



REDEFINE IMPOSSIBLE

Name: Charles A. Brennan & Hunter Desrosiers

Date: May 12th, 2022

***50 State Analysis (Date Range: April 30<sup>th</sup>, 2021-April 30<sup>th</sup>, 2022)***

i. Prelude

Chart 1: Full Chart for United States of America

Row Labels	Sum of Shipping Charge Paid by TLF:	Average of Shipping Paid by TLF:	Average of Shipping Paid by Cus	Sum of Total Sales:	Sum of Gross Revenue:	Count of Orders
AK	\$ 2,301.94	\$ 15.14	\$ 5.53	\$ 13,408.92	\$ 11,106.98	152
AL	\$ 9,203.44	\$ 10.01	\$ 6.91	\$ 78,164.92	\$ 68,961.48	919
AR	\$ 4,053.98	\$ 10.70	\$ 7.75	\$ 34,570.28	\$ 30,516.30	379
AZ	\$ 30,207.83	\$ 12.53	\$ 5.98	\$ 213,189.11	\$ 182,981.28	2410
CA	\$ 162,431.56	\$ 11.86	\$ 5.58	\$ 1,191,787.21	\$ 1,029,355.65	13692
CO	\$ 20,687.67	\$ 11.50	\$ 6.47	\$ 150,360.40	\$ 129,672.73	1799
CT	\$ 11,179.46	\$ 11.09	\$ 6.20	\$ 83,351.31	\$ 72,171.85	1008
DC	\$ 3,784.44	\$ 14.39	\$ 5.96	\$ 24,597.79	\$ 20,813.35	263
DE	\$ 2,663.81	\$ 11.38	\$ 6.30	\$ 21,225.02	\$ 18,561.21	234
FL	\$ 86,822.82	\$ 10.40	\$ 5.62	\$ 775,727.59	\$ 688,904.77	8349
GA	\$ 24,302.01	\$ 10.17	\$ 6.15	\$ 208,664.38	\$ 184,362.37	2390
HI	\$ 6,333.83	\$ 13.14	\$ 5.51	\$ 43,933.88	\$ 37,600.05	482
IA	\$ 6,983.08	\$ 10.88	\$ 6.31	\$ 55,570.09	\$ 48,587.01	642
ID	\$ 5,817.77	\$ 11.57	\$ 6.74	\$ 44,021.57	\$ 38,203.80	503
IL	\$ 32,911.61	\$ 11.64	\$ 5.81	\$ 254,274.25	\$ 221,362.64	2828
IN	\$ 12,246.45	\$ 10.52	\$ 6.77	\$ 98,236.48	\$ 85,990.03	1164
KS	\$ 8,230.43	\$ 11.46	\$ 6.42	\$ 65,311.26	\$ 57,080.83	718
KY	\$ 7,361.63	\$ 10.50	\$ 6.63	\$ 59,049.08	\$ 51,687.45	701
LA	\$ 8,768.19	\$ 10.28	\$ 7.32	\$ 70,792.48	\$ 62,024.29	853
MA	\$ 26,056.73	\$ 12.57	\$ 5.67	\$ 167,990.07	\$ 141,933.34	2073
MD	\$ 15,390.98	\$ 11.11	\$ 6.27	\$ 119,540.53	\$ 104,149.55	1385
ME	\$ 2,357.05	\$ 10.62	\$ 6.85	\$ 18,274.64	\$ 15,917.59	222
MI	\$ 21,527.41	\$ 11.27	\$ 6.63	\$ 164,947.47	\$ 143,420.06	1910
MN	\$ 14,704.06	\$ 12.29	\$ 6.28	\$ 100,969.40	\$ 86,265.34	1196
MO	\$ 11,941.76	\$ 11.14	\$ 6.94	\$ 91,241.47	\$ 79,299.71	1072
MS	\$ 4,145.42	\$ 10.19	\$ 7.70	\$ 33,343.43	\$ 29,198.01	407
MT	\$ 2,091.58	\$ 10.46	\$ 8.06	\$ 17,740.58	\$ 15,649.00	200
NC	\$ 22,706.38	\$ 9.97	\$ 6.12	\$ 187,096.78	\$ 164,390.40	2278
ND	\$ 2,212.72	\$ 10.64	\$ 6.10	\$ 18,439.65	\$ 16,226.93	208
NE	\$ 5,022.18	\$ 11.49	\$ 6.46	\$ 37,080.60	\$ 32,058.42	437
NH	\$ 3,382.27	\$ 9.95	\$ 6.85	\$ 27,424.26	\$ 24,041.99	340
NJ	\$ 35,242.20	\$ 12.35	\$ 5.57	\$ 244,470.33	\$ 209,228.13	2854
NM	\$ 5,490.18	\$ 11.44	\$ 6.34	\$ 42,292.01	\$ 36,801.83	480
NV	\$ 16,560.29	\$ 12.81	\$ 4.99	\$ 119,361.47	\$ 102,801.18	1293
NY	\$ 70,985.82	\$ 12.00	\$ 5.85	\$ 508,880.78	\$ 437,894.96	5917
OH	\$ 24,012.75	\$ 11.46	\$ 6.57	\$ 166,494.81	\$ 142,482.06	2095
OK	\$ 7,899.27	\$ 11.16	\$ 7.25	\$ 58,266.64	\$ 50,367.37	708
OR	\$ 10,170.15	\$ 12.04	\$ 6.45	\$ 73,773.34	\$ 63,603.19	845
PA	\$ 31,485.46	\$ 10.91	\$ 5.77	\$ 240,430.56	\$ 208,945.10	2885
RI	\$ 2,199.22	\$ 9.65	\$ 6.65	\$ 19,729.06	\$ 17,529.84	228
SC	\$ 9,635.34	\$ 9.65	\$ 6.56	\$ 91,023.45	\$ 81,388.11	998
SD	\$ 1,797.89	\$ 9.56	\$ 6.99	\$ 14,978.35	\$ 13,180.46	188
TN	\$ 15,099.90	\$ 10.89	\$ 6.61	\$ 114,150.10	\$ 99,050.20	1386
TX	\$ 101,572.50	\$ 11.81	\$ 5.73	\$ 762,169.57	\$ 660,597.07	8598
UT	\$ 15,263.71	\$ 11.06	\$ 6.46	\$ 117,673.03	\$ 102,409.32	1380
VA	\$ 24,922.57	\$ 11.10	\$ 5.95	\$ 193,160.92	\$ 168,238.35	2246
VT	\$ 793.87	\$ 10.45	\$ 6.30	\$ 6,618.19	\$ 5,824.32	76
WA	\$ 21,272.98	\$ 12.30	\$ 6.39	\$ 148,222.05	\$ 126,949.07	1730
WI	\$ 11,966.82	\$ 11.11	\$ 6.24	\$ 92,087.27	\$ 80,120.45	1077
WV	\$ 1,654.61	\$ 10.67	\$ 6.88	\$ 13,655.68	\$ 12,001.07	155
WY	\$ 1,161.54	\$ 12.23	\$ 7.38	\$ 7,985.22	\$ 6,823.68	95
Grand Total	\$ 987,017.56	\$ 11.42	\$ 6.01	\$ 7,505,747.73	\$ 6,518,730.17	86448

□ TLF Apparel paid \$987,017.56 in shipping during the reporting period. TLF paid \$467,802.08 more than its customers during this time. There were 86,448 orders placed, with 13,692 of them going to California and only 76 orders sent to Vermont.



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## I. High Charges

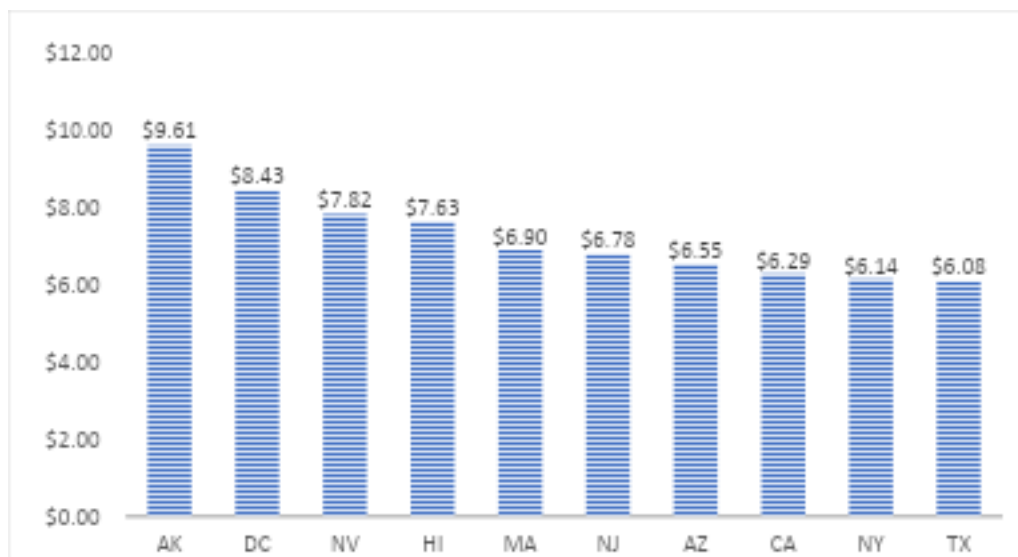
□ The first analysis investigates the 10 states where the difference between what TLF paid minus customer paid was highest during the reporting period. This difference was done by subtracting (visa vie *Chart 1*) the average shipping paid by TLF by the average shipping paid by customer (for all 50 states, and yes...averages minus averages).

□ Alaska led the group, which is no surprise, but District of Columbia, Nevada, and Hawaii are the next three.

