

# 2024 GRI Rate Guide

January 2024

# A Message from Our Founder



What a difference a year makes. Given the volatile economic and labor conditions of the past year, the outlook for carriers such as FedEx and UPS is drastically different this time around.

To the surprise of no one, both of the big two carriers raised rates again this year, each announcing an identical 5.9% general rate increase (GRI) for 2024. The headlines were that it was less of an increase than the pandemic era highs - but make no mistake, it is still an increase that will drive up the cost of doing business for millions of businesses that rely on shipping.

Reveel's mission is to help businesses navigate these endless challenges to their bottom line. History shows that the increase announced is never the whole story when it comes to FedEx and UPS. There are numerous fees, surcharges and changes to zones and dimension rates that may not make the headlines, but do increase what shippers are paying, well beyond the quoted 5.9%.

It is this very reason that shippers must not sit back and accept the annual increases without determining if their current agreement is still optimized for their business. Our Shipping Intelligence Platform is designed to give shippers the information they need to understand their shipping profile - and where adjustments can be made. We understand how important it is that neither service levels nor the bottom line are sacrificed in the quest for a fair shipping contract.

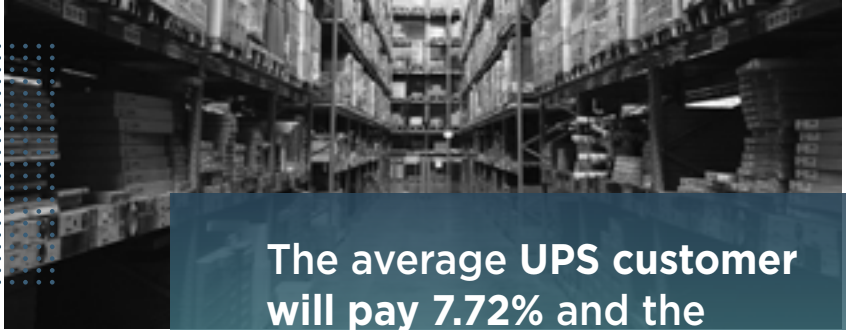
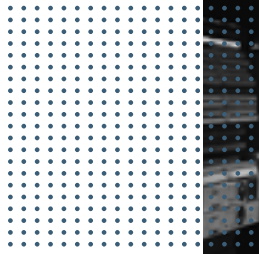
It is never too late to act. Even if you're not ready for a full carrier RFP process, amendments to your existing agreement are possible. Read on for more about what to expect throughout 2024 - and do what you can to counter these changes by exploring your options.

**We're here to help, this year and every year.**

Sincerely,

A handwritten signature in black ink that reads "Josh Dunham".

**Josh Dunham**  
CEO and co-founder, Reveel



The average UPS customer will pay 7.72% and the average FedEx customer will pay 8.17%.

## A Smaller Increase is Still an Increase

Another year, another increase. Businesses that rely on shipping have come to expect these increases every year as just a cost of doing business. And no one expects that either FedEx or UPS will suddenly decide to decrease their rates. So while this year's announced 5.9% increase was less than the record increases of the past few years, it would be easy to brush it off as less of an increase. The big two are still doing everything in their power to increase the amount of money they make from servicing your business.

Each year our data scientists undertake a massive modeling and simulation process that re-rates every package sent by our clients the previous year, based on their current agreements, to determine the actual average impact of the new rates and surcharges. This year, Reveel's analysis found that in 2024 the average **UPS customer will pay 7.72%** and the average **FedEx customer will pay 8.17%**, instead of the announced rate of 5.9%.

That's less than last year's record increases, but it's still a large increase - and a bigger impact on your profitability than either of the big two would lead you to believe.

That said, the fluctuations in business volume that each carrier experienced this past year as inflation and a decrease in consumer spending took hold means that each is very willing to negotiate contract terms. Put simply, they are looking to retain existing customers and capture new business, which is an opportunity for shippers.

In order to negotiate properly, however, you need information. The real-world shipping cost analysis and projections provided by Reveel's Shipping Intelligence Platform can help shippers see exactly what impact new rates and surcharges will have on their bottom line - and where there is opportunity to negotiate. Don't be fooled by other GRI analysis tools that use simple math to formulate the impact. Only Reveel builds a digital model of your unique carrier agreement and runs a simulation - right down to the package level - to give you the real impact.

