

FedEx decides not to renew US air express contract with Amazon

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FedEx has taken the "strategic" decision not to renew FedEx Express' US air shipment contract with Amazon.com as it "focuses on serving the broader e-commerce market". It did not elaborate further on the reasons for the move as media reports speculated that in cutting ties with the online retailing giant for airborne cargo, the Memphis-based operator seemed to be portraying a lack of interest in delivering packages for a company building out its own air network. FedEx is itself broadening its e-commerce delivery services. Last month, Amazon broke ground on a new 3-million-sqft air cargo hub at Cincinnati/Northern Kentucky International Airport. First announced early-2017, the \$1.5 billion facility is scheduled to open in 2021, lead to the creation of 2,000 jobs and help "get you your packages faster," said CEO Jeff Bezos at the ground-breaking ceremony. "That's a big deal," he added. "We're going to move Prime from two-day (delivery) to one day and this hub is a big part of that. I'm super excited about that." The hub will have parking space for 100 planes.

Source: <https://www.cep-research.com/news/fedex-decides-not-to-renew-us-air-express-contract-with-amazon->