

## Franklin Parcel UPS 2024 Rate Increase Review

2023 has been a challenging year for parcel shippers and after 4 years post-pandemic the “money-grab” market environment growth for UPS is showing signs of a slow-down. Despite a reported revenue of \$91 billion, UPS saw a decrease of 9.3% from 2022. Fortunately, they did not pass on the loss in their announcement of a 5.9% average general rate increase for 2024, down 1% from a record high 6.9% in 2023. However, that is packaged with some major caveats that for most shippers, comes with some significant cost increases. Especially around the introduction of pandemic born surcharges that have made what seems like a permanent home in the pricing landscape as UPS rebrands their peak surcharges to Demand Surcharges. When it comes to carrier increases, it is very important to understand that they affect all shippers differently. The true impact you experience will depend on your business’ unique shipment characteristics. Some service levels will see up to almost an 8% increase in rate base adjustments alone!

In addition to the general 5.9% rate increase, and persisting peak surcharges, UPS has announced that various Accessorial Charges and Value-Added Services will be increasing. For example, this year the minimum charge for UPS Ground Service is going up to \$10.70, or increasing 5.9%. This could translate to an even bigger increase depending on your shipping profile.

Customers that ship larger packages will feel a bigger pinch this year. Effective December 26, 2023, the Additional Handling surcharges will see increases as high as 16%. Making an already expensive surcharge, that much more exorbitant.

Also noteworthy to mention is that UPS will be adding hundreds of new zip codes that will now be impacted by Delivery Area Surcharges.

In this analysis, **Franklin Parcel** will outline and illustrate percentage increases for each service. Key factors including package size, shipment weight, service selected, zones shipped to, and accessorial fees will determine the real impact to your business in 2024.

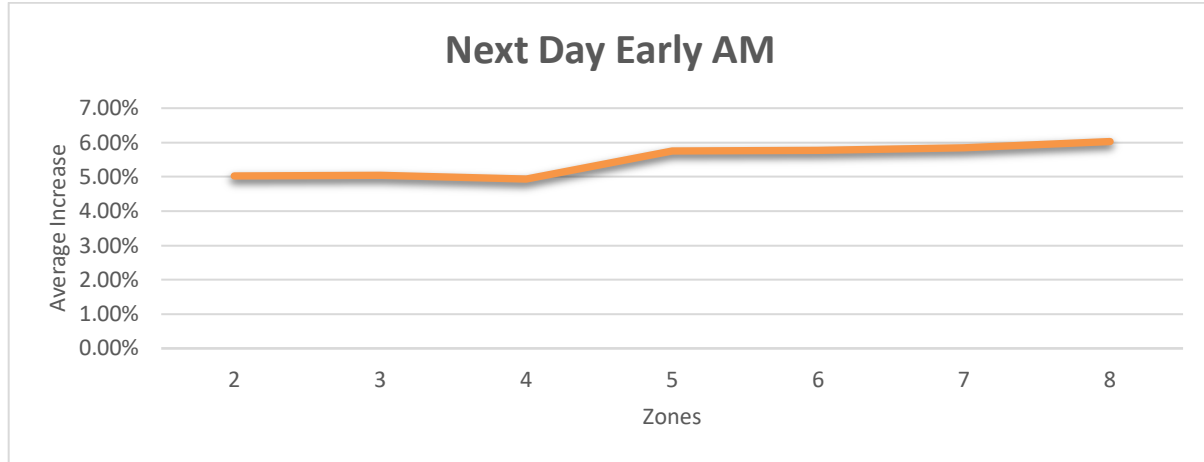
You need a partner dedicated to parcel analysis and management, who has the technology and expertise to help you understand how these “average” increases will truly impact your specific shipping profile. That is exactly what we do. Knowledge is power and understanding the complexities of carrier pricing agreements is precisely why you need us. Level the playing field in your next negotiation and contact us today.

Franklin Parcel –Leveraging data to help the little guy stand up to the big and powerful!

Visit us at [www.franklinparcel.com](http://www.franklinparcel.com), or email us at [ben@franklinparcel.com](mailto:ben@franklinparcel.com)

## Increase Overview of Services

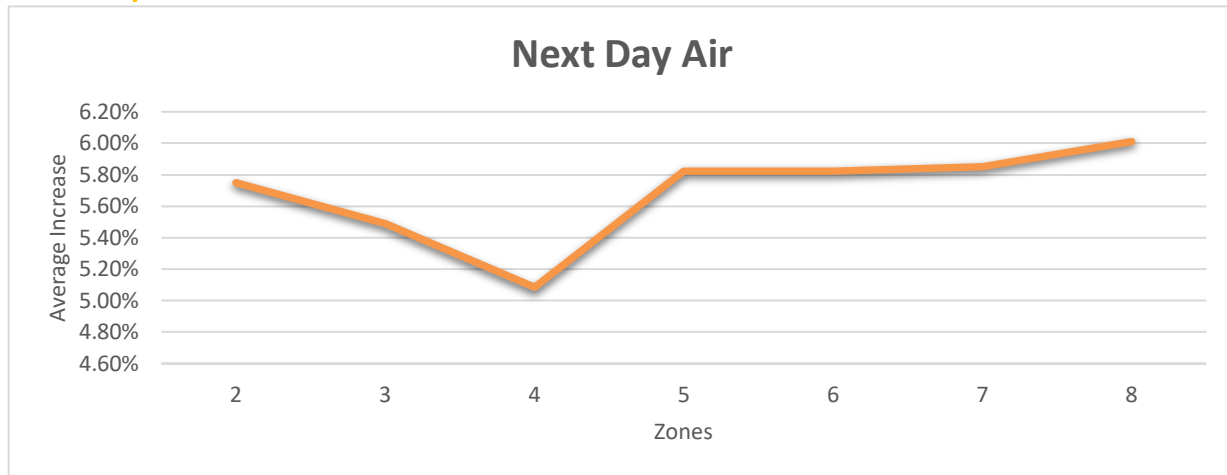
### Next Day Air AM 2024 Increase



### Next Day Early AM 2024 Increase

WT(lbs)	102	103	104	105	106	107	108
Letter	3.98%	3.98%	3.61%	3.71%	3.73%	3.88%	3.93%
1	4.39%	4.80%	4.52%	4.65%	4.72%	4.88%	4.90%
2	4.42%	4.82%	4.64%	4.75%	4.78%	4.92%	5.03%
3	4.58%	4.98%	4.76%	4.91%	4.98%	5.08%	5.12%
4	4.74%	5.01%	4.90%	5.00%	5.04%	5.17%	5.20%
5	4.75%	5.03%	4.93%	5.02%	5.05%	5.18%	5.21%
6	5.01%	5.19%	5.06%	5.18%	5.22%	5.31%	5.35%
7	5.05%	5.26%	5.09%	5.22%	5.26%	5.35%	5.40%
8	5.04%	5.26%	5.14%	5.26%	5.30%	5.40%	5.43%
9	5.05%	5.27%	5.18%	5.26%	5.30%	5.41%	5.43%
10	5.07%	5.29%	5.19%	5.27%	5.32%	5.41%	5.44%
20	5.66%	5.80%	5.55%	5.64%	5.65%	5.71%	5.71%
30	6.00%	6.04%	5.77%	5.80%	5.82%	5.86%	5.88%
40	6.26%	6.26%	5.87%	5.90%	5.92%	5.95%	5.96%
50	6.50%	6.42%	5.93%	5.96%	5.98%	6.00%	6.03%
Avg Increase	5.02%	5.04%	4.94%	5.76%	5.77%	5.84%	6.03%

