



*your guide to the
2020 FedEx and UPS rate increases*

new year, new rates

FedEx and UPS are making changes that will affect your shipping costs in 2020. Not only are they increasing their rates, but they're also making adjustments to some of their fees – both of which you'll want to educate yourself on so you can budget appropriately.

Here are some quick highlights of the changes for 2020:

- UPS Air and UPS Ground rates are increasing an average of 4.9% on December 29, 2019.
- FedEx Express, FedEx Ground, and FedEx Home Delivery rates are increasing an average of 4.9% on January 6, 2020.
- Beginning in January 2020, both UPS and FedEx will be operating 7 days a week year-round.
- The weight threshold for Additional Handling is changing to 50 pounds from 70 pounds.
- The list of ZIP codes to which Delivery Area Surcharges and Extended Area Surcharges apply is being updated.





snapshot of the industry

Before we dive into where we're going, it's important to understand where we've been. FedEx and UPS have a history of announcing similar average rate increases and instituting similar pricing strategies.

This is the third year in a row that the announced average increase is 4.9% across the board for both carriers. Even though this has become standard in recent years, there are still some not-so-standard changes coming from FedEx and UPS. Every year the carriers become more creative in how they can increase their profits – including using dimensional weight pricing, adding new peak season surcharges, and increasing the fees for larger packages.

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Many of the changes FedEx and UPS have made in recent years are largely due to the rise of e-commerce. Online shopping and the “Amazon effect” have had a profound impact on the way these carriers have to operate. For one, customer expectations have shifted. More now than ever, customers expect faster deliveries and added convenience.

In response, both carriers have partnered with prominent retail chains like Walgreens and CVS to offer more convenient pick-up and drop-off locations. FedEx and UPS have also announced that they will be operating 7 days a week beginning in 2020. This will help ensure they can meet those faster delivery expectations.





Additionally, the characteristics of the average package that these carriers see go through their networks has changed. There are more residential deliveries than ever before and an increased amount of larger items are being shipped directly to consumers via parcel services. These types of shipments are more costly to FedEx and UPS because they require more stops and special handling. The changes they've made in recent years and the changes you can expect to see in the coming years will continue to address these industry changes.

your rates will vary

Unfortunately, you can't simply budget for your small package costs to go up 4.9% in 2020, as the averages are just that – averages. As always, how much more expensive your packages will be in the new year depends on many factors, including volume, size, weight, and zone.

The average rate increase announced by FedEx and UPS is arrived at by larger rate increases on certain shipment types and lower increases on others. There are also changes to surcharges that aren't included in those averages that could drive your costs way up. Several factors will determine your real rate increase impact in 2020. You will need to take into account your package characteristics, the services you use, and the zones you ship to.



ground rates

FedEx Ground rates and UPS Ground rates are nearly identical. While the average increase is 4.9%, higher increases can be found when looking at packages weighing between 5 and 60 pounds for most zones.

FedEx Ground and FedEx Home Delivery 2020 U.S. Base Rates

Delivery Commitment: 1-5 days based on distance to destination

Max Wt (lbs.)	Zone 2		Zone 3		Zone 4		Zone 5		Zone 6		Zone 7		Zone 8	
1	\$8.23	4.8%	\$8.58	4.3%	\$9.35	4.4%	\$9.76	4.3%	\$10.10	4.3%	\$10.22	4.3%	\$10.39	4.3%
2	\$8.89	4.3%	\$9.89	4.3%	\$10.59	4.3%	\$10.82	4.3%	\$11.29	4.3%	\$11.72	4.3%	\$11.92	4.3%
3	\$9.25	4.3%	\$10.32	4.3%	\$11.16	4.3%	\$11.62	4.3%	\$12.09	4.3%	\$12.50	4.3%	\$13.11	4.3%
4	\$9.52	4.3%	\$10.48	4.3%	\$11.51	4.3%	\$12.26	4.3%	\$12.60	4.3%	\$13.42	4.3%	\$14.05	4.3%
5	\$9.87	5.3%	\$10.96	5.3%	\$12.03	5.3%	\$12.92	5.3%	\$13.48	5.3%	\$14.17	5.3%	\$14.97	5.3%
6	\$10.19	5.3%	\$11.26	5.3%	\$12.32	5.3%	\$13.30	5.3%	\$13.79	5.3%	\$14.54	5.3%	\$15.25	5.3%
7	\$10.77	5.3%	\$11.53	5.3%	\$12.64	5.3%	\$13.72	5.3%	\$14.05	5.3%	\$14.93	5.3%	\$15.98	5.3%
8	\$10.98	5.3%	\$11.84	5.3%	\$12.97	5.3%	\$13.98	5.3%	\$14.47	5.3%	\$15.38	5.3%	\$16.52	5.3%
9	\$11.15	5.3%	\$12.00	5.3%	\$13.14	5.3%	\$14.10	5.3%	\$14.78	5.3%	\$16.02	5.3%	\$17.40	5.3%
10	\$11.41	5.3%	\$12.12	5.3%	\$13.27	5.3%	\$14.49	5.3%	\$15.09	5.3%	\$16.95	5.3%	\$18.55	5.3%
20	\$13.67	4.5%	\$15.41	4.5%	\$15.74	4.5%	\$19.19	5.5%	\$22.34	5.5%	\$27.19	5.5%	\$30.57	5.5%
30	\$16.73	5.5%	\$19.63	5.5%	\$21.78	5.5%	\$25.84	5.5%	\$31.66	5.5%	\$37.13	5.5%	\$43.33	4.5%
40	\$19.10	5.7%	\$23.31	5.7%	\$26.44	5.7%	\$31.87	5.7%	\$39.48	4.7%	\$46.39	5.7%	\$53.82	4.7%
50	\$20.77	5.7%	\$25.98	5.7%	\$30.76	5.7%	\$37.30	5.7%	\$46.61	4.8%	\$56.20	5.7%	\$62.46	4.7%
60	\$21.83	5.8%	\$27.24	5.8%	\$32.27	5.8%	\$40.78	5.8%	\$47.89	4.8%	\$56.70	4.8%	\$67.30	4.8%
70	\$24.62	4.8%	\$31.90	5.8%	\$36.51	5.8%	\$44.77	5.8%	\$52.20	4.8%	\$59.35	4.8%	\$71.00	4.8%
80	\$33.27	4.8%	\$38.49	5.8%	\$41.66	4.8%	\$49.92	4.8%	\$58.86	4.8%	\$68.98	4.8%	\$73.57	4.8%
100	\$54.44	4.8%	\$54.92	4.8%	\$59.26	4.8%	\$63.62	4.8%	\$72.88	4.8%	\$80.58	4.8%	\$88.77	4.8%
125	\$72.00	4.5%	\$72.19	4.5%	\$76.16	4.5%	\$78.72	4.5%	\$87.85	4.5%	\$96.08	4.5%	\$107.12	4.5%
150	\$88.67	4.5%	\$91.08	4.5%	\$96.93	4.5%	\$98.57	4.5%	\$105.49	4.5%	\$113.73	4.5%	\$128.12	4.5%

