



## [MGN Logistics UPS 2023 Rate Increase Review](#)

2022 has been a challenging year for parcel shippers and a year of historical growth for the parcel carriers increases. Despite this, UPS announced another 6.9% average general rate increase for 2023. 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 a 10% increase in rate base adjustments alone!

In addition to the general 6.9% rate increase, 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 \$10.10, or increasing 7.91%. This could translate to an even bigger increase depending on your shipping profile.

Customers that ship larger packages will once again feel another big impact this year. The additional handling package surcharges will increase within a whopping range of 14.86%-17.86% depending on zone. The over maximum charge will greatly increase to \$1,150 from \$1,025, 12.2% respectively.

In this analysis, **MGN Logistics** 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 2023.

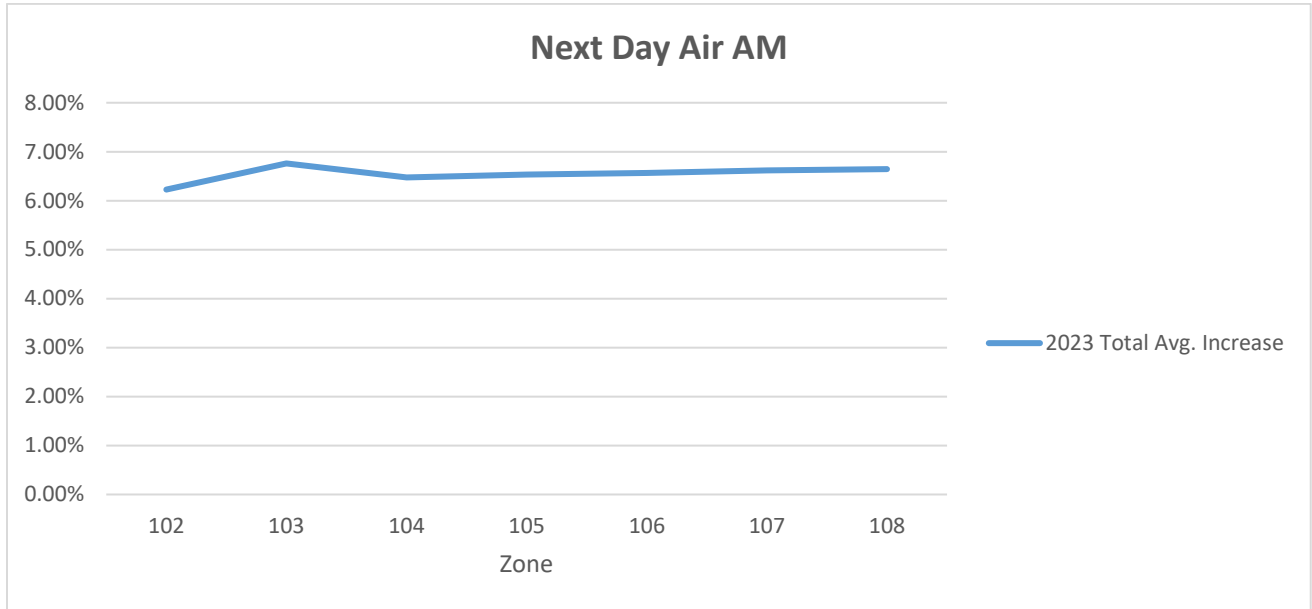
You need a partner dedicated to parcel analysis and management, who has the technology and expertise to help you understand how these "average" increases will truly impact your specific shipping profile. That is exactly what we do. Knowledge is power and understanding the complexities of carrier pricing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

MGN Logistics – Technology, Innovation, Dedication! For more information, please visit us at [www.mgnlogistics.com](http://www.mgnlogistics.com), or email us at [sales@mgnlogistics.com](mailto:sales@mgnlogistics.com)



## Increase Overview of Services

### Next Day Air AM 2023 Increase



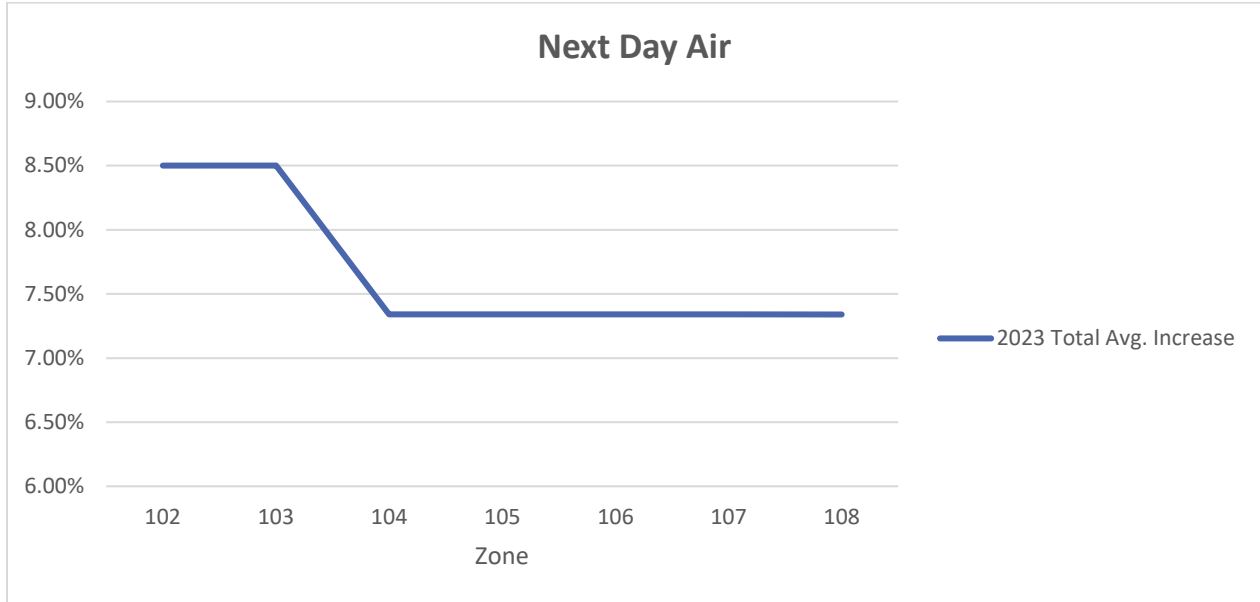
\*Average increase 1lb – 50lb for zones 102-108

