

UPS vs. FedEx: Impact of 2025 Peak Season Demand Surcharges

Peak season surcharges are here. As of Sept. 28, 2025 (UPS) and Sept. 29, 2025 (FedEx), both carriers have their 2025-2026 Peak Season charges in effect — adding real costs to shippers' budgets during the busiest time of year.

These surcharges are designed to offset higher seasonal demand and strained capacity, but for shippers, they mean higher per-package costs and spikes in total spend.

In our earlier reports on the [UPS](#) and [FedEx](#) Peak Season Demand Surcharge announcements, we provided separate market analyses explaining the announced charges and the potential financial impact. Now, we're taking a closer look. This side-by-side comparison chart (below) highlights how surcharges differ — and what they mean for a high-volume shipper during the busy holiday season.

UPS							
	Average Weekly Volume		Charges for November 2025				Increase
	June '25	Nov '25	Demand Residential		Peaking Charge Amount (135%)		
Ground Residential	20,200	27,270	0	\$0.00	27,270	\$58,630.50	
Ground Saver	21,000	28,350	0	\$0.00	28,350	\$60,952.50	\$119,583.00





FedEx							
	Average Weekly Volume		Charges for November 2025				Increase
	June '25	Nov '25	Demand Residential		Peaking Charge Amount (135%)		
Home Delivery	20,200	27,270	0	\$0.00	27,270	\$59,994.00	
Ground Economy	21,000	28,350	28,350	\$68,370.00	0	\$0.00	\$122,364.00

*October 27 - November 23, 2025 and December 29, 2025 - January 18, 2026

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FedEx							
	Average Weekly Volume		Charges for November 2025				Increase
	June '25	Nov '25	Demand Residential		Peaking Charge Amount (135%)		
Home Delivery	20,200	27,270	0	\$0.00	27,270	\$59,994.00	
Ground Economy	21,000	28,350	28,350	\$100,642.50	0	\$0.00	\$160,636.50

***November 24, 2025 - December 28, 2025**

KEY TAKEAWAYS	
	Threshold Effect: Once weekly volume rises above 105% of baseline (the average volume from the prior June), all packages are assessed the corresponding Peaking Factor charge. In the example above, shipping 135% of baseline placed the shipper in the 125%–150% tier.
	UPS: Applies Peaking Factor surcharges to both Ground Residential and Ground Saver, but only on the excess volume above baseline. This creates a more gradual increase and incentivizes shippers to manage spikes.
	FedEx: Separates services — Home Delivery is subject to peaking factor charges, while Ground Economy is excluded and instead assessed a flat per-package demand surcharge regardless of volume. This flat fee is often significantly higher than UPS's comparable Ground Saver charges.
	Impact: UPS's tiered approach distributes costs more gradual, while FedEx's flat surcharge concentrates costs immediately. These differences can strongly influence service selection and budget impact during peak season.

Take the Next Step

UPS and FedEx present these surcharges to cover seasonal operating costs — but in reality, they're designed to increase profits during the busiest shipping weeks of the year.

The good news: with the right planning, you don't have to absorb all of these increases.

Contact sales-info@transimpact.com to see how these surcharges are affecting your budget today — and the steps you can take to minimize the impact.

Sign up now for our full FedEx and UPS Peak Season & GRI Analysis