



[MGN Logistics FedEx 2021 Rate Increase Review](#)

Effective January 4, 2021, FedEx service rates will increase 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 business's unique shipment characteristics. As illustrated below, 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 announced for 2021 is that they will now charge a 6% late payment fee beyond the standard 15-day terms.

Customers that ship larger packages may also feel another impact this year. Effective January 18, 2021, the *Additional Handling Surcharge- Dimensions* will reduce to 105". This is calculated by the combined length plus girth of a package. (length and girth = length + 2x H + 2x W). This additional \$16 per package fee can significantly impact your business if you're not prepared.

Another noteworthy change is the increase to their Minimum Ground Package charge. For 2021, the minimum published charge will be increasing to \$8.76, in comparison to \$8.23 in 2020. That equates to a 6.44% 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 2021.

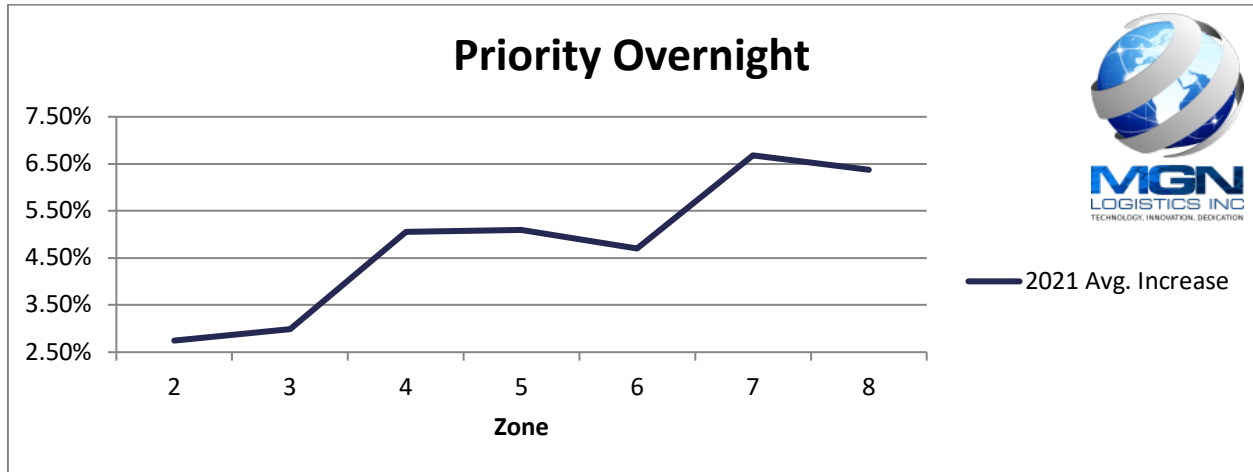
Now more than ever, you need a partner dedicated to parcel analysis and management, who has the technology and expertise to help you understand how these "average" increases will truly impact your specific shipping profile. That is exactly what we do. Knowledge is power and understanding the complexities 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 2021 Increase



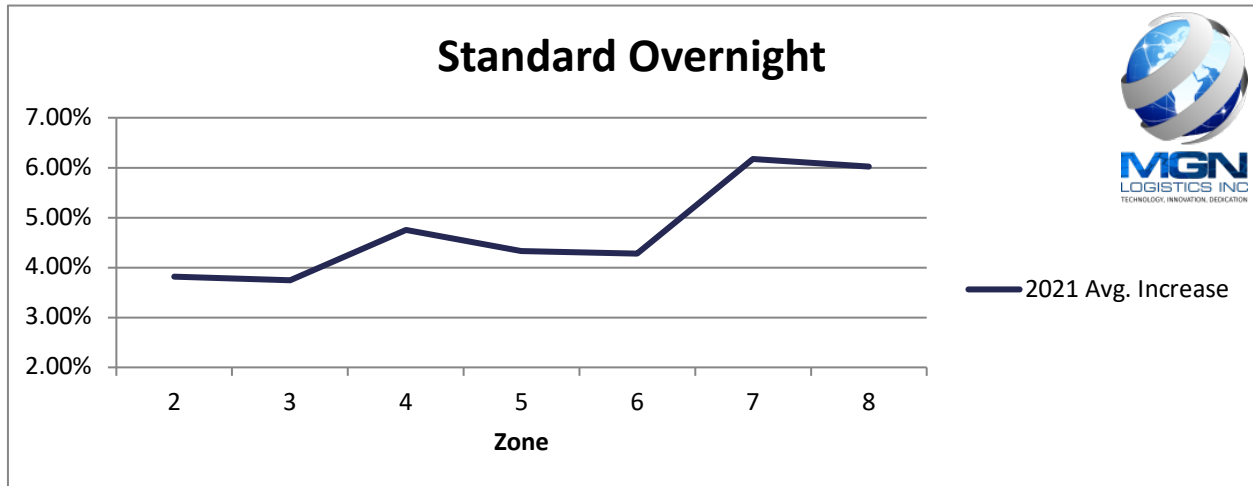
*Average increase 1lb – 50lb for zones 2-8

