

2025 Shipping Costs



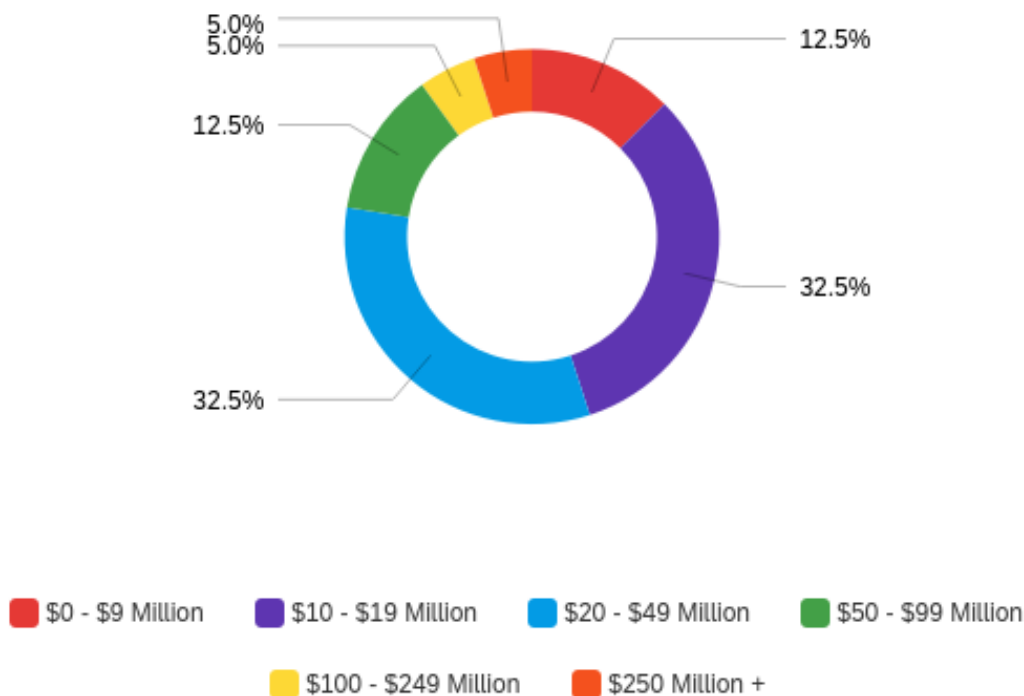
Objective: To benchmark how other member companies are handling marking up domestic and international shipping costs.

Respondents = 40

Summary

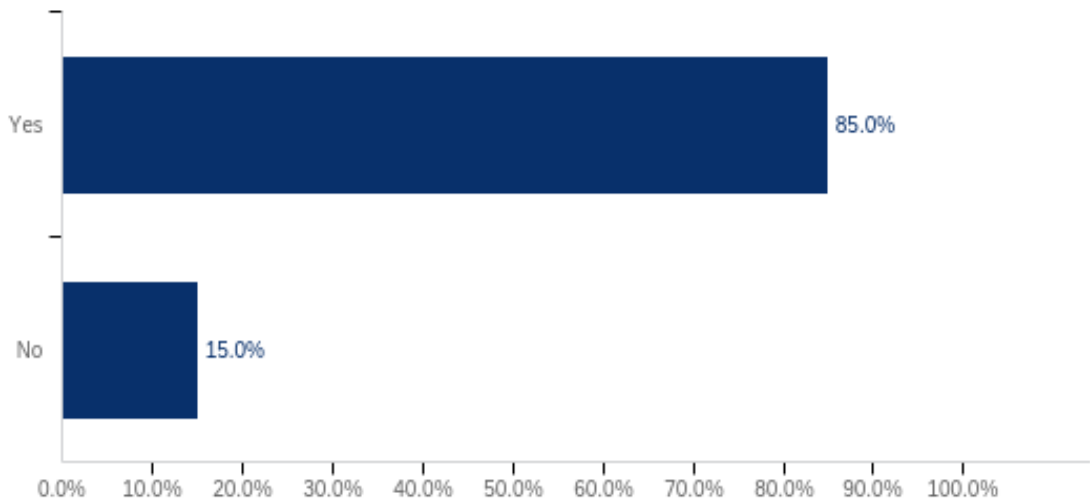
Most respondents ship machinery (85.0%). Among those respondents, 50.0% markup the cost for domestic machinery shipments, with an average markup of 15.1%. And 52.9% of respondents who ship machinery mark up the cost for international freight with an average markup of 18.2%. For parts, 37.5% of respondents mark up the cost for domestic shipments with an average markup of 16.8%, while 42.9% markup the cost for international shipments with an average markup of 20.9%. Companies most often apply markups to cover part of overhead (81.8%), expedited shipping (22.7%), and shipping volume variability (18.2%).

