

UNISHIPPERS' GUIDE TO SMALL PACKAGE SHIPPING FEES

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If you manage your company's small package shipping strategy, you're probably already aware of the variables that affect your shipping rate, such as weight, zone and service level. But did you know that your shipments are also subject to accessorials?

What are accessorials?

Accessorials are additional charges for services that are not included in standard shipping rates. By understanding common accessorial fees, you can get the most accurate quotes and plan ahead for any additional shipping expenses.

This handy guide will help you avoid surprises by understanding the small package shipping fees that affect businesses like yours.



RESIDENTIAL SURCHARGE

Commerce doesn't just happen in commercial areas — delivery to many businesses, such as those operating out of a home or located in a private residence, could incur a Residential Surcharge.



Before you ship, be sure to determine if your shipping address is residential or commercial. Even if you don't designate the address as residential, the carrier might make this determination upon delivery and apply the charge to your final bill.

Avoid billing surprises by always checking the "residential" box when getting a quote for a residential delivery. This way your quote will accurately reflect the associated costs.



PICKUP FEES

Convenience can sometimes come at a cost, like when you have a driver pick up your shipments versus using a dropbox or taking them to a drop-off location.

Most carriers have multiple pickup options to choose from, so you can select the one that works best for your shipping frequency and volume – just keep in mind that you're often paying for this extra service! However, if your company's shipping behavior changes over time, you can always select a different pickup option.

To avoid pickup fees, consider taking your packages to the nearest dropbox or drop-off location. **Don't have a dropbox near your business?** As part of the nation's largest UPS® reseller, your local Unishippers office can request to have a UPS dropbox installed nearby! <u>Contact your Unishippers office</u> for more information.*



ADDRESS CORRECTION FEE

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 apply to incomplete addresses, such as a missing suite or unit number. Shipments addressed to a P.O. Box or P.O. Box ZIP code are also subject to an Address Correction charge.

You can easily avoid these expenses by verifying that the address is correct on all of your shipments.

ADDITIONAL HANDLING FEE

By knowing the carrier's package requirements, you can avoid the Additional Handling Fee, which applies to irregular or heavy packages, which require special handling.

Make sure to check the carrier's specific guidelines on what constitutes additional handling, such as packages with measurements exceeding 48 inches on the longest side, when the average weight per package is greater than 50 pounds, or if it's encased in non-standard packaging.



This can also apply to packages that include anything that might cause an issue with a carrier's conveyor belts, slides, sorting machines and so forth. Plus, packages that require special handling aren't subject to service guarantees. Both <u>UPS</u> and <u>FedEx</u> list their complete guidelines on their website.

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.



LARGE OR OVERSIZED PACKAGE SURCHARGE

Make sure you understand the carrier's weight and size restrictions, as you could incur additional fees if the dimensions of your package exceed certain limits.

For shipments that exceed a measurement – generally when length plus girth exceed 130-150 inches – or weight threshold, a Large or Oversized Package Surcharge is applied.



By entering the accurate weight and dimensions of your package into a transportation management system (TMS) like <u>myUnishippers</u>[™], you can easily detect whether your shipment will be subject to this surcharge and include any additional costs in your quote upfront.



DIMENSIONAL WEIGHT

While not an accessorial, dimensional weight (also known as DIM or volumetric weight) can contribute to unexpected fees on your final shipping bill.

Dimensional weight refers to your package's density — the amount of space it occupies in relation to its actual weight. When calculating your shipment's billable weight, a carrier will use the greater of its dimensional or actual weight.

By using smaller packaging and avoiding over-boxing, you can help lower your shipment's dimensional weight. Provide accurate dimensions, not just estimates, so that when your package is audited, the carrier doesn't adjust your billable rate higher than the price you were quoted.

Learn more about calculating the dimensional weight of your shipments on the <u>UPS</u> and <u>FedEx</u> websites.



SHIP SMARTER WITH UNISHIPPERS

Understand what shipping situations necessitate accessorial fees so you can anticipate shipping costs more accurately and 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 <u>UPS</u> and <u>FedEx</u> service guides or <u>contact Unishippers today</u>.

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