# The Snapshot

## FedEx

- **Announced increase: 5.9%**
- **Modeled increase: 8.17%**

### Biggest Service Impact

- Heavy ground shipments (50+ pounds)
- Heavy 1- and 2- day shipments (50+ pounds)
- Additional handling, oversize, dangerous, and delivery area surcharges

### Businesses Likely Hit the Hardest

- Motor vehicle dealers and auto parts
- Furniture/home goods providers
- Heavy construction
- Commercial art/graphic design
- Non-durable goods

## UPS

- **Announced increase: 5.9%**
- **Modeled increase: 7.72%**

### Biggest Service Impact

- Ground shipments over 20 pounds
- 1-day priority, 2-day standard and international shipments
- Additional handling, oversize, dangerous, and address correction surcharges

### Businesses Likely Hit the Hardest

- Sporting goods
- Furniture/home goods providers
- Motor vehicle parts and accessories
- Industrial supplies/electrical machinery
- Tobacco and tobacco products
- Manufacturing industries
- Outdoor advertising services

Shippers that assume a 5.9% increase when budgeting expenses are in for a rude awakening. Very few shippers will actually see a rate increase at or below the carrier-touted numbers and should prepare themselves for the impact of a 7.72% (UPS) or an 8.17% (FedEx) increase.

The types of shippers that will be impacted most by these changes are those regularly making heavy shipments, those that ship oversize packages, and those that require additional handling fees.

While all shippers will be impacted by the rate increases in some way, those businesses that will be most severely impacted include those that sell automotive parts, those in the furniture and other home goods business, and sporting goods companies. In addition, industrial suppliers, those dealing with electrical machinery, and commercial art/outdoor graphics companies will see an outsized impact on their business.

Without data science on your side, it would be overly time consuming and nearly impossible to accurately factor in all of the increases, fees and surcharges that carriers add, change or adjust on a regular basis. For any business that falls among the most impacted categories, figuring out how to offset these increases is beyond urgent.

## That's why Reveel is here to help.



# Unlock Knowledge with Reveel's Shipping Intelligence® Platform

At Reveel, we empower customers with the parcel spend management technology they need to negotiate or renegotiate carrier contracts from a position of strength. Our Shipping Intelligence Platform compiles the expenses incurred from carriers, audits those expenses, and finds ways to reduce your shipping expenses. In short, Reveel ensures you get the best shipping rates possible by automating the analysis of vast amounts of data.

In the past, companies would have to hire a consultant to manually review and analyze this data to find opportunities for savings. The hours needed to accomplish this task can increase costs to a level that will erode any efficiencies achieved. Today, companies that rely on shipping can accomplish this task themselves with the help of our parcel spend management software.

Reveel takes parcel spend management one step further by providing a reference point on how much your peers are spending in shipping. This presents added transparency into your shipping fees and where you stack up - and helps eliminate any blind spots in your operations.

Reveel is offering a **free analysis** using our Impact Analysis tool, so you can model 2024 rate increases using your own unique shipping data - and obtain an accurate view of your total shipping costs for the year.

We highly recommend taking another look at your contracts to see how your operations are impacted by not only the GRI increase, but the accompanying fees and service changes made by the carriers that can unexpectedly drive expenses up.

**Our Shipping Intelligence Platform is here to help you learn how to lower your expenses.**





Among the traditional rate increases, there are often a few additional charges and changes to the carrier pricing.

## 2024 Highlights

- **Don't Trust The GRI As Announced:** Reveel's analysis found that in 2024 the average UPS customer will pay 7.72% and the average FedEx customer will pay 8.17%, instead of the announced rate of 5.9%.
- **Additional Handling and Oversize Package Rates Increasing:** Additional handling rates and the cost for sending oversized packages are being increased by both FedEx and UPS - and by far more than the GRI rate of 5.9%. The increases for each separate charge range from 18% to 20%, depending on zone, size and weight. Don't let the GRI number fool you into believing there will only be a small increase this year. These are sizable increases, in two separate categories, that shippers need to recognize and act upon.
- **Address Corrections Are More Costly:** Carriers hate dealing with address corrections, and both of the big two are once again raising correction fees (by more than 7%) to persuade shippers to get it right the first time. Letting these fees be applied more than once is a true waste of money. By actively managing your shipping expenses you can see when these are applied - and act to correct the address in your systems moving forward.
- **Residential Delivery Increases:** UPS Ground and FedEx Home are each increasing more than 7%. While the increase is less of an increase than the prior year, that doesn't mean that the cost is decreasing. This 7%+ increase is on top of the higher increases of the past few years. Service adjustments may help some businesses offset these increases - but the only way to explore that option is by having true visibility into your shipping expenses.
- **Remote Delivery Is Even More Expensive:** Far from the reported 5.9% rate, FedEx and UPS shipments destined for remote, difficult or inconvenient locations will see increases ranging from 7-9% this year.
- **Peak/Demand Surcharges Are Here To Stay:** As expected, it is clear that FedEx and UPS will continue to add surcharges each year for packages shipped in between October and January. This year, both of the big two carriers more than doubled the additional handling fee for packages shipped in this time period: FedEx went from \$3.45 to \$6.95 per package, while UPS increased from \$3.50 to \$6.90 per package. Even worse, oversize charges increased by 85% (FedEx) and 87% (UPS) this year. With the end-of-the-year shopping season traditionally being a "make-or-break" season for many shippers, getting caught off-guard by seasonal price increases can spell disaster.