Annual Revenue



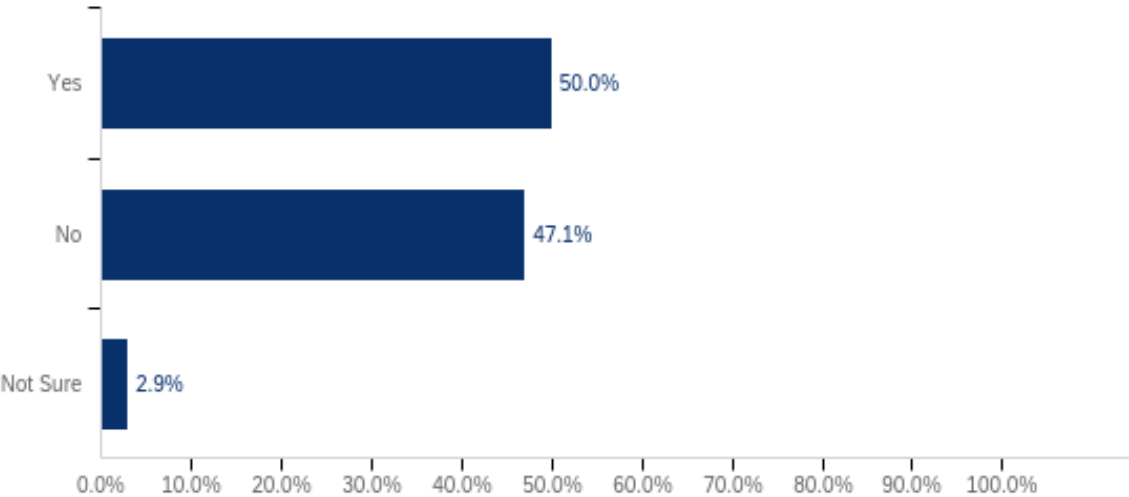
	Total	\$0 - \$9 Million	\$10 - \$19 Million	\$20 - \$49 Million	\$50 - \$99 Million	\$100 - \$249 Million	\$250 Million +
Number of Respondents	40	5	13	13	5	2	2

1. Do you ship machinery?



Response Percentage by Revenue Range						
	\$0 - \$9 Million	\$10 - \$19 Million	\$20 - \$49 Million	\$50 - \$99 Million	\$100 - \$249 Million	\$250 Million +
Yes	80.0%	76.9%	92.3%	100.0%	100.0%	50.0%
No	20.0%	23.1%	7.7%	-	-	50.0%
Total	5	13	13	5	2	2

2. Do you mark up the costs of outbound freight for DOMESTIC MACHINERY shipments?



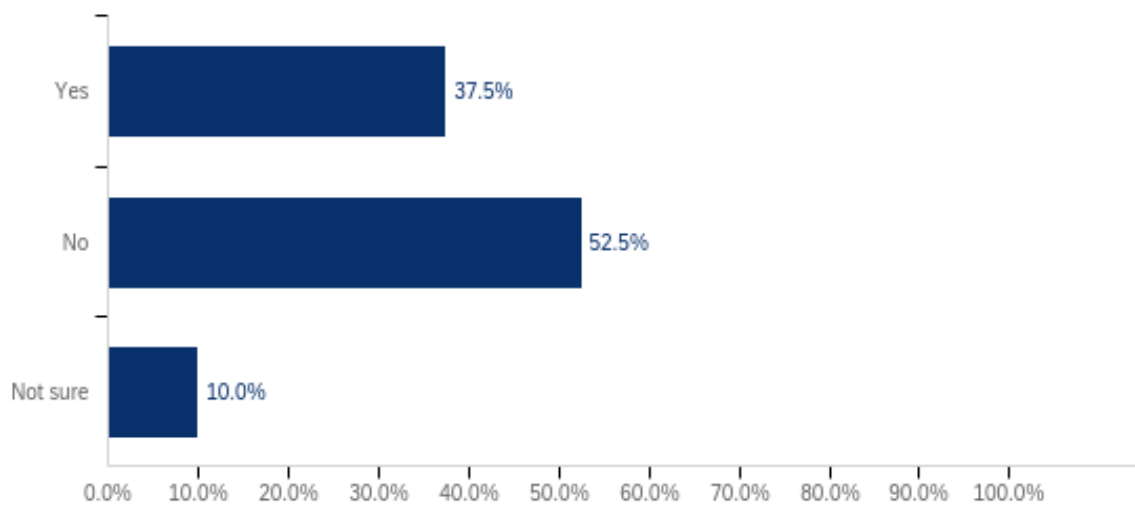
Response Percentage by Revenue Range						
	\$0 - \$9 Million	\$10 - \$19 Million	\$20 - \$49 Million	\$50 - \$99 Million	\$100 - \$249 Million	\$250 Million +
Yes	75.0%	40.0%	66.7%	20.0%	50.0%	-
No	25.0%	60.0%	33.3%	60.0%	50.0%	100.0%
Not Sure	-	-	-	20.0%	-	-
Total	4	10	12	5	2	1

3. By what percentage do you mark up the costs of outbound freight for DOMESTIC MACHINERY shipments?

Field	Average Mark Up	Count
Markup Percentage	15.1%	17

Response Average by Revenue Range		
	Average Mark Up	Count
\$0 - \$9 Million	18.3%	3
\$10 - \$19 Million	10.0%	4
\$20 - \$49 Million	19.0%	8
\$50 - \$99 Million	5.0%	1
\$100 - \$249 Million	5.0%	1

