

The eCommerce Seller's Guide to 2016 SHIPPING RATE CHANGES



"FedEx Express rates will go
up by an average of 4.9%"

Wall Street Journal,
Sept 15, 2015

"UPS Sets 2016 Rates"

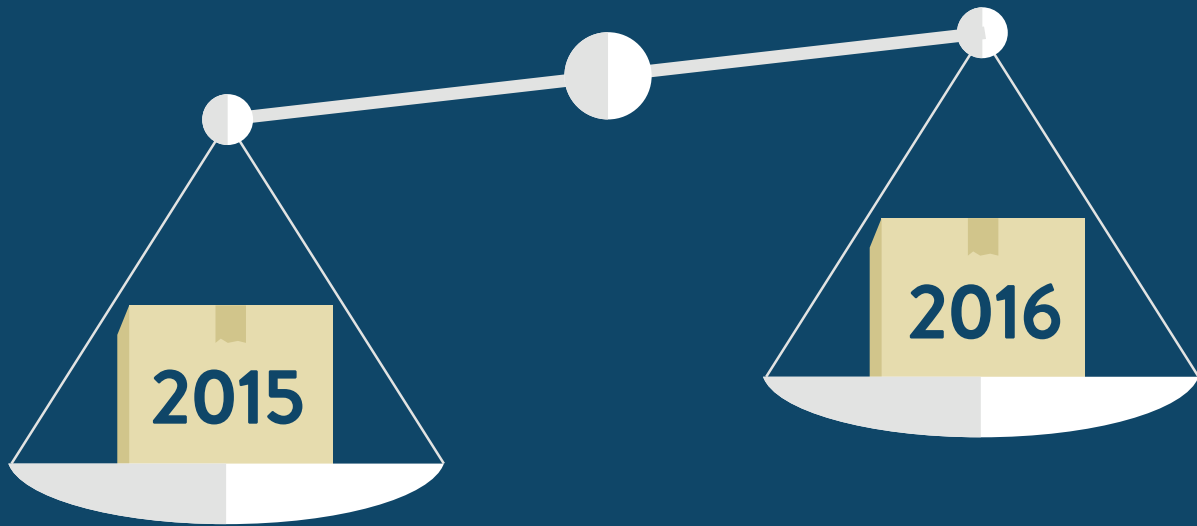
New York Times,
Oct 16, 2015

"USPS hopes to raise prices a
year after slashing some rates"

Wall Street Journal,
Oct 16, 2015

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RATES ARE GOING UP

INTRODUCTION

Deciding on the best shipping carrier and service has never been simple, and with all the carriers introducing rate increases (and USPS introducing some option and rule changes), optimizing your shipping operations for 2016 is more important than ever.

This guide will help you:

- | Understand the coming changes
- | Determine the best carrier based on your timing requirements, package weight, and destination zone
- | Put the changes into context via real-world case studies

SUMMARY OF MAJOR CARRIER RATE CHANGES: 2016



RATE CHANGES	<p>Priority Mail Express: 15.6%</p> <p>Priority Mail: 9.4%</p> <p>First-Class Mail: 12.8%</p> <p>Parcel Select Ground: 1.9%</p> <p>Global Express Guaranteed: 7.1%</p> <p>Priority Mail Express Int'l: 11.6%</p> <p>Priority Mail Int'l: 10.2%</p> <p>First-Class Package Int'l: 21.6%</p>	<p>Average of 4.9% across Ground services and accessorials</p> <p>Average of 5.2% across Air and International services and accessorials</p>	<p>Average of 4.9% across all services</p>
EFFECTIVE DATE	JANUARY 17, 2016	DECEMBER 28, 2015	JANUARY 4, 2016
SURCHARGE CHANGES	<p>Not applicable</p>	<p>NEW! 3rd party billing: 2.5% fee</p> <p>All other surcharges increasing, eg:</p> <ul style="list-style-type: none"> • Residential delivery up \$0.15 to max of \$3.70 • Address correction up \$0.50 to \$13.00 • Weekly printer lease up \$1.00 to \$3.00 per week (\$156 per year) 	<p>Average of 8% across all (63) surcharges</p> <ul style="list-style-type: none"> • Residential delivery up \$0.15 to max of \$3.65 • Address correction up \$0.50 to \$13.00 • Adult Signature up \$0.25 to \$5.25
EFFECTIVE DATE		DECEMBER 28, 2015	JANUARY 4, 2016
OTHER CHANGES	<p>First-Class Package rates extended to 15.99 oz for all</p> <p>Express Flat Rate Boxes discontinued</p> <p>Regional Rate Box C discontinued</p> <p>All first class packages up to 8 oz ship for same price</p> <p>Critical Mail discontinued</p>	<ul style="list-style-type: none"> • UPS Next Day Air® Early service being expanded by 4,500 zip codes • Expansion of UPS Access Point™ network 	<p>Unauthorized package charge increases from \$57.50 to \$110 effective 11/10/15</p>
REFERENCE	<p>http://pe.usps.com/FederalRegisterNotices.asp</p> <p>http://www.prc.gov/dockets/showdocket/CP2016-9</p>	<p>Rates: http://rates.ups.com/index.html</p> <p>Surcharges: https://www.ups.com/content/us/en/shipping/cost/zones/fuel_surcharge.html</p>	<p>http://www.fedex.com/us/2016rates/index.html</p> <p>http://www.fedex.com/us/2016rates/surcharges-and-fees.html</p>