### Next Day Air AM 2023 Increase

WT (Lbs)	102	103	104	105	106	107	108
1	4.56%	5.35%	5.07%	5.23%	5.31%	5.49%	5.53%
2	4.59%	5.37%	5.21%	5.33%	5.38%	5.55%	5.68%
3	4.76%	5.58%	5.37%	5.52%	5.62%	5.74%	5.79%
4	4.93%	5.61%	5.52%	5.65%	5.69%	5.84%	5.89%
5	4.95%	5.63%	5.55%	5.66%	5.71%	5.86%	5.89%
6	5.24%	5.80%	5.70%	5.85%	5.91%	6.02%	6.06%
7	5.26%	5.89%	5.76%	5.92%	5.95%	6.06%	6.13%
8	5.27%	5.90%	5.81%	5.95%	6.00%	6.12%	6.16%
9	5.28%	5.92%	5.85%	5.96%	6.00%	6.13%	6.16%
10	5.30%	5.94%	5.87%	5.96%	6.03%	6.14%	6.17%
20	5.95%	6.53%	6.31%	6.41%	6.43%	6.49%	6.50%
30	6.33%	6.83%	6.56%	6.60%	6.63%	6.68%	6.70%
40	6.62%	7.09%	6.69%	6.73%	6.75%	6.79%	6.80%
50	6.89%	7.30%	6.76%	6.81%	6.82%	6.86%	6.88%
<b>Avg Increases</b>	<b>6.23%</b>	<b>6.76%</b>	<b>6.47%</b>	<b>6.54%</b>	<b>6.56%</b>	<b>6.62%</b>	<b>6.64%</b>



### Next Day Air 2023 Increase



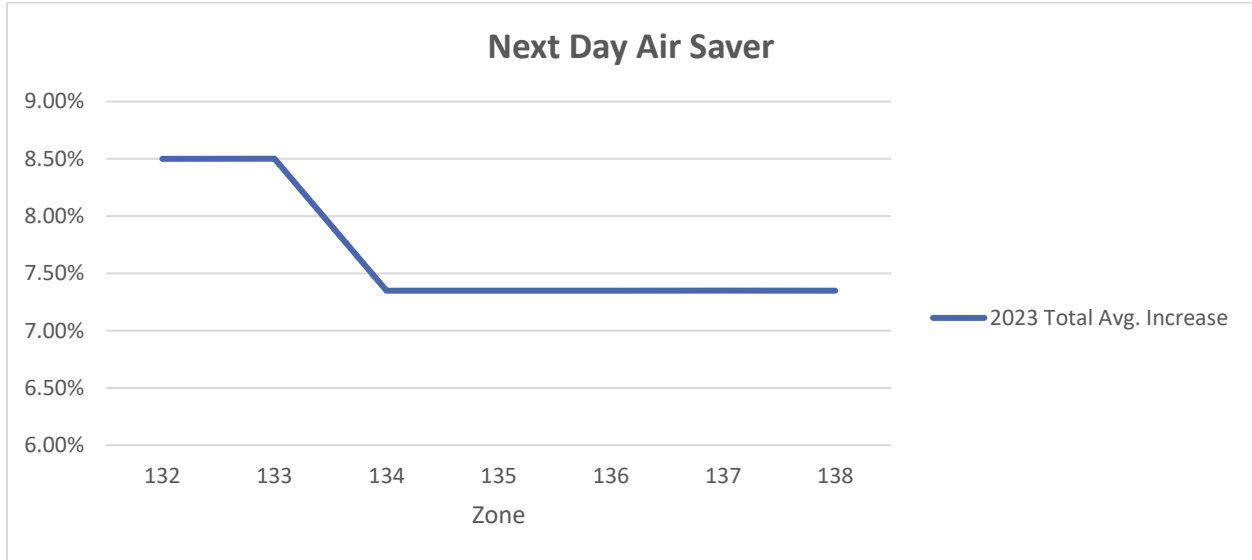
\*Average increase 1lb – 50lb for zones 102-108