4. Do you mark-up the costs of outbound freight for DOMESTIC PARTS shipments?



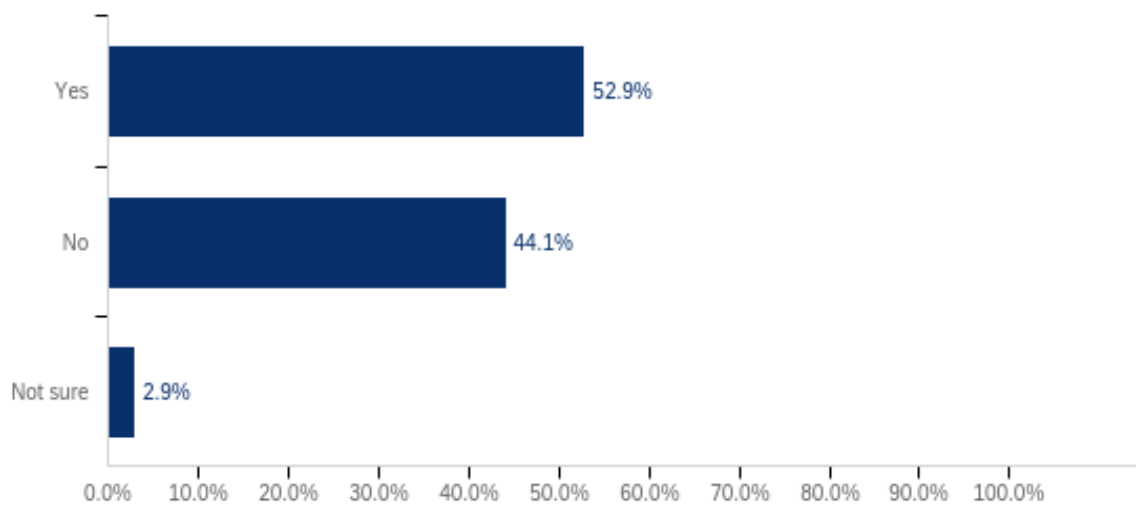
Response Percentage by Revenue Range						
	\$0 - \$9 Million	\$10 - \$19 Million	\$20 - \$49 Million	\$50 - \$99 Million	\$100 - \$249 Million	\$250 Million +
Yes	20.0%	38.5%	46.2%	20.0%	50.0%	50.0%
No	80.0%	46.2%	46.2%	60.0%	50.0%	50.0%
Not sure	-	15.4%	7.7%	20.0%	-	-
Total	5	13	13	5	2	2

5. By what percentage do you mark up the costs of outbound freight for DOMESTIC PARTS shipments?

Field	Average Mark Up	Count
Markup Percentage	16.8%	15

Response Average by Revenue Range		
	Average Mark Up	Count
\$0 - \$9 Million	10.0%	1
\$10 - \$19 Million	19.2%	5
\$20 - \$49 Million	19.7%	6
\$50 - \$99 Million	3.0%	1
\$100 - \$249 Million	5.0%	1
\$250 Million +	20.0%	1

6. Do you mark up the costs of outbound freight for INTERNATIONAL MACHINERY shipments?



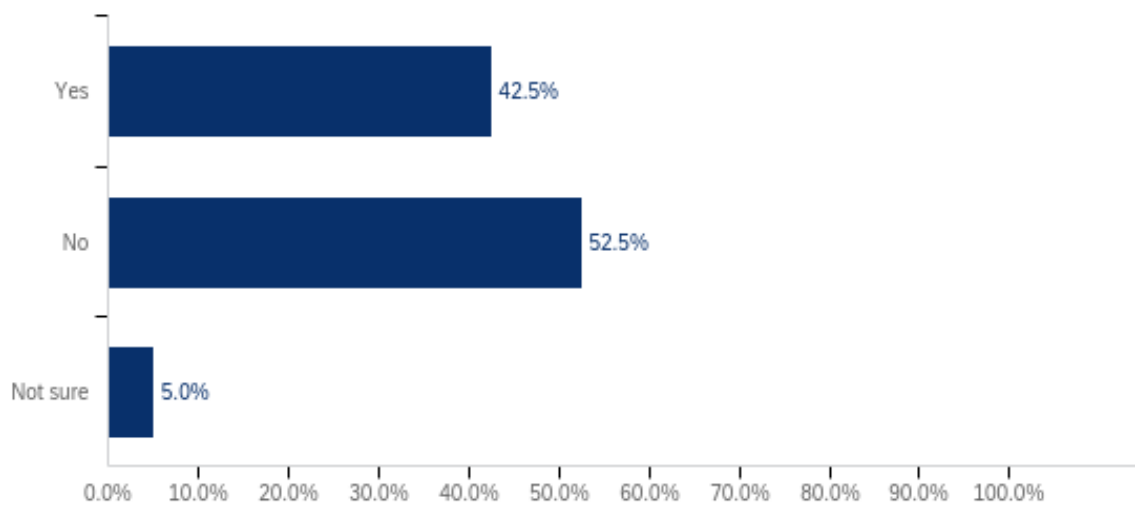
Response Percentage by Revenue Range						
	\$0 - \$9 Million	\$10 - \$19 Million	\$20 - \$49 Million	\$50 - \$99 Million	\$100 - \$249 Million	\$250 Million +
Yes	100.0%	40.0%	66.7%	20.0%	50.0%	-
No	-	60.0%	33.3%	60.0%	50.0%	100.0%
Not sure	-	-	-	20.0%	-	-
Total	4	10	12	5	2	1

7. By what percentage do you mark up the costs of outbound freight for INTERNATIONAL MACHINERY shipments?

Field	Average Mark Up	Count
Markup Percentage	18.2%	18

Response Average by Revenue Range		
	Average Mark Up	Count
\$0 - \$9 Million	18.8%	4
\$10 - \$19 Million	19.0%	4
\$20 - \$49 Million	20.4%	8
\$50 - \$99 Million	9.0%	1
\$100 - \$249 Million	5.0%	1