WHAT THE CHANGES MEAN FOR YOU

KEY CONSIDERATIONS FOR ECOMMERCE

As you can see from the Summary of Rate Changes table, whichever carrier you use, the 2016 price increases are pretty much inescapable. However, that doesn't mean you can't mitigate their impact on your business, and this guide is intended to help you do just that. Here are some questions to consider:

Are you getting the best rates?

This guide will help you compare USPS Commercial Plus® Rates—which eCommerce sellers typically qualify for*—versus published standard UPS and FedEx rates—which can be negotiated.

What kind of delivery guarantees do you need?

While all three carriers offer overnight service, only FedEx and UPS have guaranteed second- and third-day services. If you need to guarantee 2- or 3-day delivery, using FedEx or UPS will be less risky than USPS.

Are you (overly) concerned with brand perception?

Some eCommerce sellers use UPS or FedEx thinking they offer more brand cachet. This may be so, but such retailers should also consider the brand value of getting shipments into customers' hands just as quickly for a lower cost—which USPS Priority Mail® can often do versus FedEx or UPS ground services.

Are you using the right size packaging?

If you use USPS, switching from custom packaging to a flat-rate or regional-rate package can often save you money on the shipping cost—not to mention the savings on getting free boxes or envelopes delivered to your door!

Do you have special considerations?

While they are not covered in this guide, a number of special circumstances may make one carrier a clear winner over the others. If, for example, you ship internationally, require guaranteed early morning (or same-day) delivery, ship hazardous materials, ship to PO boxes, or ship to APO/FPO/DPO (Army Post Office/Fleet Post Office/Diplomatic Post Office) addresses, we recommend you do additional research to determine the best carrier.

*Contact ShippingEasy to see how we can help you get these rates: rates@shippingeasy.com



WHAT CARRIER SHOULD I USE?

Your choice of carrier is based on a complex mix of criteria including:

- | Delivery timeframe
- | Package weight
- | Package dimensions
- | Delivery distance
- | Discounts you may have negotiated (or may be able to negotiate) with a carrier

The good news is we've done the analysis for you and narrowed down your choices for each standard delivery timeframe. **In this section of the guide, we'll look at each common delivery timeframe and provide a summary table showing the lowest cost carrier for a given weight/zone combination.**

Where relevant we'll color code the table cells to indicate if a USPS flat-rate or regional-rate option may be more cost effective. To use these tables simply find the row in the table with your shipment weight and the column with your destination zone; the code at their intersection will tell you who is typically the lowest-cost carrier for that scenario (based on USPS Commercial Plus® pricing and standard FedEx and UPS pricing, including residential and fuel surcharges). If the cell is colored, look at the key to find out which USPS flat- or regional-rate service might be an even better deal.

OVERNIGHT DELIVERY

TYPICALLY LEAST EXPENSIVE CARRIER

Weight	L, 1&2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
Up to 19 Lbs	USPS	USPS	USPS	USPS	USPS	USPS	USPS	USPS
20-31 Lbs	USPS	FedEx	USPS	USPS	USPS	USPS	USPS	USPS
32-70 Lbs	FedEx	FedEx	USPS	USPS	USPS	USPS	USPS	USPS
71-150 Lbs	FedEx	FedEx	FedEx	FedEx	FedEx	FedEx	FedEx	FedEx
More than 150 Lbs	UPS	UPS	UPS	UPS	UPS	UPS	UPS	UPS

USPS has come to dominate this segment, at least from a cost-effectiveness perspective. As you can see from the table, for most weights/zones in which they compete USPS is the lowest-cost option (when comparing their Commercial Plus® Pricing to FedEx and UPS standard pricing plus surcharges). **USPS also offers free Saturday delivery** (the others charge extra).

...for most weights/zones in which they compete, USPS is the lowest-cost option...

While all three carriers offer delivery guarantees, some evidence indicates UPS and FedEx do a better job of delivering on time. UPS and FedEx typically exceed 95% on-time delivery according to ShipMatrix¹, while USPS self-reports 87.5% on-time deliveries². And of course, for packages over 70 Lbs, or requiring guaranteed morning delivery, USPS is not an option.

While all three carriers offer delivery guarantees, some evidence indicates UPS and FedEx do a better job of delivering on time. UPS and FedEx typically exceed 95% on-time deliveries.