### Next Day Air 2023 Increase

WT (Lbs)	102	103	104	105	106	107	108
1	8.52%	8.50%	7.33%	7.34%	7.34%	7.34%	7.34%
2	8.53%	8.51%	7.33%	7.33%	7.34%	7.34%	7.34%
3	8.50%	8.51%	7.35%	7.33%	7.34%	7.33%	7.34%
4	8.49%	8.51%	7.34%	7.34%	7.34%	7.34%	7.34%
5	8.49%	8.51%	7.34%	7.34%	7.34%	7.34%	7.34%
6	8.51%	8.50%	7.33%	7.34%	7.34%	7.35%	7.34%
7	8.50%	8.49%	7.34%	7.35%	7.34%	7.34%	7.34%
8	8.51%	8.49%	7.34%	7.34%	7.34%	7.34%	7.34%
9	8.51%	8.50%	7.33%	7.34%	7.33%	7.34%	7.34%
10	8.51%	8.50%	7.34%	7.34%	7.34%	7.34%	7.34%
20	8.49%	8.50%	7.34%	7.34%	7.34%	7.34%	7.34%
30	8.50%	8.50%	7.34%	7.34%	7.34%	7.34%	7.34%
40	8.50%	8.50%	7.34%	7.34%	7.34%	7.34%	7.34%
50	8.50%	8.50%	7.34%	7.34%	7.34%	7.34%	7.34%
<b>Avg Increase</b>	<b>8.50%</b>	<b>8.50%</b>	<b>7.34%</b>	<b>7.34%</b>	<b>7.34%</b>	<b>7.34%</b>	<b>7.34%</b>



## Next Day Air Saver 2023 Increase



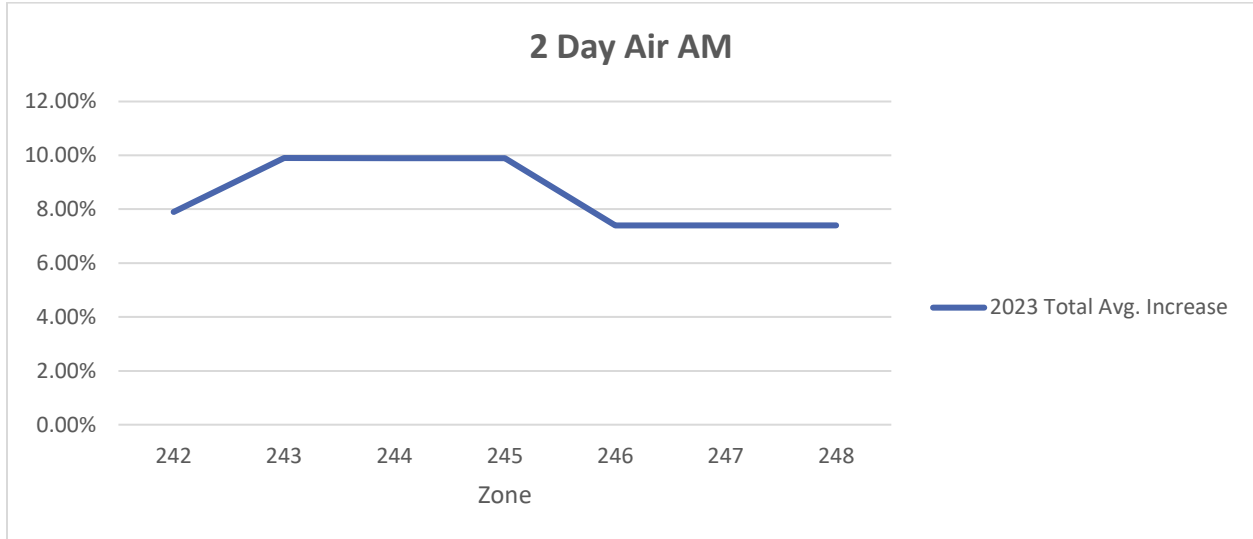
\*Average increase 1lb – 50lb for zones 132-138

## Next Day Air Saver 2023 Increase

WT (Lbs)	132	133	134	135	136	137	138
1	8.50%	8.49%	7.36%	7.35%	7.35%	7.34%	7.34%
2	8.50%	8.50%	7.34%	7.35%	7.34%	7.35%	7.35%
3	8.51%	8.51%	7.35%	7.34%	7.36%	7.36%	7.35%
4	8.49%	8.51%	7.35%	7.35%	7.35%	7.35%	7.35%
5	8.50%	8.50%	7.35%	7.35%	7.35%	7.34%	7.35%
6	8.50%	8.51%	7.35%	7.35%	7.35%	7.34%	7.35%
7	8.48%	8.51%	7.35%	7.35%	7.35%	7.35%	7.34%
8	8.50%	8.51%	7.34%	7.35%	7.35%	7.35%	7.35%
9	8.51%	8.50%	7.35%	7.35%	7.33%	7.35%	7.35%
10	8.51%	8.49%	7.34%	7.34%	7.35%	7.35%	7.35%
20	8.50%	8.50%	7.35%	7.35%	7.35%	7.35%	7.35%
30	8.50%	8.50%	7.35%	7.35%	7.35%	7.35%	7.35%
40	8.50%	8.51%	7.35%	7.35%	7.35%	7.35%	7.35%
50	8.50%	8.50%	7.35%	7.35%	7.35%	7.35%	7.35%
<b>Avg Increase</b>	<b>8.50%</b>	<b>8.50%</b>	<b>7.35%</b>	<b>7.35%</b>	<b>7.35%</b>	<b>7.35%</b>	<b>7.35%</b>