And be sure to note that the new GRI pricing for UPS will go into effect on December 26, 2023, while FedEx's new pricing will launch on January 1, 2024.

**Continue reading for an in-depth look at the 2024 general rate increases for FedEx and UPS.**



# Rate Increases Over Time

Year	UPS Air	UPS Ground	FedEx Air	FedEx Ground
2024	5.9%	5.9%	5.9%	5.9%
2023	6.9%	6.9%	6.9%	6.9%
2022	5.9%	5.9%	5.9%	5.9%
2021	4.9%	4.9%	4.9%	4.9%
2020	4.9%	4.9%	4.9%	4.9%
2019	4.9%	4.9%	4.9%	4.9%
2018	4.9%	4.9%	4.9%	4.9%
2017	4.9%	4.9%	3.9%	4.9%
2016	5.2%	4.9%	4.9%	4.9%
2015	4.9%	4.9%	4.9%	4.9%
2014	4.9%	4.9%	3.9%	4.9%
2013	6.5%	5.9%	5.9%	5.9%
2012	6.9%	5.9%	5.9%	5.9%



# Minimum Charges

Package minimums dictate the price floor that you pay in transportation costs to send packages. That means that your minimum net charge can never be less than this floor, no matter what discounts are applied. These charges are another area where carriers steadily raise the price year over year to increase your cost.

Many shippers don't know how carrier package minimum charges affect their shipping spend. In fact, most shippers don't even know they exist. Carriers use these price floors to negate discounts to protect their margins — more often than shippers realize.

## Ground Residential Minimums

Year	UPS		FedEx	
	Rate	% Increase	Rate	% Increase
2024	\$16.40	6.84%	\$16.25	6.56%
2023	\$15.35	8.02%	\$15.25	8.07%
2022	\$14.21	7.57%	\$14.11	7.62%
2021	\$13.21	7.14%	\$13.11	7.20%
2020	\$12.33	4.49%	\$12.23	4.97%
2019	\$11.80	5.64%	\$11.65	4.20%
2018	\$11.17	4.20%	\$11.18	4.49%
2017	\$10.72	5.20%	\$10.70	5.00%
2016	\$10.19	4.94%	\$10.19	4.94%
2015	\$9.71	6.24%	\$9.71	6.24%
2014	\$9.14	5.79%	\$9.14	5.79%
2013	\$8.64	7.46%	\$8.64	7.46%
2012	\$8.04	5.51%	\$8.04	5.51%

**Note:** All figures include the carrier's residential surcharge, which apply to all residential packages

# Ground Commercial Minimums

Year	UPS		FedEx	
	Rate	% Increase	Rate	% Increase
2024	\$10.70	5.94%	\$10.70	5.94%
2023	\$10.10	7.91%	\$10.10	7.91%
2022	\$9.36	6.85%	\$9.36	6.85%
2021	\$8.76	6.44%	\$8.76	6.44%
2020	\$8.23	4.84%	\$8.23	4.84%
2019	\$7.85	3.70%	\$7.85	3.56%
2018	\$7.57	3.41%	\$7.58	4.55%
2017	\$7.32	5.48%	\$7.25	4.47%
2016	\$6.94	4.83%	\$6.94	4.83%
2015	\$6.62	6.09%	\$6.62	6.09%
2014	\$6.24	6.85%	\$6.24	6.85%
2013	\$5.84	7.38%	\$5.84	7.38%
2012	\$5.49	6.19%	\$5.49	6.19%





Carriers often raise surcharges at a higher rate than list rates, so it's important to stay apprised of changes as they happen.

# Key Surcharges

Surcharges, which are not included as part of the general rate increase, typically account for more than a third of the average price of a package, and they have the potential to impact your shipping costs drastically. Carriers often raise surcharges at a higher rate than list rates, so it's important to stay apprised of changes as they happen.

## Additional Handling

An **additional handling surcharge** applies to any package that meets any one of the following criteria:

Year	FedEx
<b>Dimension</b>	The package's dimensions measure more than 48 inches along its longest side or measure greater than 30 inches along its second-longest side, or if the package's length plus girth exceeds 105 inches.
<b>Weight</b>	<i>U.S. Express and U.S. Ground:</i> Actual weight is greater than 50 lbs. <i>International Express and International Ground:</i> Actual weight is greater than 70 lbs.
<b>Packaging</b>	Any package in non-standard packaging, including any package that is not fully encased in an outer shipping container; is encased in an outer shipping container not made of corrugated fiberboard (cardboard) materials, including but not limited to metal, wood, canvas, leather, hard plastic, soft plastic (e.g., plastic bags), or expanded polystyrene foam (e.g., Styrofoam); is encased in an outer shipping container covered in shrink wrap or stretch wrap; is encased in a soft-sided pack (e.g., courier packs, poly bags, and bubble mailers) that exceeds 18 inches along its longest side or 13 inches along its second-longest side or 5 inches in height; is round or cylindrical, including (without limitation) mailing tubes, cans, buckets, barrels, tires, drums, or pails; is bound with metal, plastic, or cloth banding, or has wheels, casters, handles, or straps (e.g., a bicycle) (including packages where the outer surface area is loosely wrapped, or where the contents protrude outside the surface area); or that could become entangled in or cause damage to other packages or the FedEx sortation system.