If you are considering USPS, it's important to note that Priority Mail Express Flat Rate™ envelopes³ are generally the best option for any shipment that will fit into them. Standard and padded flat-rate envelopes measure 12.5" x 9.5", while legal flat-rate envelopes measure 15" x 9.5", and all three ship overnight for \$20.66 under 2016 Commercial Plus® Pricing. This is equivalent to the lowest price available on the 2016 zone chart for a parcel, and far lower than any FedEx or UPS standard rates.

¹<http://money.cnn.com/2015/12/11/news/companies/ups-holiday-deliveries/>

²<http://www.consumerreports.org/cro/news/2014/12/shipping-comparison-fedex-vs-ups-vs-us-postal-service/index.htm>

³<https://www.usps.com/ship/priority-mail-express.htm>

2-3 DAY DELIVERY

USPS offers no guaranteed 2-day service. However, the USPS Priority Mail® “1-3 Day” service will get your package to most destinations in 2 days, and unlike the other carriers, it will get it to some destinations within 1 day; you can see estimated delivery times to the entire US at www.usps.com/priority-mail/map/. **If you need to absolutely guarantee 2-day delivery, you will need to go with FedEx or UPS.**

USPS Priority Mail® “1-3 Day” service will get your package to most destinations in 2 days, and unlike the other carriers, it will get it to some destinations within 1 day...

TYPICALLY LEAST EXPENSIVE CARRIER

Weight Not Over (Lbs)	L, 1&2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
1	USPS	USPS	USPS	USPS	USPS	USPS	USPS	USPS
2	USPS	USPS	USPS	USPS	USPS	USPS	USPS	USPS
3	USPS	USPS	USPS	USPS	USPS	USPS	USPS	USPS
4	USPS	USPS	USPS	USPS	USPS	USPS	USPS	USPS
5	USPS	USPS	USPS	USPS	USPS	USPS	USPS	USPS
6	USPS	USPS	USPS	USPS	USPS	USPS	USPS	USPS
>6-8	USPS	USPS	USPS	USPS	USPS	USPS	USPS	USPS
>8-11	USPS	USPS	USPS	USPS	USPS	USPS	USPS	USPS
>11-19	USPS	USPS	USPS	USPS	USPS	USPS	USPS	USPS
>19-21	USPS	USPS	USPS	USPS	USPS	USPS	USPS	USPS
22	USPS	USPS	USPS	USPS	USPS	USPS	USPS	USPS
23	USPS	USPS	USPS	USPS	USPS	USPS	USPS	USPS
24	USPS	USPS	USPS	USPS	USPS	USPS	USPS	USPS
>24-70	USPS	USPS	USPS	USPS	USPS	USPS	USPS	USPS
>70-150	FedEx	FedEx	FedEx	FedEx	FedEx	FedEx	FedEx	FedEx
>150	UPS	UPS	UPS	UPS	UPS	UPS	UPS	UPS

To use this table: **1:** Find the intersection of your package weight and destination zone, then:

2: Read the lowest - cost carriers/standard service according to the following key:

ABBREVIATIONS

USPS - USPS Priority Mail®

FedEx - FedEx 2Day®

UPS - 2nd Day Air®

3: If the cell is shaded, check these options based on the shading color:

FOR SHADED CELLS, CHECK THESE OPTIONS

USPS Priority Mail Flat Rate® Envelope or Small Box

USPS Priority Mail Regional Rate® Box (A or B)

USPS Priority Mail Flat Rate® Medium Box

USPS Priority Mail Flat Rate® Large Box

¹<https://www.usps.com/priority-mail/map/>

²<http://postcalc.usps.com/PopUps/PMRegionalRateBox.htm>

³<https://www.usps.com/ship/priority-mail.htm>

2-3 DAY+ DELIVERY

FOR ITEMS LESS THAN 1 LB

If delivery time is not an important factor and your package weighs less than 1 pound, USPS First-Class Mail® Package Service is impossible to beat, even with the changes rolling out in January 2016.

These changes represent a mixture of good and bad news for smaller online shippers, as shown in the table.



...while there are no delivery timeframe guarantees with First-Class Mail®, the USPS advertises it as a “1-3 day” service, so for items that qualify, First-Class Mail® is on average as fast as the much more expensive 2-day services.

It’s important to note that while there are no delivery timeframe guarantees with First-Class Mail®, the USPS advertises it as a “1-3 day” service, so for items that qualify, First-Class Mail® is on average as fast as the much more expensive 2-day services.

