# FedEx says it won’t renew US Express contract with Amazon

[**Brittany A. Roston**](https://www.slashgear.com/author/brittany/) - Jun 7, 2019, 5:20 pm CDT

FedEx decided it won’t renew its FedEx Express US domestic contract with Internet retailer Amazon, the company revealed on Friday. Though the company’s existing contracts with Amazon will remain in place, FedEx will no longer provide express service for Amazon, which the company says represented a little over a single percent of its annual revenue last year. In its place, FedEx will focus on other e-commerce companies.

The revelation arrived as part of FedEx’s investor news today, during which time the company said that less than 1.3-percent of its total revenue in 2018 came from Amazon, which only partially relies on FedEx for shipping packages. The decision impacts FedEx Express US; other business units in the company and its international services remain unaffected.

FedEx points toward the expectation that daily e-commerce package deliveries in the US will grow from the current 50 million to 100 million by 2026. The company will focus on other players in the e-commerce market, [saying in its statement](http://investors.fedex.com/news-and-events/investor-news/news-release-details/2019/Statement-Regarding-FedEx-Corporations-Relationship-with-Amazoncom-Inc-/default.aspx), ‘We are excited about the future of e-commerce and our role as a leader in it.’

Amazon depends on multiple services for its package delivery needs, including UPS and the United States Postal Service. FedEx didn’t elaborate on why it decided not to renew the contract, which expires on June 30. The reduction in services arrives amid Amazon’s own growing delivery business.

Amazon has notably been expanding its fleet of planes among other work that paves the way for its own major launch in the delivery business. FedEx’s decision not to renew the contract may hint at a desire to distance itself from what may one day become a major competitor eclipsing both it and rival UPS.