

April 2016 UPS Audit Report

for Account # 000071EY05

updated 5/03/2016

Table of Contents

Overview	1
Quick Stats	2
Adafruit vs. UPS	5
Services	6
Shipping Charge Correction	8
Residential and Address Surcharges	9
Returns	10
Delivery/Extended/Remote Area	11
Other	11

Overview

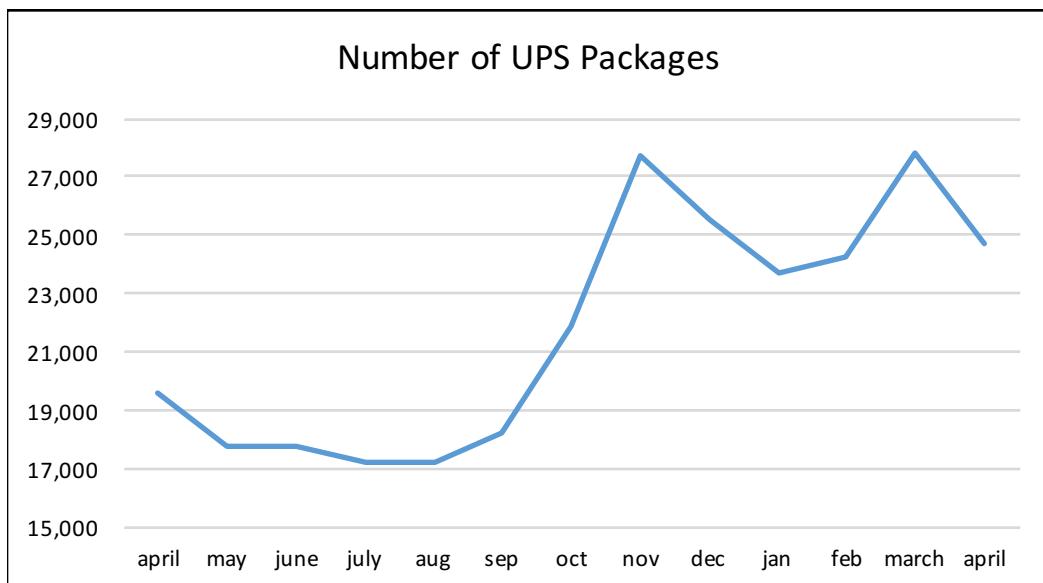
Total UPS Shipping Charge	Total Adafruit Shipping Charge	Shipping Charge Profit
\$ 307,689.25	\$ 341,357.74	\$ 33,668.49

- All good numbers; all good stuff here
- Number of packages month to month is down 11 percent, year over year up 26 percent.
- Adafruit shipping revenue month to month down 8 percent; year over year up 28 percent.
- Adafruit average shipping revenue month to month up 1 percent; year over year up 15 percent.
- Despite these month to month decreases, Next Day Air sees an increase in both number of packages (up 10 percent) and Adafruit shipping revenue (up 11 percent).
- About 6.5 percent of all packages receive free shipping.
- UPS overcharges us on only 1.9 percent of total packages.
- Outstanding residential and address surcharges covered by our 5 cent add-on; results in small profit of \$485.
- Returns are minimal.
- Delivery/extended/remote area surcharges are well under control.
- Shipping charge profit seems a bit high this month but not out of the realm of possibility.