Rate increases that are higher than the announced 4.9% average.

your guide to the 2020 FedEx and UPS rate increases

UPS Ground 2020 U.S. Base Rates

Delivery Commitment: 1-5 days based on distance to destination

Max Wt (lbs.)	Zone 2		Zone 3		Zone 4		Zone 5		Zone 6		Zone 7		Zone 8	
1	\$8.23	4.8%	\$8.65	0.0%	\$9.35	4.4%	\$9.76	4.3%	\$10.10	4.3%	\$10.22	4.3%	\$10.39	4.3%
2	\$8.89	2.8%	\$9.89	4.3%	\$10.59	4.3%	\$10.82	4.3%	\$11.29	4.3%	\$11.72	4.3%	\$11.92	4.3%
3	\$9.25	4.3%	\$10.32	4.3%	\$11.16	4.3%	\$11.62	4.3%	\$12.09	4.3%	\$12.50	4.3%	\$13.11	4.3%
4	\$9.52	4.3%	\$10.48	4.3%	\$11.51	2.4%	\$12.26	4.3%	\$12.60	4.3%	\$13.42	4.3%	\$14.05	4.3%
5	\$9.87	5.3%	\$10.96	5.3%	\$12.03	3.1%	\$12.92	5.3%	\$13.48	5.3%	\$14.17	5.3%	\$14.97	5.3%
6	\$10.19	5.3%	\$11.26	5.3%	\$12.32	2.6%	\$13.30	5.3%	\$13.79	5.3%	\$14.54	5.3%	\$15.25	5.3%
7	\$10.77	5.3%	\$11.53	5.3%	\$12.64	3.5%	\$13.72	5.3%	\$14.05	5.3%	\$14.93	5.3%	\$15.98	5.3%
8	\$10.98	5.3%	\$11.84	5.3%	\$12.97	3.7%	\$13.98	5.3%	\$14.47	5.3%	\$15.38	5.3%	\$16.52	5.3%
9	\$11.15	5.3%	\$12.00	5.3%	\$13.14	4.1%	\$14.10	5.3%	\$14.78	5.3%	\$16.02	5.3%	\$17.40	5.3%
10	\$11.41	5.3%	\$12.12	5.3%	\$13.27	4.1%	\$14.49	5.3%	\$15.09	5.3%	\$16.95	5.3%	\$18.55	5.3%
20	\$13.64	4.5%	\$15.38	4.5%	\$15.71	4.5%	\$19.15	5.5%	\$22.30	5.5%	\$27.14	5.5%	\$30.51	5.5%
30	\$16.70	5.5%	\$19.59	5.5%	\$21.74	5.5%	\$25.79	5.5%	\$31.60	5.5%	\$37.06	5.5%	\$43.25	4.5%
40	\$19.06	5.7%	\$23.27	5.7%	\$26.39	5.7%	\$31.81	5.7%	\$39.40	4.7%	\$46.30	5.7%	\$53.72	4.7%
50	\$20.73	5.7%	\$25.93	5.7%	\$30.70	5.7%	\$37.23	5.7%	\$46.52	4.8%	\$56.09	5.7%	\$62.34	4.7%
60	\$21.79	5.8%	\$27.19	5.8%	\$32.21	5.8%	\$40.70	5.8%	\$47.80	4.8%	\$56.59	4.8%	\$67.17	4.8%
70	\$24.57	4.8%	\$31.84	5.8%	\$36.44	5.8%	\$44.69	5.8%	\$52.10	4.8%	\$59.24	4.8%	\$70.86	4.8%
80	\$33.27	4.8%	\$38.49	5.8%	\$41.66	4.8%	\$49.92	4.8%	\$58.86	4.8%	\$68.98	4.8%	\$73.57	4.8%
100	\$54.44	4.8%	\$54.92	4.8%	\$59.26	4.8%	\$63.69	4.8%	\$72.96	4.8%	\$80.58	4.8%	\$88.77	4.8%
125	\$72.00	4.5%	\$72.19	4.5%	\$76.36	4.5%	\$79.10	4.5%	\$88.28	4.5%	\$96.56	4.5%	\$107.65	4.5%
150	\$88.67	4.5%	\$91.10	4.5%	\$97.19	4.5%	\$98.82	4.5%	\$105.76	4.5%	\$114.02	4.5%	\$128.45	4.5%

Rate increases that are higher than the announced 4.9% average.

next day air rates (priority services)

For priority services, you'll find the highest increases in zones 7/107 and zones 8/108 – with the highest topping out at 7.9%.

FedEx Priority Overnight 2020 Standard List Rates

Next day delivery by 10:30 a.m.