# Additional Handling Rates

Year	UPS		FedEx   <i>Express and Ground</i>	
	Rate	% Increase	Rate	% Increase
2024	<b>Packages that exceed the weight limit:</b> Zone 2: \$34.50 per package	<b>Zone 2:</b> 18.97%	<b>Packages that exceed the weight limit:</b> Zone 2: \$34.50 per package	<b>Zone 2:</b> 18.97%
	Zones 3-4: \$37.50 per package	<b>Zones 3-4:</b> 19.05%	Zones 3-4: \$37.50 per package	<b>Zones 3-4:</b> 19.05%
	Zones 5+: \$41.50 per package	<b>Zones 5+:</b> 20.29%	Zones 5-6: \$40.00 per package Zones 7+: \$43.50 per package	<b>Zones 5-6:</b> 19.40% <b>Zones 7+:</b> 20.83%
	<b>Packages that exceed the dimensional limit:</b> Zone 2: \$22.00 per package	<b>Zone 2:</b> 18.92%	<b>Packages that exceed the dimensional limit:</b> Zone 2: \$22.00 per package	<b>Zone 2:</b> 18.92%
	Zones 3-4: \$24.50 per package	<b>Zones 3-4:</b> 19.51%	Zones 3-4: \$24.50 per package	<b>Zones 3-4:</b> 19.51%
	Zones 5+: \$28.25 per package	<b>Zones 5+:</b> 20.21%	Zones 5-6: \$27.00 per package Zones 7+: \$30.00 per package	<b>Zones 5-6:</b> 20.00% <b>Zones 7+:</b> 20.00%
	<b>Parcels with non-standard packaging:</b> Zone 2: \$19.50 per package	<b>Zone 2:</b> 18.18%	<b>Parcels with non-standard packaging:</b> Zone 2: \$19.50 per package	<b>Zone 2:</b> 18.18%
	Zones 3-4: \$23.00 per package	<b>Zones 3-4:</b> 21.05%	Zones 3-4: \$23.00 per package	<b>Zones 3-4:</b> 21.05%
	Zones 5+: \$24.50 per package	<b>Zones 5+:</b> 19.51%	Zones 5-6: \$24.00 per package Zones 7+: \$25.00 per package	<b>Zones 5-6:</b> 20.00% <b>Zones 7+:</b> 19.05%

# Additional Handling Rates

Year	UPS		FedEx   <i>Express and Ground</i>	
	Rate	% Increase	Rate	% Increase
2023	<b>Packages that exceed the weight limit:</b> Zone 2: \$29.00 per package	<b>Zone 2:</b> 14.85%	<b>Packages that exceed the weight limit:</b> Zone 2: \$29.00 per package	<b>Zone 2:</b> 14.85%
	Zones 3-4: \$31.50 per package	<b>Zones 3-4:</b> 14.55%	Zones 3-4: \$31.50 per package	<b>Zones 3-4:</b> 14.55%
	Zones 5+: \$34.50 per package	<b>Zones 5+:</b> 13.11%	Zones 5-6: \$33.50 per package Zones 7+: \$36.00 per package	<b>Zones 5-6:</b> 13.56% <b>Zones 7+:</b> 14.29%
	<b>Packages that exceed the dimensional limit:</b> Zone 2: \$18.50 per package	<b>Zone 2:</b> -17.46%	<b>Packages that exceed the dimensional limit:</b> Zone 2: \$18.50 per package	<b>Zone 2:</b> 17.46%
	Zones 3-4: \$20.50 per package	<b>Zones 3-4:</b> 17.14%	Zones 3-4: \$20.50 per package	<b>Zones 3-4:</b> 17.14%
	Zones 5+: \$23.50 per package	<b>Zones 5+:</b> 14.63%	Zones 5-6: \$22.50 per package Zones 7+: \$25.00 per package	<b>Zones 5-6:</b> 15.38% <b>Zones 7+:</b> 16.28%
	<b>Parcels with non-standard packaging:</b> Zone 2: \$16.50 per package	<b>Zone 2:</b> -17.86%	<b>Parcels with non-standard packaging:</b> Zone 2: \$16.50 per package	<b>Zone 2:</b> 17.86%
	Zones 3-4: \$19.00 per package	<b>Zones 3-4:</b> 18.75%	Zones 3-4: \$19.00 per package	<b>Zones 3-4:</b> 18.75%
	Zones 5+: \$20.50 per package	<b>Zones 5+:</b> 17.14%	Zones 5-6: \$20.00 per package Zones 7+: \$21.00 per package	<b>Zones 5-6:</b> 17.65% <b>Zones 7+:</b> 16.67%