8. Do you mark up the costs of outbound freight for INTERNATIONAL PARTS shipments?



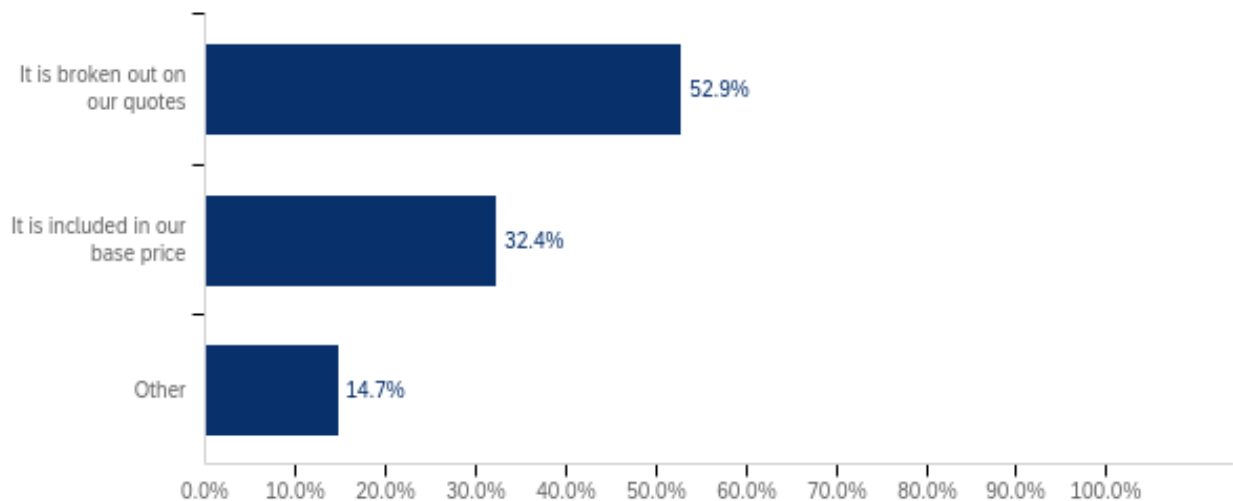
Response Percentage by Revenue Range						
	\$0 - \$9 Million	\$10 - \$19 Million	\$20 - \$49 Million	\$50 - \$99 Million	\$100 - \$249 Million	\$250 Million +
Yes	60.0%	38.5%	53.8%	20.0%	50.0%	-
No	40.0%	53.8%	46.2%	60.0%	50.0%	100.0%
Not sure	-	7.7%	-	20.0%	-	-
Total	5	13	13	5	2	2

9. How much do you mark up the costs of outbound freight for INTERNATIONAL PARTS shipments?

Field	Average Mark Up	Count
Markup Percentage	20.9%	17

Response Average by Revenue Range		
	Average Mark Up	Count
\$0 - \$9 Million	20.0%	3
\$10 - \$19 Million	27.0%	5
\$20 - \$49 Million	21.1%	7
\$50 - \$99 Million	7.0%	1
\$100 - \$249 Million	5.0%	1

10. How do you break out charges for crating a machine?



Response Percentage by Revenue Range						
	\$0 - \$9 Million	\$10 - \$19 Million	\$20 - \$49 Million	\$50 - \$99 Million	\$100 - \$249 Million	\$250 Million +
It is broken out on our quotes	50.0%	50.0%	58.3%	60.0%	50.0%	-
It is included in our base price	-	50.0%	33.3%	20.0%	-	100.0%
Other	50.0%	-	8.3%	20.0%	50.0%	-
Total	4	10	12	5	2	1

Other: Write-in (by Revenue Range)