2016 CHANGE	POSITIVE	NEGATIVE
Consolidation around a single rate (\$2.60) for package weights up to 8 oz	Eliminates need to weigh items you know are less than 8 oz	Cost increases for most package weights (exceptions are the 8 oz and 13 oz rates which are slightly lower)
First-Class Mail® rates through 15.99 oz are now available to all shippers - USPS has eliminated the volume requirement to qualify for these rates for packages of more than 13 oz	If you didn’t qualify for the special 13-15.99 oz rates before, you had to use a much more expensive service option	None

2-3 DAY+ DELIVERY

FOR ITEMS LESS THAN 1 LB

Here's the detailed breakdown of all less-than-1-pound shipping options. For more detailed information on the USPS rate changes—and their implications for sellers who rely on First-Class Mail®—check out this post on the ShippingEasy blog:

<http://shippingeasy.com/usps-shipping-rates-2016-changes-4-ways-to-adapt/>.

UP-TO-1 LB ITEM DELIVERY OPTIONS

	Weight not over (Oz)	L, 1&2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
USPS First-Class Mail®	8	2.60							
	9	3.30							
	10	3.35							
	11	3.40							
	12	3.45							
	13	3.50							
	14	3.55							
	15	3.60							
	15.999	3.65							
USPS Priority Mail Flat Rate® Envelope	16	5.60							
USPS Priority Mail Flat Rate® Small Box or Padded Flat Rate Envelope	16	5.90							
USPS Priority Mail®	16	5.60	5.77	5.87	6.01	6.14	6.42	6.95	9.47
FedEx 2Day® with surcharges	16	19.77	20.44	21.16	23.10	27.54	28.86	29.37	42.22
UPS 2nd Day Air® with surcharges	8 (letter)	19.72	20.39	21.12	23.00	27.05	28.28	28.63	39.65
UPS 2nd Day Air® with surcharges	16	20.00	20.68	21.41	23.38	27.90	29.24	29.76	42.83
FedEx Express Saver® (3 Day) with surcharges	16	18.89	18.94	19.00	19.11	21.33	22.05	24.08	NA
UPS 3 Day Select® with surcharges	16	13.27	14.78	15.62	17.50	20.89	22.25	23.93	NA
FedEx® Ground with surcharges	16	10.78	11.44	11.65	12.00	12.30	12.41	12.55	30.88
UPS® Ground with surcharges	16	10.85	11.52	11.74	12.10	12.40	12.51	12.65	31.29

GREATER THAN 3 DAY DELIVERY

This delivery timeframe is actually the most complicated due to the number of different services that can be considered. We have attempted to simplify it by including the services that are, in our view, most relevant:

- **USPS Priority Mail®:** given the 2016 rate changes, Priority Mail Commercial Plus® Pricing actually becomes competitive in this space—with the huge bonus of almost certainly getting your package to its destination faster than any other option listed here
- **As with the 2-Day Delivery** timeframe, USPS Priority Mail Regional Rate® Boxes can also provide a compelling value proposition here; consider them for weight/zone combinations highlighted in the table
- **USPS Retail Ground:** Since there is no commercial pricing for this service level, USPS Priority Mail with Commercial Plus® Pricing often offers lower cost
- **FedEx Ground® and UPS® Ground** struggle to compete with USPS Priority Mail Commercial Plus® Pricing for most weight/zone combinations due to their surcharges

TYPICALLY LEAST EXPENSIVE CARRIER

Weight Not Over (Lbs)	L, 1&2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
<=1	USPSPM	USPSPM	USPSPM	USPSPM	USPSPM	USPSPM	USPSPM	USPSRG
>1-2	USPSPM	USPSPM	USPSPM	USPSPM	USPSPM	USPSPM	USPSPM	USPSRG
>2-3	USPSPM	USPSPM	USPSPM	USPSPM	USPSPM	USPSPM	USPSPM	USPSRG
>3-4	USPSPM	USPSPM	USPSPM	USPSPM	USPSPM	USPSPM	FedEx	USPSRG
>4-5	USPSPM	USPSPM	USPSPM	USPSPM	USPSPM	FedEx	FedEx	USPSRG
>5-6	USPSPM	USPSPM	USPSPM	USPSPM	FedEx	FedEx	FedEx	USPSRG
>6-8	USPSPM	USPSPM	USPSPM	USPSPM	FedEx	FedEx	FedEx	USPSRG
>8-11	USPSPM	USPSPM	USPSPM	USPSPM	FedEx	FedEx	FedEx	USPSRG
>11-19	USPSPM	USPSPM	USPSPM	FedEx	FedEx	FedEx	FedEx	USPSRG
>19-21	USPSPM	USPSPM	USPSPM	FedEx	FedEx	FedEx	FedEx	USPSRG
>21-22	USPSPM	USPSPM	USPSPM	FedEx	FedEx	FedEx	FedEx	USPSRG
>22-23	USPSPM	USPSPM	USPSPM	FedEx	FedEx	FedEx	FedEx	USPSRG
>23-24	USPSPM	USPSPM	FedEx	FedEx	FedEx	FedEx	FedEx	USPSRG
>24-70	USPSPM	FedEx	FedEx	FedEx	FedEx	FedEx	FedEx	USPSRG
>70-150	FedEx	FedEx	FedEx	FedEx	FedEx	FedEx	FedEx	FedEx
>150	UPS	UPS	UPS	UPS	UPS	UPS	UPS	UPS

