

FedEx Ground Expands U.S. Operations to Six Days Per Week Year-Round

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FedEx Corp. (NYSE: FDX) has boosted its capacity and operational innovation to expand FedEx Ground U.S. operations to six days per week in response to the growing e-commerce demand and record influx of volume expected this holiday season, and beyond.

"FedEx anticipated early on that the growth of e-commerce would significantly increase demand throughout our network, and we underwent a transformation by opening new facilities and investing in highly-advanced technology and innovations that have resulted in the most automated network in the industry, delivering the speed and reliability our customers value highly," said Raj Subramaniam, executive vice president, chief marketing and communications officer, FedEx Corp. "These significant facility and automation investments have been taking place for many years, but are now largely complete. This expanded capacity and increased efficiency will create margin and profitability benefits at the same time that FedEx Ground capital investment will be decreasing."

FedEx has more than 425,000 dedicated team members who stand ready to deliver for customers throughout this expected record holiday season, and to continue to provide outstanding service year-round.

The rise in demand and volume at FedEx has been dramatic and consistent for more than 10 years. For example, the record volume day in the history of FedEx 10 years ago was 12 million shipments. Today, FedEx handles more than 14 million shipments on an average day.

FedEx anticipates a record amount of volume through its network again this year. In order to deliver exceptional service during this busy time, FedEx will increase hours for some existing employees, and hire for approximately 55,000 positions during the holiday season.

FedEx Ground will once again run six- and seven-day operations through the holiday season, and will continue six-day operations throughout its U.S. network year-round.

"The rise in demand for e-commerce goes beyond peak. It's a year-round phenomenon and we are ready to meet that demand," said Subramaniam. "FedEx Ground has operated six- and seven-day operations during the holidays for several years as e-commerce has grown, and thanks to strategic investments in our network, we are now well-positioned to operate six days a week in the U.S. all year to best serve the rapidly growing demand."

Since 2005, as part of a network expansion plan to boost daily package volume capacity and further enhance the speed and service capabilities of its network, FedEx Ground has opened 15 new hubs featuring advanced material-handling systems. In the past five years, FedEx Ground has added nearly 36 million square feet to its network, including the opening of nine new hubs and 58 automated stations.



Investments in innovations such as automation, robotics and real-time route planning, sortation and delivery technology continue to enhance the agility of the global FedEx network.

- Autonomous, driverless tugger technologies are enabling FedEx Ground to more effectively handle large, non-conveyable packages, which comprise more than 10 percent of FedEx Ground package volume.
- Robotic trailer unloading systems use a combination of robotic technology (sensing, movement and intelligence) with bulk unloading techniques.
- The deployment of trailer load analytics in hubs and automated stations to provide performance monitoring of trailer load quality and utilization.
- FedEx Ground yard management systems, which interact with GPS tags on each trailer and creates geofences around FedEx Ground facilities, automatically notify the control

center when a trailer arrives and departs.

- FedEx is increasing its use of data science and analytics to enhance real-time decisionmaking around network engineering, scheduling and customer needs.
- FedEx Express has installed enhanced vision systems on our cargo planes. The infrared night-vision system greatly improves pilots' ability to land in low-visibility conditions and mitigate potential weather delays. This technology allows FedEx - Express aircraft to descend to 100 feet above the touch down zone elevation of the runway.
- FedEx Express has enhanced the capabilities and economics of its global network through a multi-year fleet modernization program. Since its inception in fiscal 2007, the program has brought in a total of 210 more reliable and efficient aircraft (34 777Fs, 57 767Fs and 119 757Fs).

Source: FedEx