### Next Day Air 2024 Increase

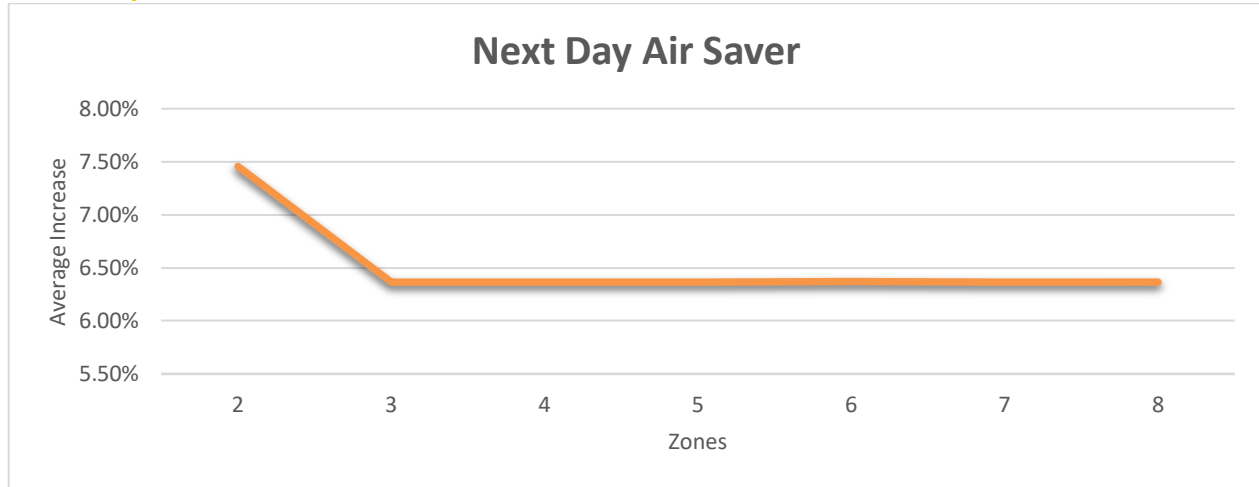


\*Average increase 0lb – 150lb for zones 2-8

### Next Day Air 2024 Increase

WT(lbs)	102	103	104	105	106	107	108
Letter	7.31%	6.71%	5.57%	5.57%	5.57%	5.58%	5.57%
1	7.33%	6.89%	6.01%	6.01%	6.01%	6.02%	6.01%
2	7.33%	6.90%	6.02%	6.02%	6.01%	6.02%	6.02%
3	7.33%	6.88%	6.01%	6.02%	6.01%	6.02%	6.01%
4	7.31%	6.89%	6.02%	6.01%	6.01%	6.02%	6.01%
5	7.31%	6.89%	6.02%	6.02%	6.02%	6.01%	6.02%
6	7.32%	6.89%	6.02%	6.02%	6.01%	6.01%	6.01%
7	7.33%	6.89%	6.01%	6.02%	6.01%	6.01%	6.01%
8	7.32%	6.88%	6.01%	6.02%	6.02%	6.02%	6.01%
9	7.32%	6.89%	6.01%	6.01%	6.01%	6.02%	6.01%
10	7.32%	6.89%	6.01%	6.01%	6.01%	6.02%	6.01%
20	7.31%	6.90%	6.01%	6.02%	6.02%	6.02%	6.01%
30	7.32%	6.89%	6.02%	6.01%	6.02%	6.01%	6.01%
40	7.32%	6.89%	6.01%	6.02%	6.02%	6.01%	6.01%
50	7.32%	6.89%	6.01%	6.01%	6.02%	6.01%	6.01%
Avg Increase	5.75%	5.49%	5.09%	5.82%	5.82%	5.85%	6.01%

### Next Day Air Saver 2024 Increase

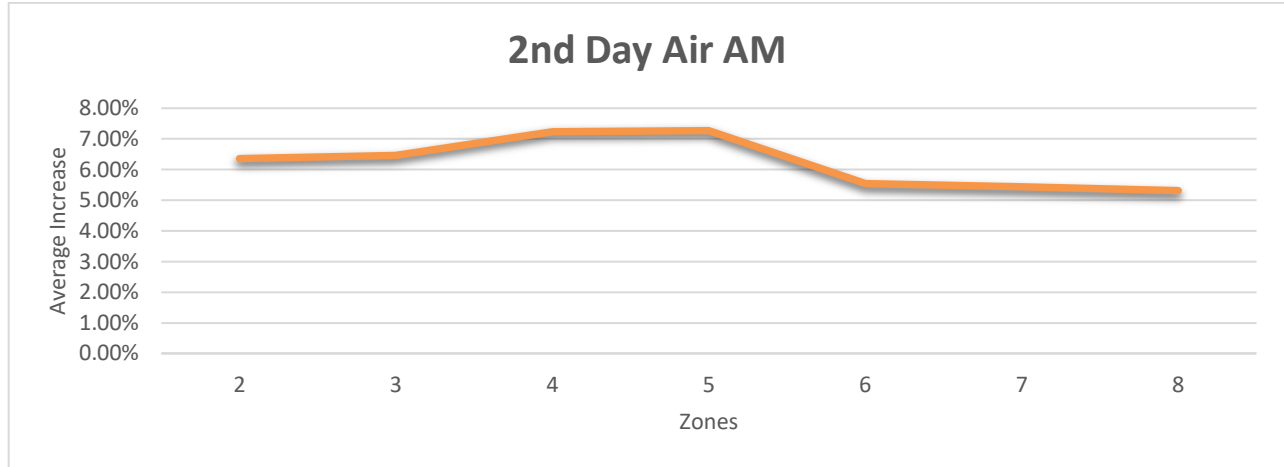


\*Average increase 0lb – 150lb for zones 2-8

### Next Day Air Saver 2024 Increase

WT(lbs)	132	133	134	135	136	137	138
Letter	6.90%	6.90%	5.90%	5.89%	5.90%	5.90%	5.91%
1	7.51%	7.51%	6.41%	6.40%	6.40%	6.40%	6.40%
2	7.48%	7.49%	6.41%	6.40%	6.40%	6.41%	6.40%
3	7.51%	7.50%	6.40%	6.40%	6.40%	6.40%	6.39%
4	7.50%	7.50%	6.40%	6.41%	6.40%	6.40%	6.40%
5	7.51%	7.51%	6.40%	6.40%	6.40%	6.41%	6.40%
6	7.51%	7.50%	6.40%	6.41%	6.39%	6.40%	6.40%
7	7.50%	7.51%	6.40%	6.40%	6.40%	6.40%	6.40%
8	7.49%	7.51%	6.40%	6.40%	6.40%	6.40%	6.40%
9	7.49%	7.50%	6.39%	6.40%	6.40%	6.40%	6.40%
10	7.49%	7.41%	6.39%	6.40%	6.40%	6.40%	6.40%
20	7.51%	7.49%	6.40%	6.40%	6.40%	6.40%	6.40%
30	7.50%	7.50%	6.40%	6.40%	6.40%	6.40%	6.40%
40	7.50%	7.50%	6.40%	6.40%	6.40%	6.40%	6.40%
50	7.49%	7.50%	6.40%	6.40%	6.40%	6.40%	6.40%
Avg Increase	6.03%	5.95%	5.41%	6.18%	6.18%	6.39%	6.37%