Quick Stats

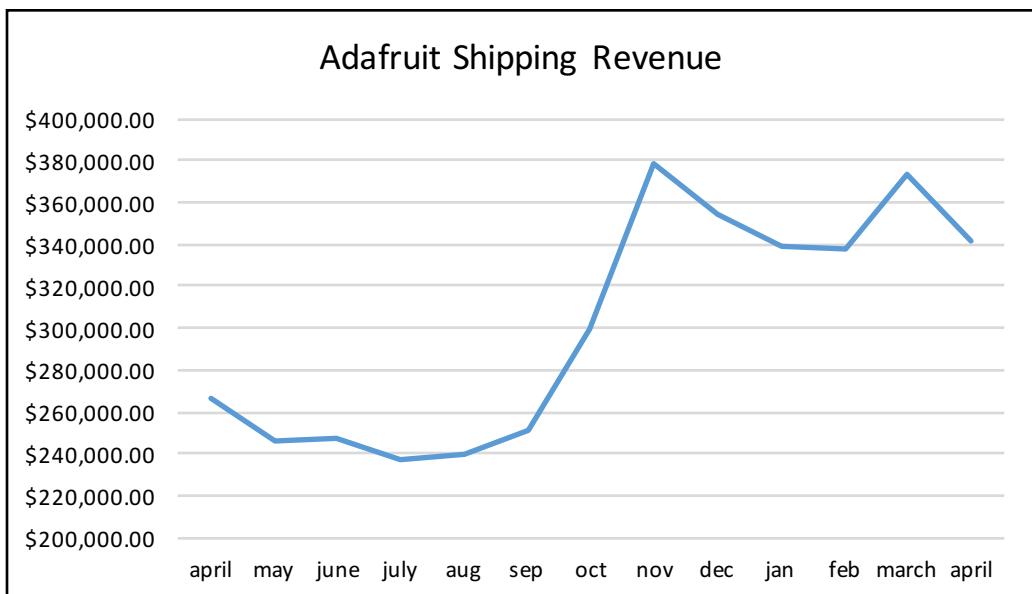
Number of UPS Packages:

Number of UPS Packages				
Service	April	March	Month to Month % change	Year over Year % Change
2nd day air	3,479	3,804	-9%	-1%
3 day select	1,968	2,069	-5%	-4%
express saver	467	491	-5%	-29%
ground	14,598	17,366	-16%	48%
next day air	1,998	1,819	10%	4%
worldwide express	2,223	2,308	-4%	38%
grand total	24,733	27,857	-11%	26%



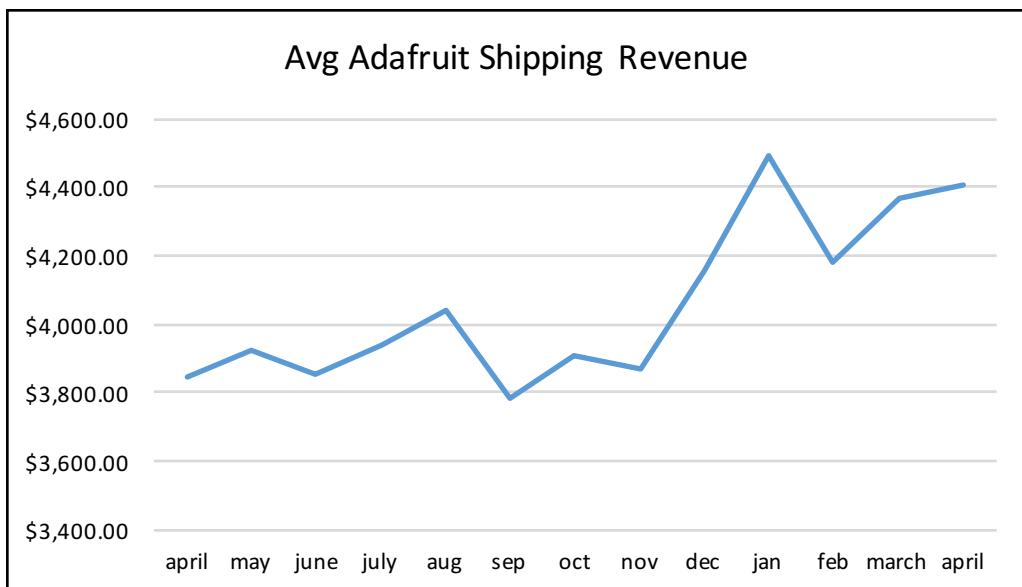
Adafruit Shipping Revenue:

Adafruit Shipping Revenue					
Service	April	March	Month to Month % change	Year over Year % Change	
2nd day air	\$ 46,331.22	\$ 49,886.63	-7%	7%	
3 day select	\$ 23,179.15	\$ 24,115.13	-4%	-4%	
express saver	\$ 24,264.45	\$ 24,602.83	-1%	-9%	
ground	\$ 121,267.43	\$ 147,774.38	-18%	60%	
next day air	\$ 38,411.20	\$ 34,660.91	11%	14%	
worldwide express	\$ 87,904.29	\$ 92,008.43	-4%	40%	
grand total	\$ 341,357.74	\$ 373,048.31	-8%	28%	