Chart 2:

State:	Difference (TLF Shipping charge vs cust shipping charge	
AK	\$	9.61
DC	\$	8.43
NV	\$	7.82
HI	\$	7.63
MA	\$	6.90
NJ	\$	6.78
AZ	\$	6.55
CA	\$	6.29
NY	\$	6.14
TX	\$	6.08

Graph 1:





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Chart 3:

Row Labels	Sum of Shipping Charge Paid by TLF:	Average of Shipping Paid by TLF:	Average of Shipping Paid by Cus	Sum of Total Sales:	Sum of Gross Revenue:	Count of Orders
<b>AK</b>	<b>\$ 2,301.94</b>	<b>\$ 15.14</b>	<b>\$ 5.53</b>	<b>\$ 13,408.92</b>	<b>\$ 11,106.98</b>	<b>152</b>
<b>FedEx 2Day</b>	<b>\$ 1,479.85</b>	<b>\$ 10.35</b>	<b>\$ 5.88</b>	<b>\$ 12,207.92</b>	<b>\$ 10,728.07</b>	<b>143</b>
FedEx Large Box	\$ 55.50	\$ 55.50	\$ -	\$ 137.80	\$ 82.30	1
FedEx Letter	\$ 696.75	\$ 7.92	\$ 7.41	\$ 6,135.26	\$ 5,438.51	88
FedEx Medium Box	\$ 29.60	\$ 14.80	\$ -	\$ 247.80	\$ 218.20	2
FedEx Pak	\$ 359.30	\$ 9.98	\$ 3.36	\$ 4,259.18	\$ 3,899.88	36
FedEx Small Box	\$ 166.70	\$ 11.91	\$ 4.86	\$ 1,123.15	\$ 956.45	14
FedEx X-Large Box	\$ 172.00	\$ 86.00	\$ -	\$ 304.73	\$ 132.73	2
<b>Ground</b>	<b>\$ 822.09</b>	<b>\$ 91.34</b>	<b>\$ -</b>	<b>\$ 1,201.00</b>	<b>\$ 378.91</b>	<b>9</b>
Customer Packaging	\$ 822.09	\$ 91.34	\$ -	\$ 1,201.00	\$ 378.91	9
<b>AZ</b>	<b>\$ 30,207.83</b>	<b>\$ 12.53</b>	<b>\$ 5.98</b>	<b>\$ 213,189.11</b>	<b>\$ 182,981.28</b>	<b>2410</b>
<b>FedEx 2Day</b>	<b>\$ 26,274.10</b>	<b>\$ 11.42</b>	<b>\$ 6.27</b>	<b>\$ 194,213.44</b>	<b>\$ 167,939.34</b>	<b>2300</b>
Customer Packaging	\$ 621.94	\$ 621.94	\$ 15.00	\$ 83.62	\$ (538.32)	1
FedEx Large Box	\$ 3,363.80	\$ 56.06	\$ 0.75	\$ 8,097.14	\$ 4,733.34	60
FedEx Letter	\$ 12,219.15	\$ 8.03	\$ 7.81	\$ 107,279.65	\$ 95,060.50	1521
FedEx Medium Box	\$ 1,399.25	\$ 15.05	\$ 4.96	\$ 8,985.39	\$ 7,586.14	93
FedEx Pak	\$ 3,897.06	\$ 10.39	\$ 2.08	\$ 45,694.56	\$ 41,797.50	375
FedEx Small Box	\$ 2,701.75	\$ 11.95	\$ 5.53	\$ 21,106.19	\$ 18,404.44	226
FedEx X-Large Box	\$ 2,071.15	\$ 86.30	\$ -	\$ 2,966.89	\$ 895.74	24
<b>Ground</b>	<b>\$ 3,933.73</b>	<b>\$ 35.76</b>	<b>\$ -</b>	<b>\$ 18,975.67</b>	<b>\$ 15,041.94</b>	<b>110</b>
Customer Packaging	\$ 3,933.73	\$ 35.76	\$ -	\$ 18,975.67	\$ 15,041.94	110
<b>CA</b>	<b>\$ 162,431.56</b>	<b>\$ 11.86</b>	<b>\$ 5.58</b>	<b>\$ 1,191,787.21</b>	<b>\$ 1,029,355.65</b>	<b>13692</b>
<b>FedEx 2Day</b>	<b>\$ 137,919.32</b>	<b>\$ 10.70</b>	<b>\$ 5.91</b>	<b>\$ 1,068,572.27</b>	<b>\$ 930,652.95</b>	<b>12890</b>
Customer Packaging	\$ 4,815.24	\$ 401.27	\$ 1.15	\$ 1,572.42	\$ (3,242.82)	13
FedEx Large Box	\$ 10,018.15	\$ 55.66	\$ 1.59	\$ 21,083.53	\$ 11,065.38	180
FedEx Letter	\$ 68,267.12	\$ 8.10	\$ 7.34	\$ 596,161.39	\$ 527,894.27	8429
FedEx Medium Box	\$ 5,978.45	\$ 14.69	\$ 4.90	\$ 40,515.27	\$ 34,536.82	407
FedEx Pak	\$ 26,314.33	\$ 10.30	\$ 2.20	\$ 288,251.91	\$ 261,937.58	2556
FedEx Small Box	\$ 14,844.78	\$ 12.21	\$ 5.21	\$ 108,879.55	\$ 94,034.77	1216
FedEx X-Large Box	\$ 7,681.25	\$ 86.31	\$ 0.67	\$ 12,108.20	\$ 4,426.95	89
<b>FedEx 2Day AM</b>	<b>\$ 133.16</b>	<b>\$ 133.16</b>	<b>\$ -</b>	<b>\$ 119.29</b>	<b>\$ (13.87)</b>	<b>1</b>
Customer Packaging	\$ 133.16	\$ 133.16	\$ -	\$ 119.29	\$ (13.87)	1
<b>Ground</b>	<b>\$ 24,379.08</b>	<b>\$ 30.44</b>	<b>\$ 0.19</b>	<b>\$ 123,095.65</b>	<b>\$ 98,716.57</b>	<b>801</b>
Customer Packaging	\$ 24,379.08	\$ 30.44	\$ 0.19	\$ 123,095.65	\$ 98,716.57	801
<b>DC</b>	<b>\$ 3,784.44</b>	<b>\$ 14.39</b>	<b>\$ 5.96</b>	<b>\$ 24,597.79</b>	<b>\$ 20,813.35</b>	<b>263</b>
<b>FedEx 2Day</b>	<b>\$ 3,214.90</b>	<b>\$ 13.51</b>	<b>\$ 6.46</b>	<b>\$ 19,896.10</b>	<b>\$ 16,681.20</b>	<b>238</b>
FedEx Large Box	\$ 388.50	\$ 55.50	\$ 4.29	\$ 984.97	\$ 596.47	7
FedEx Letter	\$ 1,143.40	\$ 7.94	\$ 7.88	\$ 9,586.33	\$ 8,442.93	144
FedEx Medium Box	\$ 265.50	\$ 14.75	\$ 7.50	\$ 1,847.61	\$ 1,582.11	18
FedEx Pak	\$ 356.70	\$ 9.91	\$ 2.75	\$ 4,138.12	\$ 3,781.42	36
FedEx Small Box	\$ 286.80	\$ 11.95	\$ 5.42	\$ 2,215.79	\$ 1,928.99	24
FedEx X-Large Box	\$ 774.00	\$ 86.00	\$ 0.89	\$ 1,123.28	\$ 349.28	9
<b>Ground</b>	<b>\$ 569.54</b>	<b>\$ 22.78</b>	<b>\$ 1.20</b>	<b>\$ 4,701.69</b>	<b>\$ 4,132.15</b>	<b>25</b>
Customer Packaging	\$ 569.54	\$ 22.78	\$ 1.20	\$ 4,701.69	\$ 4,132.15	25
<b>HI</b>	<b>\$ 6,333.83</b>	<b>\$ 13.14</b>	<b>\$ 5.51</b>	<b>\$ 43,933.88</b>	<b>\$ 37,600.05</b>	<b>482</b>
<b>FedEx 2Day</b>	<b>\$ 4,681.75</b>	<b>\$ 10.11</b>	<b>\$ 5.74</b>	<b>\$ 39,484.40</b>	<b>\$ 34,802.65</b>	<b>463</b>
FedEx Large Box	\$ 333.00	\$ 55.50	\$ 2.50	\$ 802.19	\$ 469.19	6
FedEx Letter	\$ 2,488.80	\$ 8.05	\$ 7.07	\$ 23,032.96	\$ 20,544.16	309
FedEx Medium Box	\$ 131.05	\$ 14.56	\$ 5.00	\$ 919.78	\$ 788.73	9
FedEx Pak	\$ 989.30	\$ 10.31	\$ 1.92	\$ 10,841.23	\$ 9,851.93	96
FedEx Small Box	\$ 481.60	\$ 12.04	\$ 5.70	\$ 3,523.99	\$ 3,042.39	40
FedEx X-Large Box	\$ 258.00	\$ 86.00	\$ -	\$ 364.25	\$ 106.25	3
<b>Ground</b>	<b>\$ 1,652.08</b>	<b>\$ 86.95</b>	<b>\$ -</b>	<b>\$ 4,449.48</b>	<b>\$ 2,797.40</b>	<b>19</b>
Customer Packaging	\$ 1,652.08	\$ 86.95	\$ -	\$ 4,449.48	\$ 2,797.40	19
<b>MA</b>	<b>\$ 26,056.73</b>	<b>\$ 12.57</b>	<b>\$ 5.67</b>	<b>\$ 167,990.07</b>	<b>\$ 141,933.34</b>	<b>2073</b>
<b>FedEx 2Day</b>	<b>\$ 20,131.44</b>	<b>\$ 10.88</b>	<b>\$ 6.25</b>	<b>\$ 151,183.79</b>	<b>\$ 131,052.35</b>	<b>1851</b>
FedEx Large Box	\$ 2,664.00	\$ 55.50	\$ 0.94	\$ 5,253.92	\$ 2,589.92	48
FedEx Letter	\$ 10,036.95	\$ 8.02	\$ 7.58	\$ 87,669.02	\$ 77,632.07	1252
FedEx Medium Box	\$ 1,520.40	\$ 14.62	\$ 5.41	\$ 10,481.11	\$ 8,960.71	104
FedEx Pak	\$ 2,696.09	\$ 10.57	\$ 2.02	\$ 30,651.65	\$ 27,955.56	255
FedEx Small Box	\$ 2,175.30	\$ 12.09	\$ 5.29	\$ 15,566.81	\$ 13,391.51	180
FedEx X-Large Box	\$ 1,038.70	\$ 86.56	\$ -	\$ 1,561.28	\$ 522.58	12
<b>Ground</b>	<b>\$ 5,925.29</b>	<b>\$ 26.69</b>	<b>\$ 0.88</b>	<b>\$ 16,806.28</b>	<b>\$ 10,880.99</b>	<b>222</b>
Customer Packaging	\$ 5,925.29	\$ 26.69	\$ 0.88	\$ 16,806.28	\$ 10,880.99	222