Priority Overnight 2021 Increase

WT (lbs)	2	3	4	5	6	7	8
1	4.78%	4.79%	5.79%	5.79%	5.79%	6.89%	6.89%
2	4.79%	4.07%	5.79%	5.79%	1.01%	6.89%	6.90%
3	2.12%	4.79%	5.79%	5.79%	5.80%	6.89%	6.89%
4	3.37%	2.17%	5.79%	5.80%	5.80%	6.90%	6.90%
5	2.01%	2.26%	5.80%	5.79%	5.20%	6.90%	6.29%
6	3.19%	4.79%	5.79%	5.79%	5.80%	6.90%	6.89%
7	3.29%	4.39%	5.80%	5.80%	5.80%	6.90%	6.90%
8	2.83%	2.01%	5.80%	3.18%	3.19%	6.90%	6.89%
9	2.01%	2.01%	2.99%	2.93%	2.94%	6.26%	4.97%
10	2.01%	2.56%	3.09%	2.03%	2.52%	5.58%	4.47%
20	2.02%	2.01%	2.77%	5.22%	4.60%	5.83%	5.56%
30	2.01%	2.00%	5.72%	5.80%	5.80%	6.90%	5.92%
40	2.01%	2.00%	5.04%	5.80%	5.76%	6.90%	6.90%
50	2.01%	2.00%	4.78%	5.80%	5.75%	6.90%	6.90%
Avg. Increase	2.75%	2.99%	5.05%	5.09%	4.70%	6.68%	6.38%



Standard Overnight 2021 Increase



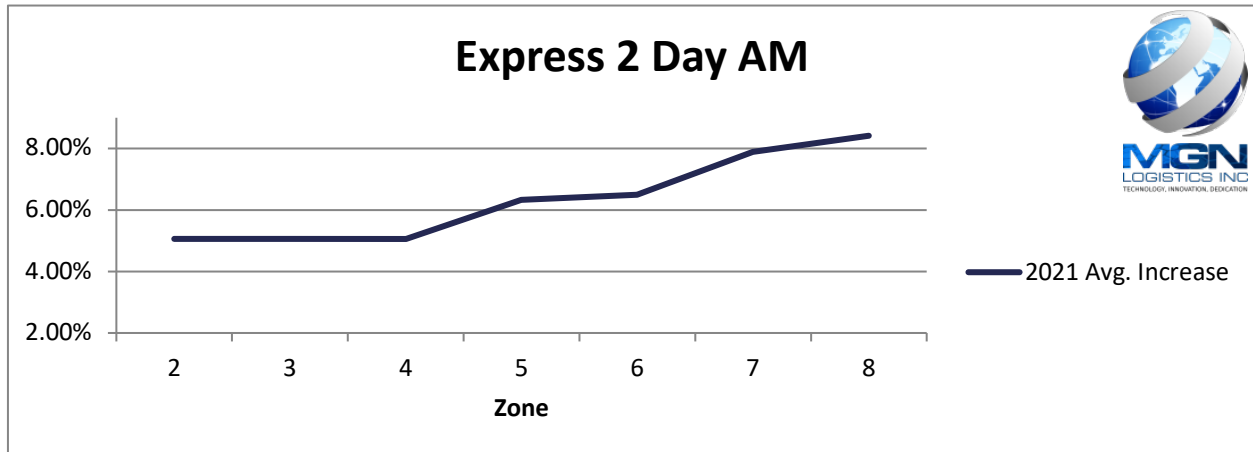
*Average increase 1lb – 50lb for zones 2-8

Standard Overnight 2021 Increase

WT (lbs)	2	3	4	5	6	7	8
1	2.87%	2.88%	2.89%	2.90%	2.89%	2.89%	2.89%
2	3.89%	3.90%	4.90%	4.89%	4.90%	6.90%	6.90%
3	3.89%	3.90%	4.89%	4.89%	4.90%	6.89%	6.89%
4	3.89%	3.89%	4.89%	4.89%	4.89%	6.90%	6.89%
5	3.88%	3.88%	4.89%	4.90%	4.89%	6.89%	6.90%
6	3.89%	3.88%	4.90%	4.90%	4.89%	6.90%	6.90%
7	3.90%	3.89%	4.89%	4.89%	4.89%	6.90%	6.89%
8	3.90%	3.88%	4.89%	4.90%	4.90%	6.90%	6.89%
9	3.89%	3.89%	4.90%	4.90%	4.29%	6.90%	6.90%
10	3.89%	2.84%	4.90%	4.90%	4.90%	6.90%	6.90%
20	3.88%	3.90%	4.89%	4.90%	4.90%	6.90%	6.90%
30	3.90%	3.89%	4.90%	2.35%	2.31%	3.76%	2.91%
40	3.90%	3.90%	4.90%	3.01%	2.96%	5.81%	4.43%
50	3.90%	3.89%	4.90%	3.40%	3.49%	5.02%	5.16%
Avg Increase	3.82%	3.74%	4.75%	4.33%	4.28%	6.17%	6.02%