Max Wt (lbs.)	Zone 2		Zone 3		Zone 4		Zone 5		Zone 6		Zone 7		Zone 8	
FedEx® Envelope up to 8 oz.	\$25.35	3.9%	\$30.48	4.9%	\$38.90	4.9%	\$41.60	6.3%	\$42.44	6.9%	\$46.70	7.9%	\$48.84	7.9%
1	\$30.31	3.9%	\$44.88	3.9%	\$58.69	4.9%	\$65.75	4.9%	\$69.22	4.9%	\$77.80	6.9%	\$79.95	6.9%
2	\$30.71	3.9%	\$45.45	3.9%	\$64.09	4.9%	\$70.59	4.9%	\$76.14	4.9%	\$81.00	6.9%	\$89.30	6.9%
3	\$34.38	3.9%	\$50.06	3.9%	\$70.97	4.9%	\$80.68	4.9%	\$86.76	4.9%	\$94.28	6.9%	\$97.63	6.9%
4	\$37.06	3.9%	\$52.45	3.9%	\$79.38	4.9%	\$88.34	4.9%	\$91.56	4.9%	\$102.39	6.9%	\$106.24	6.9%
5	\$37.87	3.9%	\$52.69	3.9%	\$81.05	4.9%	\$89.13	4.9%	\$92.93	4.9%	\$103.81	6.9%	\$107.72	6.9%
10	\$44.74	3.9%	\$62.57	3.9%	\$106.78	4.9%	\$119.92	4.9%	\$124.94	4.9%	\$135.30	6.9%	\$141.66	6.9%
20	\$63.51	3.9%	\$90.11	3.9%	\$165.89	4.9%	\$182.78	4.9%	\$187.75	4.9%	\$202.26	6.9%	\$207.27	6.9%
30	\$79.14	3.9%	\$110.76	3.9%	\$221.85	4.9%	\$238.16	4.9%	\$245.30	4.9%	\$265.79	6.9%	\$279.27	6.9%
40	\$95.22	3.9%	\$136.72	3.9%	\$272.26	4.9%	\$292.63	4.9%	\$303.73	4.9%	\$325.70	6.6%	\$332.22	6.9%
50	\$116.70	3.9%	\$164.21	3.9%	\$308.30	4.9%	\$339.09	4.9%	\$349.39	4.9%	\$373.05	6.9%	\$394.10	6.9%
60	\$146.37	3.9%	\$211.59	3.9%	\$376.36	4.9%	\$416.79	4.9%	\$430.89	4.9%	\$469.06	5.9%	\$478.45	6.9%
70	\$171.42	3.9%	\$251.05	3.9%	\$433.75	4.9%	\$477.81	3.9%	\$487.37	4.9%	\$545.55	6.9%	\$580.13	6.9%
100	\$240.00	2.6%	\$335.00	2.8%	\$602.00	2.7%	\$657.00	3.8%	\$671.00	4.8%	\$793.00	6.9%	\$831.00	7.8%
125	\$300.00	2.6%	\$418.75	2.8%	\$752.50	2.7%	\$821.25	3.8%	\$838.75	4.8%	\$991.25	6.9%	\$1,038.75	7.8%
150	\$360.00	2.6%	\$502.50	2.8%	\$903.00	2.7%	\$985.50	3.8%	\$1,006.50	4.8%	\$1,189.50	6.9%	\$1,246.50	7.8%

Rate increases that are higher than the announced 4.9% average.

your guide to the 2020 FedEx and UPS rate increases

UPS Next Day Air 2020 Daily Rates

Next business day delivery by 10:30 a.m., 12:00 noon, or end of day, depending on destination

Zones	102		103		104		105		106		107		108	
Letter	\$25.60	3.9%	\$30.79	4.9%	\$39.28	4.9%	\$42.02	6.3%	\$42.87	6.9%	\$47.17	7.9%	\$49.32	7.9%
1 Lbs.	\$30.62	3.9%	\$45.33	3.9%	\$59.28	4.9%	\$66.41	4.9%	\$69.92	4.9%	\$78.59	6.9%	\$80.73	6.9%
2	\$31.03	3.9%	\$45.92	3.9%	\$64.74	4.9%	\$71.30	4.9%	\$76.91	4.9%	\$81.83	6.9%	\$90.21	6.9%
3	\$34.73	3.9%	\$50.57	3.9%	\$71.69	4.9%	\$81.50	4.9%	\$87.63	4.9%	\$95.23	6.9%	\$98.61	6.9%
4	\$37.44	3.9%	\$52.98	3.9%	\$80.19	4.9%	\$89.23	4.9%	\$92.48	4.9%	\$103.43	6.9%	\$107.31	6.9%
5	\$38.25	3.9%	\$53.23	3.9%	\$81.86	4.9%	\$90.03	4.9%	\$93.86	4.9%	\$104.75	6.9%	\$108.38	6.9%
10	\$45.20	3.9%	\$63.20	3.9%	\$107.86	4.9%	\$120.42	4.9%	\$126.19	4.9%	\$136.67	6.9%	\$143.09	6.9%
20	\$64.01	3.9%	\$91.02	3.9%	\$166.07	4.9%	\$182.97	4.9%	\$189.62	4.9%	\$204.29	6.9%	\$208.53	6.9%
30	\$79.61	3.9%	\$111.88	3.9%	\$222.92	4.9%	\$239.31	4.9%	\$247.52	4.9%	\$267.60	6.9%	\$281.16	6.9%
40	\$96.18	3.9%	\$138.09	3.9%	\$273.57	4.9%	\$294.59	4.9%	\$306.77	4.9%	\$329.96	6.9%	\$335.55	6.9%
50	\$117.11	3.9%	\$165.85	3.9%	\$310.03	4.9%	\$340.71	4.9%	\$352.87	4.9%	\$375.59	6.9%	\$398.06	6.9%
60	\$146.37	3.9%	\$211.58	3.9%	\$376.35	4.9%	\$416.78	4.9%	\$430.88	4.9%	\$473.71	6.9%	\$478.46	6.9%
70	\$171.42	3.9%	\$251.04	3.9%	\$433.73	4.9%	\$482.52	4.9%	\$487.36	4.9%	\$545.56	6.9%	\$580.14	6.9%
100	\$242.21	2.6%	\$338.35	2.8%	\$608.02	2.7%	\$663.57	3.8%	\$677.71	4.8%	\$793.20	6.9%	\$831.00	7.8%
125	\$302.76	2.6%	\$422.95	2.8%	\$760.04	2.7%	\$829.46	3.8%	\$847.14	4.8%	\$991.25	6.9%	\$1,038.75	7.8%
150	\$363.31	2.6%	\$507.53	2.8%	\$912.03	2.7%	\$995.37	3.8%	\$1,016.57	4.8%	\$1,189.50	6.9%	\$1,246.50	7.8%