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⊖ NJ	\$	35,242.20	\$	12.35	\$	5.57	\$	244,470.33	\$	209,228.13	2854
⊖ FedEx 2Day	\$	29,563.29	\$	11.27	\$	5.87	\$	213,426.05	\$	183,862.76	2623
Customer Packaging	\$	1,007.58	\$	251.90	\$	3.75	\$	170.02	\$	(837.56)	4
FedEx Large Box	\$	2,288.94	\$	57.22	\$	0.95	\$	4,327.98	\$	2,039.04	40
FedEx Letter	\$	13,798.21	\$	8.15	\$	7.48	\$	121,084.91	\$	107,286.70	1694
FedEx Medium Box	\$	1,784.55	\$	14.75	\$	4.03	\$	13,095.95	\$	11,311.40	121
FedEx Pak	\$	5,114.74	\$	10.66	\$	2.03	\$	50,614.84	\$	45,500.10	480
FedEx Small Box	\$	3,161.27	\$	12.35	\$	4.72	\$	20,900.97	\$	17,739.70	256
FedEx X-Large Box	\$	2,408.00	\$	86.00	\$	0.54	\$	3,231.38	\$	823.38	28
⊖ Ground	\$	5,678.91	\$	24.58	\$	2.10	\$	31,044.28	\$	25,365.37	231
Customer Packaging	\$	5,678.91	\$	24.58	\$	2.10	\$	31,044.28	\$	25,365.37	231
⊖ NV	\$	16,560.29	\$	12.81	\$	4.99	\$	119,361.47	\$	102,801.18	1293
⊖ FedEx 2Day	\$	13,236.60	\$	11.09	\$	5.36	\$	102,649.94	\$	89,413.34	1194
Customer Packaging	\$	577.13	\$	144.28	\$	-	\$	347.65	\$	(229.48)	4
FedEx Large Box	\$	1,110.00	\$	55.50	\$	1.15	\$	1,999.32	\$	889.32	20
FedEx Letter	\$	5,816.92	\$	8.09	\$	6.85	\$	50,668.39	\$	44,851.47	719
FedEx Medium Box	\$	582.60	\$	14.57	\$	4.53	\$	3,372.45	\$	2,789.85	40
FedEx Pak	\$	3,061.60	\$	10.48	\$	2.19	\$	34,761.01	\$	31,699.41	292
FedEx Small Box	\$	1,314.35	\$	11.95	\$	5.61	\$	10,526.46	\$	9,212.11	110
FedEx X-Large Box	\$	774.00	\$	86.00	\$	1.67	\$	974.66	\$	200.66	9
⊖ Ground	\$	3,323.69	\$	33.57	\$	0.52	\$	16,711.53	\$	13,387.84	99
Customer Packaging	\$	3,323.69	\$	33.57	\$	0.52	\$	16,711.53	\$	13,387.84	99
⊖ NY	\$	70,985.82	\$	12.00	\$	5.85	\$	508,880.78	\$	437,894.96	5917
⊖ FedEx 2Day	\$	62,647.39	\$	11.15	\$	6.16	\$	459,698.08	\$	397,050.69	5617
Customer Packaging	\$	1,008.06	\$	168.01	\$	2.50	\$	395.28	\$	(612.78)	6
FedEx Large Box	\$	6,997.49	\$	55.98	\$	1.65	\$	15,025.27	\$	8,027.78	125
FedEx Letter	\$	28,676.51	\$	8.09	\$	7.51	\$	245,773.65	\$	217,097.14	3546
FedEx Medium Box	\$	3,996.50	\$	14.69	\$	4.74	\$	26,811.97	\$	22,815.47	272
FedEx Pak	\$	10,374.63	\$	10.16	\$	2.75	\$	114,228.20	\$	103,853.57	1021
FedEx Small Box	\$	7,194.35	\$	12.07	\$	5.81	\$	50,312.07	\$	43,117.72	596
FedEx X-Large Box	\$	4,399.85	\$	86.27	\$	2.84	\$	7,151.64	\$	2,751.79	51
⊖ Ground	\$	8,338.43	\$	27.79	\$	0.23	\$	49,182.70	\$	40,844.27	300
Customer Packaging	\$	8,338.43	\$	27.79	\$	0.23	\$	49,182.70	\$	40,844.27	300
⊖ TX	\$	101,572.50	\$	11.81	\$	5.73	\$	762,169.57	\$	660,597.07	8598
⊖ FedEx 2Day	\$	83,118.09	\$	10.49	\$	6.12	\$	663,480.49	\$	580,362.40	7925
Customer Packaging	\$	315.95	\$	105.32	\$	2.67	\$	256.88	\$	(59.07)	3
FedEx Large Box	\$	6,986.20	\$	55.89	\$	0.84	\$	16,140.39	\$	9,154.19	125
FedEx Letter	\$	42,666.11	\$	8.16	\$	7.69	\$	377,939.50	\$	335,273.39	5228
FedEx Medium Box	\$	4,046.60	\$	14.82	\$	4.71	\$	26,938.25	\$	22,891.65	273
FedEx Pak	\$	15,306.19	\$	10.31	\$	1.88	\$	167,382.68	\$	152,076.49	1485
FedEx Small Box	\$	9,231.89	\$	12.18	\$	5.28	\$	67,993.76	\$	58,761.87	758
FedEx X-Large Box	\$	4,565.15	\$	86.13	\$	1.42	\$	6,829.03	\$	2,263.88	53
⊖ Ground	\$	18,454.41	\$	27.42	\$	1.21	\$	98,689.08	\$	80,234.67	673
Customer Packaging	\$	18,454.41	\$	27.42	\$	1.21	\$	98,689.08	\$	80,234.67	673
Grand Total	\$	455,477.14	\$	12.07	\$	5.67	\$	3,289,789.13	\$	2,834,311.99	37734

□ I learned that in states such as DC, Nevada, New Jersey, Arizona, California, New York, and Texas, TLF should not under any circumstances ship Custom Poly Paks 2-day priority. TLF paid more in shipping to FedEx than our consumers paid us in total for the Custom Poly Paks (clothes and shipping combined). From a dispute call with FedEx regarding tracking number 271295104528, where TLF was charged \$1,495.02 on March 25<sup>th</sup>, 2022 (which was a Poly Pak). I was informed that FedEx bases rates on dimensions and not weight specifically. From my understanding, whenever we choose to ship Poly Paks via Air, they are getting measured for their dimensions. For air distribution, FedEx charges customers based on space taken rather than the weight of the specific package. Therefore, moving forward every order that cannot fit into a one-rate letter or one-rate pack must be shipped ground.

□ Take California for example, TLF paid on average \$401.27 for 13 total orders shipped via 2-day Poly Pak. Now let's compare the same packages shipped ground, the average cost was \$30.44 for 801 orders shipped Poly



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Pak. Out of those 801 orders, the highest shipping charge from FedEx was \$83.78 on order number 131338 shipped to Hollywood.

## II. Low Charges

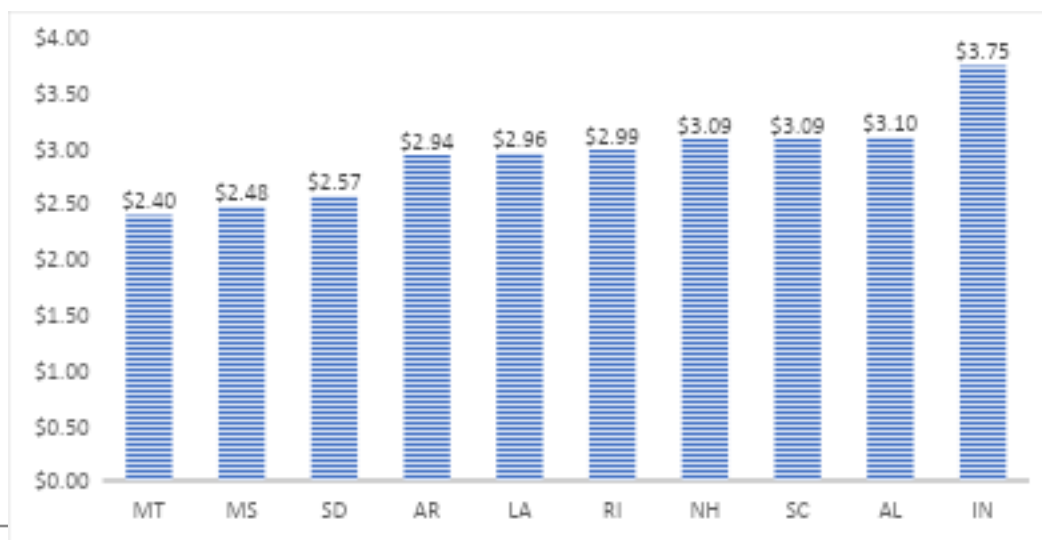
□ The second analysis investigates the 10 states where the difference between what TLF paid minus customer paid was lowest during the reporting period. This difference was done by subtracting (visa vie *Chart 1*) the average shipping paid by TLF by the average shipping paid by customer (for all 50 states, and yes...averages minus averages).

