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**[COMPANY NAME]**

**Proposed Business Plan**

**[Date]**

**Provide safe and reliable package delivery each and every day**

Reliable customer service will be the Company’s core tenet. Our goal will be to deliver every package every day in a safe and timely manner. We intend to develop a positive long-term relationship with FedEx and the terminal managers we report to. This relationship will be based on mutual respect, adherence to FedEx Ground’s policies and directives, and sound management of both personnel and delivery vehicles.

**Corporate Overview**

[BUYER] is a [State] corporation founded on \_\_\_\_\_\_\_\_\_\_ for the express purpose of buying, holding and operating a series of FedEx P&D routes. [BUYER] is herein applying for approval to join FedEx Ground and operate from the [Location] terminal.

If approved, we intend to establish the corporation with the purchase of [DEFINE SERVICE AREAS] from an existing FedEx Ground contractor operating out of the \_\_\_\_\_\_\_\_ Terminal. As part of our transition plan, we will employ the existing drivers of these routes in order to create minimal disruption in the delivery service. As part of the purchase agreement the officers of [BUYER] have established a working relationship with the current route owners who have agreed to provide transitional training for a period of two weeks to ensure a seamless transition of the business. The current owners would continue to be a coaching resource even after the transition period should that need be required. Should we be approved, [BUYER] intends to be a model vendor to FedEx Ground in every way possible.

**Management’s Background**

[OUTLINE MANAGEMENT BACKGROUND]

**Background Information/Financial Viability**

As part of the new contractor evaluation process, FedEx has requested information on [BUYER], its officers, and the financial viability of the business. Though FedEx provides a wealth of knowledge in its terminal managers and over 25 years of package delivery experience, a contractor is expected to stand alone and operate independently to complete the duties and responsibilities of PSA ownership. We feel the combined experience and knowledge of our officers, managers and drivers are up to the task and will succeed where others may have struggled or failed.

* Location: [BUYER], formed under [State] law on [Date] and is headquartered at [ADDRESS].
* Authority: [BUYER] has filed Articles of Incorporation with the [State] Corporation Division Registration # (tbd), has established itself with the Internal Revenue Service under EIN # (tbd) and the [State] Department of Revenue BIN Taxation # (tbd) and is in good standing with all agencies.
* Principals: Officers and shareholders consist of \_\_\_\_\_ and \_\_\_\_\_\_\_\_ who combine to offer over 50 years of successful business experience:

[BUYER CONTACT INFORMATION]

* Net Worth: As a recently formed corporation, [BUYER] will have $\_\_\_\_\_ in available capital of which $\_\_\_\_\_\_ will be used, upon approval by FedEx Ground, to purchase and transfer the routes and [X] vehicles into the corporation. Revenue generation of over $\_\_\_\_\_\_\_ annually is expected from the existing routes to begin with.
* Bank Reference: [BUYER] will open a corporate bank account at [Bank] and will commence the funding of this account immediately upon approval by FedEx Ground. Our Business Relationship Manager [Bank] is \_\_\_\_\_\_\_\_\_\_\_, VP/Relationship Manager, phone: \_\_\_\_\_\_\_, email: \_\_\_\_\_\_\_\_\_\_\_\_
* Lines of Credit: [BUYER] shall have a $\_\_\_\_\_\_\_ line of credit provided by [Bank] to meet any working capital needs as they arise.

**Customer Service**

Customer Service is paramount to any successful enterprise and the vast majority of customer service issues arise from overlooking everyday simple things such as “SMILE,” “the customer is always right” and “care for the package as if it were your own.” We intend to foster these simple tenets in our business every day. Ongoing training, experienced supervision, and setting professional goals and expectations of all employees can readily meet these challenges. The first step in delivering great customer service comes with hiring good employees and then providing adequate, professional training.