Express 2 Day Air AM 2021 Increase



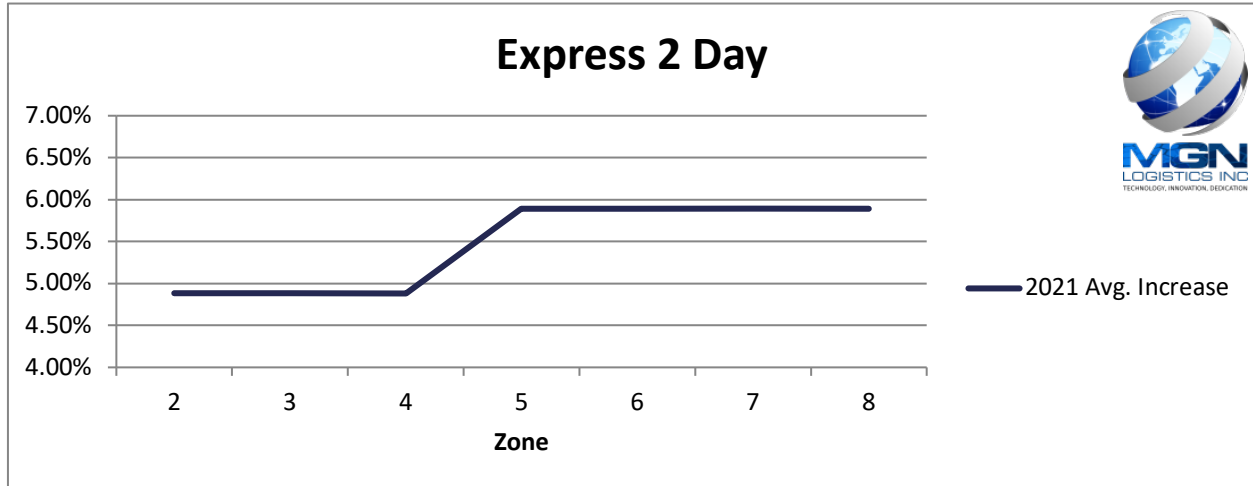
*Average increase 1lb – 50lb for zones 2-8

Express 2 Day Air AM 2021 Increase

WT (lbs)	2	3	4	5	6	7	8
1	4.87%	4.87%	4.86%	5.89%	5.88%	5.90%	5.87%
2	4.88%	4.88%	4.87%	5.89%	5.89%	5.88%	5.88%
3	4.90%	4.87%	4.86%	5.88%	5.90%	5.89%	5.88%
4	4.90%	4.88%	4.89%	5.88%	5.89%	5.89%	5.89%
5	4.90%	4.86%	4.87%	5.89%	5.89%	5.89%	5.88%
6	4.87%	4.89%	4.88%	5.89%	5.90%	5.89%	5.89%
7	4.89%	4.88%	4.88%	5.89%	5.89%	5.90%	5.89%
8	4.86%	4.89%	4.88%	5.90%	5.89%	5.89%	5.90%
9	4.86%	4.88%	4.87%	5.88%	5.89%	5.89%	5.89%
10	4.86%	4.89%	4.88%	5.89%	5.89%	5.90%	5.90%
20	4.89%	4.89%	4.90%	5.89%	5.89%	5.90%	5.89%
30	4.90%	4.90%	4.89%	5.89%	5.90%	5.90%	5.90%
40	4.90%	4.89%	4.90%	5.89%	5.90%	5.90%	5.90%
50	4.89%	4.89%	4.89%	5.90%	5.90%	5.90%	5.90%
Avg. Increase	4.88%	4.88%	4.88%	5.89%	5.89%	5.89%	5.89%



Express 2 Day 2021 Increase



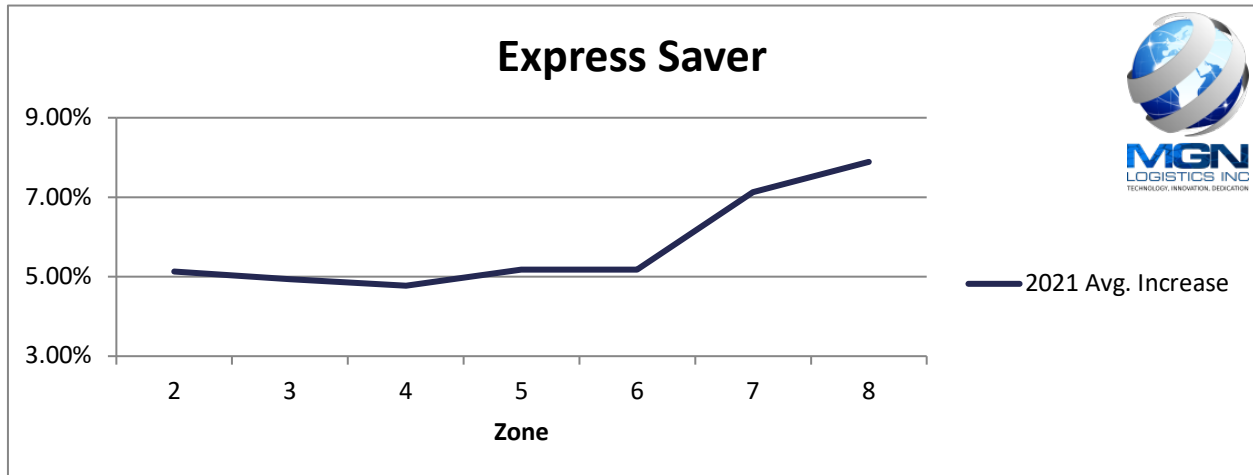
*Average increase 1lb – 50lb for zones 2-8

