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FedEx decides not to renew US air express contract with Amazon

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FedEx has taken the â€œstrategicâ€ decision not to renew FedEx Expressâ€™ US air shipment contract with Amazon.com as it â€œfocuses on serving the broader e-commerce marketâ€. 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 â€œget you your packages faster,â€ 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-