



BRIEF

FedEx to deliver 6 days a week year-round

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Dive Brief:

- FedEx Ground will soon operate every day but Sunday, according to a statement from the company. Six- and seven-day weeks have been common for the carrier during the holiday season for years, but beginning 2019, six-day weeks will be the norm.
- "The rise in demand for e-commerce goes beyond peak. It's a year-round phenomenon and we are ready to meet that demand," Raj Subramaniam, executive vice president, chief marketing and communications officer at FedEx, said in a statement.
- The carrier said that it has been working on building capacity for this move for years, building 15 new hubs and integrating robotics and artificial intelligence into some operations.

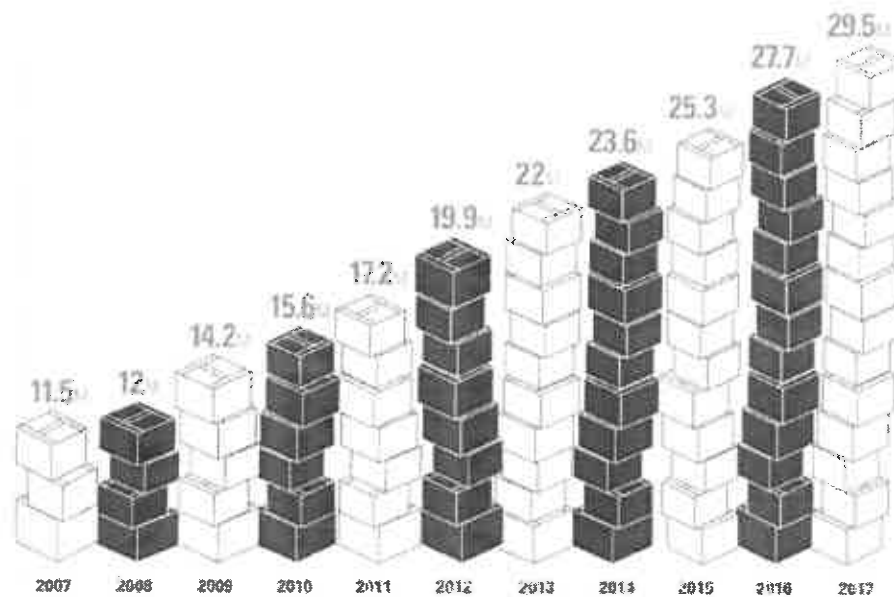
Dive Insight:

Parcel volumes that broke FedEx records 10 years ago don't even match an average day's volume today, according to the company's statement. And it's not just FedEx's parcel volumes that are increasing. Global parcel volume was up 17% YoY in 2017, and U.S. volume was up 8%, to reach 11.9 billion parcels or 37 parcels per capita, according to the Pitney Bowes Parcel Shipping Index.

Peak Volume Growth



Volume on our busiest day more than doubled over ten years



Credit: FedEx

This holiday season, FedEx says it expects to break its own records again, though it is not yet making projections. It will be hiring 55,000 additional workers for the season and extending the hours of some existing staff as well.

As parcel volume climbs, 3PLs face increasing pressure to keep up with demand and consumer expectations, and adding extra delivery days is one way to cope.

UPS is slowly rolling out Saturday and Sunday deliveries in select cities and recently reached a contract deal with the Teamsters Union to keep drivers on the roads more days.

The U.S. Postal Service, meanwhile, has a deal with Amazon to deliver certain packages on Sundays. The e-commerce giant, meanwhile, is reportedly launching its own shipping service — news which sent FedEx stock tumbling earlier this year.

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