# Additional Handling Rates

Year	UPS		FedEx   <i>Express and Ground</i>	
	Rate	% Increase	Rate	% Increase
<b>2022</b>	<b>Packages that exceed the weight limit:</b> Zone 2: \$25.25 per package Zones 3-4: \$27.50 per package Zones 5+: \$30.50 per package	<b>Zone 2:</b> -1% <b>Zones 3-4:</b> 7.84% <b>Zones 5+:</b> 19.61%	<b>Packages that exceed the weight limit:</b> Zone 2: \$25.25 per package Zones 3-4: \$27.50 per package Zones 5-6: \$29.50 per package Zones 7+: \$31.50 per package	<b>Zone 2:</b> -1% <b>Zones 3-4:</b> 7.84% <b>Zones 5-6:</b> 15.69% <b>Zones 7+:</b> 23.53%
	<b>Packages that exceed the dimensional limit:</b> Zone 2: \$15.75 per package Zones 3-4: \$17.50 per package Zones 5+: \$20.50 per package	<b>Zone 2:</b> -1.76% <b>Zones 3-4:</b> 9.38% <b>Zones 5+:</b> 28.13%	<b>Packages that exceed the dimensional limit:</b> Zone 2: \$15.75 per package Zones 3-4: \$17.50 per package Zones 5-6: \$19.50 per package Zones 7+: \$21.50 per package	<b>Zone 2:-</b> 1.56% <b>Zones 3-4:</b> 9.38% <b>Zones 5-6:</b> 21.88% <b>Zones 7+:</b> 34.38%
	<b>Parcels with non-standard packaging:</b> Zone 2: \$14.00 per package Zones 3-4: \$16.00 per package Zones 5+: \$17.50 per package	<b>Zone 2:</b> -8.20% <b>Zones 3-4:</b> 4.92% <b>Zones 5+:</b> 14.75%	<b>Parcels with non-standard packaging:</b> Zone 2: \$14.00 per package Zones 3-4: \$16.00 per package Zones 5-6: \$17.00 per package Zones 7+: \$18.00 per package	<b>Zone 2:</b> 0.0% <b>Zones 3-4:</b> 14.29% <b>Zones 5-6:</b> 21.43% <b>Zones 7+:</b> 28.57%
<b>2021</b>	\$25.50 for packages that exceed the weight limit	6.25%	\$25.50 for packages that exceed the weight limit	6.25%
	\$16 for packages that exceed the dimension limit	6.67%	\$16 for packages that exceed the dimension limit	6.67%
	\$15.25 for parcels with non-standard packaging	7.02%	\$14 for parcels with non-standard packaging	7.69%

## Address Corrections

Address corrections are applied at the carrier’s discretion when the shipper provides an incorrect or incomplete address. FedEx also adds this surcharge when the destination is a P.O. box or has a P.O. box Zip code.

Year	UPS		FedEx	
	Rate	% Increase	Rate	% Increase
<b>2024</b>	<b>\$21.00</b>	<b>7.69%</b>	<b>\$22.50</b>	<b>7.14%</b>
2023	\$19.50	22.26%	\$21.00	7.69%
2022	\$15.95	2.90%	\$19.50	8.33%
2021	\$15.50	5.89%	\$18.00	5.89%

## Residential Delivery Surcharge

This surcharge is applied to shipments going to homes or private residences, including businesses operated out of homes. This fee can also be added to any shipment where the shipper has designated the delivery address as a residence, regardless if it’s accurate or not.

Year	UPS		FedEx	
	Rate	% Increase	Rate	% Increase
<b>2023</b>	<b>Ground: \$5.55</b>	<b>7.62%</b>	<b>Home Delivery: \$5.55</b>	<b>7.77%</b>
	<b>Air: \$6.20</b>	<b>5.98%</b>	<b>Ground: \$5.55</b>	<b>0.91%</b>
			<b>Express: \$6.15</b>	<b>6.03%</b>
2023	Ground: \$5.25	8.25%	Home Delivery: \$5.15	8.42%
	Air: \$5.85	9.34%	Ground: \$5.50	5.77%
			Express: \$5.80	9.43%
2022	Ground: \$4.85	8.99%	Home Delivery: \$4.75	9.20%
	Air: \$5.35	7.00%	Ground: \$5.20	5.05%
			Express: \$5.30	7.70%
2021	Ground: \$4.45	8.53%	Home Delivery: \$4.35	8.75%
	Air: \$5.00	13.60%	Ground and Express: \$4.95	6.45%

# Delivery Area for Residential & Commercial Shipments

You'll see this surcharge appear on your invoice when packages are shipped to U.S. ZIP codes in non-urban areas.