Express 2 Day 2021 Increase

WT (lbs)	2	3	4	5	6	7	8
1	4.87%	4.87%	4.86%	5.89%	5.88%	5.90%	5.87%
2	4.88%	4.88%	4.87%	5.89%	5.89%	5.88%	5.88%
3	4.90%	4.87%	4.86%	5.88%	5.90%	5.89%	5.88%
4	4.90%	4.88%	4.89%	5.88%	5.89%	5.89%	5.89%
5	4.90%	4.86%	4.87%	5.89%	5.89%	5.89%	5.88%
6	4.87%	4.89%	4.88%	5.89%	5.90%	5.89%	5.89%
7	4.89%	4.88%	4.88%	5.89%	5.89%	5.90%	5.89%
8	4.86%	4.89%	4.88%	5.90%	5.89%	5.89%	5.90%
9	4.86%	4.88%	4.87%	5.88%	5.89%	5.89%	5.89%
10	4.86%	4.89%	4.88%	5.89%	5.89%	5.90%	5.90%
20	4.89%	4.89%	4.90%	5.89%	5.89%	5.90%	5.89%
30	4.90%	4.90%	4.89%	5.89%	5.90%	5.90%	5.90%
40	4.90%	4.89%	4.90%	5.89%	5.90%	5.90%	5.90%
50	4.89%	4.89%	4.89%	5.90%	5.90%	5.90%	5.90%
Avg. Increase	4.88%	4.88%	4.88%	5.89%	5.89%	5.89%	5.89%



Express Saver 2021 Increase



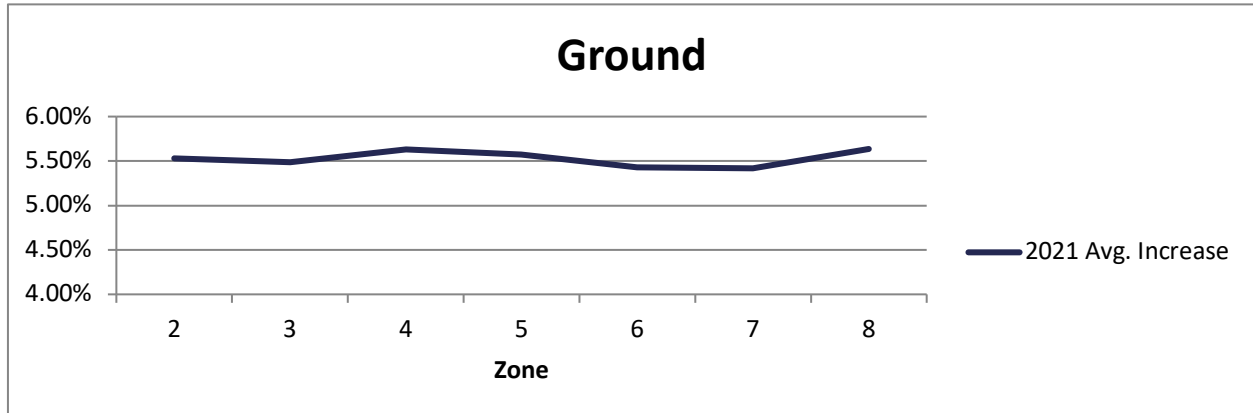
*Average increase 1lb – 50lb for zones 2-8

Express Saver 2021 Increase

WT (lbs)	2	3	4	5	6	7	8
1	5.76%	5.76%	5.76%	6.88%	6.87%	7.88%	7.87%
2	5.77%	5.77%	5.77%	6.86%	6.86%	7.88%	7.87%
3	5.76%	5.71%	5.75%	6.87%	6.87%	7.87%	7.88%
4	5.77%	5.78%	5.75%	6.87%	6.87%	7.88%	7.90%
5	5.78%	5.79%	5.76%	6.87%	6.87%	7.90%	7.89%
6	5.79%	5.76%	5.78%	6.88%	6.88%	7.89%	7.88%
7	5.80%	5.79%	5.77%	6.88%	6.88%	7.89%	7.90%
8	5.77%	5.78%	5.79%	6.88%	6.89%	7.90%	7.89%
9	5.62%	5.70%	5.78%	2.93%	2.93%	7.88%	7.90%
10	5.61%	5.57%	2.91%	2.91%	2.92%	7.90%	7.89%
20	5.38%	2.92%	2.91%	2.91%	2.91%	2.91%	7.89%
30	2.90%	2.91%	3.25%	2.90%	2.90%	5.45%	7.89%
40	3.06%	2.91%	2.91%	2.91%	2.90%	4.69%	7.90%
50	3.04%	2.91%	2.93%	2.90%	2.90%	7.90%	7.90%
Avg. Increase	5.13%	4.93%	4.77%	5.18%	5.18%	7.13%	7.89%