* All new employees whether drivers, temporary hires or helpers will undergo initial and continuing training in all aspects of our business. New hires will ride along with an experienced driver for 1 to 2 weeks and learn the route. Periodic follow up by the Operations Manager will be performed to assure deliveries are on time and packages are left in a secure place on-property if there is no one home.
* At the terminal, managers will assure simple steps are taken daily to avoid problems and complaints, like double-checking each parcel for appropriate routing when loading the truck in the morning, loading the truck sensibly for easy access by location, and observing courteous driving and delivery practices will be emphasized.
* Any driver encountering a disgruntled or complaining customer while delivering their route will be instructed to notify the Operations Manager immediately so the problem can be resolved promptly. Should the manager not be able to reach a positive solution, management will escalate to FedEx management with a written report of what happened and steps we took to attempt to solve the dispute.

Customer complaints reflect poorly on both FedEx and [BUYER] and will be taken very seriously. First priority will be to satisfy the customer, whatever that takes, followed by a written letter of apology. Follow up training after each complaint will be instituted to assure it is not repeated.

* The on-call Operations Manager will be available by phone 24/7 to be sure that any customer complaints are addressed promptly.
* Drivers will keep a cell phone with them at all times so they can discuss any problems in real-time with the Manager as they occur.

**Employee Recruitment and Retention**

At this time all current drivers in the [LOCATION] operation are approved and registered in the FedEx system. [X #] existing drivers of our proposed routes have agreed to continue with us should FedEx approve our application. Though the remaining staff seems stable at this time, management is charged with continually recruiting experienced delivery truck drivers from the community. We believe the best fit is usually an employee who has had previous experience driving for FedEx Ground. We will be adding employees with previous qualifying driving experience to the FedEx system so we can build a sustainable driver pool.

In the event of illness or family emergency, management will make alliances with other contractors within the terminal to “borrow” flex drivers from one another. In the event of termination or separation, we will keep a list of replacement drivers to assist us with the vacancy in our staff.

We are mindful of the minimum requirements of FedEx in that potential employees must:

* Be able to lift a 75 pound package
* Have a clean driving abstract;
* Be able to pass a Department of Transportation physical and drug test;
* Be able to pass a background check

Retention is as much, or more important to a successful company than is recruitment. For this reason, management is focused on listening to the employee side of a given situation as much as directing and overseeing employee efforts. Often, management forgets that employees have legitimate grievances and a bit of understanding will prevent problems down the road. Two common causes of employee discontent with management include misunderstanding of directions and differing expectations related to atypical situations.

In order to set expectations for both sides, every employee will receive an employee handbook which they must sign-off on as having read and understood. The handbook sets out the terms of employment and covers all important aspects of employment, including:

* General corporate rules
* Customer service procedures
* Dispute policy
* Compensation packages including, pay dates and incentives
* Work Schedules for full-time, part-time and flex employees
* Dress requirements
* Standards of Conduct
* Employee benefits, employee leave & Holidays

**Historical Turn-over**

[BUYER], being a new corporation formed in [Date] and having no business activity until approved by FedEx, has had no turnover to date. Employee retention is fostered through offering market rates of pay, as well as an employee benefits package consistent with the industry. In addition, the company will maintain morale by promoting from within and offering financial rewards or incentives for above average results.

**Skills and Workforce Knowledge**

Workforce proficiency is improved by repeated training and retraining meetings with participation of both drivers and management. Management must impart new FedEx directives and drivers must communicate their day-to-day experiences on the road. With this collaboration of information, we can work together to improve company performance.

The transportation industry is constantly evolving with new rules of the road and new restrictions on what and where certain goods may move. [BUYER] intends to monitor these changes and to include them in the employee handbook, distribute handouts on new rules and conduct frequent driver meetings to assure each employee is up to speed on all new information needed to do their job.

**Safety Commitment and History**

The Federal Motor Carrier Safety Administration (FMCSA) of the U.S. Department of Transportation launched the CSA Safety Measurement System (SMS) in December 2010. [BUYER] understands that it is responsible for the safety of the drivers they employ and drivers must understand that the company is held accountable for their driving record. Potential employee drivers with a history of commercial driving may be asked to provide access to their FMCSA “driver profiles” and employment may be impacted by a negative record, or by refusal to grant access to those records.