Year	UPS		FedEx	
	Rate	% Increase	Rate	% Increase
2024	<b>Residential</b>		<b>Home Delivery</b>	
	Ground: \$5.70	7.55%	\$5.55	4.72%
	Air: \$5.85	5.41%	<b>Residential</b>	
	<b>Commercial</b>		Ground: \$5.70	7.55%
2023	<b>Commercial</b>		Express: \$5.85	5.41%
	Ground: \$3.95	6.76%	<b>Commercial</b>	
	Air: \$3.95	6.76%	Ground: \$3.95	6.76%
			Express: \$3.95	6.76%
2022	<b>Residential</b>		<b>Home Delivery</b>	
	Ground: \$5.30	10.42%	\$5.30	10.42%
	Air: \$5.55	6.73%	<b>Residential</b>	
	<b>Commercial</b>		Ground: \$5.30	10.42%
2021	<b>Commercial</b>		Express: \$5.55	6.73%
	Ground: \$3.70	8.82%	<b>Commercial</b>	
	Air: \$3.70	4.23%	Ground: \$3.70	8.82%
			Express: \$3.70	4.23%
2022	<b>Residential</b>		<b>Home Delivery</b>	
	Ground: \$4.80	11.62%	\$4.80	11.63%
	Air: \$5.20	10.64%	<b>Residential</b>	
	<b>Commercial</b>		Ground: \$4.80	2.13%
2021	<b>Commercial</b>		Express: \$5.20	10.64%
	Ground: \$3.40	9.68%	<b>Commercial</b>	
	Air: \$3.55	9.23%	Ground: \$3.40	9.68%
			Express: \$3.55	14.52%
2021	<b>Residential</b>		<b>Home Delivery</b>	
	Ground: \$4.30	7.50%	\$4.30	7.50%
	Air: \$4.70	6.81%	<b>Residential</b>	
	<b>Commercial</b>		Express: \$4.70	6.82%
2021	<b>Commercial</b>		<b>Commercial</b>	
	Ground: \$3.10	5.08%	Ground: \$3.10	5.08%
	Air: \$3.25	4.84%	Express: \$3.25	4.84%

# Extended Delivery Area for Residential & Commercial Shipments

This surcharge is applied to package shipments destined for select U.S. ZIP codes, particularly those in remote areas that are difficult or inconvenient for parcel carriers.

Year	UPS		FedEx	
	Rate	% Increase	Rate	% Increase
2024	<b>Residential</b> Ground: \$7.70 Air: \$7.70	7.69% 7.69%	<b>Residential</b> \$7.70	7.69%
	<b>Commercial</b> Ground: \$4.50 Air: \$4.50	8.89% 8.89%	<b>Commercial</b> Ground: \$4.90 Express: \$4.90	8.89% 8.89%
2023	<b>Residential</b> Ground: \$7.15 Air: \$7.15	10% 10%	<b>Residential</b> \$7.15	10%
	<b>Commercial</b> Ground: \$4.50 Air: \$4.50	9.75% 5.88%	<b>Commercial</b> Ground: \$4.50 Express: \$4.50	9.76% 5.88%
2022	<b>Residential</b> \$6.50	10.17%	<b>Residential</b> \$6.50	10.17%
	<b>Commercial</b> Ground: \$4.10 Air: \$4.25	10.81% 10.39%	<b>Commercial</b> Ground: \$4.10 Express: \$4.25	10.81% 10.39%
2021	<b>Residential</b> \$5.90	9.26%	<b>Residential</b> \$5.90	9.26%
	<b>Commercial</b> Ground: \$3.70 Air: \$3.85	7.25% 6.94%	<b>Commercial</b> Ground: \$3.70 Express: \$3.85	7.25% 6.94%

# Large & Oversize Packages

## UPS

UPS applies a surcharge to packages that exceed 108 inches in length, 150 pounds in weight or are over 165 inches in length and girth combined.

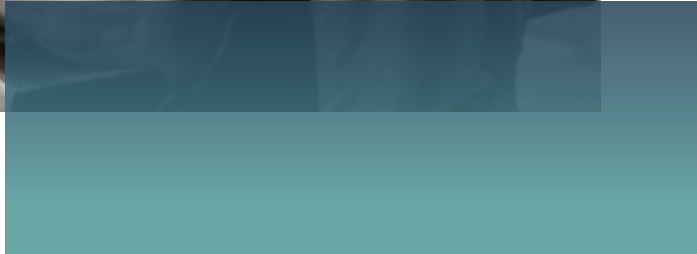
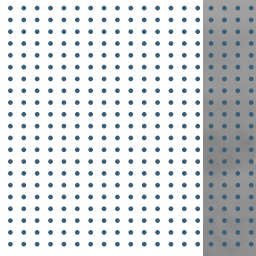
There are no limits to the total weight of your shipment or the total number of packages in your shipment, but those with a large size-to-weight ratio require special pricing and dimensional weight calculations.