To use this table: **1:** Find the intersection of your package weight and destination zone, then:

2: Read the lowest - cost carriers/standard service according to the following key:

ABBREVIATIONS

USPSPM - USPS Priority Mail®

USPSRG - USPS Retail Ground

FedEx - FedEx 2Day®

UPS - 2nd Day Air®

3: If the cell is shaded, check these options based on the shading color:

FOR SHADED CELLS, CHECK THESE OPTIONS

USPS Priority Mail Flat Rate® Envelope or Small Box

USPS Priority Mail Regional Rate® Box (A or B)

USPS Priority Mail Flat Rate® Medium Box

USPS Priority Mail Flat Rate® Large Box



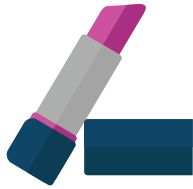
CASE STUDIES

Now we'll look at some real-world shipping scenarios derived from ShippingEasy customer data (with all identifying characteristics removed) to examine the kinds of shipping methods used for actual shipments, versus what method would make sense given the rate changes coming in 2016.

- Due to sometimes incomplete customer data (e.g., no weight provided when a seller used USPS Flat Rate or Regional Rate services), we have indicated assumptions and potential options where appropriate

All previously stated assumptions apply, e.g.:

- These are primarily small-and medium-size eCommerce businesses, shipping between 1,000 and 20,000 shipments per month
- We used available 2016 pricing data from each carrier:
 - | USPS Commercial Plus® Pricing
 - | FedEx Standard List Rates, including fuel and residential surcharges
 - | UPS Daily Rates, including fuel and residential surcharges
- Negotiated FedEx or UPS rates may make their services significantly more attractive in some of these scenarios



CASE STUDY 1

BEAUTY & COSMETICS

Our first case is derived from a pair of online cosmetics retailers that ship high volumes of primarily small packages. As you can see, USPS was far and away their most cost-effective option in 2015 and, despite price increases, will remain so in 2016.

CARRIER

-  UNITED STATES POSTAL SERVICE®
- 
- 

DELIVERY OPTIONS

- Standard
- 3 day guaranteed
- 2-3 day
- 2 day guaranteed
- Overnight guaranteed

DELIVERY COSTS

- Actual cost
- Flat rate
- Threshold-based free
- Free shipping on every order

Package Contents		2 Eyeshadows	4 Lipsticks & 2 Eyeshadows	Nail Polish & Eyeshadow
Package Shipping Parameters	Dimensions	10x7x2	10x8x4	9x4.75x1.875
	Weight	4oz	1lb	13 oz
	Zone	NA	3	NA
2015 Actuals	Carrier & Service	USPS 1st Class	USPS PM	USPS 1st Class
	Shipping Cost	\$2.13	\$5.10	\$3.63
	Delivery Time	2 days	2 days	4 days
2016 Forecast	2016 Best Carrier/Service	USPS 1st Class	USPS PM	USPS 1st Class
	2016 Best Carrier/Service Pricing	\$2.60	\$5.60	\$3.50
2015-2016 Estimated Price Change		+47¢	+50¢	-13¢

PM = USPS Priority Mail®



CASE STUDY 2

CLOTHING & APPAREL

Our second case is derived from a pair of online apparel retailers that ship high volumes of primarily small, soft packages (clothing articles). As with the first Case Study, USPS was far and away their most cost-effective option in 2015 and, despite price increases, will remain so in 2016.

CARRIER

-  UNITED STATES POSTAL SERVICE®
- 
- 

DELIVERY OPTIONS

- Standard
- 3 day guaranteed
- 2-3 day
- 2 day guaranteed
- Overnight guaranteed

DELIVERY COSTS

- Actual cost
- Flat rate
- Threshold-based free
- Free shipping on every order

Package Contents		3 Yoga Pants	1 T-Shirt	2 T-Shirts	1 Hat
Package Shipping Parameters	Dimensions	Flat Rate Envelope	15x12x1	15x12x1	15x12x1
	Weight	No Weight	8 oz	1 lb	4 oz
	Zone	NA	NA	8	NA
2015 Actuals	Carrier & Service	USPS PM	USPS 1st Class	USPS PM	USPS 1st Class
	Shipping Cost	\$4.95	\$2.71	\$6.25	\$2.17
	Delivery Time	2 days	3 days	3 days	4 days
2016 Forecast	2016 Best Carrier/Service	USPS PM	USPS 1st Class	1 t-shirt should fit in a USPS PM Small Flat Rate Box for \$5.90; if not, this box would be \$6.95 by USPS PM CPP parcel rates	USPS 1st Class
	2016 Best Carrier/Service Pricing	\$5.60	\$2.60	\$5.90	\$2.60
2015-2016 Estimated Price Change		+65¢	-11¢	-35¢	+43¢

PM = USPS Priority Mail®



CASE STUDY 3

FOOD & BEVERAGE

Our third case is derived from a pair of online grocers that ship high volumes of relatively dense packages, often requiring special packaging (for liquids or perishables requiring cold packs). USPS is generally the best option.