Rate increases that are higher than the announced 4.9% average.

next day air rates (standard/saver services)

In general for next day air services, the farther out your package is being sent, the higher the rate increase. While the majority of the increases in zone 2/132 are around 3.9%, the majority of the increases in zone 8/138 are around 6.9%.

FedEx Standard Overnight 2020 Standard List Rates

Next day delivery by 3:00 p.m.

Max Wt (lbs.)	Zone 2		Zone 3		Zone 4		Zone 5		Zone 6		Zone 7		Zone 8	
FedEx® Envelope up to 8 oz.	\$24.85	3.8%	\$29.88	4.6%	\$37.22	4.9%	\$39.97	5.9%	\$40.77	6.9%	\$44.26	7.9%	\$46.28	7.9%
1	\$28.24	3.9%	\$38.48	3.9%	\$52.31	4.9%	\$58.71	4.9%	\$63.63	4.9%	\$69.16	6.9%	\$72.91	6.9%
2	\$29.82	3.9%	\$40.77	3.9%	\$59.00	4.9%	\$64.97	4.9%	\$71.85	4.9%	\$76.24	6.9%	\$81.36	6.9%
3	\$32.41	3.9%	\$43.12	3.9%	\$65.44	4.9%	\$71.98	4.9%	\$76.79	4.9%	\$83.91	6.9%	\$88.94	6.9%
4	\$34.96	3.9%	\$45.72	3.9%	\$70.89	4.9%	\$78.88	4.9%	\$87.03	4.9%	\$91.31	6.9%	\$97.38	6.9%
5	\$35.58	3.9%	\$46.12	3.9%	\$75.41	4.9%	\$85.76	4.9%	\$88.95	4.9%	\$93.32	6.9%	\$98.57	6.9%
10	\$42.41	3.9%	\$61.17	3.9%	\$102.88	4.9%	\$114.34	4.9%	\$119.70	4.9%	\$129.62	6.9%	\$135.72	6.9%
20	\$59.22	3.9%	\$85.69	3.9%	\$158.95	4.9%	\$175.14	4.9%	\$180.23	4.9%	\$194.18	6.9%	\$198.62	6.9%
30	\$74.63	3.9%	\$105.34	3.9%	\$209.29	4.9%	\$231.52	4.9%	\$239.01	4.9%	\$259.38	6.9%	\$272.86	6.9%
40	\$91.29	3.9%	\$127.57	3.9%	\$258.32	4.9%	\$285.99	4.9%	\$297.44	4.9%	\$314.88	6.9%	\$325.70	6.9%
50	\$108.26	3.9%	\$152.54	3.9%	\$293.37	4.9%	\$332.44	4.9%	\$342.53	4.7%	\$365.46	6.9%	\$386.37	6.5%
60	\$128.05	3.9%	\$187.04	3.9%	\$356.30	4.9%	\$408.61	4.9%	\$420.91	4.9%	\$458.80	6.4%	\$467.98	6.9%
70	\$155.23	3.9%	\$224.82	3.9%	\$411.63	4.9%	\$467.62	3.9%	\$476.98	4.9%	\$529.64	6.9%	\$560.73	5.9%
100	\$222.00	3.7%	\$328.00	3.8%	\$590.00	2.3%	\$644.00	3.2%	\$657.00	4.1%	\$775.00	6.9%	\$810.00	6.9%
125	\$277.50	3.7%	\$410.00	3.8%	\$737.50	2.3%	\$805.00	3.2%	\$821.25	4.1%	\$968.75	6.9%	\$1,012.50	6.9%
150	\$333.00	3.7%	\$492.00	3.8%	\$885.00	2.3%	\$966.00	3.2%	\$985.50	4.1%	\$1,162.50	6.9%	\$1,215.00	6.9%

Rate increases that are higher than the announced 4.9% average.

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UPS Next Day Air Saver 2020 Daily Rates

Next business day delivery by 3:00 or 4:30 p.m. where UPS Next Day Air® delivery is committed by 10:30 a.m. or 12:00 noon, respectively

