

Dear Company CEO/Representative,

The undersigned investors, representing the gun safety group at the Interfaith Center on Corporate Responsibility, many of whom have been engaging companies on gun safety for years, remain steadfast in our commitment to ensure that companies deliver value to all stakeholders - customers, employees, suppliers, communities and shareholders. To that end, we believe that the current pandemic has highlighted a specific risk to FedEx through the proliferation and distribution of untraceable firearms. We believe that shipping these weapons to people who are federally prohibited from possessing a firearm presents a legal and reputational risk to FedEx.

Untraceable firearms, or “ghost guns” are do-it-yourself, homemade guns made from easy-to-get, unregulated building blocks¹ and include 3D printed firearms as well as guns sold in disassembled kits. These guns are made by an individual, not a federally licensed manufacturer or importer and do not contain a serial number, and therefore they remain unregulated by the Bureau of Alcohol, Tobacco, and Firearms. This makes them extremely appealing to criminals and others who would otherwise be unable to purchase a firearm from a federally licensed dealer.

This is borne out by the rise in the use of ghost guns across the nation. Thirty percent of guns recovered by ATF in California are un-serialized, according to a 2019 report². Additionally, in 2014 a man who failed a background check and could not legally purchase a gun built an assault rifle from a ghost gun kit, then used it on a rampage at a college campus in Southern California, firing 100 rounds and killing five people³. In 2019 a sixteen-year-old boy used a self-assembled untraceable firearm in a school shooting in Santa Clarita, CA, killing two students and injuring three others⁴. These are just a few examples of an ever-increasing threat.

Law enforcement is speaking out as well. “This is an emerging trend that is just continuing to increase,” Bill McMullan, then-special agent in charge of the ATF’s Los Angeles Field Division, said during a press conference in 2017. “Criminals are making their own weapons because they’re not able to buy them legally.”⁵ In 2018, leading law enforcement associations, including

¹ <https://everytownresearch.org/report/the-rising-specter-of-ghost-guns/>

² <https://www.thetrace.org/2019/05/ghost-gun-california-crime/>

³ https://www.huffingtonpost.com/robert-l-cavnar/santa-monica-shooter-buil_b_3447220.html

⁴ <https://www.reuters.com/article/us-california-shooting-ghostgun/california-school-shooting-shines-light-on-murky-ghost-gun-world-idUSKBN1XW1AL>

⁵ <https://www.nbcnews.com/news/us-news/officials-across-country-fear-new-era-untraceable-firearms-n889536>

the International Association of Chiefs of Police and the Major Cities Chiefs Association, identified this public safety threat and called for action to address it⁶.

One reason for the sharp rise in these weapons is that they are extremely easy to build. One ghost gun seller said of their AR-15 build kit “Building time doesn’t take too long. Within an hour or two, you should be breaking it in at the range.”⁷ There are YouTube videos with millions of views detailing how to assemble these firearms in minutes using only common household tools such as a handheld power drill. In addition, the current pandemic, as it has done in nearly every other facet of life, intensified this problem. Many ghost gun sellers are experiencing delays in manufacturing and shipping due to overwhelming demand. Among those buyers are certain to be felons, domestic abusers, and gun traffickers who are unlawfully seeking a gun.

As we learned during the height of the opioid crisis, shipping companies can be held accountable for illegal transactions they facilitate⁸. This has also been illustrated by the sale and shipment of illegal cigarettes⁹. Given the known extreme risks associated with the nature of the untraceable firearms business, as investors we are very concerned that FedEx will find itself in a nearly indefensible position. Not only is there possible legal risk from regulators, but as these guns are being used more widely to commit crimes, there remains the possibility of litigation over loss of life or property when FedEx ships a firearm to an illegal buyer. Indeed, we have seen other non-governmental entities act on this issue. Notably, Twitter has banned 3D-printed gun files from its platform¹⁰.

As investors, we encourage FedEx to take this opportunity to put the safety of its customers and communities first. To do so we request a dialogue to hear how the company is currently addressing the issue and what further steps might be taken. We appreciate your attention on this important issue and look forward to an ongoing discussion. Please direct any questions and correspondence to Lydia Kuykendal at lkuykendal@mercyinvestments.org

Sincerely,

⁶ <https://www.theiacp.org/resources/resolution/to-address-the-threat-posed-by-untraceable-firearms-made-through-3d-printing>

⁷ <https://thundertactical.com/ar-15-kits-great-for-beginners/>

⁸ <https://www.npr.org/sections/thetwo-way/2014/07/17/332400444/fedex-charged-with-shipping-drugs-for-illegal-online-pharmacies>

⁹ <https://www.reuters.com/article/us-united-parcel-lawsuit/u-s-court-fines-ups-247-million-over-illegal-cigarette-shipments-idUSKBN18M09O>

¹⁰ <https://help.twitter.com/en/rules-and-policies/regulated-goods-services>