## FedEx

FedEx applies a surcharge to packages that exceed 96 inches in length or 130 inches in length and girth. It's based on the package's actual rounded weight or dimensional weight, whichever is greater.

Packages are also subject to a 90-pound minimum billable weight.

Year	UPS		FedEx	
	Rate	% Increase	Rate	% Increase
2024	<b>Residential</b> Zone 2: \$190 Zones 3-4: \$205 Zones 5+: \$235	18.75% 20.59% 20.51%	<b>Home Delivery</b> Zone 2: \$190 Zones 3-4: \$205 Zones 5-6: \$230 Zones 7+: \$240	18.75% 20.59% 21.05% 20.00%
	<b>Commercial</b> Zone 2: \$160 Zones 3-4: \$175 Zones 5+: \$197.50	18.52% 20.69% 19.70%	<b>Express &amp; Ground</b> Zone 2: \$160 Zones 3-4: \$175 Zones 5-6: \$190 Zones 7+: \$205	18.52% 20.69% 18.75% 20.59%
2023	<b>Residential</b> Zone 2: \$160 Zones 3-4: \$170 Zones 5+: \$195	18.52% 17.24% 18.18%	<b>Home Delivery</b> Zone 2: \$160 Zones 3-4: \$170 Zones 5-6: \$190 Zones 7+: \$200	18.52% 17.24% 18.75% 17.65%
	<b>Commercial</b> Zone 2: \$135 Zones 3-4: \$145 Zones 5+: \$165	22.73% 20.83% 17.88%	<b>Express &amp; Ground</b> Zone 2: \$135 Zones 3-4: \$145 Zones 5-6: \$160 Zones 7+: \$170	22.73% 20.83% 18.52% 17.24%
2022	<b>Residential</b> Zone 2: \$135 Zones 3-4: \$145 Zones 5+: \$165	3.85% 11.54% 26.92%	<b>Home Delivery</b> Zone 2: \$135 Zones 3-4: \$145 Zones 5-6: \$160 Zones 7+: \$170	3.85% 11.54% 23.08% 30.77%
	<b>Commercial</b> Zone 2: \$110 Zones 3-4: \$120 Zones 5+: \$140	4.76% 14.93% 33.33%	<b>Express &amp; Ground</b> Zone 2: \$110 Zones 3-4: \$120 Zones 5-6: \$135 Zones 7+: \$145	4.76% 14.29% 28.57% 38.10%
2021	<b>Residential</b> \$130.00	8.33%	<b>Residential</b> \$130.00	8.33%
	<b>Commercial</b> \$105.00	5.00%	<b>Express &amp; Ground</b> \$105.00	5.00%



# Peak Season

To no one's surprise, both FedEx and UPS once again applied additional charges on shipments made during the "busy season" of October 2023 to January 2024. Some highlights to be aware of include:

- Last year, the peak/holiday season "additional handling" charge from FedEx for U.S. Express Package Services, U.S. Ground Services, and International Ground Service was an additional \$3.45 per package. This year, that charge has more than doubled to \$6.95 per package.
- The "oversize" charge by FedEx for the peak season last year for these same services was \$39.50 per package; this year it's \$73 per package. That's an 85% increase!
- The "additional handling" fee added by UPS has also more than doubled, going from \$3.50 per package in last year's peak season to \$6.90 this year.
- Large package or oversize package charges have also been increased dramatically by UPS, going from \$40.00 per package to \$74.90 this year.
- There is a new \$410 per package charge levied by UPS on packages that are over the stated maximums.

## Peak Season (continued)

The surcharges are spelled out in detail below, but the biggest takeaway is that the practice of adding expensive surcharges to every shipment made during this season is here to stay, regardless of volume or the health of the shipping business. This further highlights just how intricate and difficult to discern true shipping costs are. It also brings into focus the need for many businesses to rethink how they market to consumers during peak demand times, as it may be beneficial to nudge them to purchase gifts before these surcharges kick in.

**Help is needed to determine how this complex web of variables translates into your company's expenses - and to learn what can be done to offset them through negotiation and process changes. Reveel understands that in order to accomplish this data science is needed.**



# UPS Demand Surcharges

Effective Dates: October 1, 2023 - January 13, 2024

Surcharge	Price	Services
<b>Additional Handling</b>	\$6.90 per package	All
<b>Large Package</b>	\$74.90 per package	All
<b>Over Maximum Limits</b>	\$410.00 per package	All



## UPS Volume Surcharges

These fees apply to qualifying customers who shipped more than 20,000 packages during any week following October 2021. Previously, the threshold was more than 25,000 packages during the same timeframe.