### 2 Day Air AM 2024 Increase

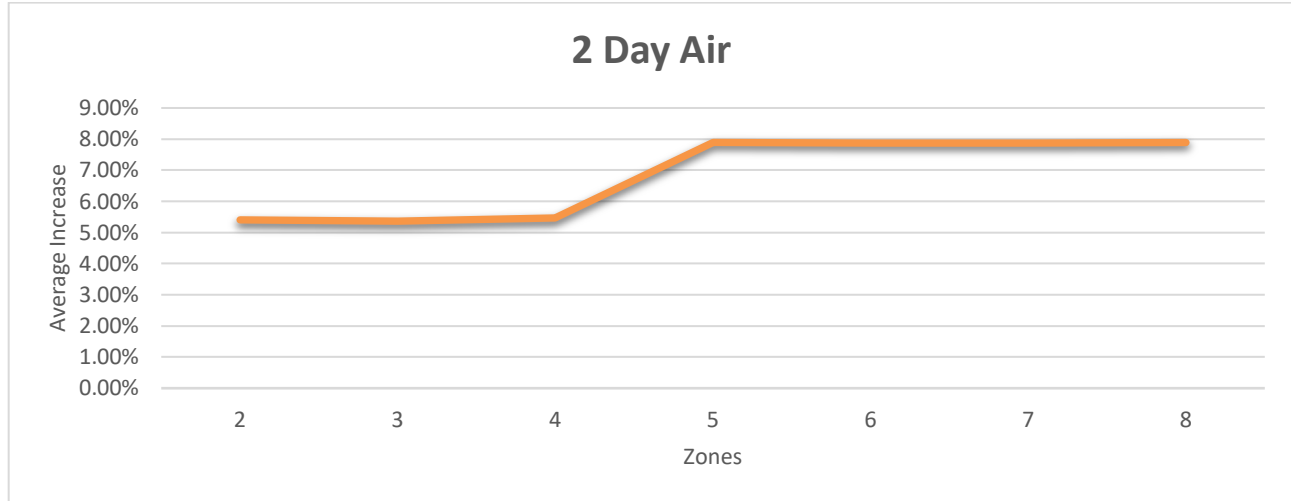


\*Average increase 0lb – 150lb for zones 2-8

### 2 Day Air AM 2024 Increase

WT(lbs)	242	243	244	245	246	247	248
Letter	6.45%	6.46%	7.30%	7.34%	5.56%	5.56%	5.57%
1	6.48%	6.47%	7.32%	7.32%	5.57%	5.58%	5.57%
2	6.48%	6.48%	7.32%	7.33%	5.57%	5.57%	5.56%
3	6.45%	6.48%	7.33%	7.33%	5.57%	5.58%	5.57%
4	6.44%	6.46%	7.33%	7.31%	5.57%	5.57%	5.57%
5	6.43%	6.44%	7.33%	7.32%	5.58%	5.57%	5.58%
6	6.45%	6.45%	7.32%	7.32%	5.57%	5.57%	5.57%
7	6.44%	6.45%	7.32%	7.33%	5.57%	5.57%	5.57%
8	6.47%	6.46%	7.32%	7.32%	5.58%	5.57%	5.57%
9	6.46%	6.46%	7.33%	7.33%	5.57%	5.57%	5.57%
10	6.46%	6.45%	7.32%	7.32%	5.57%	5.57%	5.57%
20	6.44%	6.44%	7.32%	7.32%	5.57%	5.31%	5.22%
30	6.46%	6.46%	7.32%	7.32%	5.57%	5.22%	5.22%
40	6.45%	6.46%	7.32%	7.32%	5.57%	5.22%	5.21%
50	6.45%	6.45%	7.32%	7.32%	5.57%	5.57%	5.57%
Avg Increase	6.36%	6.45%	7.24%	7.27%	5.53%	5.45%	5.31%

### 2 Day Air 2024 Increase



\*Average increase 0lb – 150lb for zones 2-8

### 2 Day Air 2024 Increase

WT(lbs)	202	203	204	205	206	207	208
Letter	5.47%	5.50%	5.52%	7.87%	7.88%	7.88%	7.88%
1	5.48%	5.46%	5.48%	7.86%	7.89%	7.88%	7.88%
2	5.48%	5.48%	5.47%	7.87%	7.90%	7.91%	7.89%
3	5.48%	5.48%	5.46%	7.88%	7.90%	7.89%	7.88%
4	5.48%	5.48%	5.49%	7.89%	7.89%	7.90%	7.88%
5	5.48%	5.45%	5.48%	7.90%	7.89%	7.89%	7.90%
6	5.48%	5.48%	5.49%	7.89%	7.89%	7.89%	7.90%
7	5.47%	5.48%	5.48%	7.90%	7.90%	7.90%	7.90%
8	5.47%	5.49%	5.50%	7.89%	7.90%	7.90%	7.89%
9	5.47%	5.49%	5.47%	7.90%	7.88%	7.90%	7.90%
10	5.49%	5.49%	5.49%	7.89%	7.89%	7.89%	7.90%
20	5.48%	5.49%	5.49%	7.90%	7.89%	7.90%	7.90%
30	5.49%	5.49%	5.50%	7.90%	7.90%	7.90%	7.90%
40	5.49%	5.50%	5.49%	7.90%	7.90%	7.90%	7.90%
50	5.50%	5.49%	5.50%	7.90%	7.90%	7.90%	7.90%
Avg Increase	5.40%	5.37%	5.47%	7.89%	7.88%	7.88%	7.89%

### 3 Day Select 2024 Increase

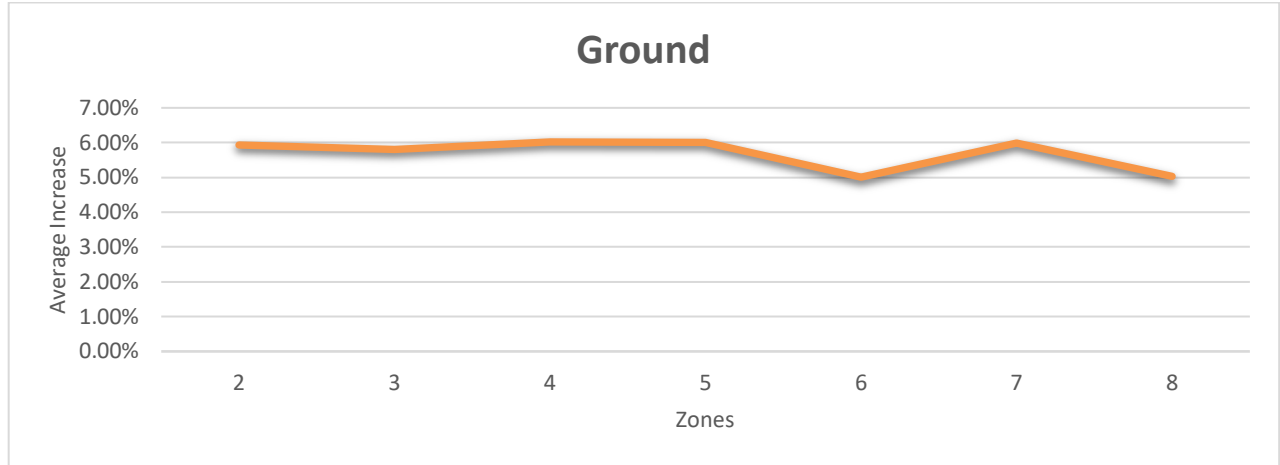


\*Average increase 0lb – 150lb for zones 2-8

### 3 Day Select 2024 Increase

WT(lbs)	302	303	304	305	306	307	308
1	4.52%	4.50%	4.48%	7.92%	7.90%	7.90%	7.89%
2	4.54%	4.52%	4.52%	7.93%	7.92%	7.89%	7.91%
3	4.48%	4.51%	4.51%	7.88%	7.90%	7.89%	7.90%
4	4.52%	4.47%	4.50%	7.90%	7.90%	7.90%	7.90%
5	4.46%	4.48%	4.49%	7.88%	7.90%	7.89%	7.91%
6	4.53%	4.49%	4.49%	7.89%	7.91%	7.89%	7.90%
7	4.51%	4.50%	4.48%	7.88%	7.89%	7.90%	7.90%
8	4.48%	4.49%	4.53%	7.90%	7.91%	7.91%	7.90%
9	4.49%	4.50%	4.53%	7.91%	7.89%	7.89%	7.91%
10	4.49%	4.50%	4.50%	7.91%	7.89%	7.90%	7.89%
20	4.48%	4.51%	4.50%	7.91%	7.90%	7.90%	7.89%
30	4.49%	4.50%	4.51%	7.90%	7.91%	7.90%	7.90%
40	4.50%	4.49%	4.50%	7.90%	7.90%	7.90%	7.90%
50	4.51%	4.49%	4.50%	7.91%	7.90%	7.90%	7.90%
<b>Avg Increase</b>	<b>4.43%</b>	<b>4.43%</b>	<b>4.49%</b>	<b>7.84%</b>	<b>7.86%</b>	<b>7.87%</b>	<b>7.87%</b>

### Ground 2024 Increase



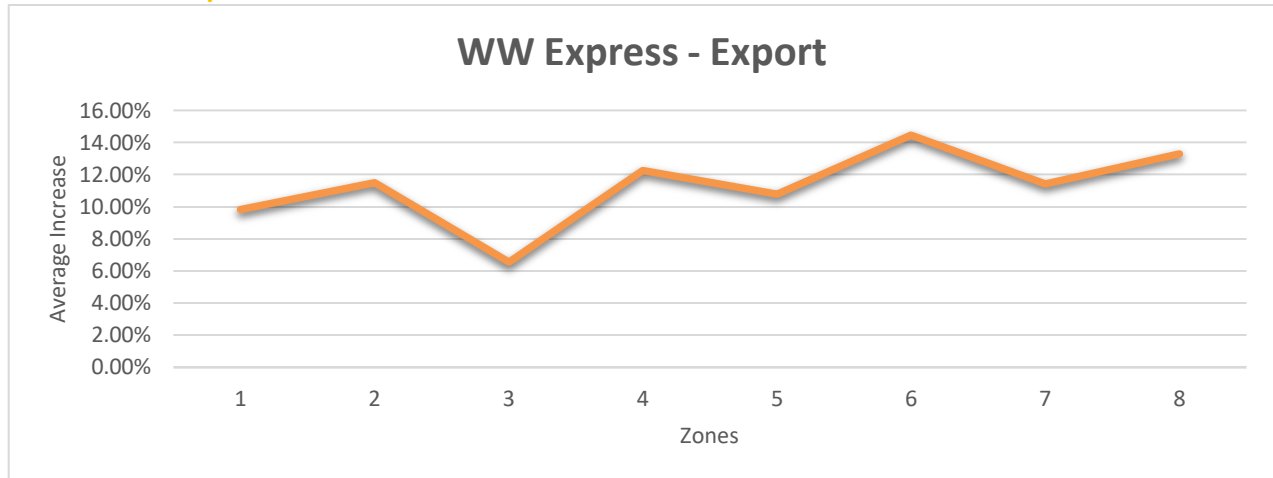
\*Average increase 1lb – 150lb for zones 2-8