Average Adafruit Shipping Revenue:

Average Adafruit Shipping Revenue					
Service	April		March	Month to Month % change	Year over Year % Change
2nd day air	\$ 413.27	\$ 408.01		1%	12%
3 day select	\$ 366.51	\$ 361.46		1%	1%
express saver	\$ 1,566.37	\$ 1,534.12		2%	30%
ground	\$ 259.49	\$ 265.15		-2%	11%
next day air	\$ 583.99	\$ 588.54		-1%	12%
worldwide express	\$ 1,216.91	\$ 1,213.24		0%	5%
grand total	\$ 4,406.55	\$ 4,370.52		1%	15%



Adafruit vs. UPS

Free Shipping

April	Count	% of Total Order Count	Order Subtotals	UPS Charges
Free Shipping	1,405	6.51%	\$ 776,984.76	\$ 14,462.21
Not Free Shipping	20,162	93.49%	\$ 1,830,812.82	\$ 285,125.18
Grand Total	21,567		\$ 2,607,797.58	\$ 299,587.39

Note: The total count here does not match the total number of UPS packages in the Quick Stats table because the Quick Stats table refers to the number of UPS packages sent, while the count here refers to the number of orders sent (i.e. the number of OIDs). These numbers can be different because a single OID can be shipped in two packages, etc.

UPS Overcharges

This does not include orders which received free shipping

UPS Overcharges	Count	% of Order Count	Adafruit Shipping Charges	UPS Shipping Charges	Adafruit (minus) UPS
ups did not overcharge	19,774	98.08%	\$ 291,672.37	\$ 272,832.17	\$ 18,840.2
ups overcharged	388	1.92%	\$ 10,111.45	\$ 12,293.01	\$ (2,181.56)
Grand Total	20,162	100.00%	\$ 301,783.82	\$ 285,125.18	\$ 16,658.64

Services

SERVICES	Count of OIDs	% of Total Count	UPS Charge	% of Total UPS Charge	Avg UPS Charge	Billed Weight	% of Total Billed Weight
Ground Residential	8,568	39.71%	\$ 59,778.16	24.02%	\$ 6.98	12,950	31.21%
Ground Commercial	3,842	17.81%	\$ 27,317.96	10.98%	\$ 7.11	9,633	23.21%
2nd Day Air Residential	1,915	8.88%	\$ 18,995.95	7.63%	\$ 9.92	2,688	6.48%
Worldwide Expedited	1,705	7.90%	\$ 56,733.38	22.80%	\$ 33.27	5,333	12.85%
2nd Day Air Commercial	1,189	5.51%	\$ 12,147.69	4.88%	\$ 10.22	1,815	4.37%
3 Day Select Residential	1,145	5.31%	\$ 9,666.94	3.88%	\$ 8.44	1,552	3.74%
Next Day Air Commercial	941	4.36%	\$ 14,529.53	5.84%	\$ 15.44	1,644	3.96%
Next Day Air Residential	935	4.33%	\$ 13,906.38	5.59%	\$ 14.87	1,357	3.27%
3 Day Select Commercial	593	2.75%	\$ 5,133.78	2.06%	\$ 8.66	968	2.33%
Worldwide Saver	453	2.10%	\$ 19,228.43	7.73%	\$ 42.45	2,430	5.86%
Worldwide Express	291	1.35%	\$ 11,424.40	4.59%	\$ 39.26	1,126	2.71%
Grand Total	21,577	100.00%	\$ 248,862.60	100.00%	\$ 11.53	41,496	100.00%