Zones	132		133		134		135		136		137		138	
Letter	\$25.02	3.8%	\$30.08	4.6%	\$37.59	4.9%	\$40.38	5.9%	\$41.18	6.9%	\$44.71	7.9%	\$46.75	7.9%
1 Lbs.	\$28.39	3.9%	\$40.22	3.9%	\$53.37	4.9%	\$59.30	4.9%	\$64.10	4.9%	\$70.16	6.9%	\$73.28	6.9%
2	\$29.98	3.9%	\$41.10	3.9%	\$60.19	4.9%	\$65.63	4.9%	\$72.40	4.9%	\$76.80	6.9%	\$81.77	6.9%
3	\$32.59	3.9%	\$45.08	3.9%	\$66.75	4.9%	\$72.77	4.9%	\$78.25	4.9%	\$85.03	6.9%	\$89.39	6.9%
4	\$35.14	3.9%	\$47.31	3.9%	\$72.31	4.9%	\$79.68	4.9%	\$87.67	4.9%	\$92.35	6.9%	\$97.88	6.9%
5	\$35.78	3.9%	\$47.53	3.9%	\$76.92	4.9%	\$86.63	4.9%	\$91.53	4.9%	\$96.03	6.9%	\$101.43	6.9%
10	\$42.62	3.9%	\$61.78	3.9%	\$105.87	4.9%	\$117.65	4.9%	\$123.17	4.9%	\$133.38	6.9%	\$139.64	6.9%
20	\$59.53	3.9%	\$86.13	3.9%	\$162.74	4.9%	\$179.08	4.9%	\$185.46	4.9%	\$199.80	6.9%	\$204.30	6.9%
30	\$75.01	3.9%	\$106.17	3.9%	\$212.54	4.9%	\$232.68	4.9%	\$241.41	4.9%	\$261.66	6.9%	\$275.27	6.9%
40	\$91.76	3.9%	\$128.22	3.9%	\$262.33	4.9%	\$287.43	4.9%	\$300.11	4.9%	\$316.46	6.9%	\$327.94	6.9%
50	\$108.81	3.9%	\$153.31	3.9%	\$299.21	4.9%	\$335.16	4.9%	\$346.23	4.9%	\$367.30	6.9%	\$390.53	6.9%
60	\$130.70	3.9%	\$188.93	3.9%	\$358.09	4.9%	\$410.85	4.9%	\$423.02	4.9%	\$463.32	6.9%	\$470.33	6.9%
70	\$156.02	3.9%	\$225.96	3.9%	\$415.76	4.9%	\$474.61	4.9%	\$479.37	4.9%	\$532.30	6.9%	\$569.12	6.9%
100	\$223.77	3.7%	\$331.28	3.8%	\$595.90	2.3%	\$651.45	3.2%	\$666.36	4.5%	\$778.91	6.9%	\$814.36	6.9%
125	\$279.19	3.7%	\$414.10	3.8%	\$744.88	2.3%	\$814.30	3.2%	\$829.93	4.1%	\$973.60	6.9%	\$1,017.57	6.9%
150	\$335.01	3.7%	\$496.92	3.8%	\$893.86	2.3%	\$970.74	3.2%	\$995.92	4.1%	\$1,168.32	6.9%	\$1,221.09	6.9%

Rate increases that are higher than the announced 4.9% average.

second day air rates

For the package weights we evaluated, many are right in line with the announced average at 4.9%. However, zones 5/205 - zones 8/208 are increasing a bit higher.

FedEx 2Day 2020 Standard List Rates

Two day delivery by 4:30 p.m.

Max Wt (lbs.)	Zone 2		Zone 3		Zone 4		Zone 5		Zone 6		Zone 7		Zone 8	
FedEx® Envelope up to 8 oz.	**		**		**		**		**		**		**	
1	\$19.11	4.9%	\$19.92	4.9%	\$20.77	4.9%	\$23.76	5.9%	\$28.93	5.9%	\$30.85	6.9%	\$31.49	6.9%
2	\$19.88	4.9%	\$20.90	4.9%	\$21.58	4.9%	\$25.81	5.9%	\$32.61	5.9%	\$36.20	6.9%	\$38.10	6.9%
3	\$20.21	4.9%	\$21.58	4.9%	\$22.84	4.9%	\$28.42	5.9%	\$37.47	5.9%	\$41.93	6.9%	\$43.71	6.9%
4	\$20.82	4.9%	\$22.32	4.9%	\$24.72	4.9%	\$33.18	5.9%	\$43.30	5.9%	\$47.88	6.9%	\$49.74	6.9%
5	\$21.45	4.9%	\$23.05	4.9%	\$26.88	4.9%	\$36.86	5.9%	\$48.36	5.9%	\$53.35	6.9%	\$56.59	6.9%
10	\$25.71	4.9%	\$31.87	4.9%	\$39.55	4.9%	\$55.02	5.9%	\$77.70	5.9%	\$86.47	6.9%	\$89.19	6.9%
20	\$40.27	4.9%	\$47.43	4.9%	\$61.08	4.9%	\$88.24	5.9%	\$131.16	5.9%	\$143.29	6.9%	\$147.79	6.9%
30	\$53.10	4.9%	\$64.51	4.9%	\$82.22	4.9%	\$119.96	5.9%	\$179.88	5.9%	\$197.38	6.9%	\$204.13	6.9%
40	\$66.39	4.9%	\$81.37	4.9%	\$103.88	4.9%	\$150.84	5.9%	\$233.79	5.9%	\$254.56	6.9%	\$262.05	6.9%
50	\$78.30	4.9%	\$95.86	4.9%	\$123.20	4.9%	\$167.16	5.9%	\$283.20	5.9%	\$295.58	3.8%	\$301.50	4.8%
60	\$91.52	4.9%	\$111.67	4.9%	\$145.69	4.9%	\$202.49	5.9%	\$340.08	5.9%	\$349.22	3.8%	\$356.21	4.8%
70	\$104.39	4.9%	\$135.87	4.9%	\$159.82	4.9%	\$234.28	5.9%	\$381.44	5.7%	\$393.61	3.8%	\$401.49	4.8%
100	\$146.00	4.3%	\$181.00	7.7%	\$234.00	4.9%	\$330.00	5.8%	\$530.00	5.8%	\$599.00	7.7%	\$618.00	5.6%
125	\$182.50	4.3%	\$226.25	7.7%	\$292.50	4.9%	\$412.50	5.8%	\$662.50	5.8%	\$748.75	7.7%	\$772.50	5.6%
150	\$219.00	4.3%	\$271.50	7.7%	\$351.00	4.9%	\$495.00	5.8%	\$795.00	5.8%	\$898.50	7.7%	\$927.00	5.6%

Rate increases that are higher than the announced 4.9% average.

your guide to the 2020 FedEx and UPS rate increases

UPS 2nd Day Air 2020 Daily Rates

Second day delivery by the end of the second business day; Some locations in Alaska and Hawaii require additional transit time