### Ground 2024 Increase

WT(lbs)	2	3	4	5	6	7	8
1	5.94%	5.80%	6.02%	6.01%	5.01%	5.99%	5.02%
2	5.78%	5.83%	6.03%	5.97%	6.01%	6.00%	6.03%
3	5.82%	5.77%	4.97%	5.01%	5.01%	4.98%	4.99%
4	5.83%	5.81%	6.04%	6.00%	5.00%	5.00%	5.00%
5	4.84%	4.81%	5.00%	4.98%	4.97%	5.01%	6.03%
6	5.79%	5.76%	5.97%	5.97%	6.00%	5.00%	6.02%
7	5.80%	5.78%	6.01%	6.03%	6.01%	4.98%	6.01%
8	5.79%	5.79%	5.36%	5.98%	4.98%	5.97%	6.02%
9	4.80%	4.81%	5.03%	5.11%	4.99%	5.01%	5.00%
10	5.77%	5.79%	5.98%	6.02%	5.98%	4.98%	5.98%
20	5.71%	5.74%	5.73%	5.76%	5.70%	5.71%	5.70%
30	5.71%	6.55%	5.68%	5.70%	5.70%	5.70%	5.69%
40	6.53%	6.55%	6.50%	6.52%	5.70%	5.69%	5.71%
50	5.82%	5.83%	6.50%	6.51%	6.60%	6.60%	6.60%
Avg Increase	5.68%	5.77%	6.32%	6.19%	6.42%	6.43%	6.60%



### Worldwide Express 2024 Increase

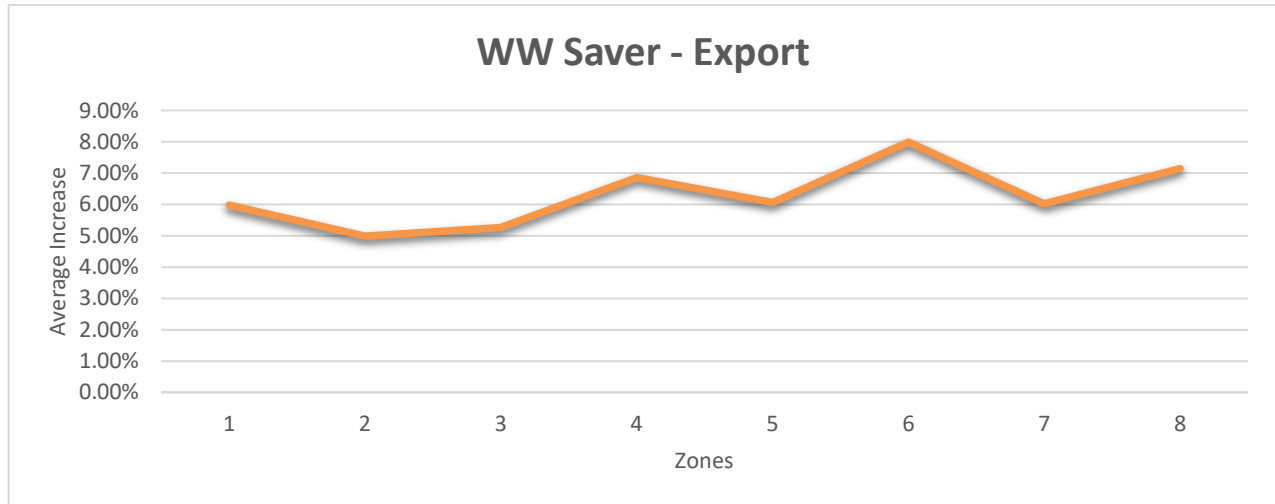


\*Average increase 0lb – 150lb for zones 901-908

### Worldwide Express 2024 Increase

WT(lbs)	901	902	903	904	905	906	907	908
Letter	7.85%	6.88%	8.43%	9.67%	9.90%	10.10%	9.77%	13.51%
1	6.48%	11.73%	6.54%	7.79%	10.62%	7.69%	8.86%	12.83%
2	4.99%	6.57%	4.57%	6.77%	8.54%	10.77%	10.98%	11.76%
3	4.99%	6.57%	4.56%	6.76%	8.53%	10.77%	10.98%	11.76%
4	4.99%	6.66%	3.56%	6.76%	9.58%	10.99%	8.93%	11.76%
5	4.99%	8.64%	3.55%	6.76%	9.58%	10.77%	10.98%	11.76%
6	7.03%	9.71%	5.57%	11.13%	11.65%	11.26%	8.92%	11.80%
7	7.03%	10.86%	5.58%	11.24%	11.65%	11.26%	8.92%	11.80%
8	7.03%	11.74%	4.56%	10.91%	10.61%	11.26%	7.89%	11.80%
9	7.03%	11.74%	2.55%	10.91%	9.58%	11.26%	6.37%	11.80%
10	8.04%	11.74%	2.55%	10.15%	9.58%	11.26%	6.37%	11.80%
20	8.06%	12.18%	6.07%	9.40%	11.89%	15.03%	7.88%	7.60%
30	9.76%	12.18%	6.07%	11.24%	10.90%	15.03%	12.59%	14.98%
40	9.33%	12.18%	6.07%	14.41%	10.90%	15.03%	12.59%	14.98%
50	9.33%	12.18%	6.07%	14.41%	10.90%	15.60%	12.59%	14.98%
Avg Increase	9.82%	11.50%	6.55%	12.27%	10.78%	14.46%	11.42%	13.28%