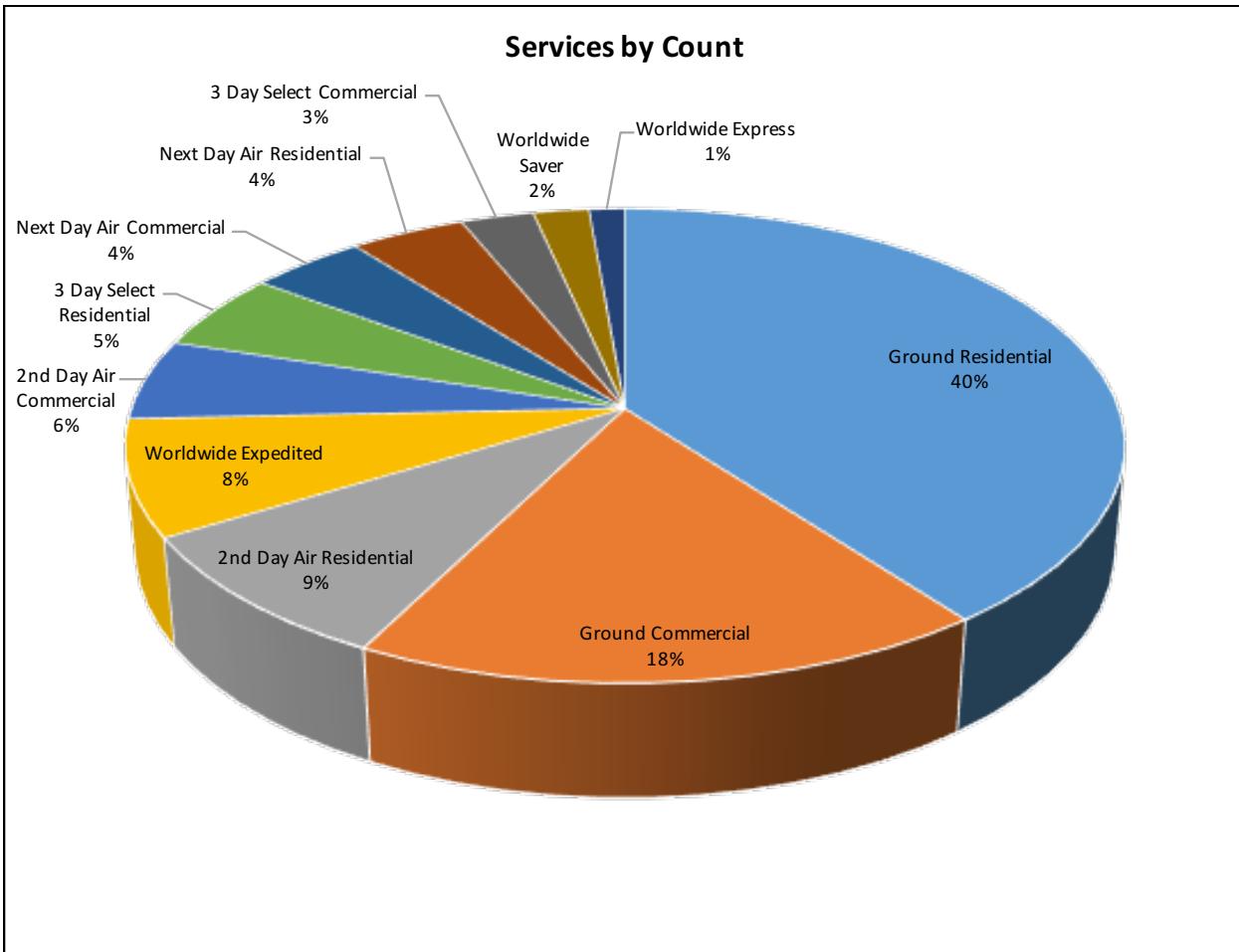
Ground comes out ahead with a total percentage of 57.5 percent.

Domestic services amount to 88.7 percent of total services used.

Worldwide Expedited just after Ground Residential for most expensive service, comprising 22.8 percent of the total UPS charge.

Highest average UPS charge goes to Worldwide Saver at \$42.45.

After the Ground services the next “heaviest” service in terms of billed weight is Worldwide Expedited. It comprised 12.9 percent of total billed weight amount.