## 2 Day Air AM 2023 Increase



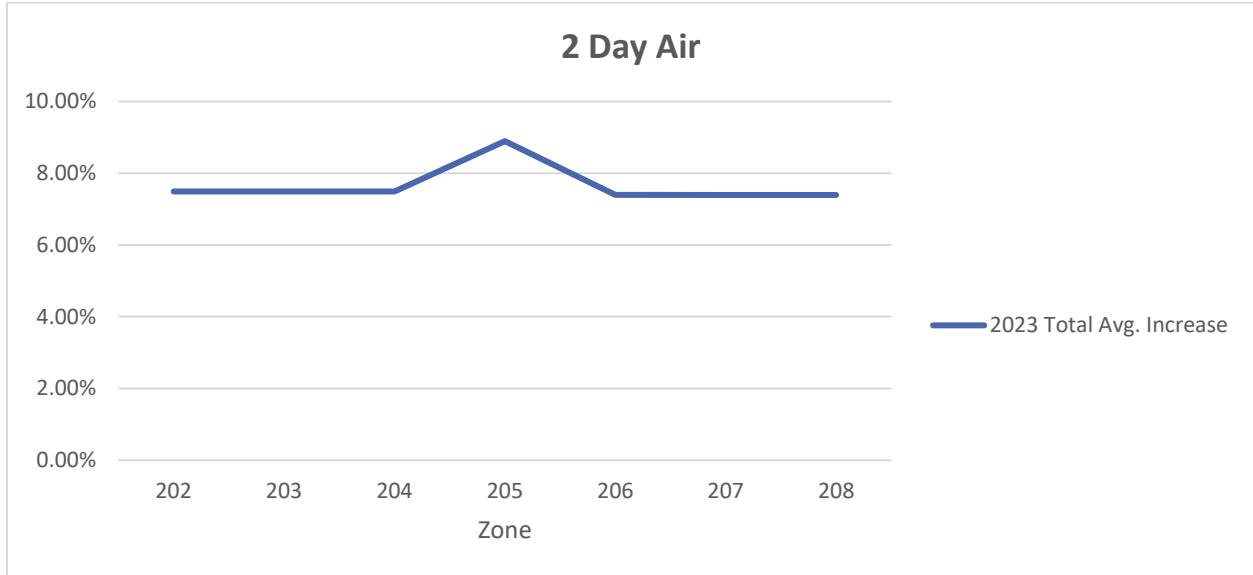
\*Average increase 1lb – 50lb for zones 242-248

## 2 Day Air AM 2023 Increase

WT (Lbs)	242	243	244	245	246	247	248
1	7.87%	9.93%	9.91%	9.89%	7.40%	7.39%	7.40%
2	7.90%	9.89%	9.90%	9.88%	7.41%	7.41%	7.40%
3	7.90%	9.90%	9.92%	9.89%	7.42%	7.38%	7.41%
4	7.87%	9.91%	9.88%	9.90%	7.40%	7.40%	7.41%
5	7.89%	9.92%	9.91%	9.90%	7.40%	7.40%	7.40%
6	7.90%	9.92%	9.91%	9.90%	7.39%	7.41%	7.40%
7	7.90%	9.91%	9.89%	9.90%	7.40%	7.40%	7.40%
8	7.91%	9.89%	9.91%	9.89%	7.39%	7.39%	7.40%
9	7.88%	9.91%	9.91%	9.91%	7.40%	7.40%	7.40%
10	7.90%	9.90%	9.90%	9.89%	7.40%	7.40%	7.40%
20	7.89%	9.89%	9.89%	9.90%	7.40%	7.40%	7.40%
30	7.91%	9.90%	9.90%	9.90%	7.40%	7.40%	7.40%
40	7.90%	9.90%	9.90%	9.90%	7.40%	7.40%	7.40%
50	7.91%	9.91%	9.90%	9.90%	7.35%	7.40%	7.40%
<b>Avg Increase</b>	<b>7.90%</b>	<b>9.90%</b>	<b>9.90%</b>	<b>9.90%</b>	<b>7.40%</b>	<b>7.40%</b>	<b>7.40%</b>



## 2 Day Air 2023 Increase



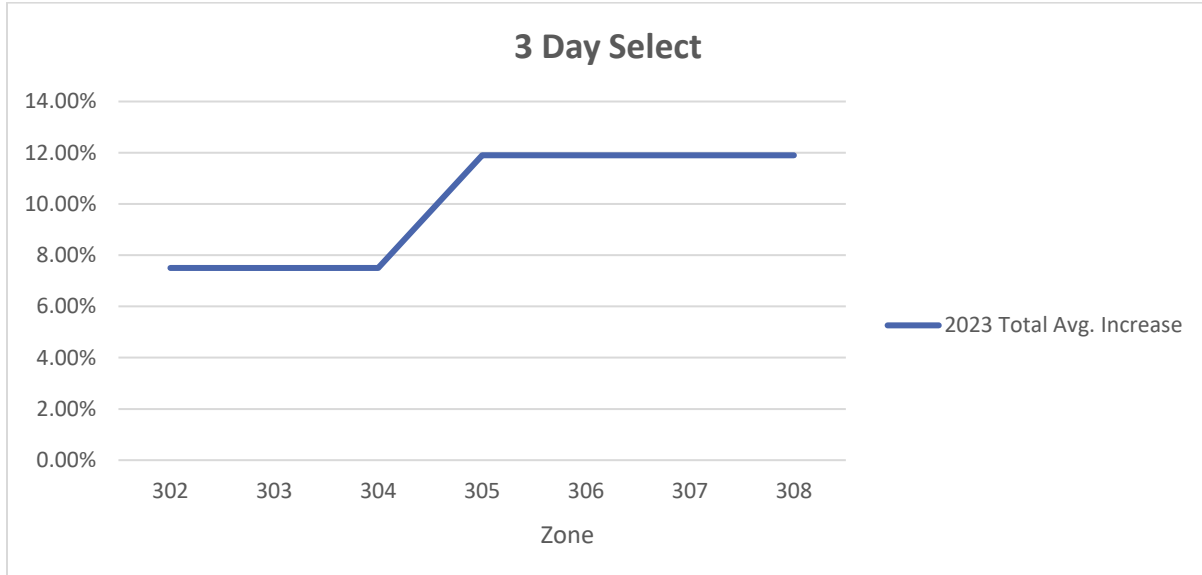
\*Average increase 1lb – 50lb for zones 202-208