Ground 2021 Increase



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

Ground 2021 Increase

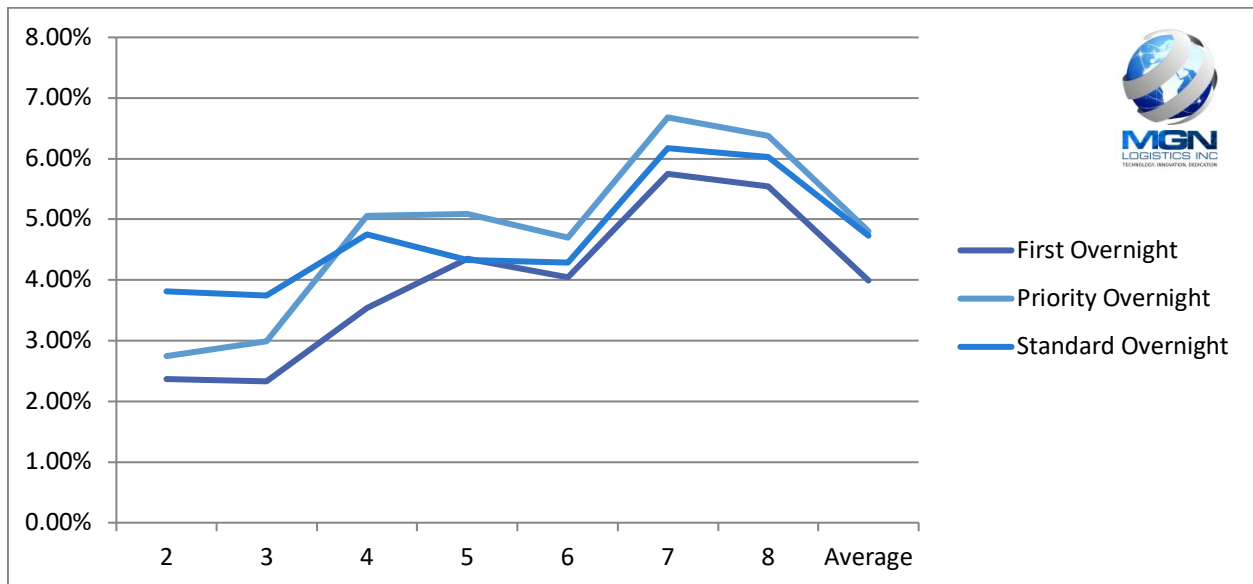
WT (lbs)	2	3	4	5	6	7	8
1	6.44%	5.94%	5.99%	6.05%	6.04%	5.97%	5.97%
2	5.96%	5.97%	6.99%	7.02%	7.00%	7.00%	6.96%
3	7.03%	6.98%	6.99%	6.97%	7.03%	7.04%	7.02%
4	7.04%	6.01%	7.04%	7.01%	6.98%	7.00%	6.98%
5	5.98%	6.02%	5.99%	6.04%	6.01%	6.00%	7.01%
6	4.51%	4.53%	4.46%	4.51%	4.50%	4.47%	5.51%
7	4.46%	4.51%	4.51%	4.52%	4.48%	4.49%	4.51%
8	5.46%	5.49%	5.47%	5.51%	5.53%	5.53%	5.51%
9	5.47%	5.50%	5.48%	5.53%	5.48%	5.49%	5.52%
10	4.47%	5.53%	5.50%	5.52%	4.51%	4.48%	5.50%
20	4.75%	4.48%	4.51%	4.48%	4.52%	4.49%	4.51%
30	4.48%	4.48%	4.50%	4.49%	4.49%	4.50%	4.50%
40	5.71%	5.71%	5.71%	4.71%	4.71%	4.70%	4.70%
50	5.68%	5.70%	5.69%	5.71%	4.70%	4.70%	4.71%
Avg Increase	5.53%	5.49%	5.63%	5.58%	5.43%	5.42%	5.64%



Domestic Air Services Breakdown

Service	2	3	4	5	6	7	8	Average
First Overnight	2.36%	2.33%	3.54%	4.35%	4.04%	5.75%	5.54%	3.99%
Priority Overnight	2.75%	2.99%	5.05%	5.09%	4.70%	6.68%	6.38%	4.81%
Standard Overnight	3.82%	3.74%	4.75%	4.33%	4.28%	6.17%	6.02%	4.73%