□ Montana stood out from the pack with having the cheapest difference. Alabama and India close the list out.

*Chart 4:*

State:	Difference (TLF Shipping charge vs cust shipping charge)
MT	\$ 2.40
MS	\$ 2.48
SD	\$ 2.57
AR	\$ 2.94
LA	\$ 2.96
RI	\$ 2.99
NH	\$ 3.09
SC	\$ 3.09
AL	\$ 3.10
IN	\$ 3.75

*Graph 2:*







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Chart 5:

Row Labels	Sum of Shipping Charge Paid by TLF:	Average of Shipping Paid by TLF:	Average of Shipping Paid by Cus	Sum of Total Sales:	Sum of Gross Revenue:	Count of Orders
<b>AL</b>	<b>\$ 9,203.44</b>	<b>\$ 10.01</b>	<b>\$ 6.91</b>	<b>\$ 78,164.92</b>	<b>\$ 68,961.48</b>	<b>919</b>
<b>FedEx 2Day</b>	<b>\$ 8,180.84</b>	<b>\$ 9.39</b>	<b>\$ 7.19</b>	<b>\$ 69,655.28</b>	<b>\$ 61,474.44</b>	<b>871</b>
Customer Packaging	\$ 35.21	\$ 35.21	-	\$ -	\$ (35.21)	1
FedEx Large Box	\$ 111.00	\$ 55.50	-	\$ 265.12	\$ 154.12	2
FedEx Letter	\$ 5,487.83	\$ 8.20	\$ 8.40	\$ 47,579.98	\$ 42,092.15	669
FedEx Medium Box	\$ 285.20	\$ 15.01	\$ 3.95	\$ 2,006.46	\$ 1,721.26	19
FedEx Pak	\$ 1,506.05	\$ 10.18	\$ 2.81	\$ 16,824.28	\$ 15,318.23	148
FedEx Small Box	\$ 325.55	\$ 12.06	\$ 5.59	\$ 2,503.64	\$ 2,178.09	27
FedEx X-Large Box	\$ 430.00	\$ 86.00	-	\$ 475.80	\$ 45.80	5
<b>Ground</b>	<b>\$ 662.92</b>	<b>\$ 27.62</b>	<b>\$ 0.63</b>	<b>\$ 4,889.69</b>	<b>\$ 4,226.77</b>	<b>24</b>
Customer Packaging	\$ 662.92	\$ 27.62	\$ 0.63	\$ 4,889.69	\$ 4,226.77	24
<b>SmartPost</b>	<b>\$ 359.68</b>	<b>\$ 14.99</b>	<b>\$ 3.13</b>	<b>\$ 3,619.95</b>	<b>\$ 3,260.27</b>	<b>24</b>
SmartPost Parcel	\$ 359.68	\$ 14.99	\$ 3.13	\$ 3,619.95	\$ 3,260.27	24
<b>AR</b>	<b>\$ 4,053.98</b>	<b>\$ 10.70</b>	<b>\$ 7.75</b>	<b>\$ 34,570.28</b>	<b>\$ 30,516.30</b>	<b>379</b>
<b>FedEx 2Day</b>	<b>\$ 3,380.77</b>	<b>\$ 9.52</b>	<b>\$ 8.23</b>	<b>\$ 29,104.29</b>	<b>\$ 25,723.52</b>	<b>355</b>
FedEx Large Box	\$ 166.50	\$ 55.50	-	\$ 358.04	\$ 191.54	3
FedEx Letter	\$ 2,152.85	\$ 8.19	\$ 9.21	\$ 18,485.60	\$ 16,332.75	263
FedEx Medium Box	\$ 103.15	\$ 14.74	\$ 12.86	\$ 631.87	\$ 528.72	7
FedEx Pak	\$ 465.22	\$ 11.35	\$ 3.20	\$ 5,456.22	\$ 4,991.00	41
FedEx Small Box	\$ 493.05	\$ 12.03	\$ 6.80	\$ 4,172.56	\$ 3,679.51	41
<b>Ground</b>	<b>\$ 554.04</b>	<b>\$ 32.59</b>	<b>\$ -</b>	<b>\$ 4,272.03</b>	<b>\$ 3,717.99</b>	<b>17</b>
Customer Packaging	\$ 554.04	\$ 32.59	-	\$ 4,272.03	\$ 3,717.99	17
<b>SmartPost</b>	<b>\$ 119.17</b>	<b>\$ 17.02</b>	<b>\$ 2.14</b>	<b>\$ 1,193.96</b>	<b>\$ 1,074.79</b>	<b>7</b>
SmartPost Parcel	\$ 119.17	\$ 17.02	\$ 2.14	\$ 1,193.96	\$ 1,074.79	7
<b>IN</b>	<b>\$ 12,246.45</b>	<b>\$ 10.52</b>	<b>\$ 6.77</b>	<b>\$ 98,236.48</b>	<b>\$ 85,990.03</b>	<b>1164</b>
<b>FedEx 2Day</b>	<b>\$ 10,112.72</b>	<b>\$ 9.34</b>	<b>\$ 7.13</b>	<b>\$ 84,979.16</b>	<b>\$ 74,866.44</b>	<b>1083</b>
FedEx Large Box	\$ 222.00	\$ 55.50	-	\$ 535.00	\$ 313.00	4
FedEx Letter	\$ 6,319.60	\$ 8.05	\$ 8.29	\$ 53,165.32	\$ 46,845.72	785
FedEx Medium Box	\$ 410.50	\$ 14.66	\$ 5.89	\$ 2,867.15	\$ 2,456.65	28
FedEx Pak	\$ 1,694.47	\$ 10.33	\$ 2.77	\$ 18,548.08	\$ 16,853.61	164
FedEx Small Box	\$ 1,208.15	\$ 12.20	\$ 6.03	\$ 9,373.75	\$ 8,165.60	99
FedEx X-Large Box	\$ 258.00	\$ 86.00	-	\$ 489.86	\$ 231.86	3
<b>Ground</b>	<b>\$ 2,133.73</b>	<b>\$ 26.34</b>	<b>\$ 1.85</b>	<b>\$ 13,257.32</b>	<b>\$ 11,123.59</b>	<b>81</b>
Customer Packaging	\$ 2,133.73	\$ 26.34	\$ 1.85	\$ 13,257.32	\$ 11,123.59	81
<b>LA</b>	<b>\$ 8,768.19</b>	<b>\$ 10.28</b>	<b>\$ 7.32</b>	<b>\$ 70,792.48</b>	<b>\$ 62,024.29</b>	<b>853</b>
<b>FedEx 2Day</b>	<b>\$ 7,384.80</b>	<b>\$ 9.36</b>	<b>\$ 7.61</b>	<b>\$ 61,120.24</b>	<b>\$ 53,735.44</b>	<b>789</b>
FedEx Large Box	\$ 333.00	\$ 55.50	-	\$ 915.43	\$ 582.43	6
FedEx Letter	\$ 4,680.35	\$ 8.18	\$ 8.95	\$ 38,672.50	\$ 33,992.15	572
FedEx Medium Box	\$ 175.60	\$ 14.63	\$ 2.50	\$ 1,060.94	\$ 885.34	12
FedEx Pak	\$ 1,316.05	\$ 9.97	\$ 2.95	\$ 15,228.39	\$ 13,912.34	132
FedEx Small Box	\$ 793.80	\$ 12.03	\$ 7.08	\$ 5,089.08	\$ 4,295.28	66
FedEx X-Large Box	\$ 86.00	\$ 86.00	-	\$ 153.90	\$ 67.90	1
<b>Ground</b>	<b>\$ 899.06</b>	<b>\$ 24.30</b>	<b>\$ 1.22</b>	<b>\$ 6,173.09</b>	<b>\$ 5,274.03</b>	<b>37</b>
Customer Packaging	\$ 899.06	\$ 24.30	\$ 1.22	\$ 6,173.09	\$ 5,274.03	37
<b>SmartPost</b>	<b>\$ 484.33</b>	<b>\$ 17.94</b>	<b>\$ 7.04</b>	<b>\$ 3,499.15</b>	<b>\$ 3,014.82</b>	<b>27</b>
SmartPost Parcel	\$ 484.33	\$ 17.94	\$ 7.04	\$ 3,499.15	\$ 3,014.82	27
<b>MS</b>	<b>\$ 4,145.42</b>	<b>\$ 10.19</b>	<b>\$ 7.70</b>	<b>\$ 33,343.43</b>	<b>\$ 29,198.01</b>	<b>407</b>
<b>FedEx 2Day</b>	<b>\$ 3,810.71</b>	<b>\$ 9.72</b>	<b>\$ 7.96</b>	<b>\$ 31,093.64</b>	<b>\$ 27,282.93</b>	<b>392</b>
Customer Packaging	\$ 42.11	\$ 42.11	-	\$ 37.80	\$ (4.31)	1
FedEx Large Box	\$ 198.20	\$ 49.55	-	\$ 377.95	\$ 179.75	4
FedEx Letter	\$ 2,309.65	\$ 8.10	\$ 9.45	\$ 19,619.60	\$ 17,309.95	285
FedEx Medium Box	\$ 191.35	\$ 14.72	\$ 6.92	\$ 1,338.90	\$ 1,147.55	13
FedEx Pak	\$ 630.50	\$ 10.51	\$ 2.00	\$ 7,092.92	\$ 6,462.42	60
FedEx Small Box	\$ 352.90	\$ 12.60	\$ 7.71	\$ 2,482.49	\$ 2,129.59	28
FedEx X-Large Box	\$ 86.00	\$ 86.00	-	\$ 143.98	\$ 57.98	1
<b>Ground</b>	<b>\$ 194.73</b>	<b>\$ 24.34</b>	<b>\$ -</b>	<b>\$ 1,624.39</b>	<b>\$ 1,429.66</b>	<b>8</b>
Customer Packaging	\$ 194.73	\$ 24.34	-	\$ 1,624.39	\$ 1,429.66	8
<b>SmartPost</b>	<b>\$ 139.98</b>	<b>\$ 20.00</b>	<b>\$ 2.14</b>	<b>\$ 625.40</b>	<b>\$ 485.42</b>	<b>7</b>
SmartPost Parcel	\$ 139.98	\$ 20.00	\$ 2.14	\$ 625.40	\$ 485.42	7