CARRIER

-  UNITED STATES POSTAL SERVICE®
- 
- 

DELIVERY OPTIONS

- Standard
- 3 day guaranteed
- 2-3 day
- 2 day guaranteed
- Overnight guaranteed

DELIVERY COSTS

- Actual cost
- Flat rate
- Threshold-based free
- Free shipping on every order

Package Contents		Chestnuts	3 Meats	1 Candy Bag	10 Jars Sauce
Package Shipping Parameters	Dimensions	12x12x12	Large Flat Rate Box	Flat Rate Padded Envelope	9x7x5
	Weight	5 lb	No Weight	No Weight	11 lb
	Zone	8	NA	NA	8
2015 Actuals	Carrier & Service	USPS PM	USPS PM	USPS PM	UPS Ground
	Shipping Cost	\$18.30	\$14.30	\$5.35	\$19.52
	Delivery Time	2 days	3 days	2 days	7 days
2016 Forecast	2016 Best Carrier/Service	USPS PM is \$19.22 but Large flat rate box is \$15.85 if contents will fit in 12-1/4" x 12-1/4" x 6"	USPS PM Large Flat Rate Box	USPS PM Flat Rate Padded Envelope	USPS PM Large Flat Rate Box
	2016 Best Carrier/Service Pricing	\$19.22	\$15.85	\$5.90	\$15.85
2015-2016 Estimated Price Change		+92¢	+\$1.55	+55¢	-\$3.68

PM = USPS Priority Mail®



CASE STUDY 4

AUTOMOTIVE PARTS

Our fourth case is derived from a pair of online automotive retailers that ship high volumes of relatively large, sometimes dense, often bulky packages. This case illustrates that when we get into heavier packages FedEx can sometimes beat USPS, even assuming USPS CPP and FedEx Standard rates. Retailers dealing in larger/heavier packages with decent volumes and no delivery timing commitment requirements should definitely explore potential negotiated rates with UPS and FedEx. Also, as noted, they may have some significant opportunities to reduce costs by optimizing their packaging to allow use of Flat Rate or Regional Rate containers.

CARRIER

-  UNITED STATES POSTAL SERVICE®
- 
- 

DELIVERY OPTIONS

- Standard
- 3 day guaranteed
- 2-3 day
- 2 day guaranteed
- Overnight guaranteed

DELIVERY COSTS

- Actual cost
- Flat rate
- Threshold-based free
- Free shipping on every order

Package Contents		Set of Hubcaps	2 Signal Lights	Wiper Motor	Car Speaker
Package Shipping Parameters	Dimensions	12x9x9	Flat Rate Padded Envelope	Medium Flat Rate Box	24x8x8
	Weight	4 lb	9 oz	No Weight	4 lb
	Zone	2	NA	NA	3
2015 Actuals	Carrier & Service	USPS PM	USPS PM	USPS PM	FedEx Home
	Shipping Cost	\$5.30	\$5.35	\$10.65	\$12.00
	Delivery Time	2 days	2 days	2 days	3 days
2016 Forecast	2016 Best Carrier/Service	USPS PM	2016 price used is for USPS PM Flat Rate Padded Envelope; if First Class would work, it would be \$3.30	Medium flat rate box is cheapest unless zone 5 or closer, then Regional Rate B Box <=\$10.66	USPS PM FedEx Ground may be better
	2016 Best Carrier/Service Pricing	\$6.51	\$5.90	\$11.60	\$7.67
2015-2016 Estimated Price Change		+\$1.21	+55¢	+95¢	-\$4.33

PM = USPS Priority Mail®

HOW SHIPPINGEASY CAN HELP

ShippingEasy is the premier shipping platform for eCommerce retailers. Whether you ship 5 packages per month or 50,000, we can help you improve your customer experience and increase your ROI on shipping operations through our industry-leading suite of capabilities, which include:



Access to the lowest USPS rates available—up to a 46% discount to normal rates



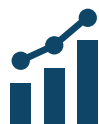
Integration with all major eCommerce platforms, shopping carts, marketplaces, and carriers



Support for multiple stores and fulfillment locations, international selling, offline orders, and returns processing



Support for real time order synchronization with selling platform (order download and status updates)



Predictive analytics teach the machine to recognize shipping patterns and make shipping decisions on your approval



World-class support with full set-up and configuration included, plus ongoing help 7am-7pm CST

