



## First Look: Impact of the 2012 FedEx Rate Increases

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As promised, FedEx announced on its website Friday that, effective January 2, 2012, the published rates for its services will be increasing.

FedEx Ground and FedEx Home Delivery rates will increase an average of 5.9%. The rate increase will be partially offset by adjusting the fuel price at which the fuel surcharge begins, reducing the fuel surcharge by 1 percentage point. UPS announced the same changes last month.

Though not advertised on its rates page, FedEx also adjusted most of its surcharges, the impact of which is outlined below:

- The Additional Handling Surcharge will increase \$0.50, to \$8.50, up 6.25%.
- Commercial Delivery Area Surcharges (DAS) will increase \$0.15, to \$2.00, up 8.1%.
- Extended Residential DAS for Ground shipments will increase \$0.25, to \$3.25, up 8.3%. The surcharge will remain at \$2.75 for FedEx Home Delivery shipments.
- The charge for Declared Value will increase \$0.05, to \$0.80, per \$100 of the value declared and the minimum will increase \$0.15, to \$2.40, both up 6.7%.
- The charges for Delivery Confirmation Signature Required and Adult Signature Required will each increase \$0.25, to \$3.50 and \$4.50, respectively, up 7.7% and 5.9%.
- Residential Surcharge and Ground shipments will increase \$0.25, to \$3.00, up 9.1%.
- Residential Delivery Charge for FedEx Ground and FedEx International Ground service to Canada will increase \$0.25, to \$3.00, up 9.1%. FedEx Home Delivery will increase \$0.10, to \$2.55, up 4.1%.
- Oversize charge will increase \$5.00, to \$55.00, up 10%.

As a shipper, it's important to remember that the advertised increase is a net increase. Depending on your characteristics, the true impact could have a much greater effect on your bottom line.

Evidenced by the research provided, optimization and visibility will remain vital in terms of understanding how your own business will be affected as general rate pricing continues its upward trend.

Find complete information about the 2012 FedEx Ground Rate Increase [here](#).

For a free analysis of the financial impact that the 2012 FedEx rate increases will have on your small parcel spend, contact Travis Burt at [tburt@transportationimpact.com](mailto:tburt@transportationimpact.com), or by calling 252.764.2885.