

Transportation Companies Again Lead List of Top U.S. Postal Service Suppliers

By [David Hendel](#)
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Washington D.C., April 2022—Transportation companies again dominate the top rankings in the newly issued list of the top 150 U.S. Postal Service suppliers for fiscal year 2021. Eight of the top 10 contractors—and 14 of the top 20—provide transportation services or equipment.

The Postal Service spent \$18.4 billion on outside suppliers in FY 2021, an increase of \$2.3 billion over last year. About half the total spend—\$9.6 billion—went to transportation, an \$800 million increase over last year. The Postal Service also spent \$2.9 billion on supplies and services, and \$5.8 billion on rent, utilities, and other facility expenses.

The top USPS supplier is again **FedEx Corporation**, which received nearly \$2.2 billion. 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 is set to expire on September 29, 2024.

The Postal Service's second largest supplier is trucking company **10 Roads Express**, with \$540 million in revenue. **10 Roads Express** traces its roots back to 1946, and over the years has acquired a group of contractors that formerly operated independently. The company operates from 36 terminals across the country, has scheduled deliveries in 49 states, and operates thousands of company-owned tractors and trailers.

EnergyUnited Service, which pays the Postal Service's telecommunications and energy bills, ranked third at \$400 million. **Victory Packaging** is the only other non-transportation supplier in the top ten. The company makes the packaging products that USPS provides to mailers and is seventh on the list.

OEM Systems LLC, which provides cargo vans, pick-ups, and other vehicles, appears for a second time in the top ten and ranked fifth, at \$335 million.

The other transportation companies in the top ten are trucking company **Eagle Express Lines, Inc.**, ranked fourth, at \$367 million; parcel giant **United Parcel Service of America, Inc.**, ranked sixth at \$290 million; truck broker **XPO Logistics, Inc.**, ranked eighth at \$202 million; air carrier **United Airlines, Inc.**, ranked ninth at \$197 million; and postal-dedicated transportation supplier **Postal Fleet Services, Inc.**, ranked tenth at \$196 million.

In all, the top ten suppliers accounted for \$4.97 billion in FY 2021, about one-quarter of the agency’s total spend for the year. The top 150 suppliers accounted for \$11.8 billion, 64 percent of the agency’s spend.

“The Postal Service’s main job is delivering physical items, so smart transportation and logistics will always be key to the Postal Service’s future,” said David Hendel, a partner at Culhane Meadows PLLC and member of the firm’s Government, Regulatory, and Compliance Group. “But what works in theory doesn’t necessarily work in practice,” he said. For example, the Postal Service recently abandoned its Dynamic Route Optimization program, which on paper was promising but when instituted led to higher costs and supplier disputes.

While transportation is vital, the Postal Service also depends upon a vast data processing and communications network to process and deliver 425 million mail pieces per day. The agency also maintains over 31,000 retail offices—that’s more than twice as many retail outlets as Starbucks.

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 complete list of the Top 150 suppliers is available at www.postalcontractor.com, a website Hendel created that provides key background information on postal contracting. The list is also available on the Culhane Meadows [website](#).

The top ten suppliers are shown below:

Top 10 USPS Suppliers, FY 2021

2021 Rank	Supplier Name	FY 2021 Total	Location	2020 Rank
1	FedEx Corporation	\$ 2,170,821,821.00	Memphis, TN	1
2	10 Roads Express*	\$540,727,401.00	Carter Lake, IA	4,16
3	EnergyUnited Electric Membership Corporation	\$400,284,731.00	Statesville, NC	2
4	Eagle Express Lines, Inc.*	\$376,331,245.00	Homewood, IL	3
5	OEM, Systems LLC	\$335,730,111.00	Okarche, OK	7
6	United Parcel Service of America, Inc* (UPS)	\$290,820,637.00	Louisville, KY	8

7	Victory Packaging	\$262,706,412.00	Northbrook, IL	6
8	XPO Logistics, Inc.*	\$202,210,324.00	Charlotte, NC	42
9	United Airlines, Inc.	\$197,231,249.00	Chicago, IL	15
10	Postal Fleet Services, Inc.	\$196,692,807.00	Herndon, VA	5

The above list was compiled based on data received under a Freedom of Information Act request and covers payments made between October 1, 2020 and September 30, 2021 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.

About David P. Hendel

David'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, claims, 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. His bio may be found at www.culhanemeadows.com/attorney/david-hendel/.

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delivering outstanding, partner-level legal services to major corporations and emerging companies across industry sectors more efficiently and cost-effectively than conventional law firms. Clients enjoy exceptional and highly-efficient legal services provided exclusively by partner-level attorneys with significant experience and training from large law firms or in-house legal departments of respected corporations. U.S. News & World Report has named Culhane Meadows among the country's "Best Law Firms" in its 2014 through 2020 rankings and many of the firm's partners are regularly recognized in Chambers, Super Lawyers, Best Lawyers and Martindale-Hubbell Peer Reviews.