SMALL PACKAGE SHIPPING:
THE MOST COMMON FEES THAT AFFECT BUSINESSES

Managing your small package shipping means planning for variables that you know will affect cost, such as weight, zone, and service level. But did you know that your shipments are also subject to accessorials—additional charges for services not included in standard shipping prices? Understanding and planning for some of the most common accessorials can help you obtain more accurate quotes and help you avoid billing surprises after you ship.
<table>
<thead>
<tr>
<th>PAGE</th>
<th>CONTENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>RESIDENTIAL SURCHARGE</td>
</tr>
<tr>
<td>2</td>
<td>PICKUP FEES</td>
</tr>
<tr>
<td>3</td>
<td>DELIVERY AREA SURCHARGE</td>
</tr>
<tr>
<td>4</td>
<td>ADDRESS CORRECTION FEE</td>
</tr>
<tr>
<td>5</td>
<td>DIMENSIONAL WEIGHT</td>
</tr>
<tr>
<td>6-7</td>
<td>ADDITIONAL HANDLING FEE</td>
</tr>
<tr>
<td>8</td>
<td>UPS LARGE PACKAGE SURCHARGE</td>
</tr>
<tr>
<td>9</td>
<td>FEDEX OVERSIZE PACKAGE SURCHARGE</td>
</tr>
<tr>
<td>10</td>
<td>SMART SHIPPING</td>
</tr>
</tbody>
</table>
RESIDENTIAL SURCHARGE

Just because you’re shipping to a business doesn’t mean that the business resides in a commercial area.

Before you ship, be sure to verify that your shipping address is commercial. And, if you are shipping to a residential address, always check the “Residential” box so that your quote can accurately reflect the associated costs. Even if you don’t designate that the address is Residential, the carrier can make this determination upon delivery and apply the charge.

An address is considered residential if it is a location that is:

1) A HOME OR PRIVATE RESIDENCE

2) A BUSINESS OPERATING OUT OF A HOME
PICKUP FEES

If you choose not to use a dropbox or drop-off location, you will pay a pickup fee.

Most carriers have multiple pickup options available, so you can select the one that works best for your frequency and volume of shipping. And if over time your company’s shipping behavior changes, you can pick a different pickup option.

DON’T HAVE A DROPBOX NEAR YOUR BUSINESS?

As an authorized UPS® reseller, your Unishippers office can request to have a UPS dropbox installed nearby! Contact your Unishippers office for more information.*

*Restrictions and conditions apply. This option may not be available for all locations and is subject to UPS approval.
A Delivery Area Surcharge is applied to packages shipped to less accessible ZIP codes within the contiguous United States. An Extended Area Surcharge (**UPS**) and an International Out-of-Delivery-Area Surcharge (**FedEx**) is applied to shipments delivered to remote and less-accessible international locations. These charges can be made in addition to other applicable fees, including a Residential Surcharge.

To understand if these fees apply to your deliveries, you can check your shipment’s ZIP code on the **UPS** and **FedEx** websites.
If a package is delivered to an incorrect address that you provide, an Address Correction Fee will be applied.

An incorrect address can delay delivery and increase shipping costs for the carrier. The additional cost will be charged back to you as an Address Correction Fee. An Address Correction Fee can also be applied to incomplete addresses, such as an address missing a suite or unit number. You can easily avoid these expenses by verifying that the address is correct on all of your shipments.

Shipments addressed to a P.O. Box or P.O. Box Zip code are also subject to an Address Correction charge.
While not an accessorial, dimensional weight (also known as DIM weight or volumetric weight) can contribute to unexpected fees on your final shipping bill.

Dimensional weight refers to how dense a package is, or in other words, the amount of space a package occupies in relation to its actual weight. Billable weight—the weight used to calculate your rate—uses the greater of the dimensional or actual weight of your package.

When a shipper fails to enter the accurate weight and dimensions of a package, the carrier does not have accurate information to assess billable weight at the time the shipment is quoted. As such, the carrier can then later audit the shipment and change your final bill. To help lower your shipment’s dimensional weight, use smaller packages, avoid over-boxing, and pack as much as will reasonably fit in your box.