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MT	\$	2,091.58	\$	10.46	\$	8.06	\$	17,740.58	\$	15,649.00	200
FedEx 2Day	\$	1,927.16	\$	9.88	\$	8.26	\$	16,611.00	\$	14,683.84	195
Customer Packaging	\$	87.86	\$	87.86	\$	-	\$	150.00	\$	62.14	1
FedEx Large Box	\$	117.70	\$	58.85	\$	-	\$	423.26	\$	305.56	2
FedEx Letter	\$	1,162.55	\$	8.02	\$	9.55	\$	10,000.54	\$	8,837.99	145
FedEx Medium Box	\$	14.95	\$	14.95	\$	-	\$	108.00	\$	93.05	1
FedEx Pak	\$	326.40	\$	11.66	\$	4.57	\$	4,192.05	\$	3,865.65	28
FedEx Small Box	\$	217.70	\$	12.09	\$	5.44	\$	1,737.15	\$	1,519.45	18
Ground	\$	164.42	\$	32.88	\$	-	\$	1,129.58	\$	965.16	5
Customer Packaging	\$	164.42	\$	32.88	\$	-	\$	1,129.58	\$	965.16	5
NH	\$	3,382.27	\$	9.95	\$	6.85	\$	27,424.26	\$	24,041.99	340
FedEx 2Day	\$	3,028.50	\$	9.26	\$	7.03	\$	25,761.25	\$	22,732.75	327
FedEx Large Box	\$	166.50	\$	55.50	\$	5.00	\$	397.00	\$	230.50	3
FedEx Letter	\$	2,036.30	\$	8.15	\$	8.20	\$	17,413.31	\$	15,377.01	250
FedEx Medium Box	\$	103.05	\$	14.72	\$	-	\$	918.61	\$	815.56	7
FedEx Pak	\$	397.90	\$	9.95	\$	2.63	\$	4,626.55	\$	4,228.65	40
FedEx Small Box	\$	324.75	\$	12.03	\$	4.78	\$	2,405.78	\$	2,081.03	27
Ground	\$	353.77	\$	27.21	\$	2.31	\$	1,663.01	\$	1,309.24	13
Customer Packaging	\$	353.77	\$	27.21	\$	2.31	\$	1,663.01	\$	1,309.24	13
RI	\$	2,199.22	\$	9.65	\$	6.65	\$	19,729.06	\$	17,529.84	228
FedEx 2Day	\$	1,986.60	\$	9.15	\$	6.92	\$	18,076.70	\$	16,090.10	217
FedEx Large Box	\$	73.50	\$	73.50	\$	-	\$	197.10	\$	123.60	1
FedEx Letter	\$	1,319.30	\$	8.00	\$	8.17	\$	12,602.26	\$	11,282.96	165
FedEx Medium Box	\$	73.55	\$	14.71	\$	-	\$	541.55	\$	468.00	5
FedEx Pak	\$	234.20	\$	10.65	\$	1.86	\$	2,402.57	\$	2,168.37	22
FedEx Small Box	\$	286.05	\$	11.92	\$	4.71	\$	2,333.22	\$	2,047.17	24
Ground	\$	212.62	\$	19.33	\$	1.36	\$	1,652.36	\$	1,439.74	11
Customer Packaging	\$	212.62	\$	19.33	\$	1.36	\$	1,652.36	\$	1,439.74	11
SC	\$	9,635.34	\$	9.65	\$	6.56	\$	91,023.45	\$	81,388.11	998
FedEx 2Day	\$	8,324.80	\$	8.93	\$	6.90	\$	78,812.60	\$	70,487.80	932
Customer Packaging	\$	37.13	\$	37.13	\$	-	\$	135.00	\$	97.87	1
FedEx Large Box	\$	66.55	\$	33.28	\$	7.50	\$	263.40	\$	196.85	2
FedEx Letter	\$	6,308.46	\$	8.27	\$	7.97	\$	58,095.16	\$	51,786.70	763
FedEx Medium Box	\$	103.05	\$	14.72	\$	2.14	\$	737.79	\$	634.74	7
FedEx Pak	\$	1,474.86	\$	10.77	\$	1.81	\$	17,288.25	\$	15,813.39	137
FedEx Small Box	\$	243.95	\$	12.20	\$	3.75	\$	2,110.20	\$	1,866.25	20
FedEx X-Large Box	\$	90.80	\$	45.40	\$	-	\$	182.80	\$	92.00	2
Ground	\$	1,015.88	\$	23.63	\$	-	\$	7,386.67	\$	6,370.79	43
Customer Packaging	\$	1,015.88	\$	23.63	\$	-	\$	7,386.67	\$	6,370.79	43
SmartPost	\$	294.66	\$	12.81	\$	5.00	\$	4,824.18	\$	4,529.52	23
SmartPost Parcel	\$	294.66	\$	12.81	\$	5.00	\$	4,824.18	\$	4,529.52	23
SD	\$	1,797.89	\$	9.56	\$	6.99	\$	14,978.35	\$	13,180.46	188
FedEx 2Day	\$	1,775.45	\$	9.49	\$	7.03	\$	14,858.16	\$	13,082.71	187
FedEx Large Box	\$	55.50	\$	55.50	\$	-	\$	80.00	\$	24.50	1
FedEx Letter	\$	1,059.90	\$	7.91	\$	9.13	\$	9,194.41	\$	8,134.51	134
FedEx Medium Box	\$	88.50	\$	14.75	\$	-	\$	494.82	\$	406.32	6
FedEx Pak	\$	292.85	\$	10.10	\$	0.52	\$	3,332.04	\$	3,039.19	29
FedEx Small Box	\$	192.70	\$	12.04	\$	4.75	\$	1,593.98	\$	1,401.28	16
FedEx X-Large Box	\$	86.00	\$	86.00	\$	-	\$	162.91	\$	76.91	1
Ground	\$	22.44	\$	22.44	\$	-	\$	120.19	\$	97.75	1
Customer Packaging	\$	22.44	\$	22.44	\$	-	\$	120.19	\$	97.75	1
Grand Total	\$	57,523.78	\$	10.13	\$	7.02	\$	486,003.29	\$	428,479.51	5676

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□ TLF turned a profit on FedEx 2-day Letter envelopes in every state besides South Carolina. Customers consistently paid \$0.75 more than TLF during the reporting period. Montana proves my previous theory on shipping all Customer Poly Paks via ground regardless of the weight. The one Poly Pak shipped out (2-day) to Billings, Montana cost TLF \$87.86. The same Pack shipped ground (To Billings) cost TLF \$51.21. The average ground cost for the 5 packages shipped out to Montana is \$32.88. With FedEx it is all about SPACE.

### III. FREE SHIPPING TO \$150

□ I have concluded that TLF should increase the free shipping threshold to \$150. The data shows that TLF is getting annihilated by free shipping for 2-day FedEx Pak.