### Worldwide Saver 2024 Increase

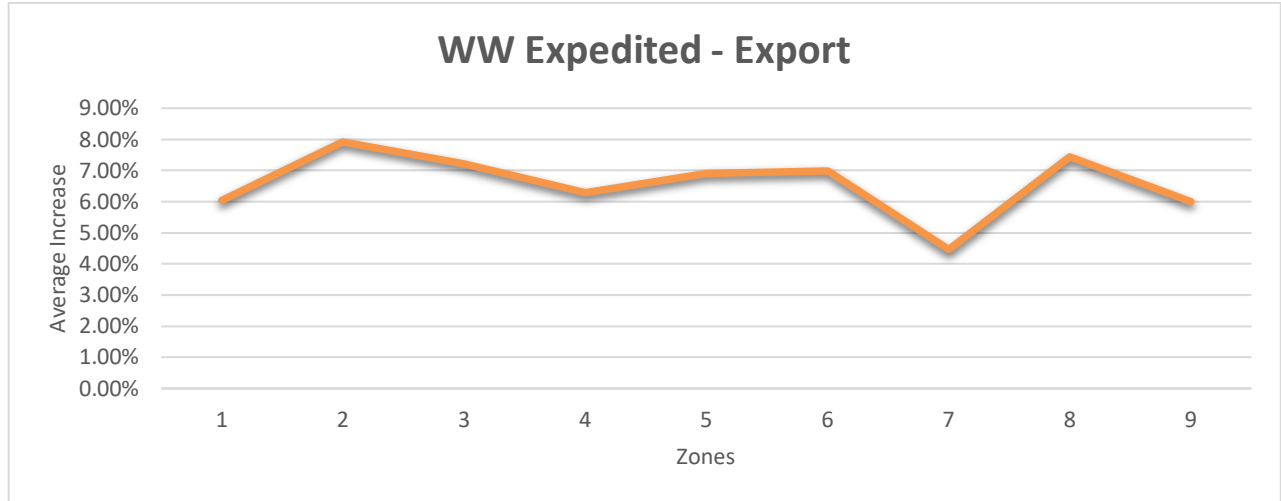


\*Average increase 0lb – 150lb for zones 401-408

### Worldwide Saver 2024 Increase

WT(lbs)	401	402	403	404	405	406	407	408
Letter	4.90%	4.90%	4.90%	4.91%	4.91%	4.91%	4.91%	4.90%
1	7.00%	8.01%	7.00%	5.00%	7.00%	5.00%	7.00%	9.00%
2	5.51%	3.00%	3.00%	5.00%	6.00%	8.00%	8.00%	9.00%
3	5.50%	3.00%	3.00%	5.00%	6.00%	8.00%	8.00%	9.00%
4	5.50%	5.00%	3.00%	5.00%	6.00%	8.00%	6.00%	9.00%
5	5.50%	5.00%	3.00%	5.00%	6.00%	8.00%	8.00%	9.00%
6	6.00%	5.00%	4.00%	7.00%	8.00%	9.00%	6.00%	8.00%
7	6.00%	5.00%	4.00%	7.00%	8.00%	9.00%	6.00%	8.00%
8	6.00%	5.00%	4.00%	7.00%	7.00%	9.00%	5.00%	8.00%
9	6.00%	5.00%	2.00%	7.00%	6.00%	9.00%	4.00%	8.00%
10	7.00%	5.00%	2.00%	7.00%	6.00%	9.00%	4.00%	8.00%
20	6.00%	5.00%	5.50%	6.50%	6.00%	8.00%	6.00%	7.00%
30	6.00%	5.00%	5.50%	6.50%	6.00%	8.00%	6.00%	7.00%
40	6.00%	5.00%	5.50%	6.50%	6.00%	8.00%	6.00%	7.00%
50	6.00%	5.00%	5.50%	6.50%	6.00%	8.00%	6.00%	7.00%
Avg Increase	5.99%	4.99%	5.26%	6.86%	6.06%	7.99%	6.01%	7.15%

### Worldwide Expedited 2024 Increase

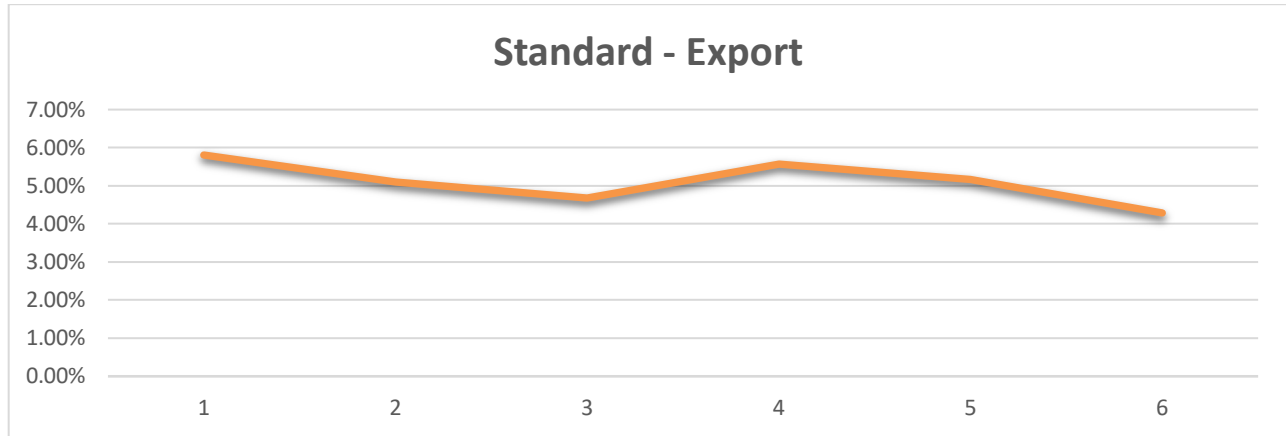


\*Average increase 1lb – 150lb for zones 601-609

### Worldwide Expedited 2024 Increase

WT(lbs)	601	602	603	604	605	606	607	608	609
1	5.00%	1.00%	0.00%	4.00%	6.00%	8.00%	0.00%	0.00%	6.00%
2	5.00%	8.01%	7.01%	4.00%	6.00%	9.00%	6.00%	6.00%	6.00%
3	5.00%	8.00%	7.00%	4.00%	6.00%	9.00%	4.50%	10.00%	6.00%
4	5.00%	8.00%	7.00%	4.00%	6.01%	9.00%	4.50%	8.00%	6.00%
5	5.00%	8.00%	7.00%	4.00%	6.00%	9.00%	4.50%	8.00%	6.01%
6	7.00%	8.01%	8.00%	5.00%	4.00%	5.00%	0.00%	7.50%	6.00%
7	5.00%	8.00%	4.00%	5.00%	9.00%	5.00%	0.00%	7.50%	6.00%
8	2.86%	8.00%	2.00%	6.00%	4.50%	5.00%	0.00%	7.50%	6.00%
9	4.00%	8.00%	5.00%	8.00%	7.00%	5.00%	0.00%	7.50%	6.00%
10	3.87%	8.00%	3.99%	9.00%	8.00%	5.00%	0.00%	7.50%	6.00%
20	9.00%	8.00%	7.50%	6.00%	7.00%	7.00%	5.00%	7.50%	6.00%
30	6.00%	8.00%	7.50%	6.00%	7.00%	7.00%	5.00%	7.50%	6.00%
40	6.00%	8.00%	7.50%	6.00%	7.00%	7.00%	5.00%	7.50%	6.00%
50	6.00%	8.00%	7.50%	6.00%	7.00%	7.00%	5.00%	7.50%	6.00%
Avg Increase	6.04%	7.92%	7.22%	6.28%	6.91%	6.99%	4.47%	7.44%	6.00%

### UPS Standard 2024 Increase



\*Average increase 1lb – 50lb for zones 51-56

### UPS Standard 2024 Increase

WT(lbs)	51	52	53	54	55	56
1	5.83%	5.82%	5.02%	5.80%	5.01%	3.91%
2	5.82%	5.81%	5.03%	5.81%	5.01%	3.91%
3	5.83%	5.82%	5.01%	5.81%	5.01%	3.92%
4	5.82%	5.81%	5.01%	5.80%	5.00%	3.92%
5	5.82%	5.81%	5.02%	5.81%	5.01%	3.91%
6	5.82%	5.81%	5.02%	5.80%	5.81%	4.71%
7	5.80%	5.82%	5.01%	5.82%	5.82%	4.70%
8	5.81%	5.83%	5.01%	5.82%	5.82%	4.72%
9	5.82%	5.81%	5.01%	5.80%	5.80%	4.71%
10	5.80%	5.81%	5.01%	5.81%	5.81%	4.72%
20	5.81%	5.02%	5.01%	5.81%	5.80%	4.71%
30	5.81%	5.00%	5.01%	5.81%	5.00%	4.70%
40	5.81%	5.01%	5.01%	5.80%	5.01%	4.70%
50	5.81%	5.01%	5.01%	5.81%	5.00%	4.70%
<b>Avg Increase</b>	<b>5.81%</b>	<b>5.10%</b>	<b>4.67%</b>	<b>5.57%</b>	<b>5.17%</b>	<b>4.29%</b>

