

Amazon bans sellers from using FedEx for some deliveries

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In this June 25, 2019, file photo, a FedEx Ground package van pulls into a business driveway in this north Jackson, Miss., facility. Amazon is banning its third-party merchants from using FedEx's ground service to deliver to Prime members, suggesting that it thinks the service is too slow to get packages to their destinations in time for Christmas. (AP Photo/Rogelio V. Solis, File)

Amazon is banning its third-party merchants from using FedEx's ground service to deliver to Prime members, suggesting that it thinks the service is too slow to get packages to their destinations in time for Christmas.

The temporary ban will block those companies from using FedEx Ground service, although they can still use pricier FedEx Express

shipping for Prime shipments.

More than half of the items sold on Amazon.com come from third-party sellers, who post their goods for sale on Amazon's online marketplace.

News of the ban was first reported by The Wall Street Journal.

FedEx Corp. said in a statement that the decision affects "a very small number of shippers" and said it "limits the options for those small businesses on some of the highest demand shipping days in history, and may compromise their ability to meet customer demands and manage their businesses."

Amazon and FedEx have a testy relationship. Amazon.com Inc. has been expanding its own delivery fleet in the past few years, hoping to rely less on UPS, FedEx and other delivery services. Last week, research by analysts at Morgan Stanley estimated that Amazon delivers about half of its own packages.

FedEx severed ties with Amazon earlier this year, saying it wouldn't make ground or air deliveries for the online shopping giant. But third-party sellers were still able to use FedEx.

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