



Don't Over-Accessorize: How to Reduce Endless Shipping Fees

What do parcel carriers have in common with mobile phone companies, hotels and airlines? Fees. The fees listed on your bill can go on for pages, eliminating the promise of a reasonable rate.

You can't stop all those fees, but you can keep them from getting out of control. Some companies have overhauled their shipping departments to save on fees. Others have moved business to regional carriers, which tend to charge lower and fewer accessorial fees. To make a dent in all those extra fees, we have a few suggestions. But first: How did accessorial fees get so out of control in the first place? Here's a primer:

What's an accessorial fee anyway?

As the name suggests, accessorial fees are an accessory to the base shipping charge. They include everything from signature required and handling fees to oversize package fees and weekend delivery fees.

At first glance, accessorial fees don't seem like much—a \$2 fee here, a \$10 surcharge there, but at the end of a billing cycle, these fees add up. According to parcel spend management service provider, Green Mountain Technology, accessorial fees account for up to 30% of a company's shipping costs. Ouch.



The Case of the Escalating Fees

Effective January 7, 2019, FedEx raised rates on 56 accessorial fees.

UPS followed suit, raising various fees and adding new ones. Because of all these fee increases, budgeting for shipping gets tougher every year. Regional carriers, on the other hand, raise their fees less frequently and much less dramatically.



How to tone down your accessorial fees

When estimating shipping costs for the upcoming year, consider both general rates and accessorial fees. You can't make carriers lower their fees, but you can reduce the impact.

1. Review your shipping profile

Take note of your shipping trends. The more information you have, the better you can track your spending.



Conduct a review mid-year to make sure you're staying on budget, as well as at the end of the year when carriers usually announce rate increases.

2. Eliminate inefficiencies

You can avoid many accessorial fees by maintaining an organized shipping department.



Use appropriately sized packaging



Double check addresses/account #s



Limit holiday shipping (FedEx/UPS add surcharges)

3. Choose a regional carrier (when it makes sense)

Because of their lower operating costs, regional carriers don't have to charge a gazillion accessorial fees.

GLS applies significantly less accessorial fees at comparably lesser cost. The national carriers have dozens. Regional carriers also generally offer lower base rates and higher on-time delivery rates.

[View competitor rate comparison.](#)



3 Key Questions to Ask when Assessing Your Shipping Data

- 1 What accessorial fees do you pay frequently?
- 2 Which fees come up only occasionally?
- 3 How often do you ship ground, priority, and LTL?

Shop and Compare Accessorial Fees & Charges

Carrier	GLS	FedEx	UPS
Additional Handling	Free	\$13.50	\$14.25
Address Correction	\$10.00	\$16.00	\$16.40
Signature Required	\$1.75	\$5.00	\$5.00
Adult Signature Required	\$2.00	\$6.05	\$6.05
Parcel C.O.D.	\$10.00	\$14.50	\$14.50
Parcel Residential Delivery	\$1.00	\$4.40	\$3.95
Freight Residential Delivery	\$50.00	\$140.00	\$140.00
Parcel Delivery Area Surcharge**	\$1.35	\$2.70-\$4.20	\$2.80-\$4.35
Parcel Extended Area Surcharge**	\$1.60	\$2.70-\$4.65	\$2.80-\$4.85
Scheduled Daily Pickup	Free*	\$14.50 [†]	\$14.50 [†]

[View Our Full Competitor Rate & Fee Comparison](#)

If you ship regularly to a particular region, consider moving that business to a regional carrier to reduce your bottom line. GLS US serves the Western United States, from California and Arizona all the way up to Washington state.

Ready to say goodbye to unnecessary accessorial fees?
[Set up an account with GLS today.](#)

Visit or call us to get started.

gls-us.com • 800-322-5555, Option 4



Based on Current Published Information. Subject to change without notice.

*Scheduled daily pickup service is free when you bill \$100 per invoice cycle

[†]Based on scheduled daily pickup with weekly billing total of \$75 or more

**Fees are higher for Freight

Note: Residential locations are determined by the United States Postal Service certified CASS™ Residential Delivery Indicator (RDI™) System