## 2 Day Air 2023 Increase

Weight	202	203	204	205	206	207	208
1	7.49%	7.50%	7.50%	8.86%	7.36%	7.39%	7.39%
2	7.50%	7.49%	7.47%	8.88%	7.39%	7.38%	7.39%
3	7.47%	7.44%	7.49%	8.87%	7.38%	7.39%	7.40%
4	7.46%	7.51%	7.50%	8.88%	7.38%	7.38%	7.38%
5	7.50%	7.51%	7.47%	8.89%	7.40%	7.40%	7.39%
6	7.47%	7.48%	7.47%	8.88%	7.39%	7.40%	7.39%
7	7.48%	7.48%	7.51%	8.88%	7.38%	7.39%	7.40%
8	7.50%	7.49%	7.50%	8.89%	7.38%	7.39%	7.40%
9	7.49%	7.48%	7.50%	8.90%	7.39%	7.40%	7.39%
10	7.50%	7.47%	7.49%	8.88%	7.39%	7.39%	7.40%
20	7.49%	7.49%	7.51%	8.90%	7.40%	7.39%	7.39%
30	7.50%	7.50%	7.49%	8.89%	7.40%	7.40%	7.40%
40	7.49%	7.49%	7.49%	8.90%	7.40%	7.40%	7.40%
50	7.50%	7.50%	7.49%	8.90%	7.40%	7.40%	7.40%
<b>Avg Increase</b>	<b>7.49%</b>	<b>7.49%</b>	<b>7.49%</b>	<b>8.89%</b>	<b>7.40%</b>	<b>7.40%</b>	<b>7.40%</b>



### 3 Day Select 2023 Increase



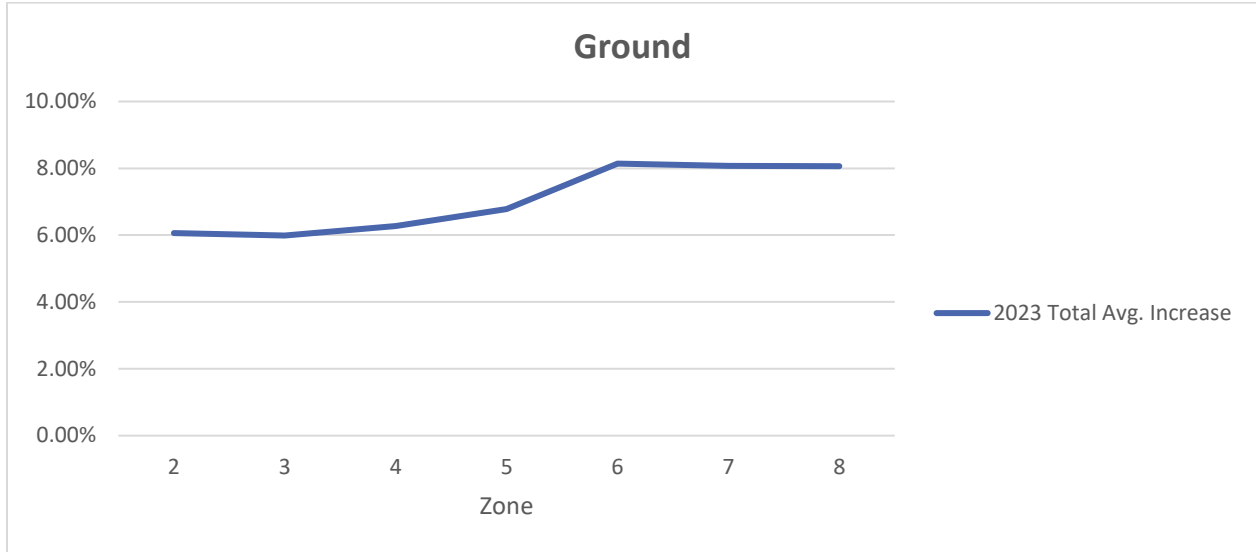
\*Average increase 1lb – 50lb for zones 302-308