Zones	202		203		204		205		206		207		208	
Letter	\$19.19	4.9%	\$20.01	4.9%	\$20.87	4.9%	\$23.76	5.9%	\$28.93	5.9%	\$30.85	6.9%	\$31.49	6.9%
1 Lbs.	\$19.30	4.9%	\$20.12	4.9%	\$20.98	4.9%	\$24.00	5.9%	\$29.22	5.9%	\$31.16	6.9%	\$31.80	6.9%
2	\$19.89	4.9%	\$21.00	4.9%	\$21.81	4.9%	\$25.86	5.9%	\$32.88	5.9%	\$36.48	6.9%	\$38.37	6.9%
3	\$20.21	4.9%	\$21.64	4.9%	\$23.08	4.9%	\$28.53	5.9%	\$37.79	5.9%	\$42.28	6.9%	\$44.02	6.9%
4	\$20.82	4.9%	\$22.39	4.9%	\$24.98	4.9%	\$33.25	5.9%	\$43.58	5.9%	\$48.17	6.9%	\$50.00	6.9%
5	\$21.45	4.9%	\$23.12	4.9%	\$27.16	4.9%	\$36.86	5.9%	\$48.67	5.9%	\$53.57	6.9%	\$56.77	6.9%
10	\$25.71	4.9%	\$31.88	4.9%	\$39.92	4.9%	\$55.03	5.9%	\$78.05	5.9%	\$86.47	6.9%	\$89.28	6.9%
20	\$40.27	4.9%	\$47.44	4.9%	\$61.39	4.9%	\$88.25	5.9%	\$131.17	5.9%	\$143.30	6.9%	\$147.80	6.9%
30	\$53.10	4.9%	\$64.51	4.9%	\$82.63	4.9%	\$119.96	5.9%	\$179.88	5.9%	\$197.38	6.9%	\$204.14	6.9%
40	\$66.39	4.9%	\$81.37	4.9%	\$104.41	4.9%	\$150.84	5.9%	\$233.80	5.9%	\$254.56	6.9%	\$262.05	6.9%
50	\$78.31	4.9%	\$95.87	4.9%	\$123.82	4.9%	\$167.43	5.9%	\$283.21	5.9%	\$304.46	6.9%	\$310.59	6.9%
60	\$91.53	4.9%	\$111.68	4.9%	\$146.42	4.9%	\$202.50	5.9%	\$340.09	5.9%	\$359.70	6.9%	\$363.30	6.9%
70	\$104.40	4.9%	\$135.88	4.9%	\$160.62	4.9%	\$234.29	5.9%	\$382.12	5.9%	\$407.70	6.9%	\$409.48	6.9%
100	\$146.00	4.3%	\$181.00	7.7%	\$234.00	4.9%	\$330.00	5.8%	\$530.56	5.9%	\$594.36	6.9%	\$619.52	5.9%
125	\$182.50	4.3%	\$226.25	7.7%	\$292.50	4.9%	\$412.50	5.8%	\$662.50	5.8%	\$748.75	7.7%	\$772.50	5.6%
150	\$219.00	4.3%	\$271.50	7.7%	\$351.00	4.9%	\$495.00	5.8%	\$795.00	5.8%	\$898.50	7.7%	\$927.00	5.6%

Rate increases that are higher than the announced 4.9% average.

third day air rates

Three day air services are where we see FedEx and UPS differ the most. For the majority of the weights we evaluated, FedEx is increasing its rates higher than the announced average, with some as high as 7.9%. For UPS, the rate increases vary across the zones with an average of 5%.

FedEx Express Saver 2020 Standard List Rates

Three day delivery by 4:30 p.m.

Max Wt (lbs.)	Zone 2		Zone 3		Zone 4		Zone 5		Zone 6		Zone 7		Zone 8	
1	\$16.85	4.9%	\$17.19	5.8%	\$17.54	6.9%	\$19.61	6.9%	\$22.42	6.9%	\$23.34	7.9%	\$25.92	7.9%
2	\$17.15	4.8%	\$17.50	5.8%	\$17.86	6.9%	\$19.96	6.9%	\$23.91	6.9%	\$26.01	7.9%	\$30.10	7.9%
3	\$18.22	6.9%	\$19.43	6.8%	\$19.82	6.8%	\$22.14	6.9%	\$27.79	6.9%	\$29.11	7.9%	\$33.99	7.9%
4	\$18.53	6.9%	\$20.06	6.9%	\$21.55	6.9%	\$24.88	6.9%	\$29.24	6.9%	\$33.26	7.9%	\$38.88	7.9%
5	\$18.85	6.9%	\$20.37	6.9%	\$22.73	6.9%	\$25.90	6.9%	\$33.18	6.9%	\$36.71	7.9%	\$43.61	7.9%
10	\$21.91	6.9%	\$26.19	6.9%	\$32.66	6.9%	\$38.84	6.9%	\$51.41	6.9%	\$59.64	7.9%	\$69.07	7.9%
20	\$35.52	6.9%	\$43.91	6.9%	\$53.67	6.9%	\$64.93	6.9%	\$82.53	6.9%	\$98.08	7.9%	\$112.38	7.9%
30	\$49.27	6.9%	\$60.16	6.9%	\$73.84	6.9%	\$88.59	6.9%	\$121.25	6.9%	\$135.47	7.9%	\$154.55	7.9%
40	\$58.89	6.9%	\$71.43	6.9%	\$92.16	6.9%	\$110.82	6.9%	\$151.72	6.9%	\$170.51	7.9%	\$195.63	7.9%
50	\$69.99	6.9%	\$83.53	6.9%	\$109.41	6.9%	\$134.96	6.9%	\$172.97	6.9%	\$202.94	7.9%	\$232.15	7.9%
60	\$81.66	6.9%	\$101.17	6.9%	\$127.79	6.9%	\$162.80	6.9%	\$222.55	6.9%	\$253.70	7.9%	\$294.81	7.9%
70	\$94.86	6.9%	\$122.03	6.9%	\$150.78	6.9%	\$190.53	6.9%	\$249.17	6.9%	\$296.70	7.9%	\$344.84	7.9%
100	\$132.00	4.8%	\$167.00	7.7%	\$220.00	7.8%	\$265.00	6.9%	\$369.00	6.6%	\$412.00	7.9%	\$470.00	7.8%
125	\$165.00	4.8%	\$208.75	7.7%	\$275.00	7.8%	\$331.25	6.9%	\$461.25	6.6%	\$515.00	7.9%	\$587.50	7.8%
150	\$198.00	4.8%	\$250.50	7.7%	\$330.00	7.8%	\$397.50	6.9%	\$553.50	6.6%	\$618.00	7.9%	\$705.00	7.8%

Rate increases that are higher than the announced 4.9% average.