Drivers will be informed that any traffic enforcement stop for a moving violation may trigger a roadside inspection. FMCSA violations may be recorded during these inspections, even if a police citation is not issued. Roadside inspections that find fault with the operation of the vehicle may result in a negative rating on their driver profile. The best way to eliminate roadside inspection violations is to keep all vehicles well maintained with all appropriate safety inspections and material safety signage. To this end, managers will inspect drivers and vehicle each day. For vehicles, we will assure all lights are working, tire tread and pressure are within acceptable standards and all registrations and safety certifications are current and on-board.

To ensure that all drivers report fit for work each morning, the Operations Manager will meet and talk with each driver before he or she starts out on their daily route. No driver exhibiting signs of weariness or substance abuse or shall be allowed to drive their route and shall be immediately sent off the terminal grounds.

**Accident/Injury History**

[BUYER] has had no safety violations or accidents in its short history. Likewise, the principals of [BUYER] have had no safety, injury or accident history in other business activities.

**Vehicle Maintenance**

[BUYER] will be buying [X] FedEx approved delivery vehicles as part of its initial purchase. The Company realizes that its fleet is nearly as important as its employees and also that trucks do break down. To minimize this eventuality, the company shall:

* Charge each driver to perform a “walk-around” inspection of his/her vehicle each day before leaving the terminal to assure proper tire pressure, oil and fluid levels, that all lights are operating and that the engine, transmission power steering and differential are free of leaks;
* Should a driver encounter a problem while out on the road, they are instructed to call the Operations Manager immediately to report the problem. The Operations Manager will either send a replacement truck or note the problem for addressing on the trucks’ return;
* Operations Manager shall schedule quarterly appointments with the company service mechanic to change fluids, repair small items and thoroughly inspect the vehicle. The current route contractors utilize [X] for ongoing vehicle maintenance and [BUYER] expects to sustain that same service.
* The Company shall maintain back up vehicles to cover our routes should a problem arise that disables one of our fleet. Should it become necessary, we will rent additional trucks as needed.

**Security (Loss and/or Damage Avoidance)**

The shareholders and officers of [BUYER] have not suffered a property loss in the pursuit of our various careers, but realize it could happen anytime. The Company has given high priority to establishing a security protocol that will minimize the chance of such a loss at our company. Though no measures can deter a determined perpetrator, we intend to:

* Train our drivers to not leave a truck running while making a delivery. It may be faster for delivery, but a carjacker needs only 5 seconds to make off with an entire truckload of packages; Close and lock all doors before leaving the truck;
* Always park, whenever possible, within sight of the delivery location. It is less likely that someone will grab a package with the driver in plain sight;
* Drivers should park vehicles in loading zones, not behind buildings or in alleyways, whenever possible;
* Drivers will be trained to inspect all packages being loaded into their trucks each morning to identify any damaged items prior to delivery. Truck packing techniques and the use of shelves and appropriate braces within the truck are very important.
* Even with a signature waiver, drivers will be instructed to place the package in the most secure location possible.
* Any driver with damage or loss issues will be provided additional training and if multiple incidents continue to occur, the driver will be replaced.

**Contingency Plan in Place**

While no one can plan for every contingency, experience tells us it is prudent to plan for any foreseeable event. [BUYER] will take steps to mitigate any foreseeable issues and plan to immediately address the improbable as it happens:

* In the event of an unforeseen surge, the company will maintain a short list of backup drivers who have either worked for the company in the past or who worked for other FedEx Ground contractors and can step in on short notice;
* As we all know, equipment breaks down so we have already purchased [X] additional vehicle(s) that can be put in to service immediately should this eventuality take place. Extra vehicles can be used for surge periods as well.
* Anticipating the weather can be a challenge, should inclement weather make it unsafe or non-feasible to deliver for a period, we are prepared to call in additional drivers and break down the loads so that when the weather breaks, we can send double or even triple staff and trucks out to complete the assigned task no matter what time of day we must work to achieve our delivery schedule.

In conclusion, I would like to say that [BUYER] is experienced, committed and qualified to succeed in the task before us. Our years of employment at [Workplace] have taught us the importance of integrity and the value of a corporation’s reputation. I am sure FedEx and its staff will find [BUYER] a welcome addition to the Terminal.

Thank you for your consideration of our application. Should you have further questions, do not hesitate to contact us.

Sincerely,

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
[NAME]

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