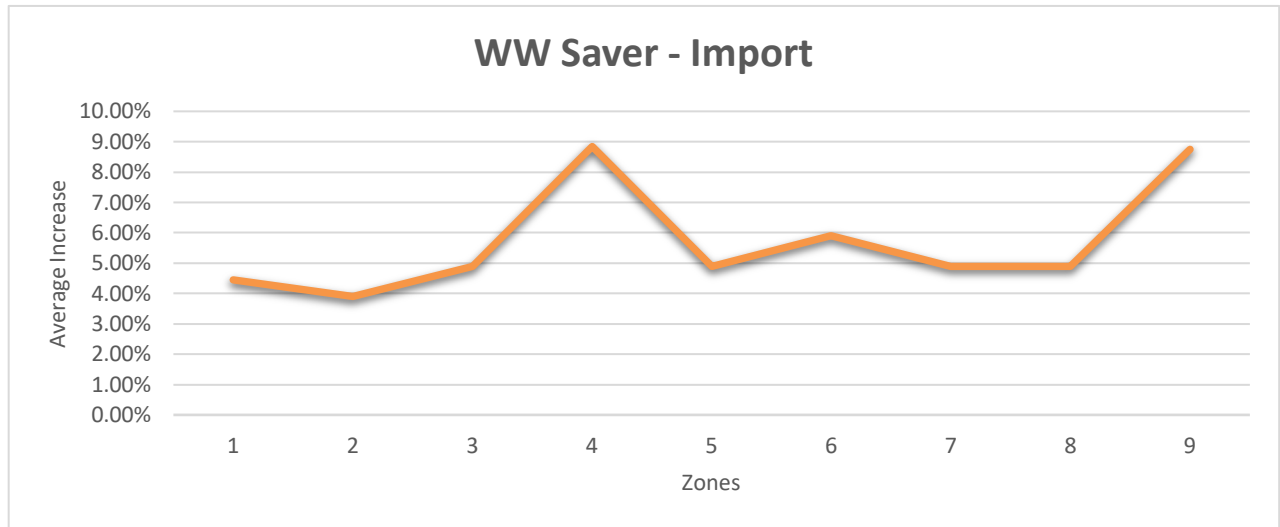
### WW Express Import 2024 Increase



### WW Express Import 2024 Increase

WT(lbs)	951	952	953	954	955	956	957	958
1	6.00%	4.90%	5.20%	8.91%	5.90%	5.00%	4.90%	3.20%
2	6.00%	4.90%	5.20%	8.90%	5.90%	5.00%	4.90%	3.20%
3	6.00%	4.90%	5.20%	8.90%	5.90%	5.00%	4.90%	3.20%
4	6.00%	4.90%	5.20%	8.90%	5.90%	5.00%	4.90%	3.20%
5	6.00%	4.90%	5.20%	8.90%	5.90%	5.00%	4.90%	3.20%
6	6.00%	4.90%	5.20%	8.90%	5.90%	5.00%	4.90%	3.20%
7	6.00%	4.90%	5.20%	8.90%	5.90%	5.00%	4.90%	3.20%
8	6.00%	4.90%	5.20%	8.90%	5.90%	5.00%	4.90%	3.20%
9	6.00%	4.90%	5.20%	8.90%	5.90%	5.00%	4.90%	3.20%
10	6.00%	4.90%	5.20%	8.90%	5.90%	5.00%	4.90%	3.20%
20	6.00%	4.90%	5.20%	8.90%	5.90%	5.00%	4.90%	3.20%
30	6.00%	4.90%	5.20%	8.90%	5.90%	5.00%	4.90%	3.20%
40	6.00%	4.90%	5.20%	8.90%	5.90%	5.00%	4.90%	3.20%
50	6.00%	4.90%	5.20%	8.90%	5.90%	5.00%	4.90%	3.20%
Avg Increase	5.79%	4.90%	5.20%	8.90%	5.90%	5.00%	4.90%	3.20%

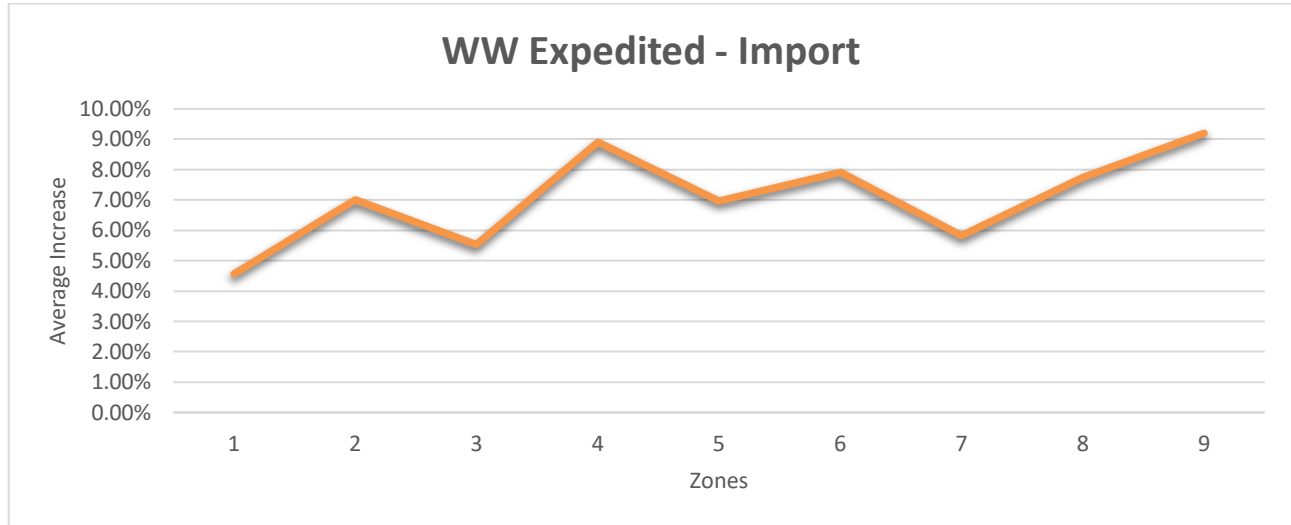
### WW Saver Import 2024 Increase



### WW Saver Import 2024 Increase

WT(lbs)	451	452	453	454	455	456	457	458	459
1	4.90%	3.91%	4.90%	8.90%	4.90%	5.91%	4.90%	4.90%	7.01%
2	4.90%	3.90%	4.90%	7.90%	4.90%	5.90%	4.90%	4.90%	7.00%
3	4.90%	3.90%	4.90%	7.90%	4.90%	5.90%	4.90%	4.90%	7.00%
4	4.90%	3.90%	4.90%	8.90%	4.90%	5.90%	4.90%	4.90%	7.00%
5	4.90%	3.90%	4.90%	7.90%	4.90%	5.90%	4.90%	4.90%	7.00%
6	4.90%	3.90%	4.90%	7.90%	4.90%	5.90%	4.90%	4.90%	7.00%
7	4.90%	3.90%	4.90%	7.90%	4.90%	5.90%	4.90%	4.90%	7.00%
8	4.90%	3.90%	4.90%	8.90%	4.90%	5.90%	4.90%	4.90%	7.00%
9	4.90%	3.90%	4.90%	8.90%	4.90%	5.90%	4.90%	4.90%	7.00%
10	4.90%	3.90%	4.90%	8.90%	4.90%	5.90%	4.90%	4.90%	7.00%
20	4.90%	3.90%	4.90%	8.90%	4.90%	5.90%	4.90%	4.90%	8.90%
30	4.50%	3.90%	4.90%	8.90%	4.90%	5.90%	4.90%	4.90%	8.90%
40	4.50%	3.90%	4.90%	8.90%	4.90%	5.90%	4.90%	4.90%	8.90%
50	4.50%	3.90%	4.90%	8.90%	4.90%	5.90%	4.90%	4.90%	8.90%
Avg Increase	4.45%	3.90%	4.90%	8.84%	4.90%	5.90%	4.90%	4.90%	8.75%

### WW Expedited Import 2024 Increase



### WW Expedited Import 2024 Increase

Zones	651	652	653	654	655	656	657	658	659
1	3.51%	9.00%	4.01%	8.90%	3.02%	4.00%	4.00%	4.00%	8.90%
2	3.51%	4.00%	4.01%	8.90%	4.01%	4.01%	4.01%	4.00%	8.90%
3	3.50%	9.00%	4.00%	8.90%	4.00%	4.01%	4.01%	4.01%	8.90%
4	3.50%	4.00%	4.00%	8.90%	4.00%	4.01%	4.00%	8.64%	8.90%
5	3.50%	9.00%	4.00%	8.90%	4.00%	4.01%	4.00%	5.00%	8.90%
6	3.51%	9.00%	4.00%	8.90%	4.00%	4.00%	4.00%	4.00%	8.90%
7	3.50%	4.00%	4.00%	8.90%	9.00%	4.01%	4.00%	7.19%	8.90%
8	3.50%	4.00%	4.00%	8.90%	4.00%	4.00%	4.00%	5.61%	8.90%
9	3.50%	4.17%	9.00%	8.90%	4.00%	9.00%	4.00%	5.00%	8.90%
10	3.50%	8.60%	4.00%	8.90%	4.00%	4.00%	4.00%	4.00%	8.90%
20	3.50%	4.28%	4.00%	8.90%	4.28%	9.00%	4.00%	8.03%	8.90%
30	3.50%	8.90%	4.96%	8.90%	4.37%	9.00%	8.58%	7.40%	8.90%
40	4.57%	9.00%	9.00%	8.90%	9.00%	9.00%	5.81%	9.00%	8.90%
50	3.50%	4.25%	4.56%	8.90%	9.00%	9.00%	4.63%	9.00%	8.90%
Avg Increase	4.56%	7.00%	5.52%	8.90%	6.96%	7.90%	5.82%	7.74%	9.20%