Chart 24: (Service Charges)

Row Labels	Sum of Shipping Charge Paid by TLF:	Average of Shipping Paid by TLF:	Average of Shipping Paid by Cus:	Sum of Total Sales:	Sum of Gross Revenue:	Count of Orders
<b>FedEx 2Day</b>	<b>\$ 822,841.17</b>	<b>\$ 10.32</b>	<b>\$ 6.32</b>	<b>\$ 6,531,289.63</b>	<b>\$ 5,708,448.46</b>	<b>79761</b>
Customer Packaging	\$ 11,636.35	\$ 193.94	\$ 3.38	\$ 5,714.27	\$ (5,922.08)	61
FedEx Large Box	\$ 60,035.16	\$ 54.43	\$ 1.50	\$ 134,671.24	\$ 74,636.08	1103
FedEx Letter	\$ 442,259.12	\$ 8.12	\$ 7.73	\$ 3,851,721.11	\$ 3,409,461.99	54486
FedEx Medium Box	\$ 38,642.80	\$ 14.75	\$ 4.79	\$ 260,251.98	\$ 221,609.18	2619
FedEx Pak	\$ 147,502.16	\$ 10.33	\$ 2.13	\$ 1,617,300.08	\$ 1,469,797.92	14278
FedEx Small Box	\$ 81,769.43	\$ 12.16	\$ 5.62	\$ 595,056.42	\$ 513,286.99	6722
FedEx X-Large Box	\$ 40,996.15	\$ 83.33	\$ 0.94	\$ 66,574.53	\$ 25,578.38	492
<b>FedEx 2Day AM</b>	<b>\$ 133.16</b>	<b>\$ 133.16</b>	<b>\$ -</b>	<b>\$ 119.29</b>	<b>\$ (13.87)</b>	<b>1</b>
Customer Packaging	\$ 133.16	\$ 133.16	\$ -	\$ 119.29	\$ (13.87)	1
<b>Ground</b>	<b>\$ 140,422.28</b>	<b>\$ 27.84</b>	<b>\$ 0.93</b>	<b>\$ 783,631.27</b>	<b>\$ 643,208.99</b>	<b>5043</b>
Customer Packaging	\$ 140,422.28	\$ 27.84	\$ 0.93	\$ 783,631.27	\$ 643,208.99	5043
<b>SmartPost</b>	<b>\$ 23,620.95</b>	<b>\$ 14.38</b>	<b>\$ 6.38</b>	<b>\$ 190,707.54</b>	<b>\$ 167,086.59</b>	<b>1643</b>
SmartPost Parcel	\$ 23,620.95	\$ 14.38	\$ 6.38	\$ 190,707.54	\$ 167,086.59	1643
<b>Grand Total</b>	<b>\$ 987,017.56</b>	<b>\$ 11.42</b>	<b>\$ 6.01</b>	<b>\$ 7,505,747.73</b>	<b>\$ 6,518,730.17</b>	<b>86448</b>

□ According to *Chart 24* we can see how TLF averaged \$10.33 for FedEx 2-day Pak, while customers spent on average \$2.13 for the 14,278 orders placed during the reporting year. This is largely due to the free shipping we offer our consumers. Out of the 14,278 orders shipped one-rate Pak, 12,083 of them were distributed with no cost to the consumer. You can buy two items on the TLF website, have your total come out to \$106, have the package weigh 2.12 pounds, and have it shipped 2-day pack. While FedEx is charging TLF \$10.33 for every pack shipped out of 3931 SW 30<sup>th</sup> Avenue Fort Lauderdale, FL. We need to create more of an incentive to have customers purchase more items.

□ Let's compare the total sums paid by TLF and customers for FedEx 2-day Letter and Pak. For 2-Day letter TLF paid \$442,259.12 and consumers paid \$420,944.58 for the 54,486 orders shipped out. Only a \$21,314.54 difference, minuscule in the grand scheme of things. Now will focus on 2-day Pak. TLF paid \$147,502.16 during the reporting period. Consumers paid a total of \$30,422.39. During the reporting year TLF distributed 14,278 Paks. That is a \$117,079.77 difference between what TLF has paid compared to what consumers have paid.





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### **Asia-Pac analysis Q4 2021 & Q1 2022**

#### **Australia (415 orders)**

- \_\_ \$8,092.67 lost in shipping
- \_\_ Average loss of \$19.50 per shipment
- \_\_ Average loss of \$45.30 per Custom Poly Pak (most likely because these packages tend to be free shipping)
- \_\_ If all Australian orders pay \$25 shipping, we will still net an average loss of \$11.56 per order
- **Consensus**
  - o** \_\_ Are less expensive rates available (Asendia, eHub, etc.)?
  - o** \_\_ Do we need to charge higher shipping prices to Australian customers?
  - o** \_\_ Do we need to up the free shipping requirement to \$200 from \$150?
  - o** \_\_ Do we exclude Australian customers from free shipping?

#### **United Arab Emirates (64 orders)**

- \_\_ \$2,209.63 lost in shipping
- \_\_ Average loss of \$34.52 per shipment
- \_\_ Average loss of \$49.86 per Custom Poly Pak (most likely because these packages tend to be free shipping)
- \_\_ Average loss of \$36.73 per FedEx Pak
- \_\_ Average profit of \$0.86 per FedEx letter shipment
- \_\_ If all UAE orders pay \$25 shipping, we would still net a \$22.08 loss per shipment
- **Consensus**
  - o** \_\_ Are less expensive rates available (Asendia, eHub, etc.)?
  - o** \_\_ Do we need to charge higher shipping prices to UAE customers?
  - o** \_\_ Do we need to up the free shipping requirement to \$200 from \$150?
  - o** \_\_ Do we exclude UAE customers from free shipping?

#### **Canada (1,043 orders)**

- \_\_ \$14,352.80 lost in shipping
- \_\_ Average loss of \$13.76 per shipment
- \_\_ Average loss of \$14.06 per Custom Poly Pak (96% of all Canada shipments)
- \_\_ Average loss of \$10.27 per FedEx Pak (only 26 shipments)
- \_\_ Average loss of \$2.63 per FedEx letter (only 17 shipments)



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- If all Canada orders pay \$25 shipping, we would still net a \$2.76 loss per shipment
- **Consensus**
  - o     Shipping rates are reasonable; however, can they be better? (FedEx/Asendia/USPS/etc.)
  - o     Do we need to charge higher shipping prices to Canada customers?
  - o     Do we need to up the free shipping requirement to \$200 from \$150?
  - o     Do we exclude Canada customers from free shipping?
  - o     Ship more packages as FedEx letter/Pak over Custom Poly Paks in order to save more money?
  - o     Why is FedEx charging us \$27.76/shipment when contract states \$18 or \$22?

#### **Costa Rica (12 orders)**

- \$1,396.87 lost in shipping (in only 12 orders)
- Average loss of \$116.41 **per shipment**
- Average loss of \$119 per FedEx Pak (75% of shipments)
- If all Costa Rica orders pay \$25 shipping, we would still net a \$97.66 loss per shipment
- **Consensus**
  - o     Shipping rates are atrocious, a fix is needed immediately (FedEx, Asendia, etc.)
  - o     Charge higher shipping rates?
  - o     Raise the free shipping requirement?
  - o     Exclude Costa Rica customers from free shipping?
  - o     Cut Costa Rica from ordering completely?

#### **United Kingdom (354 orders)**

- \$4,541 lost in shipping
- Average loss of \$12.83 per shipment
- Average loss of \$31.95 per Custom Poly Pak
- Average loss of \$15.74 per FedEx Pak
- Average **GAIN** of \$3.10 per FedEx letter
- If all United Kingdom orders pay \$25 shipping, we would still net a \$12.83 loss per shipment
- **Consensus**
  - o     Are better rates available (Asendia, eHub, etc.)?
  - o     Is it possible to influence more FedEx letter shipments rather than Paks or custom packaging?
  - o     Charge higher shipping rates?
  - o     Raise the free shipping requirement?
  - o     Exclude United Kingdom customers from free shipping?

#### **Indonesia (11 orders)**

- \$1,329.64 lost on shipping (**only 11 orders!!**)
- Average loss of \$120.88 **per shipment**
- Average loss of \$101.03 per FedEx Pak
- Average loss of \$38.51 per FedEx letter



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- Total order amount: \$307.69
- Sum of shipping paid (TLF): \$1,429.64
- Total loss of \$1,121.95 on Indonesia orders
- **Consensus**
  - o     Shipping rates are atrocious, a fix is needed immediately (FedEx, Asendia, etc.)
  - o     Charge higher shipping rates?
  - o     Raise the free shipping requirement?
  - o     Exclude Indonesia customers from free shipping?
  - o     Cut Indonesia from ordering completely?

#### **Israel (39 orders)**

- \$353.02 lost on shipping
- Average loss of \$9.05 per shipment
- Average loss of \$29.31 per custom packaging
- Average loss of \$9.55 per FedEx Pak
- Average **GAIN** of \$4.52 per FedEx letter
- If all Israel orders pay \$25 shipping, we would still net a \$2.64 loss per shipment
- **Consensus**
  - o     Are better rates available (Asendia, eHub, etc.)?
  - o     Is it possible to influence more FedEx letter shipments rather than Paks or custom packaging?
  - o     Charge higher shipping rates?
  - o     Raise the free shipping requirement?
  - o     Exclude Israeli customers from free shipping?

#### **Japan (63 orders)**

- \$908.36 lost on shipping
- Average loss of \$14.42 per shipment
- Average loss of \$27.74 per Custom Poly Pak
- Average loss of \$18.87 per FedEx Pak
- Average **GAIN** of \$4.08 per FedEx letter
- If all Japan customers pay \$25 shipping, we will still net a \$6.50 loss per shipment
- **Consensus**
  - o     Are better rates available (Asendia, eHub, etc.)?
  - o     Is it possible to influence more FedEx letter shipments rather than Paks or custom packaging?
  - o     Charge higher shipping rates?
  - o     Raise the free shipping requirement?
  - o     Exclude Japan customers from free shipping?

#### **New Zealand (68 orders)**

- \$728.35 lost in shipping



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- Average loss of \$10.51 per shipment
- Average loss of \$39.04 per custom packaging
- Average loss of \$15.30 per FedEx Pak
- Average **GAIN** of \$3.59 per FedEx letter
- If all New Zealand customers pay \$25 shipping, we would still net a \$3.22 loss per shipment
- **Consensus**
  - ☐ Are better rates available (Asendia, eHub, etc.)?
  - ☐ Is it possible to influence more FedEx letter shipments rather than Paks or custom packaging?
  - ☐ Charge higher shipping rates?
  - ☐ Raise the free shipping requirement?