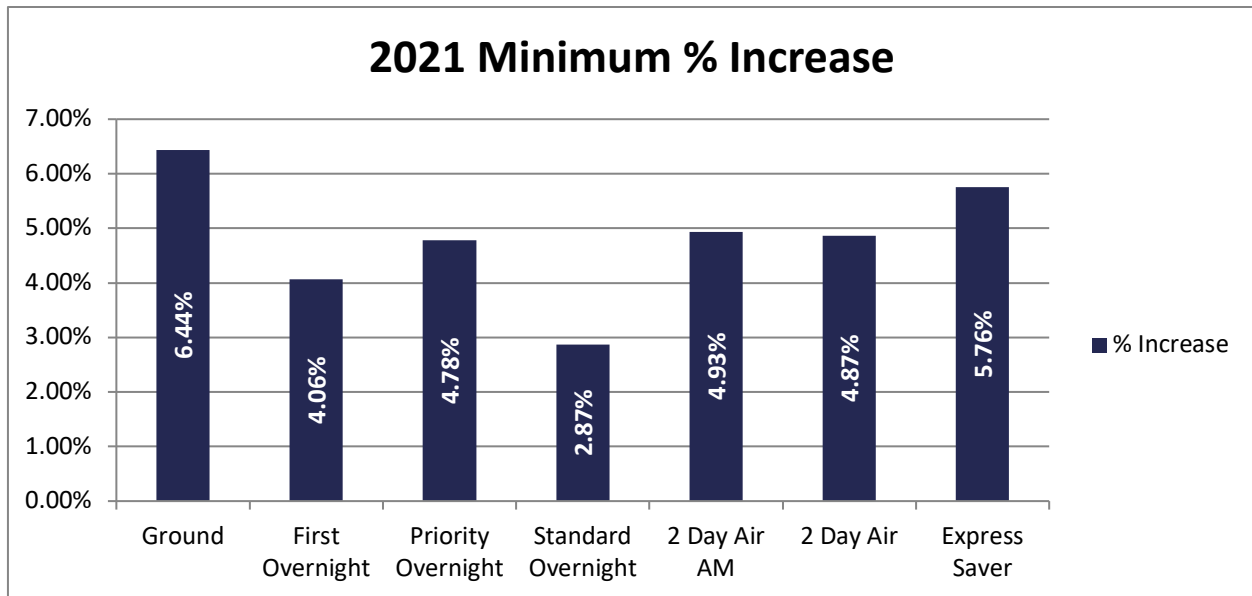
Domestic Air Services





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	Min Net 2021	\$ Increase	% Increase
Ground	\$6.61	\$6.94	\$7.25	\$7.58	\$7.85	\$8.23	\$8.76	\$0.53	6.44%
First Overnight	\$53.35	\$54.09	\$55.59	\$57.69	\$59.18	\$60.31	\$62.76	\$2.45	4.06%
Priority Overnight	\$25.35	\$26.09	\$26.59	\$27.69	\$29.18	\$30.31	\$31.76	\$1.45	4.78%
Standard Overnight	\$22.30	\$23.83	\$24.59	\$25.79	\$27.18	\$28.24	\$29.05	\$0.81	2.87%
2 Day Air AM	\$16.96	\$18.04	\$18.41	\$19.13	\$19.71	\$20.47	\$21.48	\$1.01	4.93%
2 Day Air	\$14.75	\$15.69	\$16.50	\$17.52	\$18.22	\$19.11	\$20.04	\$0.93	4.87%
Express Saver	\$13.90	\$14.83	\$14.83	\$15.45	\$16.07	\$16.85	\$17.82	\$0.97	5.76%





FedEx Accessorial Changes – Overview

Surcharge name	Applicable services	2020	2021
Additional Handling Surcharge	U.S. Express Package Services, U.S. Ground Services, International Ground Service	\$15 per package (Dimension)	\$16 per package (Dimension)
	International Express Package Services	\$15 per shipment (Dimension)	\$16 per shipment (Dimension)
	U.S. Express Package Services, U.S. Ground Services, International Ground Service	\$24 per package (Weight)	\$25.50 per package (Weight)
	International Express Package Services	\$24 per shipment (Weight)	\$25.50 per shipment (Weight)
	U.S. Express Package Services, U.S. Ground Services, International Ground Service	\$13 per package (Packaging)	\$14 per package (Packaging)
	International Express Package Services	\$13 per shipment (Packaging)	\$14 per shipment (Packaging)
	U.S. Express Freight Services	\$185 per freight handling unit	\$195 per freight handling unit
	International Express Freight Services	\$185 per shipment	\$195 per shipment
Additional Handling Surcharge – Non-Stackable	U.S. Express Freight Services	\$230 per freight handling unit	\$245 per freight handling unit
	International Express Freight Services	\$230 per shipment	\$245 per shipment



Surcharge name	Applicable services	2020	2021
Address Correction	U.S. Express Package Services, International Express Package Services, International Express Freight Services, U.S. Ground Services, International Ground Service	\$17 per correction	\$18 per correction
	U.S. Express Freight Services	\$88.50 per correction	\$93 per correction
	Maximum charge with FedEx Express Multiweight® Pricing	\$119 per shipment	\$126 per shipment
	Maximum charge with FedEx Ground Multiweight® Pricing	\$51 per shipment	\$54 per shipment
Dangerous Goods (dry ice)	U.S. Express Package Services	\$5.85 per package	\$6.15 per package
	International Express Package Services	\$5.85 per shipment	\$6.15 per shipment
Dangerous Goods (accessible)	FedEx First Overnight®, FedEx Priority Overnight®	\$105 per package	\$115 per package
	FedEx First Overnight® Freight, FedEx 1Day® Freight	Greater of \$109.50 per shipment or \$0.87 per lb.	Greater of \$115 per shipment or \$0.92 per lb.
	International Express Package Services, International Express Freight Services	Greater of \$162.50 per shipment or \$0.88 per lb.	Greater of \$171 per shipment or \$0.93 per lb.
Dangerous Goods (inaccessible)	U.S. Express Package Services	\$51.50 per package	\$54.50 per package
	U.S. Express Freight Services	Greater of \$50.50 per shipment or \$0.33 per lb.	Greater of \$53.50 per shipment or \$0.35 per lb.
	International Express Package Services, International Express Freight Services	Greater of \$81 per shipment or \$0.44 per lb.	Greater of \$85.50 per shipment or \$0.47 per lb.
Declared Value	U.S. Express Package Services, U.S. Ground Services, International Ground Service	\$3.15 for shipments valued between \$100.01 – \$300 \$1.05 per \$100 of declared value for shipments valued in excess of \$300	\$3.45 for shipments valued between \$100.01 – \$300 \$1.15 per \$100 of declared value for shipments valued in excess of \$300
	International Express Package Services, International Express Freight Services	\$1.05 per \$100 of value in excess of \$100 or \$9.07 per lb., whichever is greater	\$1.15 per \$100 of value in excess of \$100 or \$9.07 per lb., whichever is greater
	U.S. Express Freight Services	\$1.05 per \$100 of value in excess of \$100 or \$1.05 per lb., whichever is greater	\$1.15 per \$100 of value in excess of \$100 or \$1.15 per lb., whichever is greater
Delivery Area Surcharge	U.S. Express Package Services (Residential)	\$4.40 per package	\$4.70 per package
	U.S. Express Package Services, U.S. Ground Services (Extended Residential)	\$5.40 per package	\$5.90 per package
	U.S. Express Package Services (Commercial)	\$3.10 per package	\$3.25 per package
	U.S. Express Package Services (Extended Commercial)	\$3.60 per package	\$3.85 per package
	FedEx Ground (Commercial)	\$2.95 per package	\$3.10 per package
	FedEx Ground (Extended Commercial)	\$3.45 per package	\$3.70 per package
	Express Alaska Package Services (Residential, Commercial)	\$29 per package	\$31.50 per package
	Express Hawaii Package Services (Residential, Commercial)	\$8.85 per package	\$9.50 per package
	Ground Alaska Package Services	\$30 per package	\$31.50 per package
	Ground Intra-Hawaii Package Services	\$1 per package	\$1.10 per package
	FedEx Home Delivery® (Residential)	\$4 per package	\$4.30 per package