### Average UPS Ground Rate Increase – Historical

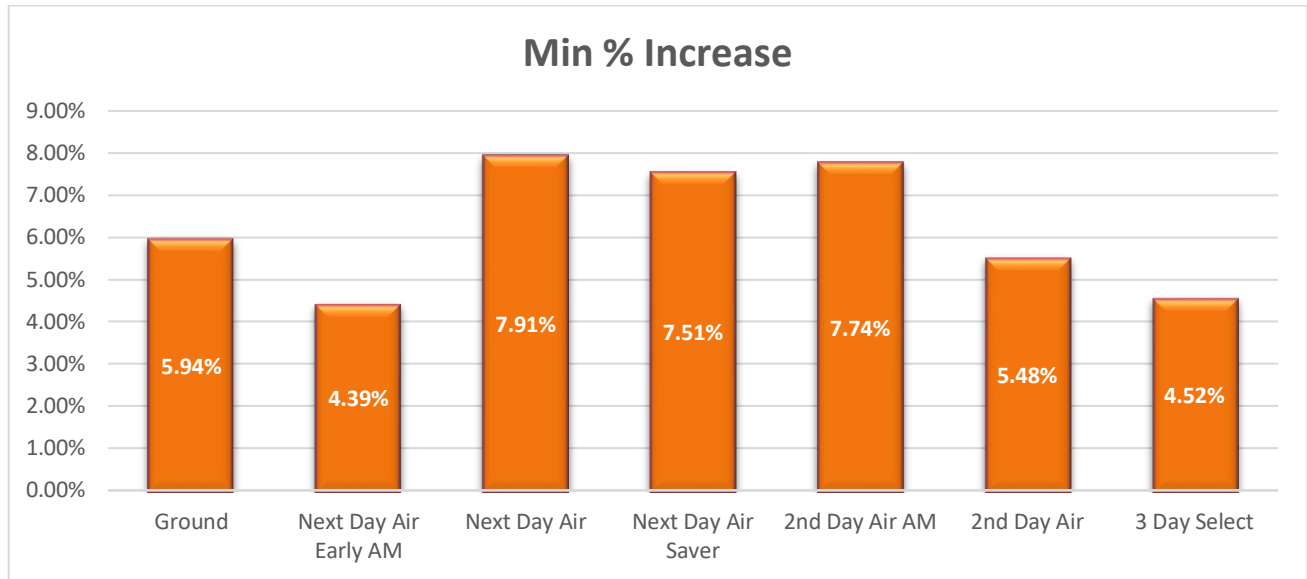
Ground Service						
Average Rate Increase						
Wt.	2019	2020	2021	2022	2023	2024
1-5 lbs.	4.2%	4.24%	6.53%	7.46%	7.34%	5.49%
6-10 lbs.	5.0%	5.05%	5.04%	6.48%	7.26%	5.61%
11-20 lbs.	5.0%	5.07%	4.83%	5.89%	6.89%	6.14%
21-30 lbs.	5.5%	4.99%	4.71%	5.80%	6.85%	6.02%
31-70 lbs.	5.6%	5.37%	5.08%	5.81%	7.14%	6.26%
71-150 lbs.	4.9%	4.70%	4.71%	5.63%	7.02%	6.28%

### Average UPS Air Services Rate Increase – Historical

Air Services						
Average Rate Increase						
Service	2019	2020	2021	2022	2023	2024
Next Day Air	6.16%	5.52%	4.71%	6.24%	7.08%	5.69%
Next Day Air Saver	5.86%	4.92%	4.24%	6.09%	7.10%	6.07%
2nd Day Air AM	7.49%	4.64%	7.09%	6.50%	8.47%	6.23%
2nd Day Air	7.24%	6.09%	5.47%	4.85%	7.64%	6.83%
3 Day Select	5.10%	5.90%	5.40%	9.50%	9.95%	6.40%



### 2024 UPS Minimum Charge Rate Increase



### UPS Historical Minimum Charge Rate Increases

Service	Min Net 2019	Min Net 2020	Min Net 2021	Min Net 2022	Min Net 2023	Min Net 2024	2024 \$ Increase	2024 % Increase
Ground	\$7.85	\$8.23	\$8.76	\$9.36	\$10.10	\$10.70	\$0.60	5.94%
Next Day Air Early AM	\$58.97	\$60.62	\$62.09	\$64.50	\$67.44	\$70.40	\$2.96	4.39%
Next Day Air	\$29.47	\$30.62	\$32.09	\$34.50	\$37.44	\$40.40	\$2.96	7.91%
Next Day Air Saver	\$27.32	\$28.39	\$29.35	\$31.54	\$34.22	\$36.79	\$2.57	7.51%
2nd Day Air AM	\$19.91	\$20.68	\$21.71	\$23.13	\$24.95	\$26.88	\$1.93	7.74%
2nd Day Air	\$18.40	\$19.30	\$20.24	\$21.23	\$22.82	\$24.07	\$1.25	5.48%
3 Day Select	\$11.23	\$11.67	\$12.35	\$13.57	\$14.59	\$15.25	\$0.66	4.52%

## UPS Accessorial Changes – Overview

Domestic Charges	Zone	Effective through 12/25/2023	Effective 12/26/2023
<b>Additional Handling</b>			
Weight	2	\$29.00	\$34.50
Weight	3-4	\$31.50	\$37.50
Weight	5+	\$34.50	\$41.50
Dimensions (Length, Width, Length + Girth)	2	\$18.50	\$22.00
Dimensions (Length, Width, Length + Girth)	3-4	\$20.50	\$24.50
Dimensions (Length, Width, Length + Girth)	5+	\$23.50	\$28.25
Packaging	2	\$16.50	\$19.50
Packaging	3-4	\$19.00	\$23.00
Packaging	5+	\$20.50	\$24.50
<b>Address Correction - Air</b>	-	\$19.50	\$21.00
<b>Address Correction - Ground</b>	-	\$19.50	\$21.00
<b>Address Correction (Maximum per Shipment)</b>	-	\$136.50	\$147.00
<b>Chargeback for Consignee Billing Shipments</b>	-	\$19.50	\$21.00
<b>Collect on Delivery (C.O.D.)</b>	-	\$18.00	\$19.00
<b>Dangerous Goods (Hazardous Materials)</b>			
Air Accessible	-	\$145.00	\$160.00
Air Inaccessible	-	\$68.50	\$73.00
Ground	-	\$48.00	\$51.00
Category A	-	\$68.50	\$75.50
<b>Declared Value for Carriage</b>	-	\$1.30 per \$100	\$1.45 per \$100
	-	(\$3.90 Min.)	(\$4.35 Min.)
<b>Delivery Area Surcharge</b>			
Air Commercial	-	\$3.70	\$3.95
Air Commercial Extended	-	\$4.50	\$4.90
Ground Commercial	-	\$3.70	\$3.95
Ground Commercial Extended	-	\$4.50	\$4.90
Ground Residential	-	\$5.30	\$5.70
Ground Residential Extended	-	\$7.15	\$7.70
Air Residential	-	\$5.55	\$5.85
Air Residential Extended	-	\$7.15	\$7.70
<b>Delivery Area Surcharge CWT</b>			
Air Commercial	-	\$18.50 per shipment	\$19.70 per shipment
Air Commercial Extended	-	\$22.50 per shipment	\$24.40 per shipment
Ground Commercial	-	\$18.50 per shipment	\$19.70 per shipment
Ground Commercial Extended	-	\$22.50 per shipment	\$24.40 per shipment
Air Residential	-	\$27.75 per shipment	\$29.20 per shipment
Air Residential Extended	-	\$35.75 per shipment	\$38.35 per shipment
Ground Residential	-	\$26.50 per shipment	\$28.40 per shipment
Ground Residential Extended	-	\$35.75 per shipment	\$38.35 per shipment
<b>Delivery Confirmation</b>			
Signature Required	-	\$6.35	\$6.75
Commercial Signature Required	-	\$6.35	\$6.75
Adult Signature Required	-	\$7.65	\$8.15

