



**WHAT YOU DON'T KNOW ABOUT THE PARCEL INDUSTRY CHANGES FOR 2015 CAN HURT YOU!**

By now, you are noticing the higher rates as a result of the recent general rate increase and dimensional weight assessment that UPS and FedEx have implemented. What you may not be aware of, is that even more increases are on the way. Effective February 2<sup>nd</sup>, FedEx will be changing the tables by which they calculate their fuel surcharge and you will likely see rates go up again.

So, how is this additional change going to impact you? To begin, you need to understand how the fuel surcharge is assessed. For FedEx Ground, the fuel surcharge is calculated based upon the price of diesel published by the US government. To demonstrate this, take a look at the two tables in the illustrations below. The one on the left represents the current FedEx fuel calculation and the one on the right is what will become effective on February 2<sup>nd</sup>.

Currently, as of this writing, the published price per gallon falls between \$2.47 and \$2.59, then the fuel surcharge on FedEx Ground shipments will be 1%. Now, take a look at the new table. You will notice that there is now a wider range, stating that if the price of diesel fuel falls between \$2.47 and \$2.65, the fuel surcharge will now be 3.5%.

That's right, in addition to the general rate increase, accessorial increases, and dimensional rating changes, shippers are now going to find themselves shelling out another 2.5% more for fuel in just this example. In addition to Ground, Air and International fuel tables are changing as well.

This not only impacts your base transportation charges, but it also applies to all transportation related surcharges, such as the residential fee and the delivery area surcharges.

If you've driven past a gas station or seen a newspaper lately, FALLING GAS PRICES are now the norm. Yet, here we see that shippers are certainly not benefitting from that fact. RAF Logistics is here to help. We have a unique knowledge of the parcel industry and a strong history of proven results which will SAVE YOU MONEY. Partner with us today and stop allowing the parcel carriers to take advantage of your business time and time again. Visit us at [www.rafllogistics.com](http://www.rafllogistics.com) or call 1-877-443-RAFL to speak with one of our experts today.



FedEx Ground Fuel Surcharge Table Effective Jan. 7, 2013 (prices per gallon of diesel fuel)		
At Least	But Less Than	Surcharge
\$2.47	\$2.47	0.00%
\$2.47	\$2.59	1.00%
\$2.59	\$2.71	1.50%
\$2.71	\$2.83	2.00%
\$2.83	\$2.95	2.50%
\$2.95	\$3.07	3.00%
\$3.07	\$3.19	3.50%
\$3.19	\$3.31	4.00%
\$3.31	\$3.43	4.50%
\$3.43	\$3.55	5.00%
\$3.55	\$3.67	5.50%
\$3.67	\$3.79	6.00%
\$3.79	\$3.91	6.50%
\$3.91	\$4.03	7.00%
\$4.03	\$4.15	7.50%
\$4.15	\$4.27	8.00%

Fuel surcharge percentages and associated trigger points are subject to change without notice. See the [FedEx Ground Tariff](#) for more details. If the fuel surcharge rises above 8.00% or there are changes to the trigger points, the table above will be updated.

2015 FedEx Ground Fuel Surcharge Table Effective Feb. 2, 2015 (prices per gallon of diesel fuel)		
At Least	But Less Than	Surcharge
\$2.47	\$2.65	3.5%
\$2.65	\$2.83	4.0%
\$2.83	\$3.01	4.5%
\$3.01	\$3.19	5.0%
\$3.19	\$3.37	5.5%
\$3.37	\$3.55	6.0%
\$3.55	\$3.73	6.5%
\$3.73	\$3.91	7.0%
\$3.91	\$4.09	7.5%
\$4.09	\$4.27	8.0%

The fuel surcharge percentage for FedEx Ground® services is subject to monthly adjustment based on a rounded average of the national U.S. on-highway average price for a gallon of diesel fuel.

Fuel surcharge percentages and associated trigger points are subject to change without notice. See the [FedEx Ground Tariff](#) for more details. If the fuel surcharge drops below 3.5% or rises above 8.0%, the table above will be updated.