#### **Saudi Arabia (27 orders)**

- \$775.16 lost in shipping
- Average loss of \$28.71 per shipment
- Average loss of \$51.07 per custom package
- Average loss of \$24.49 per FedEx Pak
- Average loss of \$10.63 per FedEx letter
- If all Saudi Arabia orders pay \$25 in shipping, we would still net a loss of \$16.67 per shipment
- **Consensus**
  - ☐ Shipping rates are atrocious, a fix is needed immediately (FedEx, Asendia, etc.)
  - ☐ Charge higher shipping rates?
  - ☐ Raise the free shipping requirement?
  - ☐ Exclude Saudi Arabia customers from free shipping?
  - ☐ Cut Saudi Arabia from ordering completely?

#### **Overall (2255 orders)**

- TLF's shipping strategy to Asia Pac needs restructuring
- Overall, of Asia Pac, TLF netted a shipping loss of \$38,826.55 over a span of 6 months. That is the equivalent of an annual loss of \$77,653.10
- Average loss of \$17.22 per shipment with a major factor being larger orders (more expensive shipping/tend to meet the free shipping requirement for customers). If all customers pay \$25 shipping, we will still net a \$6.74 loss per shipment, however.
- **Options & P.O.A.**
  - ☐ Aggressively scout lesser shipping rates (FedEx, UPS, USPS, eHub, Asendia, Freightpop, etc.)
  - ☐ Charge more than \$25 for shipping
  - ☐ Encourage smaller/more frequent purchases. This is because we tend to make money on FedEx letters/lose money on FedEx Paks & custom packaging. This can be done with the following:
    - Higher "free shipping" requirement (\$175 - \$200)
    - Exclude Asia Pac from any free shipping



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- o Outlier countries
  - Take the hit for company exposure
  - Massive rate change immediately
  - Exclude countries from purchasing TLF





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Row Labels	Average of Shipping Paid By Cust:	Average of Shipping Paid by TLF:	Sum of Shipping Paid by TLF:	Sum of Shipping Paid By Cust Total:	Sum of Total Order Amount:	Order Amounts #
AE (United Arab Emirates)	\$ 12.56	\$ 47.08	\$ 3,013.43	\$ 803.80	\$ 9,457.01	64
FedEx Internation Pri	\$ 12.56	\$ 47.08	\$ 3,013.43	\$ 803.80	\$ 9,457.01	64
Customer Packaging	\$ 3.33	\$ 53.19	\$ 797.86	\$ 50.00	\$ 2,965.48	15
Fedex Letter	\$ 22.22	\$ 21.36	\$ 192.28	\$ 200.00	\$ 570.35	9
Fedex Pak	\$ 13.85	\$ 50.58	\$ 2,023.29	\$ 553.80	\$ 5,921.18	40
AU (Australia)	\$ 17.06	\$ 36.56	\$ 15,173.15	\$ 7,080.48	\$ 44,950.65	415
FedEx Internation Pri	\$ 17.06	\$ 36.56	\$ 15,173.15	\$ 7,080.48	\$ 44,950.65	415
Customer Packaging	\$ 7.36	\$ 52.66	\$ 3,054.41	\$ 426.89	\$ 7,630.01	58
Fedex Letter	\$ 22.49	\$ 29.04	\$ 4,007.36	\$ 3,103.80	\$ 10,847.31	138
Fedex Pak	\$ 16.28	\$ 36.96	\$ 8,056.50	\$ 3,549.79	\$ 26,473.33	218
FedEx Small Box	\$ -	\$ 54.88	\$ 54.88	\$ -	\$ -	1
BN (Brunel)	\$ 25.00	\$ 25.72	\$ 51.44	\$ 50.00	\$ 270.40	2
FedEx Internation Pri	\$ 25.00	\$ 25.72	\$ 51.44	\$ 50.00	\$ 270.40	2
Fedex Pak	\$ 25.00	\$ 25.72	\$ 51.44	\$ 50.00	\$ 270.40	2
CA (Canada)	\$ 14.00	\$ 27.76	\$ 28,954.58	\$ 14,601.78	\$ 109,860.18	1043
FedEx Internation Pri	\$ 14.00	\$ 27.76	\$ 28,954.58	\$ 14,601.78	\$ 109,860.18	1043
Customer Packaging	\$ 13.85	\$ 27.91	\$ 27,885.43	\$ 13,841.01	\$ 105,800.76	999
Fedex Letter	\$ 19.04	\$ 21.67	\$ 368.33	\$ 323.70	\$ 1,132.08	17
FedEx Medium Box	\$ 24.62	\$ 29.37	\$ 29.37	\$ 24.62	\$ 91.51	1
Fedex Pak	\$ 15.86	\$ 25.83	\$ 671.45	\$ 412.45	\$ 2,835.83	26
CL (Chile)	\$ 12.50	\$ 80.78	\$ 323.13	\$ 50.00	\$ 579.45	4
FedEx Internation Pri	\$ 12.50	\$ 80.78	\$ 323.13	\$ 50.00	\$ 579.45	4
Customer Packaging	\$ -	\$ 115.69	\$ 115.69	\$ -	\$ 155.45	1
Fedex Letter	\$ 25.00	\$ 27.22	\$ 27.22	\$ 25.00	\$ 76.00	1
Fedex Pak	\$ 12.50	\$ 90.11	\$ 180.22	\$ 25.00	\$ 348.00	2
CN (China)	\$ 2.50	\$ 24.68	\$ 246.78	\$ 25.00	\$ 269.60	10
FedEx Internation Pri	\$ 2.50	\$ 24.68	\$ 246.78	\$ 25.00	\$ 269.60	10
Fedex Letter	\$ -	\$ 21.68	\$ 151.74	\$ -	\$ -	7
Fedex Pak	\$ 8.33	\$ 31.68	\$ 95.04	\$ 25.00	\$ 269.60	3
CR (Costa Rica)	\$ 6.25	\$ 122.66	\$ 1,471.87	\$ 75.00	\$ 2,329.92	12
FedEx Internation Pri	\$ 6.25	\$ 122.66	\$ 1,471.87	\$ 75.00	\$ 2,329.92	12
Customer Packaging	\$ -	\$ 110.70	\$ 221.39	\$ -	\$ 318.07	2
FedEx Large Box	\$ -	\$ 217.83	\$ 217.83	\$ -	\$ 348.90	1
Fedex Letter	\$ 25.00	\$ 80.69	\$ 80.69	\$ 25.00	\$ 124.00	1
Fedex Pak	\$ 6.25	\$ 119.00	\$ 951.96	\$ 50.00	\$ 1,538.95	8
EG (Egypt)	\$ 18.75	\$ 68.87	\$ 275.46	\$ 75.00	\$ 389.20	4
FedEx Internation Pri	\$ 18.75	\$ 68.87	\$ 275.46	\$ 75.00	\$ 389.20	4
Customer Packaging	\$ 25.00	\$ 34.03	\$ 68.05	\$ 50.00	\$ 200.00	2
Fedex Pak	\$ 12.50	\$ 103.71	\$ 207.41	\$ 25.00	\$ 189.20	2
GB (United Kingdom)	\$ 14.42	\$ 27.25	\$ 9,646.49	\$ 5,104.68	\$ 39,208.96	354
FedEx Internation Pri	\$ 14.42	\$ 27.25	\$ 9,646.49	\$ 5,104.68	\$ 39,208.96	354
Customer Packaging	\$ 7.01	\$ 38.96	\$ 1,870.30	\$ 336.27	\$ 6,446.62	48
Fedex Letter	\$ 23.65	\$ 20.55	\$ 1,992.99	\$ 2,294.25	\$ 6,740.21	97
FedEx Medium Box	\$ -	\$ 34.18	\$ 34.18	\$ -	\$ 182.58	1
Fedex Pak	\$ 11.90	\$ 27.64	\$ 5,749.02	\$ 2,474.16	\$ 25,839.55	208
GE (Georgia)	\$ -	\$ 52.31	\$ 52.31	\$ -	\$ -	1
FedEx Internation Pri	\$ -	\$ 52.31	\$ 52.31	\$ -	\$ -	1
Fedex Pak	\$ -	\$ 52.31	\$ 52.31	\$ -	\$ -	1
GL (Greenland)	\$ 25.00	\$ -	\$ -	\$ 25.00	\$ 73.00	1
FedEx Internation Pri	\$ 25.00	\$ -	\$ -	\$ 25.00	\$ 73.00	1
Fedex Pak	\$ 25.00	\$ -	\$ -	\$ 25.00	\$ 73.00	1
HK (Hong Kong)	\$ 4.22	\$ 27.24	\$ 980.64	\$ 152.08	\$ 3,040.96	36
FedEx Internation Pri	\$ 4.22	\$ 27.24	\$ 980.64	\$ 152.08	\$ 3,040.96	36
Customer Packaging	\$ -	\$ 29.24	\$ 116.94	\$ -	\$ 176.04	4
Fedex Letter	\$ -	\$ 18.10	\$ 162.89	\$ -	\$ -	9
FedEx Medium Box	\$ -	\$ 36.40	\$ 36.40	\$ -	\$ 155.53	1
Fedex Pak	\$ 6.91	\$ 30.20	\$ 664.41	\$ 152.08	\$ 2,709.39	22
ID (Indonesia)	\$ 9.09	\$ 129.97	\$ 1,429.64	\$ 100.00	\$ 307.69	11
FedEx Internation Pri	\$ 9.09	\$ 129.97	\$ 1,429.64	\$ 100.00	\$ 307.69	11
Customer Packaging	\$ -	\$ 186.87	\$ 747.46	\$ -	\$ -	4
Fedex Letter	\$ 25.00	\$ 63.51	\$ 127.01	\$ 50.00	\$ 146.98	2
Fedex Pak	\$ 10.00	\$ 111.03	\$ 555.17	\$ 50.00	\$ 160.71	5