<b>Delivery Intercept</b>	-		
Phone Request	-	\$24.90	\$25.90
Web Request	-	\$17.60	\$18.60
<b>Dry Ice</b>	-	\$7.05	\$7.50

<b>Domestic Charges</b>	<b>Zone</b>	<b>Effective through 12/25/2023</b>	<b>Effective 12/26/2023</b>
<b>Large Package Surcharge</b>			
Commercial	2	\$135.00	\$160.00
Commercial	3-4	\$145.00	\$175.00
Commercial	5+	\$165.00	\$197.50
Residential	2	\$160.00	\$190.00
Residential	3-4	\$170.00	\$205.00
Residential	5+	\$195.00	\$235.00
<b>Missing PLD Fee</b>	-	\$3.00	\$3.85
<b>Missing/Invalid Account Number or Refusal Fee</b>	-	\$19.50	\$21.00
<b>Over Maximum Limits</b>	-	\$1,150.00	\$1,250.00
<b>Rebill Fee</b>	-	\$19.50 per request	\$21.00 per request
<b>Remote Area Surcharge</b>			
Alaska	-	\$38.00	\$40.50
Hawaii	-	\$13.05	\$14.15
US 48	-	\$13.05	\$14.15
<b>Remote Area Surcharge CWT</b>			
Alaska	-	\$108.00 per shipment	\$115.00 per shipment
Hawaii	-	\$39.15 per shipment	\$42.15 per shipment
US 48	-	\$39.15 per shipment	\$42.15 per shipment
<b>Residential Surcharge</b>			
Ground	-	\$5.25	\$5.65
Air	-	\$5.85	\$6.20
<b>Residential Surcharge - Hundredweight (and GFP)</b>	-	\$51.30 per shipment	\$54.45 per shipment
<b>Shipping Charge Correction Audit Fee</b>	-	\$1.00	\$1.25
<b>UPS Returns: 1 UPS Pickup Attempt</b>	-	\$6.00	\$6.50
<b>UPS Returns: 3 UPS Pickup Attempts</b>	-	\$8.20	\$8.90
<b>UPS On-Call Pickup Area Surcharge</b>			
Residential	-	\$5.25	\$5.65
Area Surcharge - Residential	-	\$5.30	\$5.70
Area Surcharge - Extended Residential	-	\$7.15	\$7.70
Remote Surcharge - Alaska	-	\$38.00	\$41.50
Remote Surcharge - Hawaii	-	\$13.05	\$14.10
<b>UPS On-Call Pickup</b>			
Same Day Pickup	-	\$13.00	\$13.90
Future Day Pickup	-	\$8.00	\$8.50
<b>Daily Pickup</b>	-	\$30.00	\$32.90
<b>Daily On-Route Pickup</b>	-	\$10.00	\$9.90
<b>Day-Specific Pickup</b>	-		

4 Days	-	\$24.00	\$24.90
3 Days	-	\$18.00	\$18.90
2 Days	-	\$12.00	\$12.90
1 Day	-	\$6.00	\$6.90
<b>UPS Smart Pickup</b>		\$16.00	\$16.90
<b>Saturday On-Call Stop Charge</b>		\$3.20	\$6.00
<b>Saturday Scheduled Stop Charge</b>		\$9.00	\$12.00
<b>Saturday Smart Stop Charge</b>		\$6.00	\$8.00
<b>Will Call</b>		\$5.99	No charge

<b>International Charges</b>	<b>Effective through 12/25/2023</b>	<b>Effective 12/26/2023</b>
<b>Additional Handling (All Types)</b>	\$24.00	\$31.00
<b>Delivery Area Surcharge (Import services)</b>	\$3.70	\$3.85
<b>Delivery Area Surcharge Extended (Import services)</b>	\$4.50	\$4.75
<b>Extended Area Surcharge</b>	Greater of \$49 per shipment or \$0.49 per pound	Greater of \$53 per shipment or \$0.53 per pound
<b>Remote Area Surcharge</b>	Greater of \$49 per shipment or \$0.49 per pound	Greater of \$53 per shipment or \$0.53 per pound
<b>International Dangerous Goods</b>		
Standard to/from CA	Greater of \$54.00 per shipment or \$6.12 per package	Greater of \$59.00 per shipment or \$6.68 per package
Small Package Accessible	Greater of \$215.00 per shipment or \$25.81 per package	Greater of \$235.00 per shipment or \$28.21 per package
Small Package Inaccessible	Greater of \$107.50 per shipment or \$12.91 per package	Greater of \$118.50 per shipment or \$14.24 per package
Worldwide Express Freight Accessible	Greater of \$217.00 per shipment or \$1.18 per pound	Greater of \$231.50 per shipment or \$1.26 per pound
Worldwide Express Freight Inaccessible	Greater of \$107.50 per shipment or \$0.59 per pound	Greater of \$114.50 per shipment or \$0.63 per pound
<b>Large Package Surcharge</b>	\$170.00	\$200.00
<b>Residential Surcharge</b>		
Standard Services	\$5.50	\$5.85
International Air and 3 Day Select	\$5.85	\$6.20
Worldwide Express Freight Services	\$185.00	\$200.00
<b>Oversized Pallet Handling Surcharge</b>	\$1,150.00	\$1,250.00

## Franklin Parcel Technology

### ***Leveraging Technology to Optimize Parcel Shipping Costs***

Parcel shipping and carrier agreements have become very complex. With pages and pages of varying rates, discounts, surcharges and multiple zones, understanding these agreements can be nearly impossible for most shippers. Even the most sophisticated corporate shippers require specialized software to analyze these agreements and make sense of them. This is where Franklin Parcel can help. Franklin Parcel is a leading provider of IT solutions for the freight management and transportation industry. Their Transportation Management Software or TMS platform has been the backbone of some of the country's largest 3PLs for many years. Now, this innovative technology is being made available to individual private companies to assist in improving operational efficiencies. Imagine having on-demand technology that can definitively illustrate the potential impacts to changes in your UPS or FedEx carrier pricing agreements. Data driven technology that you can leverage, to level the playing field for effective carrier negotiations that produces results!

#### ***We call it "RAMS"***

RAMS (Rating Agreement Management System) is a proprietary technology that provides on-demand parcel rate comparisons based on your actual shipment history. It allows re-rating across carrier agreements, pricing proposals, and year to year carrier base rate changes. RAMS eliminates the guess work and allows informed decision making. This technology was only available to the largest corporate entities, but it is now available to shippers of all sizes.

#### ***How does RAMS benefit you?***

During a bid or agreement restructuring, your newly proposed carrier agreement data is uploaded to the RAMS system, thereby determining how the proposed changes will impact your parcel spend. The RAMS system provides the ability to re-rate every individual historical shipment during a given time frame. Therefore, giving complete and accurate visibility of the impact of proposed service options, assessorial fees, fuel surcharges, and even DIM rated shipments. Unlike the carriers or any of FRANKLIN PARCEL's competitors, they do not use averages to determine your projected bottom-line results, rather, they use actual shipment data detailing costs to the penny.

This sophisticated technology benefits shippers by providing actionable intelligence. For example, prior to signing any carrier agreement, the client knows exactly what the impact of the proposed pricing changes will be, and how it will affect their bottom line. Once the new agreement is published, FRANKLIN PARCEL can then provide a weekly, monthly or quarterly savings report. This report illustrates savings achieved by service levels and surcharges, throughout the lifetime of the agreement.



Additionally, the RAMS system provides an annual General Rate Increase (GRI) Impact Analysis. Each year, the carriers announce changes to their base rates, minimum charges and surcharges or assessorial fees. Carriers typically state this general rate increase as a flat percentage; however, this is really an “average” of all increases across all weights and services. Depending on your company’s unique shipping profile, your true increase could be significantly higher than that “average”. Understanding exactly how a carrier rate increase effects your business is powerful information. Having on-demand access to our proprietary technology is exactly the LEVERAGE your business needs to effectively navigate carrier negotiations and optimize your rates.

### **Summary**

The overall analysis of the 2021 GRI increase concludes that all services will be impacted. Your specific shipping profile will determine the true impact of these increases to your company.

To truly understand what impact this has on your business, Franklin Parcel can provide you with a thorough and detailed analysis.

Our unique industry **Knowledge**, combined with our superior web-based **Technology** will provide you with the **Leverage** needed to optimize your carrier agreements.

For a no-obligation consultation and business review, please email us at [ben@franklinparcel.com](mailto:ben@franklinparcel.com).