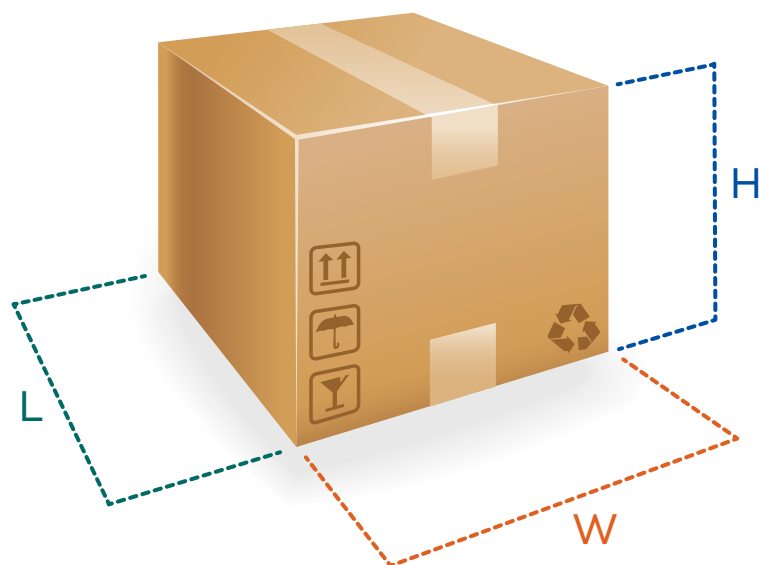
your guide to the 2020 FedEx and UPS rate increases

UPS 3 Day Select 2020 Daily Rates

Delivery by the end of the third business day

Zones	302		303		304		305		306		307		308	
1 Lbs.	\$11.67	3.9%	\$13.52	3.9%	\$14.48	3.9%	\$17.19	6.9%	\$21.28	6.9%	\$23.18	5.0%	\$25.13	7.9%
2	\$11.80	3.9%	\$14.33	3.9%	\$15.74	3.9%	\$18.99	6.9%	\$23.54	6.9%	\$25.98	4.5%	\$29.53	7.9%
3	\$13.20	3.9%	\$15.06	3.9%	\$17.21	3.9%	\$21.13	6.9%	\$27.42	6.9%	\$29.06	4.0%	\$33.68	7.9%
4	\$14.51	3.9%	\$16.63	3.9%	\$17.94	3.9%	\$23.68	6.9%	\$28.99	6.9%	\$32.92	3.5%	\$37.29	7.9%
5	\$15.40	3.9%	\$17.84	3.9%	\$19.60	3.9%	\$25.88	6.9%	\$32.34	6.9%	\$36.37	3.2%	\$41.17	7.9%
10	\$19.61	3.9%	\$24.24	3.9%	\$28.17	3.9%	\$36.25	6.9%	\$48.77	6.9%	\$56.09	2.1%	\$61.60	7.9%
20	\$27.61	3.9%	\$34.64	3.9%	\$42.26	3.9%	\$54.84	6.9%	\$77.24	6.9%	\$88.73	1.3%	\$98.80	7.9%
30	\$37.54	3.9%	\$45.33	3.9%	\$57.28	3.9%	\$74.03	6.9%	\$105.95	6.9%	\$122.33	1.0%	\$135.74	7.9%
40	\$45.81	3.9%	\$55.48	3.9%	\$71.82	3.9%	\$92.51	6.9%	\$135.10	6.9%	\$153.13	0.8%	\$170.74	7.9%
50	\$52.51	3.9%	\$67.90	3.9%	\$87.15	3.9%	\$112.64	6.9%	\$161.21	6.9%	\$183.86	0.6%	\$203.35	7.9%
60	\$62.02	3.9%	\$79.73	3.9%	\$101.51	3.9%	\$132.00	6.9%	\$191.90	6.9%	\$222.31	0.5%	\$249.61	7.9%
70	\$69.73	3.9%	\$92.60	3.9%	\$116.12	3.9%	\$153.48	6.9%	\$220.11	6.9%	\$258.63	0.5%	\$291.90	7.9%
100	\$102.02	3.9%	\$128.62	3.9%	\$162.56	3.9%	\$219.17	6.9%	\$313.61	6.9%	\$369.27	0.3%	\$413.11	7.9%
125	\$126.46	3.9%	\$157.09	3.9%	\$205.16	3.9%	\$273.85	6.9%	\$391.90	6.9%	\$461.55	0.3%	\$516.86	7.9%
150	\$149.52	3.9%	\$186.22	3.9%	\$240.93	3.9%	\$322.62	6.9%	\$470.29	6.9%	\$553.83	0.2%	\$620.26	7.9%

Rate increases that are higher than the announced 4.9% average.



$$\frac{(\text{length} \times \text{width} \times \text{height})}{\text{DIM factor}} = \text{DIM weight}$$

Visit PartnerShip.com/DIMcalculator to quickly find your billable weight.

don't forget about DIM weight pricing

When determining how much a shipment will cost you, it may come as a surprise that the actual weight of your package isn't necessarily the weight your package will be rated on. FedEx and UPS attempt to recoup the cost of the space your package takes up on their trucks by using what is known as dimensional (DIM) weight pricing.