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IL (Israel)	\$	18.59	\$	27.64	\$	1,078.02	\$	725.00	\$	4,376.48	39
FedEx International Pri	\$	18.59	\$	27.64	\$	1,078.02	\$	725.00	\$	4,376.48	39
Customer Packaging	\$	12.50	\$	41.81	\$	167.22	\$	50.00	\$	529.04	4
Fedex Letter	\$	25.00	\$	20.48	\$	143.33	\$	175.00	\$	537.61	7
Fedex Pak	\$	17.86	\$	27.41	\$	767.47	\$	500.00	\$	3,309.83	28
IN (India)	\$	6.94	\$	41.66	\$	749.92	\$	125.00	\$	937.45	18
FedEx International Pri	\$	6.94	\$	41.66	\$	749.92	\$	125.00	\$	937.45	18
Customer Packaging	\$	12.50	\$	41.99	\$	83.97	\$	25.00	\$	60.04	2
Fedex Letter	\$	8.33	\$	27.53	\$	165.17	\$	50.00	\$	181.76	6
Fedex Pak	\$	5.00	\$	50.08	\$	500.78	\$	50.00	\$	695.65	10
JP (Japan)	\$	17.08	\$	31.50	\$	1,984.19	\$	1,075.83	\$	7,403.67	63
FedEx International Pri	\$	17.08	\$	31.50	\$	1,984.19	\$	1,075.83	\$	7,403.67	63
Customer Packaging	\$	15.62	\$	43.36	\$	216.80	\$	78.10	\$	831.73	5
Fedex Box	\$	25.50	\$	41.00	\$	41.00	\$	25.50	\$	131.90	1
Fedex Letter	\$	21.96	\$	17.88	\$	250.35	\$	307.37	\$	1,036.40	14
Fedex Pak	\$	15.46	\$	34.33	\$	1,476.04	\$	664.86	\$	5,403.64	43
KH (Cambodia)	\$	25.00	\$	45.66	\$	45.66	\$	25.00	\$	115.00	1
FedEx International Pri	\$	25.00	\$	45.66	\$	45.66	\$	25.00	\$	115.00	1
Fedex Pak	\$	25.00	\$	45.66	\$	45.66	\$	25.00	\$	115.00	1
KR (South Korea)	\$	12.50	\$	18.88	\$	37.76	\$	25.00	\$	350.60	2
FedEx International Pri	\$	12.50	\$	18.88	\$	37.76	\$	25.00	\$	350.60	2
Fedex Pak	\$	12.50	\$	18.88	\$	37.76	\$	25.00	\$	350.60	2
KW (Kuwait)	\$	12.66	\$	32.55	\$	130.20	\$	50.64	\$	492.92	4
FedEx International Pri	\$	12.66	\$	32.55	\$	130.20	\$	50.64	\$	492.92	4
Customer Packaging	\$	-	\$	35.74	\$	35.74	\$	-	\$	155.75	1
Fedex Letter	\$	25.64	\$	23.07	\$	23.07	\$	25.64	\$	72.91	1
Fedex Pak	\$	12.50	\$	35.70	\$	71.39	\$	25.00	\$	264.26	2
LB (Lebanon)	\$	39.00	\$	63.17	\$	63.17	\$	39.00	\$	256.00	1
FedEx International Pri	\$	39.00	\$	63.17	\$	63.17	\$	39.00	\$	256.00	1
Fedex Pak	\$	39.00	\$	63.17	\$	63.17	\$	39.00	\$	256.00	1
MV (Maldives)	\$	25.00	\$	21.33	\$	21.33	\$	25.00	\$	136.85	1
FedEx International Pri	\$	25.00	\$	21.33	\$	21.33	\$	25.00	\$	136.85	1
Fedex Pak	\$	25.00	\$	21.33	\$	21.33	\$	25.00	\$	136.85	1
MY (Malaysia)	\$	11.50	\$	58.46	\$	584.62	\$	115.00	\$	1,186.53	10
FedEx International Pri	\$	11.50	\$	58.46	\$	584.62	\$	115.00	\$	1,186.53	10
Customer Packaging	\$	-	\$	74.11	\$	222.34	\$	-	\$	391.51	3
Fedex Letter	\$	22.50	\$	44.14	\$	176.56	\$	90.00	\$	207.82	4
Fedex Pak	\$	8.33	\$	61.91	\$	185.72	\$	25.00	\$	587.20	3
NZ (New Zealand)	\$	17.51	\$	28.22	\$	1,919.19	\$	1,190.84	\$	8,305.01	68
FedEx International Pri	\$	17.51	\$	28.22	\$	1,919.19	\$	1,190.84	\$	8,305.01	68
Customer Packaging	\$	10.09	\$	49.13	\$	245.65	\$	50.43	\$	833.68	5
Fedex Letter	\$	24.26	\$	20.67	\$	475.38	\$	558.07	\$	1,923.90	23
FedEx Medium Box	\$	26.07	\$	45.26	\$	45.26	\$	26.07	\$	152.98	1
Fedex Pak	\$	14.26	\$	29.56	\$	1,152.90	\$	556.27	\$	5,394.45	39
OM (Oman)	\$	-	\$	30.66	\$	30.66	\$	-	\$	174.96	1
FedEx International Pri	\$	-	\$	30.66	\$	30.66	\$	-	\$	174.96	1
Fedex Pak	\$	-	\$	30.66	\$	30.66	\$	-	\$	174.96	1
PH (Philippines)	\$	15.63	\$	53.51	\$	428.05	\$	125.00	\$	1,362.31	8
FedEx International Pri	\$	15.63	\$	53.51	\$	428.05	\$	125.00	\$	1,362.31	8
Fedex Pak	\$	15.63	\$	53.51	\$	428.05	\$	125.00	\$	1,362.31	8
QA (Qatar)	\$	12.50	\$	39.52	\$	316.18	\$	100.00	\$	1,211.26	8
FedEx International Pri	\$	12.50	\$	39.52	\$	316.18	\$	100.00	\$	1,211.26	8
Customer Packaging	\$	-	\$	54.25	\$	162.76	\$	-	\$	500.50	3
Fedex Pak	\$	20.00	\$	30.68	\$	153.42	\$	100.00	\$	710.76	5
SA (Saudi Arabia)	\$	12.96	\$	41.67	\$	1,125.16	\$	350.00	\$	4,125.75	27
FedEx International Pri	\$	12.96	\$	41.67	\$	1,125.16	\$	350.00	\$	4,125.75	27
Customer Packaging	\$	5.00	\$	56.07	\$	280.36	\$	25.00	\$	1,034.46	5
Fedex Letter	\$	25.00	\$	35.63	\$	71.25	\$	50.00	\$	208.35	2
FedEx Medium Box	\$	12.50	\$	41.36	\$	82.72	\$	25.00	\$	272.35	2
Fedex Pak	\$	13.89	\$	38.38	\$	690.83	\$	250.00	\$	2,610.59	18

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SG (Singapore)	\$	11.49	\$	27.68	\$	802.65	\$	333.11	\$	4,109.08	29
FedEx Internation Pri	\$	11.49	\$	27.68	\$	802.65	\$	333.11	\$	4,109.08	29
Customer Packaging	\$	7.36	\$	29.14	\$	203.97	\$	51.54	\$	1,020.68	7
Fedex Letter	\$	25.71	\$	17.27	\$	120.91	\$	179.95	\$	589.67	7
Fedex Pak	\$	6.77	\$	31.85	\$	477.77	\$	101.62	\$	2,498.73	15
TH (Thailand)	\$	25.00	\$	30.70	\$	61.40	\$	50.00	\$	207.80	2
FedEx Internation Pri	\$	25.00	\$	30.70	\$	61.40	\$	50.00	\$	207.80	2
Fedex Letter	\$	25.00	\$	18.76	\$	18.76	\$	25.00	\$	77.80	1
Fedex Pak	\$	25.00	\$	42.64	\$	42.64	\$	25.00	\$	130.00	1
TW (Taiwan)	\$	13.64	\$	33.01	\$	363.16	\$	150.00	\$	1,563.46	11
FedEx Internation Pri	\$	13.64	\$	33.01	\$	363.16	\$	150.00	\$	1,563.46	11
Fedex Letter	\$	25.00	\$	19.54	\$	58.61	\$	75.00	\$	203.00	3
Fedex Pak	\$	9.38	\$	38.07	\$	304.55	\$	75.00	\$	1,360.46	8
UZ (Uzbekistan)	\$	18.75	\$	47.58	\$	190.30	\$	75.00	\$	510.35	4
FedEx Internation Pri	\$	18.75	\$	47.58	\$	190.30	\$	75.00	\$	510.35	4
Fedex Pak	\$	18.75	\$	47.58	\$	190.30	\$	75.00	\$	510.35	4
VN (Vietnam)	\$	25.00	\$	23.25	\$	23.25	\$	25.00	\$	69.00	1
FedEx Internation Pri	\$	25.00	\$	23.25	\$	23.25	\$	25.00	\$	69.00	1
Fedex Letter	\$	25.00	\$	23.25	\$	23.25	\$	25.00	\$	69.00	1
Grand Total	\$	14.52	\$	31.74	\$	71,573.79	\$	32,747.24	\$	247,631.50	2255

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