### 3 Day Select 2023 Increase

WT (Lbs)	302	303	304	305	306	307	308
1	7.52%	7.51%	7.48%	11.93%	11.92%	11.90%	11.88%
2	7.50%	7.50%	7.49%	11.88%	11.93%	11.88%	11.91%
3	7.49%	7.54%	7.50%	11.92%	11.92%	11.90%	11.89%
4	7.53%	7.49%	7.48%	11.90%	11.89%	11.91%	11.89%
5	7.53%	7.52%	7.51%	11.88%	11.89%	11.91%	11.90%
6	7.51%	7.51%	7.50%	11.90%	11.90%	11.90%	11.90%
7	7.50%	7.53%	7.50%	11.90%	11.90%	11.91%	11.90%
8	7.54%	7.51%	7.49%	11.90%	11.90%	11.90%	11.89%
9	7.48%	7.51%	7.49%	11.91%	11.89%	11.91%	11.90%
10	7.51%	7.50%	7.50%	11.90%	11.89%	11.91%	11.90%
20	7.50%	7.50%	7.51%	11.90%	11.89%	11.90%	11.90%
30	7.49%	7.51%	7.51%	11.91%	11.90%	11.90%	11.90%
40	7.52%	7.49%	7.50%	11.90%	11.90%	11.90%	11.90%
50	7.50%	7.50%	7.51%	11.90%	11.90%	11.90%	11.90%
<b>Avg Increase</b>	<b>7.51%</b>	<b>7.50%</b>	<b>7.50%</b>	<b>11.90%</b>	<b>11.90%</b>	<b>11.90%</b>	<b>11.90%</b>



## Ground 2023 Increase



\*Average increase 1lb – 50lb for zones 2-8

## Ground 2023 Increase

WT (Lbs)	2	3	4	5	6	7	8
1	7.91%	7.57%	7.61%	7.64%	7.56%	7.56%	7.60%
2	7.60%	6.57%	7.64%	7.63%	7.62%	7.57%	7.59%
3	6.58%	6.57%	6.62%	7.63%	7.62%	7.58%	7.63%
4	6.58%	6.62%	7.63%	7.59%	7.59%	7.58%	7.61%
5	6.58%	6.57%	6.57%	7.60%	7.50%	7.62%	7.53%
6	6.53%	6.54%	7.51%	7.50%	7.49%	7.48%	7.53%
7	6.51%	6.47%	7.53%	7.53%	7.49%	7.53%	7.48%
8	6.49%	6.47%	7.48%	7.51%	7.50%	7.52%	7.49%
9	6.47%	6.53%	6.50%	7.51%	7.53%	7.50%	7.52%
10	6.46%	6.53%	6.51%	7.52%	7.50%	7.48%	7.49%
20	6.34%	6.34%	6.32%	7.31%	7.33%	7.32%	7.30%
30	5.48%	5.53%	5.50%	6.49%	8.51%	7.50%	8.50%
40	5.53%	5.53%	6.26%	6.52%	8.50%	8.51%	7.77%
50	6.55%	6.52%	6.52%	6.50%	8.50%	8.51%	8.49%
<b>Avg Increase</b>	<b>6.06%</b>	<b>5.99%</b>	<b>6.28%</b>	<b>6.78%</b>	<b>8.14%</b>	<b>8.08%</b>	<b>8.07%</b>





### Average UPS Ground Rate Increase – Historical

Ground Service								
Average Rate Increase								
WT	2016	2017	2018	2019	2020	2021	2022	2023
1-5 lbs.	5.80%	5.50%	4.50%	4.20%	4.24%	6.53%	7.46%	7.36%
6-10 lbs.	5.50%	5.40%	5.40%	5.00%	5.05%	5.04%	6.48%	7.21%
11-20 lbs.	5.20%	5.30%	5.40%	5.00%	5.07%	4.83%	5.89%	6.98%
21-30 lbs.	4.70%	5.60%	5.20%	5.50%	4.99%	4.71%	5.80%	7.13%
31-70 lbs.	4.40%	5.50%	4.20%	5.60%	5.37%	5.08%	5.81%	7.48%
71-150 lbs.	3.20%	4.40%	4.20%	4.90%	4.70%	4.71%	5.63%	7.15%

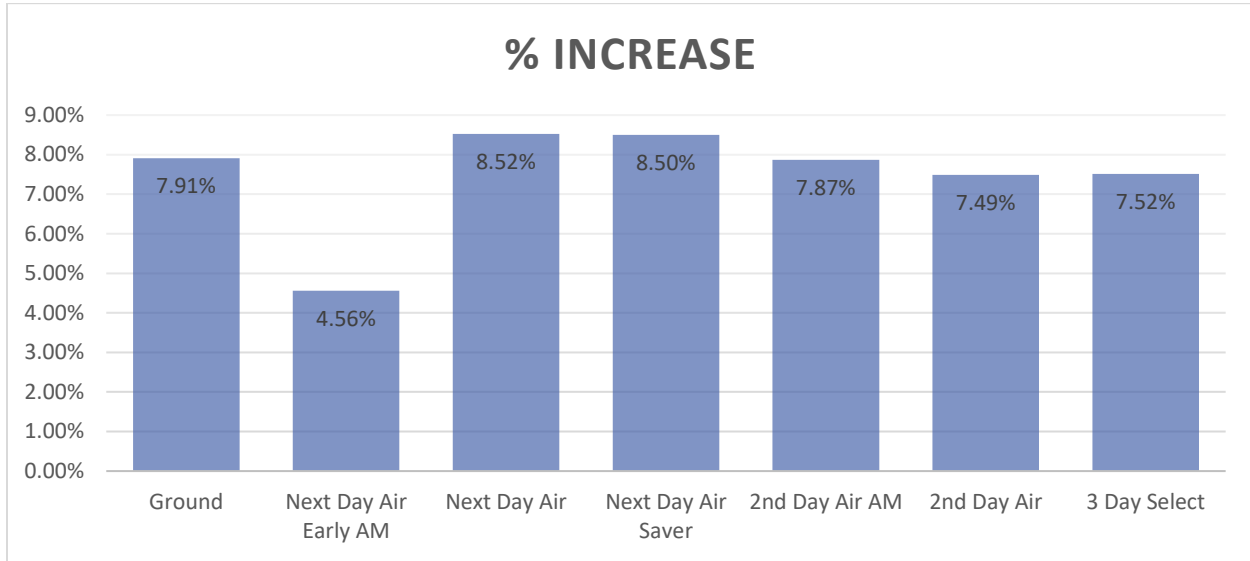
### Average UPS Air Services Rate Increase – Historical

