

FedEx Tops USPS List, Study Shows

FedEx Corp. won more U.S. Postal Service work than any other company for an eighth straight year, according to a study by a Washington-based law firm.

FedEx, Memphis, Tenn., won \$1.4 billion in contracts in 2010, according to agency documents obtained by David Hendel, a partner with the law firm Husch Blackwell LLP.

UPS Inc. ranked No. 12, with \$95 million in contracts, according to a list Hendel compiled.

"The Postal Service's two biggest competitors are also their operational partners," Hendel, who has been gathering the data for 15 years, said in a telephone interview Jan. 13.

The Postal Service can't use commercial airlines to move all mail. Passenger safety regulations allow items weighing no more than 13 ounces each, Douglas Glair, Postal Service manager for supply chain strategy, said in an e-mail Jan. 14. To move heavier packages quickly, the Postal Service uses FedEx and UPS, Atlanta.

As part of its partnership with those companies, the Postal Service delivers some of their packages, Glair said.

The Postal Service pays its 20,000 suppliers about \$13 billion a year, he said.

Northrop Grumman Corp., based in Los Angeles, ranks second on the list of vendors, with \$495 million in contracts. The company provides equipment to sort mail and detect biological contamination, as well as logistics support, Glair said. — *Bloomberg News*