\$0 - \$9 Million

- Both, depending on the product line
- Quoted at time of shipment

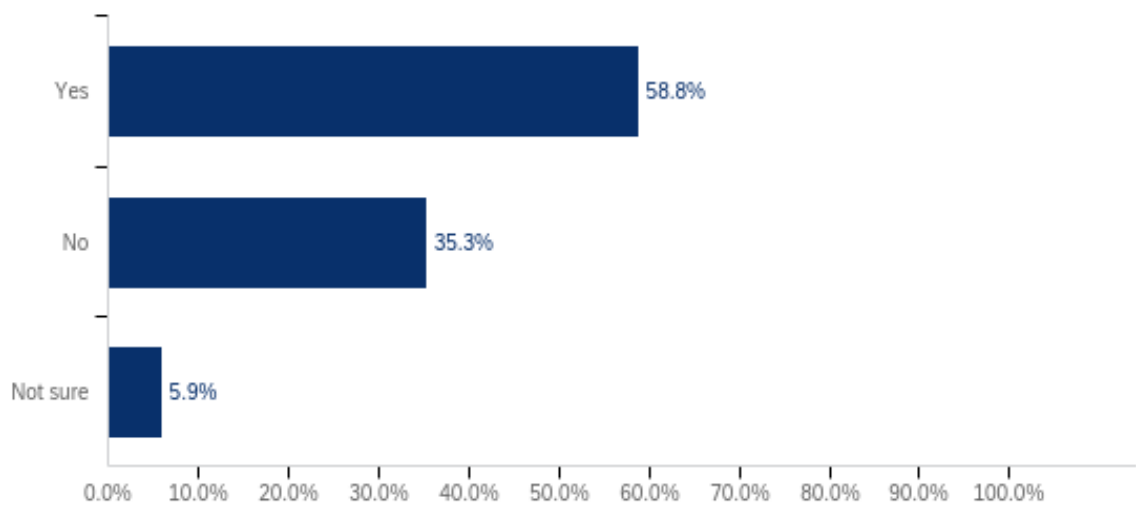
\$20 - \$49 Million

- Broken out on final invoice - not on up front quotes

\$100 - \$249 Million

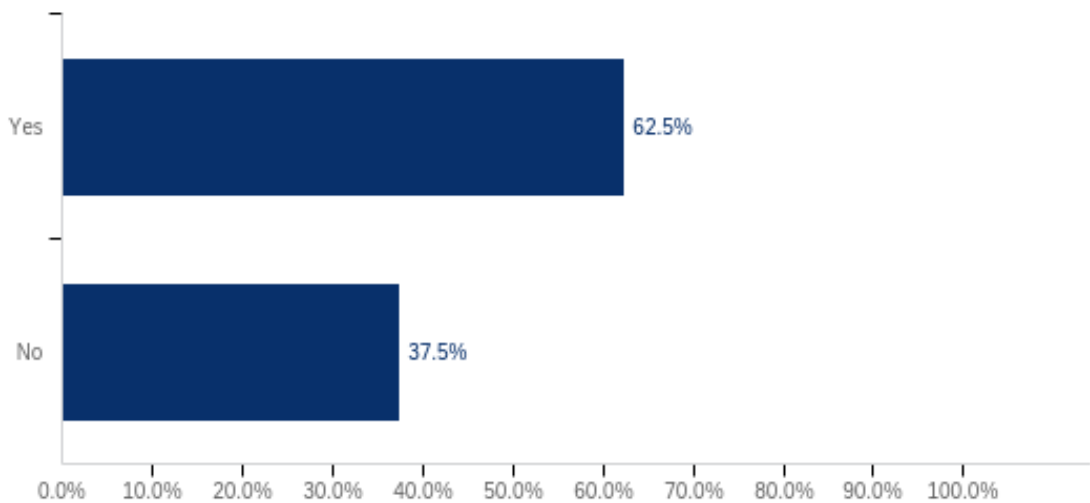
- It is included in the shipping cost as a bundle number. If the customer request we can break it out, but we don't make any margin other than our hourly rate to pack crate equipment.

11. Do you have an additional charge for export crating?



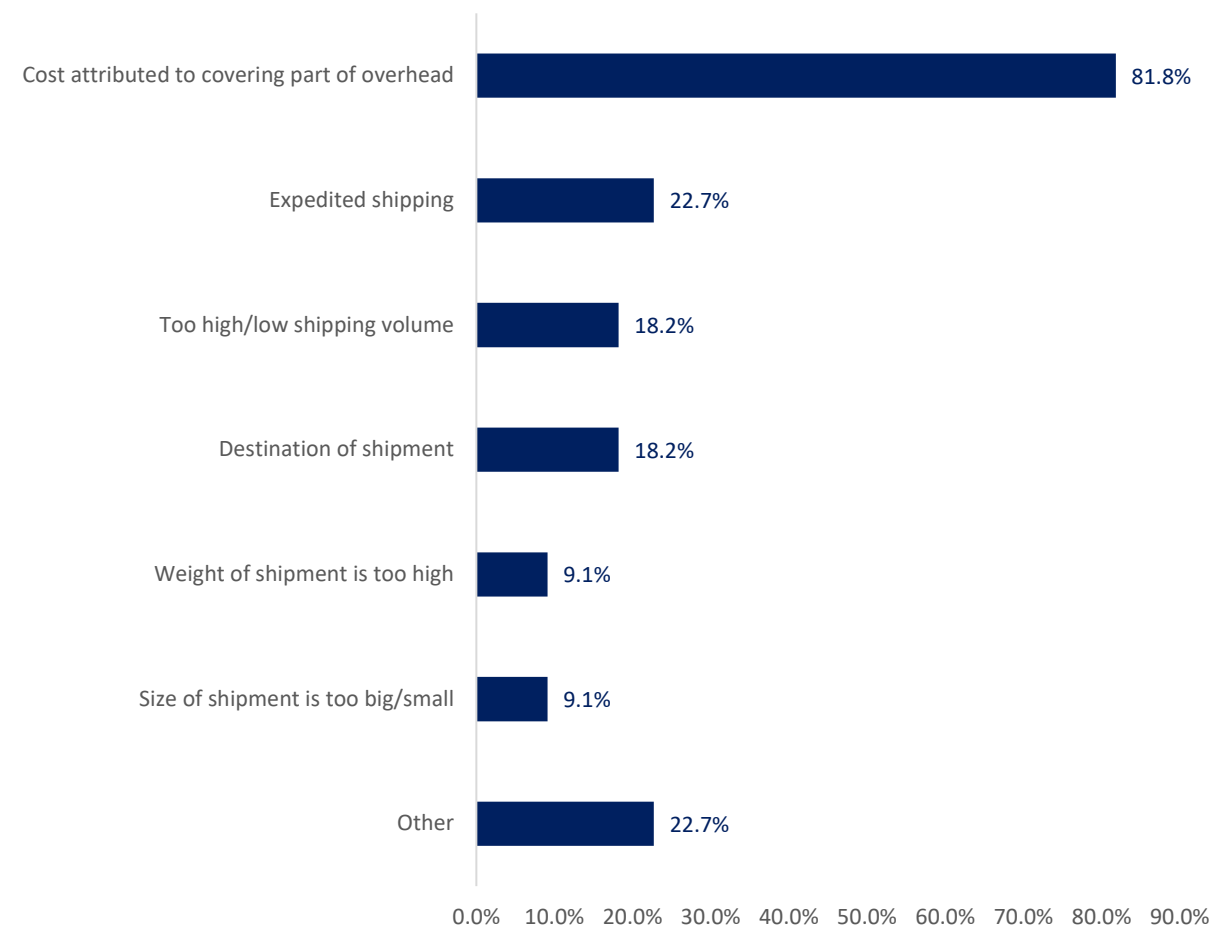
Response Percentage by Revenue Range						
	\$0 - \$9 Million	\$10 - \$19 Million	\$20 - \$49 Million	\$50 - \$99 Million	\$100 - \$249 Million	\$250 Million +
Yes	50.0%	60.0%	75.0%	60.0%	-	-
No	50.0%	30.0%	25.0%	20.0%	100.0%	100.0%
Not sure	-	10.0%	-	20.0%	-	-
Total	4	10	12	5	2	1