Air Services								
Average Rate Increase								
Service	2016	2017	2018	2019	2020	2021	2022	2023
Next Day Air	5.90%	4.80%	4.60%	6.16%	5.52%	4.71%	6.21%	7.50%
Next Day Air Saver	6.40%	4.70%	5.10%	5.86%	4.92%	4.24%	6.09%	7.50%
2nd Day Air AM	8.50%	5.30%	5.90%	7.49%	4.64%	7.09%	6.50%	8.16%
2nd Day Air	8.00%	5.90%	5.30%	7.24%	6.09%	5.47%	5.17%	7.62%
3 Day Select	6.80%	5.80%	5.80%	5.10%	5.90%	5.40%	9.50%	10.82%

\*Average increase 1lb – 50lb for zones 651-658



## 2023 UPS Minimum Charge Rate Increase



## UPS Historical Minimum Charge Rate Increases

Service	Min Net 2016	Min Net 2017	Min Net 2018	Min Net 2019	Min Net 2020	Min Net 2021	Min Net 2022	Min Net 2023	\$ Increase	% Increase
Ground	\$6.94	\$7.32	\$7.57	\$7.85	\$8.23	\$8.76	\$9.36	\$10.10	\$0.74	7.91%
Next Day Air Early AM	\$56.09	\$57.45	\$57.97	\$58.97	\$60.62	\$62.09	\$64.50	\$67.44	\$2.94	4.56%
Next Day Air	\$26.09	\$27.45	\$27.97	\$29.47	\$30.62	\$32.09	\$34.50	\$37.44	\$2.94	8.52%
Next Day Air Saver	\$23.83	\$24.95	\$25.91	\$27.32	\$28.39	\$29.35	\$31.54	\$34.22	\$2.68	8.50%
2nd Day Air AM	\$18.04	\$19.08	\$19.32	\$19.91	\$20.68	\$21.71	\$23.13	\$24.95	\$1.82	7.87%
2nd Day Air	\$15.69	\$16.66	\$17.69	\$18.40	\$19.30	\$20.24	\$21.23	\$22.82	\$1.59	7.49%
3 Day Select	\$9.25	\$9.90	\$10.63	\$11.23	\$11.67	\$12.35	\$13.57	\$14.59	\$1.02	7.52%



## UPS Accessorial Changes – Overview

DAS	2022	2023	% Increase
Air Comm	\$3.55	\$3.70	4.23%
Air Comm Ext	\$4.25	\$4.50	5.88%
Gnd Comm	\$3.40	\$3.70	8.82%
Gnd Comm Ext	\$4.10	\$4.50	9.76%
Gnd Resi	\$4.80	\$5.30	10.42%
Gnd Resi Ext	\$6.50	\$7.15	10.00%
Air Resi	\$5.20	\$5.55	6.73%
Air Resi Ext	\$6.50	\$7.15	10.00%
<b>Avg Increase</b>			<b>8.49%</b>

Additional Handling	Zone	2022	2023	% Increase
Weight	2	\$25.25	\$29.00	14.85%
Weight	3-4	\$27.50	\$31.50	14.55%
Weight	5+	\$30.50	\$34.50	13.11%
<b>Avg Increase</b>				<b>14.11%</b>

Dimensional	2	\$15.75	\$18.50	17.46%
Dimensional	3-4	\$17.50	\$20.50	17.14%
Dimensional	5+	\$20.50	\$23.50	14.63%
<b>Avg Increase</b>				<b>16.28%</b>

Package	2	\$14.00	\$16.50	17.86%
Package	3-4	\$16.00	\$19.00	18.75%
Package	5+	\$17.50	\$20.50	17.14%
<b>Avg Increase</b>				<b>17.89%</b>

Residential	2022	2023	% Increase
Ground	\$4.85	\$5.25	8.25%
Air	\$5.35	\$5.85	9.35%
<b>Avg Increase</b>			<b>8.82%</b>



