

Transportation Companies Keep Rolling Atop List of Top 150 U.S. Postal Service Suppliers

By [David P. Hendel](#)

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MARCH 9, Washington D.C. —Transportation companies continue their reign atop of the list of the Top 150 U.S. Postal Service Suppliers in fiscal year 2020, with eight of the top ten USPS suppliers providing transportation services or equipment. Of its more than \$16.1 billion procurement spend in FY 2020, \$8.8 billion—more than half—went to transportation suppliers.

The top USPS supplier is again **Federal Express**, which received over \$2.2 billion—\$174 million more than in FY 2019. FedEx transports mail by air for the Postal Service and has stood atop the list since 2002. FedEx’s current air cargo network contract with the Postal Service continues for another four years, expiring on September 29, 2024.

The only two non-transportation companies in the top ten were **EnergyUnited Service** and **Victory Packaging**. EnergyUnited pays the Postal Service’s telecommunications and energy bills and was the agency’s second largest supplier. **Victory Packaging**, which makes the packaging products that USPS provides to mailers, is 7th on the list.

A newcomer to the list, **OEM Systems LLC**, filled the 8th spot. OEM provides cargo vans, pick-ups, and other vehicles. **Eagle Express Lines, Postal Fleet Services and United Parcel Service** round out the rest of the top ten USPS suppliers. All combined, the top ten suppliers earned \$4.7 billion, about \$500 million more than the prior year and almost one-third of USPS’s total procurement spend.

Transportation suppliers also dominate the 11th through 20th rank, filling seven of those positions. **Accenture Federal Services** is the top information technology provider, receiving \$176 million in USPS payments. **United Airlines** was the top commercial airline, gaining \$166 million.

“COVID spotlighted the Postal Service’s importance to the nation’s infrastructure, and transportation suppliers are the backbone of that network,” said David Hendel, a partner at Culhane Meadows PLLC and member of the Government, Regulatory, and Compliance Group. “While transportation is vital, the Postal Service also depends upon a vast data processing and communications network fed by 200 million daily mail pieces and 46,000 point-of-sale terminals.”

Hendel has compiled the Top 150 list annually since 1999. The list is based on data received in response to Freedom of Information Act requests and seeks to consolidate entries for affiliated companies.

The top 150 U.S. Postal Service suppliers received a total of \$11 billion, about 7 percent more than last year. The complete list is available at www.postalcontractor.com, a website Hendel created that provides key background information on postal contracting. The top ten suppliers are shown below:

Top 10 USPS Suppliers, FY 2020

2020 Rank	Supplier Name	FY 2020 Total	Location	2019 Rank
1	Federal Express Corporation	\$ 2,224,115,254.32	Memphis, TN	1
2	EnergyUnited Electric Membership Corporation*	\$401,384,198.33	Cheney, WA	2
3	Eagle Express Lines, Inc.	\$385,882,753.73	South Holland, IL	3
4	Pat Salmon & Sons, Inc*	\$300,568,281.24	Little Rock, AR	4
5	Postal Fleet Services, Inc.*	\$292,567,787.79	Saint Augustine, FL	5
6	Victory Packaging	\$263,373,035.81	Houston, TX	7
7	OEM Systems LLC	\$233,518,034.64	Okarche, OK	—
8	United Parcel Service of America, Inc* (UPS)	\$203,260,036.16	Louisville, KY	6
9	Kalitta Air, LLC	\$196,869,930.77	Ypsilanti, MI	10
10	HP Enterprise Services, LLC*	\$186,642,234.45	Herndon, VA	8

The above list was compiled based on data received under a Freedom of Information Act request and covers payments made between October 1, 2019 and September 30, 2020 and is not audited. When companies are believed to be affiliated or under common ownership, we have often consolidated their separate entries under the company with the highest individual ranking or best-known name. Consolidated listings contain an asterisk. Our consolidations vary from year to year, and this may affect numerical rankings. City/state designations are derived from USPS's payment records and may not be the contractor's primary location.

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[David P. Hendel](#)'s legal career began as an Honors Attorney in the U.S. Postal Service General Counsel's office, where he reviewed contracts, advised procurement officials, and litigated disputes. Entering private practice, he advised companies on issues arising under civilian and defense agency contracts, including matters of contract administration, performance, and compliance. David has represented hundreds of contractors, from Fortune 50 companies to small businesses, on a wide range of matters including: bid protests, contract administration and interpretation, claim preparation and litigation, terminations, fraud investigations and False Claims Act matters. He frequently writes articles and presents seminars on postal contracting topics. He also created the www.postalcontractor.com website.

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