Effective Dates: October 29, 2023 - January 13, 2024						
Service	>105% - 125% of Baseline Volume	>125% - 150% of Baseline Volume	>150% - 200% of Baseline Volume	>200% - 300% of Baseline Volume	>300% - 400% of Baseline Volume	>400% of Baseline Volume
<b>SurePost</b>	\$1.35 per package	\$1.85 per package	\$2.15 per package	\$2.60 per package	\$4.45 per package	\$6.40 per package
<b>Ground Residential</b>	\$1.35 per package	\$1.85 per package	\$2.15 per package	\$2.60 per package	\$4.45 per package	\$6.40 per package
<b>Next Day Air Residential</b>	\$2.40 per package	\$2.90 per package	\$3.20 per package	\$3.65 per package	\$5.50 per package	\$7.50 per package
<b>All other Air Residential</b>	\$2.40 per package	\$2.90 per package	\$3.20 per package	\$3.65 per package	\$5.50 per package	\$7.50 per package

# FedEx Demand Surcharges

Surcharge	Price	Services	Effective Dates
<b>Demand Oversize Charge</b>	\$73.00 per package	U.S. Express Package Services, U.S.	Oct 2, 2023 - Jan 14, 2024
	\$20.00 per package	Ground Services, International Ground Service	Jan 15, 2024 until further notice
<b>Demand Ground Unauthorized Package Charge</b>	\$410.00 per package	U.S. Ground Services, International Ground Service	Oct 2, 2023 - Jan 14, 2024
<b>Demand Additional Handling Surcharge</b>	\$6.95 per package	U.S. Express Package Services, U.S.	Oct 2, 2023 - Jan 14, 2024
	\$2.00 per package	Ground Services, International Ground Service	Jan 15, 2024 until further notice
<b>Demand Surcharge</b>	\$1.60 per package		October 30, 2023 - November 26, 2023
	\$2.60 per package	FedEx Ground® Economy Package Services	November 27, 2023 - December 10, 2023
	\$1.60 per package		December 11, 2023 - January 14, 2024
<b>Demand Residential Delivery Charge</b>	Charge based on Demand Volume Surcharge (Below)	FedEx Express, FedEx Ground U.S. domestic residential packages (excluding FedEx Ground Economy, and FedEx One Rate® packages).	October 30, 2023 - January 14, 2024

# FedEx Demand Volume Surcharges

These fees apply to qualifying customers who shipped more than 20,000 packages during a calculation week (October 9, 2023 – January 14, 2024).

Effective Dates: October 9, 2023 – January 14, 2024						
Service	>105% - 125% Increase	>125% - 150% Increase	>150% - 200% Increase	>200% - 300% Increase	>300% - 400% Increase	>400% Increase
<b>FedEx Ground</b>	\$1.35 per package	\$1.85 per package	\$2.10 per package	\$2.65 per package	\$4.50 per package	\$6.35 per package
<b>FedEx Express</b>	\$2.40 per package	\$2.90 per package	\$3.15 per package	\$3.70 per package	\$5.55 per package	\$7.40 per package

# FedEx Fuel Surcharges

The fuel surcharge percentage FedEx charges for Express services and the charge per pound for U.S. Domestic Express freight services are based on the weekly published U.S. Gulf Coast spot price for a gallon of kerosene-type jet fuel. The fuel surcharge percentage for Ground services is based on the national U.S. on-highway average price for a gallon of diesel fuel, while the percentage for Freight services is based on the national U.S. on-highway average price for a gallon of diesel fuel. These are adjusted weekly by FedEx, based on costs. The easiest way to remain up-to-date on the current fuel surcharges is to monitor FedEx’ fuel [website](#).

# UPS Fuel Surcharges

UPS Ground Domestic fuel surcharges are based on the national U.S. average on-highway diesel fuel price, while Domestic Air fuel surcharges are based on the national average U.S. Gulf Coast jet fuel price. These are also adjusted weekly, and updates can be reviewed at UPS’ fuel surcharge [website](#) and this [document](#).

# Even Smaller Increases Have An Oversized Impact

These annual increases and rate changes will impact your business - and countering them requires immediate action. Luckily, there's something you can do about it.

Use Reveel's Shipping Intelligence Platform to:

- Understand what the true financial impact of these increases are
- Forecast how these changes will affect your shipping costs
- Audit your invoices to recoup any and all refunds
- Give yourself the information you need to negotiate better and improve your bottom line, without impacting service

**Sign up for the FREE version of the Shipping Intelligence platform today.**

**Request a Demo Today >**



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