12. Do you routinely shop shipping costs or shipping partners?



Response Percentage by Revenue Range						
	\$0 - \$9 Million	\$10 - \$19 Million	\$20 - \$49 Million	\$50 - \$99 Million	\$100 - \$249 Million	\$250 Million +
Yes	100.0%	53.8%	69.2%	40.0%	50.0%	50.0%
No	-	46.2%	30.8%	60.0%	50.0%	50.0%
Total	5	13	13	5	2	2

13. What are some reasons why you decide to mark up shipment costs? (select all that apply)



Response Percentage by Revenue Range						
	\$0 - \$9 Million	\$10 - \$19 Million	\$20 - \$49 Million	\$50 - \$99 Million	\$100 - \$249 Million	\$250 Million +
Expedited shipping	25.0%	14.3%	37.5%	-	-	-
Too high/low shipping volume	25.0%	14.3%	12.5%	100.0%	-	-
Destination of shipment	25.0%	14.3%	12.5%	100.0%	-	-
Weight of shipment is too high	-	-	12.5%	100.0%	-	-
Size of shipment is too big/small	25.0%	-	12.5%	-	-	-
Cost attributed to covering part of overhead	75.0%	85.7%	87.5%	-	100.0%	100.0%
Other	50.0%	28.6%	12.5%	-	-	-
Total	9	11	15	3	1	1

Other: Write-in (by Revenue Range)

\$0 - \$9 Million

- Covers Labor, Materials, Crates, etc.
-
- Cost for prepay and add expenses

\$10 - \$19 Million

- Customer requires shipping costs but we might not have all the parts in stock so we are guessing at w/d
-
- Extended payment established by customer

\$20 - \$49 Million

- Insurance / which we buy separately is also included. Our 30% usually barely covers the difference after shipping adjustments for weights, address changes etc.

14. What is your typical annual shipment volume? (units)

Responses by Revenue Range

For Equipment Units

\$0 - \$9 Million

- 50
- 25 systems
- 200
- 150

\$10 - \$19 Million

- 52
- 35
- 14,000,000
- 125
- 12,000,000
- 12,000,000
- \$6M

\$20 - \$49 Million

- For equipment units
- 80
- 600000
- 25
- 20,000,000
- 2,000
- 20,000,000
- 20 shipments
- 20
- 100 machines
- \$25,000,000

\$50 - \$99 Million

- 75
- 40

\$100 - \$249 Million

- 90 mil
- 200+

\$250 Million +

- 300

For Spare Parts

\$0 - \$9 Million

- 300
- 500
- 1700
- 300
- 11000 shipments per year

\$10 - \$19 Million

- Too difficult to calculate
- 1,000,000
- 300
- 6,000,000
- 2,000,000
- \$15M
- 15,000,000

\$20 - \$49 Million

- a lot
- 250000
- 600
- 3000000
- 5000
- 6,000,000
- 500 shipments
- 3000
- 2000 parts shipments
- \$4,500,000
- 11254

