Courier Services

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Producer Price Index
Courier Services

NAICS 492110
ISIC 6412
CPC 7512
Output Definition

- Facilitation of courier delivery services of parcels by means of air transportation, ground transportation, or a combination of the two
Output Definition

- Intercity and/or local pick up and delivery of parcels
- Small parcels
- Delivery scope exceeds single metropolitan area
Pricing Methodology

Factors that determine price:
- Origin
- Destination
- Weight of package
- Dimensions of package
- Level of priority and time of day delivered
- Special handling
Pricing Methodology

- Individual Transactions Priced
  - Includes bundled service
  - Includes contract/negotiated rates
Pricing Methodology

Price = Base Rate +
      fuel surcharge +
      other applicable surcharges
      (delivery area etc.)
Publication Structure

SIC Publication Structure

4513    Air courier services
4513P    Primary services
45132    Domestic air courier services
45133    International air courier services
4513SM   Other receipts

4215    Courier services, except by air
4215P    Primary services
42151    Local courier services
42152    Hub and spoke, intercity courier services
4215SM   Other receipts
Publication Structure

SIC Publication Structure

SIC 4513 Air courier services
   began publication in January 1988

SIC 4215 Courier services, except by air
   began publication in January 1993
Publication Structure

Revised NAICS Structure

492110 Couriers
492110P Primary services
4921101 Standard courier services
4921102 Expedited courier services
492110201 Domestic expedited courier services
492110202 International expedited courier services
492110SM Other receipts
Publication Structure

Revised NAICS Structure

NAICS 492110   Couriers
Began publication in January 2004

Revised structure will be published in January 2006
Item Substitution
Quality Adjustment

- Few item substitutions
- Most substitutions directly comparable
- Resampling captures changes in demographic markets
Issues:

- Industry structure
  - Dominated by a few large companies
  - Mergers/consolidations
Issues:

- Large number of transactions
  - Individual transaction pricing
  - Internet repricing fallback
Issues:

- Cooperation
  - Contract / negotiated rates
  - Custom services
Issues:

- New Price Determining Features
  - How order is placed:
    - Phone
    - Internet
  - How the package gets to provider:
    - Customer counter (courier storefront)
    - Retail location (non-courier storefront)
    - Authorized drop box
    - Pick up from customer
Pricing Data:

Couriers

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- Standard
- Domestic Expedited
- International Expedited
Questions?