Shipping Charge Correction

SHIPPING CHARGE CORRECTION	Count	UPS Charge	Avg UPS Charge	Billed Weight
Shipping Charge Correction 2nd Day Air	199	\$ 561.17	\$ 2.82	922
Shipping Charge Correction 3 Day Select	120	\$ 202.55	\$ 1.69	491
Shipping Charge Correction Expedited	21	\$ 125.38	\$ 5.97	226
Shipping Charge Correction Express	1	\$ 2.09	\$ 2.09	4
Shipping Charge Correction Fuel Surcharge	733	\$ 53.06	\$ 0.07	-
Shipping Charge Correction Ground	270	\$ 414.12	\$ 1.53	4,025
Shipping Charge Correction Large Package Surcharge	2	\$ 135.00	\$ 67.50	-
Shipping Charge Correction Next Day Air	153	\$ 426.94	\$ 2.79	769
Grand Total	1,499	\$ 1,920.31	\$ 1.28	6,437

Shipping charge corrections at first may seem large, but the average charge amount per package which received such a charge was \$1.28.

Residential and Address Surcharges

Total Number:

RESIDENTIAL AND ADDRESS CHARGES	Count	UPS Charge
Address Correction 2nd Day Air	11	\$ 143.00
Address Correction 3 Day Select	9	\$ 117.00
Address Correction Expedited	21	\$ 273.00
Address Correction Express	1	\$ 13.00
Address Correction Ground	32	\$ 416.00
Address Correction Next Day Air	4	\$ 52.00
Address Correction Worldwide Saver	1	\$ 13.00
Residential Surcharge	12,862	\$ 29,844.04
Grand Total	12,941	\$ 30,871.04

Unaccounted For (i.e. not factored into shipping charge):

Type	Count	Charge
Residential	62	\$ 148.46
Address	59	\$ 767.00
Total	121	\$ 915.46

Order Add-On:

Total Orders	Add-on per Order	Total Add-On	Total Add-On (minus Outstanding Charge)
28,014	\$ 0.05	\$ 1,400.70	\$ 485.24

With our order add-on we covered any outstanding Residential and Address charges and made out with a small profit of \$485.

Returns

RETURNS	Count	UPS Charge
Fuel Surcharge	55	\$ 19.75
Residential Surcharge	37	\$ 90.67
Ground Residential	17	\$ 118.45
2nd Day Air Residential	8	\$ 76.52
3 Day Select Residential	6	\$ 52.06
Ground Commercial	6	\$ 41.64
Next Day Air Commercial	4	\$ 66.07
3 Day Select Commercial	3	\$ 40.42
Worldwide Expedited	3	\$ 85.96
Delivery Area Surcharge	3	\$ 9.30
Ground Undeliverable Return	3	\$ 20.82
Delivery Confirmation Signature	3	\$ 8.55
Next Day Air Residential	3	\$ 41.28
3 Day Select Undeliverable Return	2	\$ 16.50
2nd Day Air Commercial	1	\$ 14.45
Worldwide Saver	1	\$ 25.84
Shipping Charge Correction 3 Day Select	1	\$ 1.23
Shipping Charge Correction Fuel Surcharge	1	\$ 0.02
Grand Total	157	\$ 729.53

Delivery/Extended/Remote Area

DELIVERY/ EXTENDED/REMOTE	Count	UPS Charge		Avg UPS Charge
Delivery Area Surcharge	1,094	\$ 3,339.30		\$ 3.05
Delivery Area Surcharge - Extended	821	\$ 3,014.40		\$ 3.67
Delivery Confirmation Signature	440	\$ 1,254.00		\$ 2.85
Extended Area Surcharge	37	\$ 1,110.00		\$ 30.00
Remote Area Surcharge	18	\$ 423.75		\$ 23.54
Grand Total	2,410	\$ 9,141.45		\$ 3.79

All but four of the 2,410 charges above were absorbed by adequately priced shipping charges.

Other

OTHER	Count	UPS Charge		Avg UPS Charge
Electronic Export Information Fee	35	\$ 350.00		\$ 10.00
Fuel Surcharge	21,580	\$ 8,672.56		\$ 0.40
Grand Total	21,615	\$ 9,022.56		\$ 0.42