Learn more about calculating the dimensional weight of your shipments on the UPS and FedEx websites.
An Additional Handling Fee is assessed when your package includes anything that might cause an issue with a carrier’s conveyor belts, slides, sorting machines, and so forth. Any shipment that requires special handling, such as an irregular or heavy package, may be charged an Additional Handling Fee at the discretion of the carrier.

**ACCORDING TO UPS, AN ADDITIONAL HANDLING CHARGE IS APPLIED TO¹:**

- Any article that is encased in an outside shipping container made of metal or wood.
- Any cylindrical-like item, such as a barrel, drum, pail or tire, that is not fully encased in a corrugated cardboard shipping container.
- Any package with the longest side exceeding 48 inches or its second-longest side exceeding 30 inches.
- Each package in a shipment where the average weight per package is greater than 70 pounds and the weight for each package is not specified on the source document or the UPS automated shipping system used.
- Any package with an actual weight of more than 70 pounds.

To get the most accurate quote, check the “Additional Handling” box if necessary when preparing your shipment. This will ensure that the charge is included in your rate.

¹ 2017 UPS Rate and Service Guide, Daily Rates, updated May 1, 2017, p. 118
According to FedEx, an additional handling charge is applied to any package that:

- Measures greater than 48 inches along its longest side.
- Measures greater than 30 inches along its second-longest side.
- Has an actual weight of greater than 70 pounds.
- Is not fully encased in an outer shipping container.
- Is fully encased in an outer shipping container not made of corrugated fiberboard (cardboard) materials, including but not limited to metal, wood, canvas, leather, hard plastic, soft plastic (e.g., plastic bags) or expanded polystyrene foam (e.g., Styrofoam).
- Is fully encased in an outer shipping container covered in shrink wrap or stretch wrap.
- Is encased in a soft-sided pack (e.g., courier packs, poly bags and bubble mailers) that exceeds 18 inches along its longest side or 13 inches along its second-longest side or 5 inches in height.
- Is cylindrical, including (without limitation) cans, buckets, barrels, drums or pails that are not fully encased in a shipping container made of corrugated fiberboard (cardboard) materials.
- Is bound with metal, plastic or cloth banding, or has wheels, casters, handles, or straps (including packages where the outer surface area is loosely wrapped, or where the contents protrude outside the surface area).
- Would become entangled in or cause damage to other packages or the FedEx sortation system.

Guaranteed service, for both UPS and FedEx, does not apply to shipments that are assessed the Additional Handling Fee.
Using a transportation management system (TMS) like Unishippers Express Manager is helpful in preparing shipments as it will detect if your shipment is subject to this surcharge and will include it in your quote.
If the dimensions of your package exceed certain limits, a fee may be applied.

Always make sure to enter the accurate dimensions and weight of your package when preparing your shipment. This ensures that all additional charges are added upfront.

**FEDEX OVERSIZE PACKAGE SURCHARGE**

Express packages that weigh 150 lbs or less and exceed 96 inches in length or 130 inches in length plus girth combined are considered “oversize” packages.

Ground packages that weigh 150 pounds or less and exceed 130 inches in length plus girth combined are considered “oversize” packages.

Oversize packages are rated based on the greater of the package’s actual rounded weight or dimensional weight.

Using a transportation management system (TMS) like Unishippers Express Manager is helpful in preparing shipments as it will detect if your shipment is subject to this surcharge and will include it in your quote.
Understanding what shipping situations necessitate accessorial fees will help you anticipate appropriate costs more accurately and also avoid unnecessary fees.

We’ve covered the most common accessorial fees, but there are other charges that could impact your shipping costs.

FOR A COMPLETE LIST, PLEASE CHECK THE UPS AND FEDEX SERVICE GUIDES

OR

CONTACT UNISHIPPERS TODAY
UNISHIPPERS.COM

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