Surcharge name	Applicable services	2020	2021
Delivery Area Surcharge (continued)	Maximum charge with FedEx Express Multiweight Pricing (Residential, Commercial, Extended Residential, Extended Commercial)	\$15.50 per shipment (Commercial) \$18 per shipment (Extended Commercial) \$22 per shipment (Residential) \$27 per shipment (Extended Residential)	\$16.25 per shipment (Commercial) \$19.25 per shipment (Extended Commercial) \$23.50 per shipment (Residential) \$29.50 per shipment (Extended Residential)
	Maximum charge with FedEx Ground Multiweight Pricing (Extended Residential, Commercial, Extended Commercial, FedEx Home Delivery Residential, FedEx Home Delivery Extended Residential)	\$14.75 per shipment (Commercial) \$17.25 per shipment (Extended Commercial) \$20 per shipment (FedEx Home Delivery residential) \$27 per shipment (Extended Residential, FedEx Home Delivery Extended Residential)	\$15.50 per shipment (Commercial) \$18.50 per shipment (Extended Commercial) \$21.50 per shipment (FedEx Home Delivery residential) \$29.50 per shipment (Extended Residential, FedEx Home Delivery Extended Residential)
Delivery Reattempt Charge	U.S. Express Freight Services	Greater of \$67 per shipment or \$0.073 per lb.	Greater of \$70.50 per shipment or \$0.077 per lb.
Extended Service Area Delivery	U.S. Express Freight Services	\$175 per shipment	\$185 per shipment
Extended Service Area Pickup	U.S. Express Freight Services and FedEx International Premium®	\$175 per shipment	\$185 per shipment
Extra Services Charge	U.S. Express Freight Services and FedEx International Premium	\$99.50 per handler hour (\$99.50 minimum)	\$104.50 per handler hour (\$104.50 minimum)
FedEx® Collect on Delivery (C.O.D.)	U.S. Express Package Services	\$15.50 per package	\$16.50 per package
	U.S. Express Freight Services	\$83 per shipment	\$87.50 per shipment
	Maximum charge with FedEx Express Multiweight Pricing	\$108.50 per shipment	\$115.50 per shipment
FedEx® Delivery Signature Options	U.S. Express Package Services, U.S. Ground Services, International Ground Service	Adult Signature Required: \$6.35 per package Direct Signature Required, Indirect Signature Required: \$5.25 per package	Adult Signature Required: \$6.70 per package Direct Signature Required, Indirect Signature Required: \$5.55 per package
	International Express Package Services	Adult Signature Required: \$6.35 per shipment Direct Signature Required, Indirect Signature Required: \$5.25 per shipment	Adult Signature Required: \$6.70 per shipment Direct Signature Required, Indirect Signature Required: \$5.55 per shipment
	Maximum charge with FedEx Express Multiweight or FedEx Ground Multiweight Pricing	Adult Signature Required: \$44.45 per shipment Direct Signature Required, Indirect Signature Required: \$36.75 per shipment	Adult Signature Required: \$46.90 per shipment Direct Signature Required, Indirect Signature Required: \$38.85 per shipment
FedEx ExpressTag®	U.S. Express Package Services	\$6.10 per package	\$6.45 per package