Domestic Charges	Zone	Effective 12/27/2022
<b>Additional Handling</b>		
Weight	2	\$29.00
Weight	3-4	\$31.50
Weight	5+	\$34.50
Dimensions (Length, Width, Length + Girth)	2	\$18.50
Dimensions (Length, Width, Length + Girth)	3-4	\$20.50
Dimensions (Length, Width, Length + Girth)	5+	\$23.50
Packaging	2	\$16.50
Packaging	3-4	\$19.00
Packaging	5+	\$20.50
<b>Address Correction - Air</b>	-	\$19.50
<b>Address Correction - Ground</b>	-	\$19.50
<b>Address Correction (Maximum per Shipment)</b>	-	\$136.50
<b>Chargeback for Consignee Billing Shipments</b>	-	\$19.50
<b>Collect on Delivery (C.O.D.)</b>	-	\$18.00
<b>Dangerous Goods (Hazardous Materials)</b>		
Air Accessible	-	\$145.00
Air Inaccessible	-	\$68.50
Ground	-	\$48.00
<b>Declared Value for Carriage</b>	-	\$1.30 per \$100 (\$3.90 Min.)
<b>Delivery Area Surcharge</b>		
Air Commercial	-	\$3.70
Air Commercial Extended	-	\$4.50
Ground Commercial	-	\$3.70
Ground Commercial Extended	-	\$4.50
Ground Residential	-	\$5.30
Ground Residential Extended	-	\$7.15
Air Residential	-	\$5.55
Air Residential Extended	-	\$7.15
<b>Delivery Area Surcharge CWT</b>		
Air Commercial	-	\$18.50 per shipment
Air Commercial Extended	-	\$22.50 per shipment
Ground Commercial	-	\$18.50 per shipment
Ground Commercial Extended	-	\$22.50 per shipment
Air Residential	-	\$27.75 per shipment
Air Residential Extended	-	\$35.75 per shipment
Ground Residential	-	\$26.50 per shipment
Ground Residential Extended	-	\$35.75 per shipment
<b>Delivery Confirmation</b>		
Signature Required	-	\$6.35
Commercial Signature Required	-	\$6.35
Adult Signature Required	-	\$7.65
<b>Dry Ice</b>	-	\$7.05



Domestic Charges	Zone	Effective 12/27/2022
<b>Large Package Surcharge</b>		
Commercial	2	\$135.00
Commercial	3-4	\$145.00
Commercial	5+	\$165.00
Residential	2	\$160.00
Residential	3-4	\$170.00
Residential	5+	\$195.00
<b>Late Payment Fee</b>	-	8%
<b>Missing PLD Fee</b>	-	\$3.00
<b>Missing/Invalid Account Number or Refusal Fee</b>	-	\$19.50
<b>Over Maximum Limits</b>	-	\$1,150.00
<b>Rebill Fee</b>	-	\$19.50 per request
<b>Remote Area Surcharge</b>		
Alaska	-	\$38.00
Hawaii	-	\$13.05
US 48	-	\$13.05
<b>Remote Area Surcharge CWT</b>		
Alaska	-	\$108.00 per shipment
Hawaii	-	\$39.15 per shipment
US 48	-	\$39.15 per shipment
<b>Residential Surcharge</b>		
Ground	-	\$5.25
Air	-	\$5.85
<b>Residential Surcharge - Hundredweight (and GFP)</b>	-	\$51.30 per shipment
<b>UPS Returns Plus: Call Tag</b>	-	\$8.20
<b>Ship to Access Point Location Service</b>	-	\$0.00
<b>UPS On-Call Pickup Area Surcharge</b>		
Residential	-	\$5.25
Area Surcharge - Residential	-	\$5.30
Area Surcharge - Extended Residential	-	\$7.15
Remote Surcharge - Alaska	-	\$38.00
Remote Surcharge - Hawaii	-	\$13.05
<b>UPS On-Call Pickup</b>		
Same Day Pickup	-	\$13.00
Future Day Pickup	-	\$8.00
<b>Third Party Surcharge</b>	-	5.00%
<b>Daily Pickup</b>		
\$0.00-\$74.99 Weekly Billing Total	-	\$30.00
\$75+ Weekly Billing Total	-	\$30.00
<b>Daily On-Route Pickup</b>		
\$0.00-\$74.99 Weekly Billing Total	-	\$10.00
\$75+ Weekly Billing Total	-	\$10.00
<b>Day-Specific Pickup</b>		
	-	\$24.00
	-	\$24.00



4 Days (\$0.00-\$74.99 Weekly Billing Total)	-	\$18.00
4 Days ( \$75+ Weekly Billing Total)	-	\$18.00
3 Days (\$0.00-\$74.99 Weekly Billing Total)	-	\$12.00
3 Days ( \$75+ Weekly Billing Total)	-	\$6.00
2 Days		\$16.00
1 Day		
<b>UPS Smart Pickup</b>		

International Charges	Effective 12/27/2022
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<b>Additional Handling (All Types)</b>	\$24.00
<b>Delivery Area Surcharge (Import services)</b>	\$3.70
<b>Delivery Area Surcharge Extended (Import services)</b>	\$4.50
<b>Extended Area Surcharge</b>	Greater of \$49 per shipment or \$0.49 per pound
<b>Remote Area Surcharge</b>	Greater of \$49 per shipment or \$0.49 per pound

**International Dangerous Goods**

Standard to/from CA Small Package Accessible Small Package Inaccessible

Worldwide Express Freight Accessible

Greater of \$54.00 per shipment or \$6.12 per package

Greater of \$215.00 per shipment or \$25.81 per package

Greater of \$107.50 per shipment or \$12.91 per package

Greater of \$217.00 per shipment or \$1.18 per pound

Worldwide Express Freight Inaccessible

or \$0.59 per pound

**Large Package Surcharge** \$170.00

**Residential Surcharge**

Standard Services \$5.50

International Air and 3 Day Select \$5.85

Worldwide Express Freight Services \$185.00

**Oversized Pallet Handling Surcharge** \$1,150.00

Greater of \$107.50 per shipment



## MGN Logistics 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 MGN Logistics can help. MGN Logistics 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 MGN'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, MGN 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 2023 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, MGN Logistics 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 [sales@mgnlogistics.com](mailto:sales@mgnlogistics.com).