To find your DIM weight, first calculate your cubic inches (length x width x height) and then divide that by 139 (the dimensional divisor). If it's higher than your actual weight, the dimensional weight is what you will be billed on. You don't want to get stuck paying for empty, unused space so make sure to size your packaging right. Don't use oversized boxes and consolidate orders when possible.

but wait, there's more

On top of your rate, your package is subject to a number of fees. As you can see from the included table, many of the most common surcharges are increasing in 2020.

Surcharges	2019	2020	% Change
Additional Handling FedEx Express, FedEx Ground (dimension)	\$13.50	\$15.00	11.1%
Additional Handling FedEx Express, FedEx Ground (packaging)	\$12.00	\$13.00	8.3%
Additional Handling FedEx Express, FedEx Ground (weight)	\$20.00	\$24.00	20.0%
Additional Handling UPS Ground, UPS Air (dimension)	\$14.25	\$15.00	5.3%
Additional Handling UPS Ground, UPS Air (weight)	\$23.00	\$24.00	4.3%
Address correction FedEx	\$16.00	\$17.00	6.3%
Address correction UPS	\$16.40	\$17.00	3.7%
Delivery Area Surcharge FedEx Express (Commercial)	\$2.85	\$3.10	8.8%
Delivery Area Surcharge FedEx Express (Extended Commercial)	\$2.85	\$3.60	26.3%
Delivery Area Surcharge FedEx Express, FedEx Ground (Extended Residential)	\$4.65	\$5.40	16.1%
Delivery Area Surcharge FedEx Express, FedEx Ground (Residential)	\$4.20	\$4.40	4.8%
Delivery Area Surcharge FedEx Ground (Commercial)	\$2.70	\$2.95	9.3%
Delivery Area Surcharge FedEx Ground (Extended Commercial)	\$2.70	\$3.45	27.8%
Delivery Area Surcharge FedEx Home (Residential)	\$3.65	\$4.00	9.6%
Delivery Area Surcharge UPS Air (Commercial)	\$2.95	\$3.10	5.1%
Delivery Area Surcharge UPS Air (Extended Commercial)	\$2.95	\$3.60	22.0%
Delivery Area Surcharge UPS Air (Extended Residential)	\$4.85	\$5.40	11.3%
Delivery Area Surcharge UPS Air (Residential)	\$4.35	\$4.40	1.1%
Delivery Area Surcharge UPS Ground (Commercial)	\$2.80	\$2.95	5.4%
Delivery Area Surcharge UPS Ground (Extended Commercial)	\$2.80	\$3.45	23.2%
Delivery Area Surcharge UPS Ground (Residential Extended)	\$4.85	\$5.40	11.3%
Delivery Area Surcharge UPS Ground (Residential)	\$3.80	\$4.00	5.3%
Residential Delivery Charge FedEx Express, FedEx Ground	\$4.40	\$4.65	5.7%
Residential Delivery Charge FedEx Home Delivery	\$3.80	\$4.00	5.3%
Residential Delivery Charge UPS Air	\$4.55	\$4.70	3.3%
Residential Delivery Charge UPS Ground	\$3.95	\$4.10	3.8%



Not only are the costs increasing, but FedEx and UPS are making changes that will affect which packages get assessed these fees. For starters, both carriers have updated their lists of ZIP codes to which Delivery Area Surcharges and Extended Area Surcharges apply. This means that you could get hit with this fee on a package that never qualified for it previously, so it's important to review the changes from [FedEx](#) and [UPS](#) ahead of time.

Furthermore, it's important to note that FedEx and UPS have both changed what qualifies for their Additional Handling fees in 2020. They've lowered the weight threshold from 70 pounds to 50 pounds. If you typically ship packages that fall within that window, you can expect to see a significant increase to your costs in the new year.

large packages will cost you big

The most costly fees continue to be for larger packages. In the last couple years these surcharges have increased exponentially and have the highest costs. The highest of them all in 2020 is \$875, which means you can't afford to not educate yourself.

The steep rise in these surcharges is a direct response to the growing number of large and bulky items like furniture and sports equipment being shipped. Items that you never would've considered ordering online a decade ago, like mattresses, have become more and more common.

The automated systems FedEx and UPS use to sort and process shipments aren't set up to handle these larger packages, so they require special handling – which is why they're passing the buck to the shipper.

Moving these larger packages through their networks is even more straining on the carriers during the holidays. As a result, FedEx and UPS have implemented peak season surcharges. These charges are on top of all of the other existing fees, emphasizing the need to be mindful of the items you're shipping and when you're shipping them.

Surcharges	2019	2020	% Change
Unauthorized Packages Charge FedEx Ground	\$675.00	\$875.00	29.6%
Over Maximum Limits UPS Ground, UPS Air	\$850.00	\$875.00	2.9%
Oversize Charge FedEx Express, FedEx Ground	\$90.00	\$100.00	11.1%
Large Package UPS (commercial)	\$95.00	\$100.00	5.3%
Large Package UPS (residential)	\$115.00	\$120.00	4.3%

With several different fees for larger packages, it can get confusing to determine when they apply. Refer to the infographic included on this page to see how they're each defined.



Oversize - FedEx

exceeds 96 inches in length or 130 inches in length and girth combined

Ground Unauthorized - FedEx

exceeds 108 inches in length, 165 inches in length and girth combined, or 150 pounds in weight

Over Maximum Limits - UPS

Exceeds 108 inches in length, 165 inches in length and girth combined, or 150 pounds in weight

Large Package - UPS

Exceeds 96 inches in length or 130 inches in length and girth combined

final takeaway

As it has been in the past, the real effect of the 2020 rate increases depend on what you ship, where you ship it, and your package characteristics. The important takeaway is that the announced 4.9% average increase paints an inaccurate and incomplete picture of the true impact to your business.

If you find yourself confused by base rates, average increases, surcharges, and DIM weight pricing – rest assured that PartnerShip® is here to help. Businesses that enroll in one of our exclusive shipping programs receive significant savings and valuable tools at no cost. Let one of our shipping experts provide you with a [free, no obligation shipping analysis](#) to ensure you are getting the most for your shipping dollars and help offset these increases.





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