To learn more, request a demo or sign up for a free trial, visit www.shippingeasy.com or give us a ring at 1-855-202-2275

APPENDIX:

OVERNIGHT* RATE COMPARISON TABLE, UP TO 5 LB

Weight Not Over (Lbs)	Carrier	L, 1&2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
0.5	USPS	20.66	20.66	21.33	23.18	24.80	26.33	28.08	34.25
0.5	FedEx	25.50	29.73	35.58	37.43	37.65	40.21	41.89	46.95
0.5	UPS	26.35	30.71	37.08	39.28	39.29	42.68	44.48	50.01
1	USPS	20.66	21.56	25.97	29.07	30.11	31.95	32.94	40.19
1	FedEx	28.14	36.93	49.62	53.73	57.51	61.05	63.82	66.58
1	UPS	30.86	41.89	53.20	59.15	62.08	68.11	69.88	75.95
2	USPS	20.66	23.00	28.31	31.68	32.99	34.92	36.14	44.10
2	FedEx	29.51	38.90	55.50	59.06	64.47	66.92	70.79	74.38
2	UPS	31.22	44.48	57.75	63.25	69.77	72.54	77.63	82.93
3	USPS	20.66	24.08	31.82	36.45	38.03	40.28	41.40	50.49
3	FedEx	31.76	40.94	61.15	65.04	71.05	73.28	77.03	80.31
3	UPS	34.52	47.87	63.56	71.77	76.91	81.78	84.55	92.15
4	USPS	20.66	25.65	33.93	41.22	42.84	45.36	46.58	56.84
4	FedEx	33.96	43.18	65.94	70.92	77.31	79.43	84.00	87.95
4	UPS	36.94	50.24	70.68	78.23	83.72	88.51	91.68	100.28
5	USPS	21.60	28.80	36.18	44.10	48.15	50.45	51.80	63.18
5	FedEx	34.51	43.52	69.91	76.80	82.20	84.44	88.90	94.37
5	UPS	37.67	51.00	73.09	80.90	86.76	91.02	94.29	108.25

*Rates shown for USPS Priority Mail® Express Commercial Plus Pricing, FedEx Standard Overnight® Standard Pricing with residential and fuel surcharges, and UPS Next Day Air® Daily Rates with residential and fuel surcharges

APPENDIX:

SECOND DAY* RATE COMPARISON TABLE, UP TO 5 LB

Weight Not Over (Lbs)	Carrier	L, 1&2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
0.5	USPS	5.60	5.77	5.87	6.01	6.14	6.42	6.95	9.47
0.5	FedEx	NA	NA	NA	NA	NA	NA	NA	NA
0.5	UPS	19.72	20.39	21.12	23.00	27.05	28.28	28.63	39.65
1	USPS	5.60	5.77	5.87	6.01	6.14	6.42	6.95	9.47
1	FedEx	19.77	20.44	21.16	23.10	27.54	28.86	29.37	42.22
1	UPS	20.00	20.68	21.41	23.38	27.90	29.24	29.76	42.83
2	USPS	5.83	5.96	6.40	7.91	8.65	9.41	10.44	14.50
2	FedEx	20.05	20.78	21.50	24.37	30.09	32.69	34.19	46.71
2	UPS	20.28	21.02	21.75	24.68	30.49	33.13	34.66	47.40
3	USPS	5.91	6.88	7.92	9.46	11.13	12.03	14.03	19.67
3	FedEx	20.33	21.33	22.55	26.48	34.02	37.29	38.68	52.82
3	UPS	20.56	21.58	22.82	26.82	34.49	37.81	39.22	53.60
4	USPS	6.51	7.67	8.49	10.34	12.97	14.69	16.58	23.68
4	FedEx	20.83	21.94	24.10	30.30	38.74	42.06	43.51	56.03
4	UPS	21.07	22.20	24.40	30.71	39.29	42.66	44.14	56.87
5	USPS	7.17	7.75	8.74	10.92	14.76	16.89	19.22	27.45
5	FedEx	21.33	22.55	25.87	33.24	42.84	46.44	48.99	60.57
5	UPS	21.58	22.82	26.20	33.70	43.46	47.11	49.72	61.49

*Rates shown for USPS Priority Mail® Commercial Plus Pricing, FedEx 2Day® Standard Pricing with residential and fuel surcharges, and UPS 2nd Day Air® Daily Rates with residential and fuel surcharges

APPENDIX:

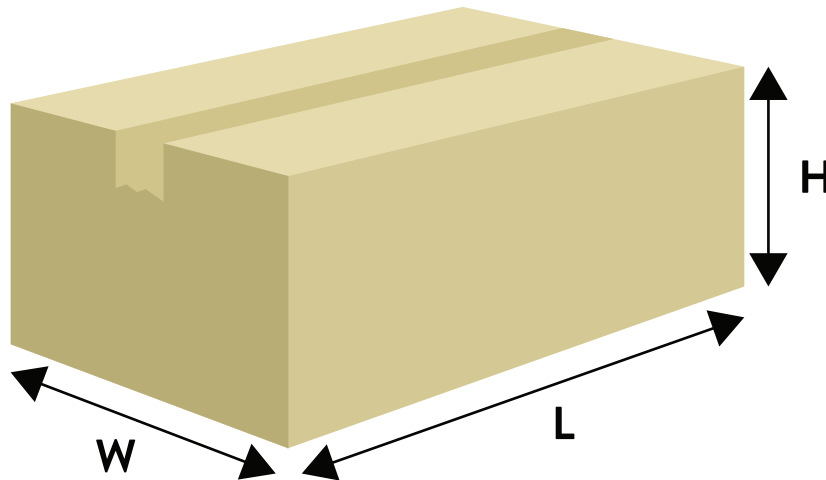
GREATER THAN 3 DAY* RATE COMPARISON TABLE, UP TO 5 LB

Weight Not Over (Lbs)	Carrier	L, 1&2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
1	USPS	5.60	5.77	5.87	6.01	6.14	6.42	6.95	9.47
1	FedEx	10.78	11.44	11.65	12.00	12.30	12.41	12.55	30.88
1	UPS	10.85	11.52	11.74	12.10	12.40	12.51	12.65	31.29
2	USPS	5.83	5.96	6.40	7.91	8.65	9.41	10.44	14.50
2	FedEx	11.52	12.13	12.81	13.00	13.40	13.61	13.88	33.93
2	UPS	11.60	12.22	12.91	13.11	13.52	13.73	14.01	34.40
3	USPS	5.91	6.88	7.92	9.46	11.13	12.03	14.03	19.67
3	FedEx	11.64	12.49	13.31	13.60	14.01	14.36	14.96	36.57
3	UPS	11.73	12.59	13.42	13.72	14.13	14.49	15.11	37.08
4	USPS	6.51	7.67	8.49	10.34	12.97	14.69	16.58	23.68
4	FedEx	11.90	12.70	13.77	14.22	14.53	15.04	15.77	39.80
4	UPS	11.99	12.81	13.89	14.35	14.67	15.19	15.93	40.36
5	USPS	7.17	7.75	8.74	10.92	14.76	16.89	19.22	27.45
5	FedEx	11.94	12.77	14.14	14.62	14.88	15.47	16.37	42.84
5	UPS	12.03	12.88	14.27	14.76	15.02	15.62	16.54	43.46

*Rates shown for USPS Priority Mail® Commercial Plus Pricing, FedEx Ground® Standard Pricing with residential and fuel surcharges, and UPS Ground® Daily Rates with residential and fuel surcharges

ASSUMPTIONS

This analysis focuses on shipping situations most often encountered by small and medium sized businesses, therefore special situations such as international shipping, hazardous materials shipping, and early morning delivery were not analyzed.



LIMITS

- USPS only accepts packages with a combined length and girth of 108" or smaller; this analysis does not consider packages dimensionally larger than this
 - Both FedEx Home Delivery and UPS services allow packages up to 108" in length and up to 165" in combined length and girth
- Only UPS and FedEx will handle packages between 70 and 150 pounds—USPS will not
- Only UPS will handle packages over 150 pounds
- If you are shipping multiple products with a total weight greater than 70 pounds, you should look into the possibility of breaking the shipment into two or more packages: shipping multiple packages of 70 or fewer pounds each via USPS is generally less costly than shipping one package of the total weight by UPS or FedEx

ASSUMPTIONS

- There are many ways to obtain [USPS Commercial Plus® Pricing](#) (for example, all [ShippingEasy customers with paid accounts](#) automatically receive it), so we've used this pricing level for USPS 2016 pricing in our models.
- FedEx and UPS typically negotiate specific pricing with each of their clients based on a number of criteria. Since we can't know what your negotiated rates with these carriers may be, we have used their lowest published 2016 rates (UPS Daily and FedEx Standard List) in our models. If you use one of these carriers and have negotiated lower rates, you should double check your rates for the specific situations where we rate USPS as being a better deal.
- FedEx and UPS both apply various surcharges; we considered the following to be relevant to our analysis and included them:
 - Residential surcharge: a flat fee per package applied to deliveries to households. We used:
 - The FedEx residential surcharge of \$3.65 which will be effective starting January 4, 2016
 - The UPS residential surcharge of \$3.60 which is effective as of December 28, 2015
 - Fuel surcharge: a percentage upcharge applied to every package which changes periodically based on a number of factors. We used:
 - The FedEx fuel surcharge of 2.75%, the charge which will be in effect through January 3, 2016
 - The UPS fuel surcharge of 4.5%, the charge which will be in effect through January 3, 2016