\$50 - \$99 Million

- 250
- Not sure

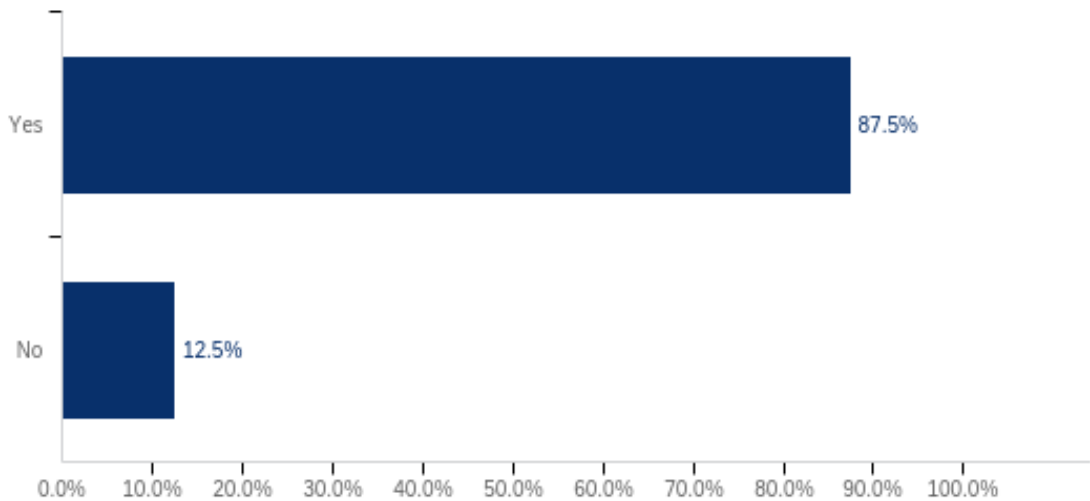
\$100 - \$249 Million

- 20 mil
- 1000+

\$250 Million +

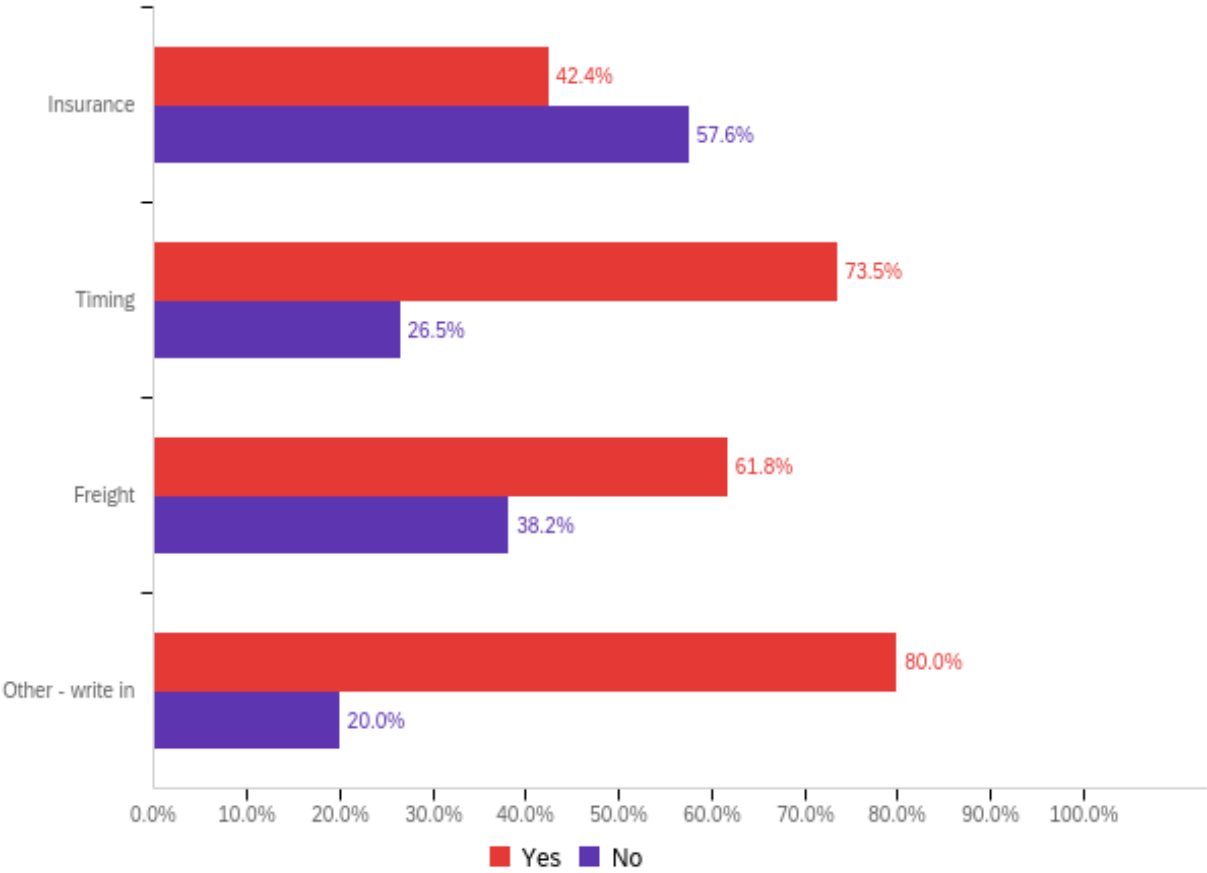
- 125000
- \$30,000,000

15. Do you allow customers to coordinate their own shipping?



Response Percentage by Revenue Range						
	\$0 - \$9 Million	\$10 - \$19 Million	\$20 - \$49 Million	\$50 - \$99 Million	\$100 - \$249 Million	\$250 Million +
Yes	100.0%	92.3%	92.3%	80.0%	50.0%	50.0%
No	-	7.7%	7.7%	20.0%	50.0%	50.0%
Total	5	13	13	5	2	2

16. Do you specify conditions or requirements for the following for customers that coordinate their own shipping?



Insurance

Response Percentage by Revenue Range						
	\$0 - \$9 Million	\$10 - \$19 Million	\$20 - \$49 Million	\$50 - \$99 Million	\$100 - \$249 Million	\$250 Million +
Yes	25.0%	41.7%	45.5%	50.0%	100.0%	-
No	75.0%	58.3%	54.5%	50.0%	-	100.0%
Total	4	12	11	4	1	1

Timing

Response Percentage by Revenue Range						
	\$0 - \$9 Million	\$10 - \$19 Million	\$20 - \$49 Million	\$50 - \$99 Million	\$100 - \$249 Million	\$250 Million +
Yes	100.0%	75.0%	58.3%	100.0%	100.0%	-
No	-	25.0%	41.7%	-	-	100.0%
Total	4	12	12	4	1	1

Freight

Response Percentage by Revenue Range						
	\$0 - \$9 Million	\$10 - \$19 Million	\$20 - \$49 Million	\$50 - \$99 Million	\$100 - \$249 Million	\$250 Million +
Yes	75.0%	58.3%	58.3%	75.0%	100.0%	-
No	25.0%	41.7%	41.7%	25.0%	-	100.0%
Total	4	12	12	4	1	1

Other - write in

Response Percentage by Revenue Range						
	\$0 - \$9 Million	\$10 - \$19 Million	\$20 - \$49 Million	\$50 - \$99 Million	\$100 - \$249 Million	\$250 Million +
Yes	100.0%	100.0%	100.0%	-	-	-
No	-	-	-	-	-	100.0%
Total	1	2	1	-	-	1

Other: Write-in (by Revenue Range)

\$0 - \$9 Million

- If they are setting up the carrier for pickup the truck needs to be dedicated, air ride and have E-tracks for proper delivery of equipment without it getting damaged