Surcharge name	Applicable services	2020	2021
FedEx Ground® C.O.D.	FedEx Ground, International Ground Service – regular and guaranteed	\$15.50 per package	\$16.50 per package
	FedEx Ground, International Ground Service – currency	\$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	\$16.50 per package Additional charge of \$35.50 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 \$35.50 per package for currency C.O.D. to Canada
	Maximum charge with FedEx Ground Multiweight Pricing – regular and guaranteed	\$108.50 per shipment	\$115.50 per shipment
	Maximum charge with FedEx Ground Multiweight Pricing – currency	\$368.50 per shipment	\$390.50 per shipment
FedEx Ground® Electronic C.O.D. (E.C.O.D.)	FedEx Ground	\$15.50 per package plus an additional weekly service charge of \$11.50 for deposit within 48 hours, or \$39 for deposit in 24 hours	\$16.50 per package plus an additional weekly service charge of \$12.50 for deposit within 48 hours, or \$41 for deposit in 24 hours
	Maximum charge with FedEx Ground Multiweight pricing	\$108.50 per shipment	\$115.50 per shipment
FedEx Ground® Alternate Address Pickup Fee	U.S. Ground Services, International Ground Service	\$11.50 per unique address per week	\$12.50 per unique address per week
FedEx Ground® Automated Pickup Weekly Fee	U.S. Ground Services, International Ground Service	\$14 per week	\$15 per week
FedEx Home Delivery Convenient Delivery Options	FedEx Home Delivery	\$3.35 per shipment (Date Certain) \$7.75 per shipment (Evening) \$17 per shipment (Appointment)	\$3.55 per shipment (Date Certain) \$8.15 per shipment (Evening) \$18 per shipment (Appointment)
FedEx On Demand Care	U.S. Express Package Services	Greater of \$75 per package or \$2 per lb.	Greater of \$79 per package or \$2.10 per lb.
	U.S. Express Freight Services	Greater of \$400 per freight handling unit or \$0.75 per lb.	Greater of \$420 per freight handling unit or \$0.79 per lb.
	International Express Package Services	Greater of \$125 per shipment or \$2.50 per lb.	Greater of \$132.50 per shipment or \$2.65 per lb.
	International Priority Freight, International Economy Freight	Greater of \$500 per shipment or \$0.50 per lb.	Greater of \$530 per shipment or \$0.53 per lb.
Ground Unauthorized Package Charge	U.S. Ground Services, International Ground Service	\$875 per package	\$920 per package
Ground Weekly Pickup Fee	U.S. Ground Services, International Ground Service	\$15.50 per week (invoiced weekly shipping charges of \$75 or more)	\$16.50 per week (invoiced weekly shipping charges of \$75 or more)
		\$31 per week (invoiced weekly shipping charges of less than \$75)	\$33 per week (invoiced weekly shipping charges of less than \$75)
Hazardous Materials	FedEx Ground	\$37 per package	\$39 per package
Inside Delivery Charge	U.S. Express Freight Services	Greater of \$110.50 per shipment or \$0.072 per lb.	Greater of \$116.50 per shipment or \$0.076 per lb.
Inside Pickup Charge	U.S. Express Freight Services and FedEx International Premium	Greater of \$110.50 per shipment or \$0.072 per lb.	Greater of \$116.50 per shipment or \$0.076 per lb.
International Out-of-Delivery-Area Surcharge	International Express Package Services, International Express Freight Services	Greater of \$40 per shipment or \$0.40 per lb.	Greater of \$42 per shipment or \$0.42 per lb.
International Out-of-Pickup-Area Surcharge	International Express Package Services, International Express Freight Services (U.S. import-rated shipments only, for all services)	Greater of \$40 per shipment or \$0.40 per lb.	Greater of \$42 per shipment or \$0.42 per lb.



Surcharge name	Applicable services	2020	2021
Metro Service Area Delivery	U.S. Express Freight Services	\$175 per shipment	\$185 per shipment
Metro Service Area Pickup	U.S. Express Freight Services and FedEx International Premium	\$175 per shipment	\$185 per shipment
Missing or Invalid Account Number (including account number correction)	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	\$17 per shipment	\$18 per shipment
Northern Canada Surcharge	International Ground Service	\$77.50 per package (70 lbs. or less)	\$81.50 per package (70 lbs. or less)
		\$115 per package (more than 70 lbs.)	\$125 per package (more than 70 lbs.)
Oversize Charge	U.S. Express Package Services, International Express Package Services, FedEx Ground, International Ground Service	\$100 per package	\$105 per package
	FedEx Home Delivery	\$120 per package	\$130 per package
Payer Rebilling	U.S. Express Package Services, International Express Package Services, U.S. Express Freight Services	\$17 per shipment	\$18 per shipment
Reroute of Shipment	U.S. Express Package Services	\$17 per package	\$18 per package
	U.S. Express Freight Services	\$88.50 per shipment	\$93 per shipment
	Maximum charge with FedEx Express Multiweight Pricing	\$119 per shipment	\$126 per shipment
Residential Delivery Charge	U.S. Express Package Services	\$4.65 per package	\$4.95 per package
	International Express Package Services (to Canada, and U.S. import-rated shipments from all origins)	\$4.65 per shipment	\$4.95 per shipment
	Maximum charge with FedEx Express Multiweight Pricing	\$41.85 per shipment	\$44.55 per shipment
	U.S. Ground Services, International Ground Service	\$4.65 per package	\$4.80 per package
	FedEx Home Delivery	\$4 per package	\$4.35 per package
	Maximum charge with FedEx Ground Multiweight Pricing	\$41.85 per shipment	\$43.20 per shipment
	U.S. Express Freight Services, International Express Freight Services (to Canada, and U.S. import-rated shipments from all origins)	\$150 per shipment	\$160 per shipment
Residential Pickup Charge	U.S. Express Freight Services and FedEx International Premium	\$150 per shipment	\$160 per shipment
Third Party Billing Surcharge	Express Services, Ground Services	2.5% of net charges	4.5% of net charges



*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 2021 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.

