\$133 per shipment
FedEx Ground® Alternate Address Pickup Fee	U.S. Ground Services, International Ground Service	\$13.50 per unique address per week	\$14.50 per unique address per week
FedEx Ground Automated Pickup Weekly Fee	U.S. Ground Services, International Ground Service	\$16 per week	\$17 per week
FedEx Home Delivery Convenient Delivery Options	FedEx Home Delivery	\$3.80 per shipment (Date Certain) \$8.65 per shipment (Evening) \$19.50 per shipment (Appointment)	\$4.10 per shipment (Date Certain) \$9.25 per shipment (Evening) \$21 per shipment (Appointment)

Surcharge name	Applicable services	2022	2023
Delivery Area Surcharge	U.S. Express Package Services (Residential)	\$5.20 per package	\$5.55 per package
	U.S. Express Package Services (Extended Residential)	\$6.50 per package	\$7.15 per package
	U.S. Express Package Services (Commercial)	\$3.55 per package	\$3.70 per package
	U.S. Express Package Services (Extended Commercial)	\$4.25 per package	\$4.50 per package
	FedEx Ground® (Commercial)	\$3.40 per package	\$3.70 per package
	FedEx Ground (Extended Commercial)	\$4.10 per package	\$4.50 per package
	Express Alaska Package Services (Residential, Commercial), Ground Alaska Package Services	\$34.50 per package	\$38 per package



	Express Hawaii Package Services (Residential, Commercial)	\$11 per package	\$12 per package
	FedEx Ground and FedEx Home Delivery® (Residential)	\$4.80 per package	\$5.30 per package
	FedEx Ground and FedEx Home Delivery (Extended Residential)	\$6.50 per package	\$7.15 per package
	U.S. Express Package Services, U.S. Ground Services (Remote Residential, Remote Commercial)	–	\$13.25 per package
	Maximum charge with FedEx Express Multiweight Pricing (Residential, Commercial, Extended Residential, Extended Commercial, Remote Residential, Remote Commercial)	\$17.75 per shipment (Commercial)	\$18.50 per shipment (Commercial)\$22.50 per shipment (Extended Commercial)
		\$21.25 per shipment (Extended Commercial)	\$27.75 per shipment (Residential)
		\$26 per shipment (Residential)	\$35.75 per shipment (Extended Residential)
		\$32.50 per shipment (Extended Residential)	Effective Jan. 30, 2023 \$66.25 per shipment (Remote Residential, Remote Commercial)
	Maximum charge with FedEx Ground Multiweight Pricing (Residential, Extended Residential, Commercial, Extended Commercial, Remote Residential, Remote Commercial)	\$24 per shipment (Residential)	\$26.50 per shipment (Residential)\$18.50 per shipment (Commercial)
		\$17 per shipment (Commercial)	\$22.50 per shipment (Extended Commercial)
		\$20.50 per shipment (Extended Commercial)	\$35.75 per shipment (Extended Residential)
		\$32.50 per shipment (Extended Residential)	Effective Jan. 30, 2023 \$66.25 per shipment (Remote Residential, Remote Commercial)
Delivery Reattempt	U.S. Express Freight Services	Greater of \$75 per shipment or \$0.082 per lb.	Greater of \$80.50 per shipment or \$0.088 per lb.
Extended Service Area Delivery	U.S. Express Freight Services	\$200 per shipment	\$215 per shipment
Extended Service Area Pickup	U.S. Express Freight Services, International Premium	\$200 per shipment	\$215 per shipment
Extra Services Charge	U.S. Express Freight Services, International Premium	\$111 per handler hour (\$111 minimum)	\$119 per handler hour (\$119 minimum)
FedEx® Collect on Delivery (C.O.D.)	U.S. Express Package Services	\$17.50 per package	\$19 per package
	U.S. Express Freight Services	\$93 per shipment	\$99.50 per shipment
	Maximum charge with FedEx Express Multiweight Pricing	\$122.50 per shipment	\$133 per shipment
Surcharge name	Applicable services	2022	2023
Oversize Charge	International Express Package Services	\$145 per shipment	\$170 per shipment



	International Ground Service	\$145 per package	\$170 per package
	U.S. Express Package Services, U.S. Ground Services	Zone 2: \$110 per package Zones 3–4 ₁ : \$120 per package Zones 5–6: \$135 per package Zones 7+ ₂ : \$145 per package	Zone 2: \$135 per package Zones 3–4 ₁ : \$145 per package Zones 5–6: \$160 per package Zones 7+ ₂ : \$170 per package
	FedEx Home Delivery	Zone 2: \$135 per package Zones 3–4 ₁ : \$145 per package Zones 5–6: \$160 per package Zones 7+ ₂ : \$170 per package	Zone 2: \$160 per package Zones 3–4 ₁ : \$170 per package Zones 5–6: \$190 per package Zones 7+ ₂ : \$200 per package
Payer Rebilling	U.S. Express Package Services, International Express Package Services, U.S. Express Freight Services	\$19.50 per shipment	\$21 per shipment
Reroute of Shipment	U.S. Express Package Services	\$19.50 per package	\$21 per package
	U.S. Express Freight Services	\$99 per shipment	\$110 per shipment
	Maximum charge with FedEx Express Multiweight Pricing	\$136.50 per shipment	\$147 per shipment
Residential Delivery Charge	U.S. Express Package Services	\$5.30 per package	\$5.80 per package
	International Express Package Services (to Canada, and U.S. import-rated shipments from all origins)	\$5.30 per shipment	\$5.80 per shipment
	Maximum charge with FedEx Express Multiweight Pricing	\$47.70 per shipment	\$52.20 per shipment
	U.S. Ground Services, International Ground Service	\$5.20 per package	\$5.50 per package
	FedEx Home Delivery	\$4.75 per package	\$5.15 per package
	Maximum charge with FedEx Ground Multiweight Pricing	\$46.80 per shipment	\$49.50 per shipment
	U.S. Express Freight Services, International Express Freight Services (to Canada, and U.S. import-	\$170 per shipment	\$185 per shipment



Residential Pickup Charge	rated shipments from all origins) U.S. Express Freight Services, International Premium	\$170 per shipment	\$185 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 2023 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.