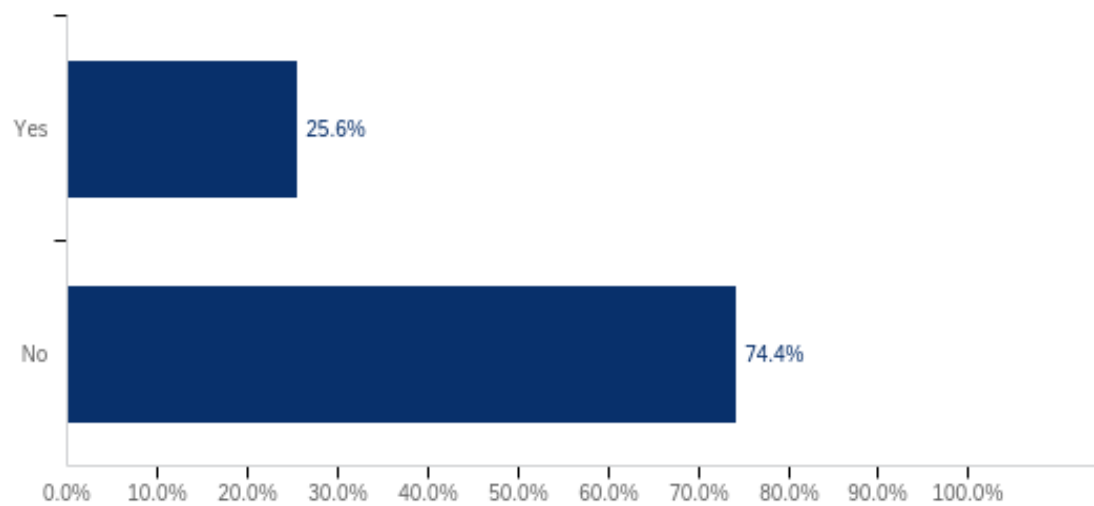
\$10 - \$19 Million

- Type of truck
- Cost
- Adding custom crating charges

\$20 - \$49 Million

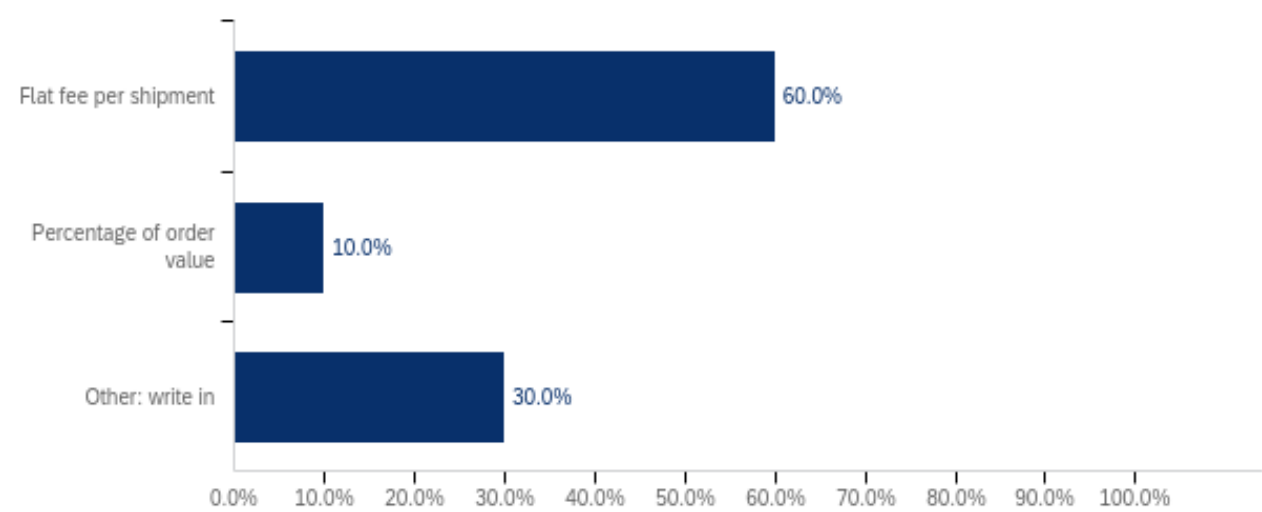
- It's their risk and equipment the moment it's loaded onto their truck or freight option.

17. When buyers arrange their own freight, do you charge a handling, loading, or coordination fee in lieu of shipment?



Response Percentage by Revenue Range						
	\$0 - \$9 Million	\$10 - \$19 Million	\$20 - \$49 Million	\$50 - \$99 Million	\$100 - \$249 Million	\$250 Million +
Yes	25.0%	38.5%	30.8%	-	-	-
No	75.0%	61.5%	69.2%	100.0%	100.0%	100.0%
Total	4	13	13	5	2	2

18. Which fee structure do you use when charging a handling, loading, or coordination fee?



Response Percentage by Revenue Range						
	\$0 - \$9 Million	\$10 - \$19 Million	\$20 - \$49 Million	\$50 - \$99 Million	\$100 - \$249 Million	\$250 Million +
Flat fee per shipment	-	60.0%	75.0%	-	-	-
Percentage of order value	-	20.0%	-	-	-	-
Other: write in	100.0%	20.0%	25.0%	-	-	-
Total	1	5	4	-	-	-

Other: Write-in (by Revenue Range)

\$0 - \$9 Million

- Depending on number of pieces shipped

\$10 - \$19 Million

- We apply this on select shipments based on size then it is a flat fee

\$20 - \$49 Million

- Depends on sizes

19. Any additional comments on shipping costs?

Responses by Revenue Range

\$10 - \$19 Million

- For international spare part shipments, we charge a \$50 handling fee to cover any bank fees that may get deducted when the wire comes through. We do not charge a handling fee for domestic part shipments.
- Lumber costs have increased as have requirements of the end customer for crate construction and types of materials. Most impactful with international shipments.

\$20 - \$49 Million

- It's rarely a profit center as most freight companies throw so many price changes and surcharges from the quote that any profit disappears.
- One shipper's price may be 50% higher than another. Due diligence.
- When customers provide shipping, we provide them requirements for the truck. We have turned away trucks that do not meet the requirements.

\$50 - \$99 Million

- We work with local trucking companies (3 regularly) that ship big equipment regularly. We pass these invoices on to our customers without markup.

\$100 - \$249 Million

- Shipping is a pure pass-through outside of creating equipment where we charge our hourly rate that we charge for shop labor, but all packaging materials are pass-through



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