



UNITED STATES
POSTAL SERVICE®

**Eureka, CA CSMPC
Area Mail Processing (AMP)
Public Meeting**

December 15, 2011



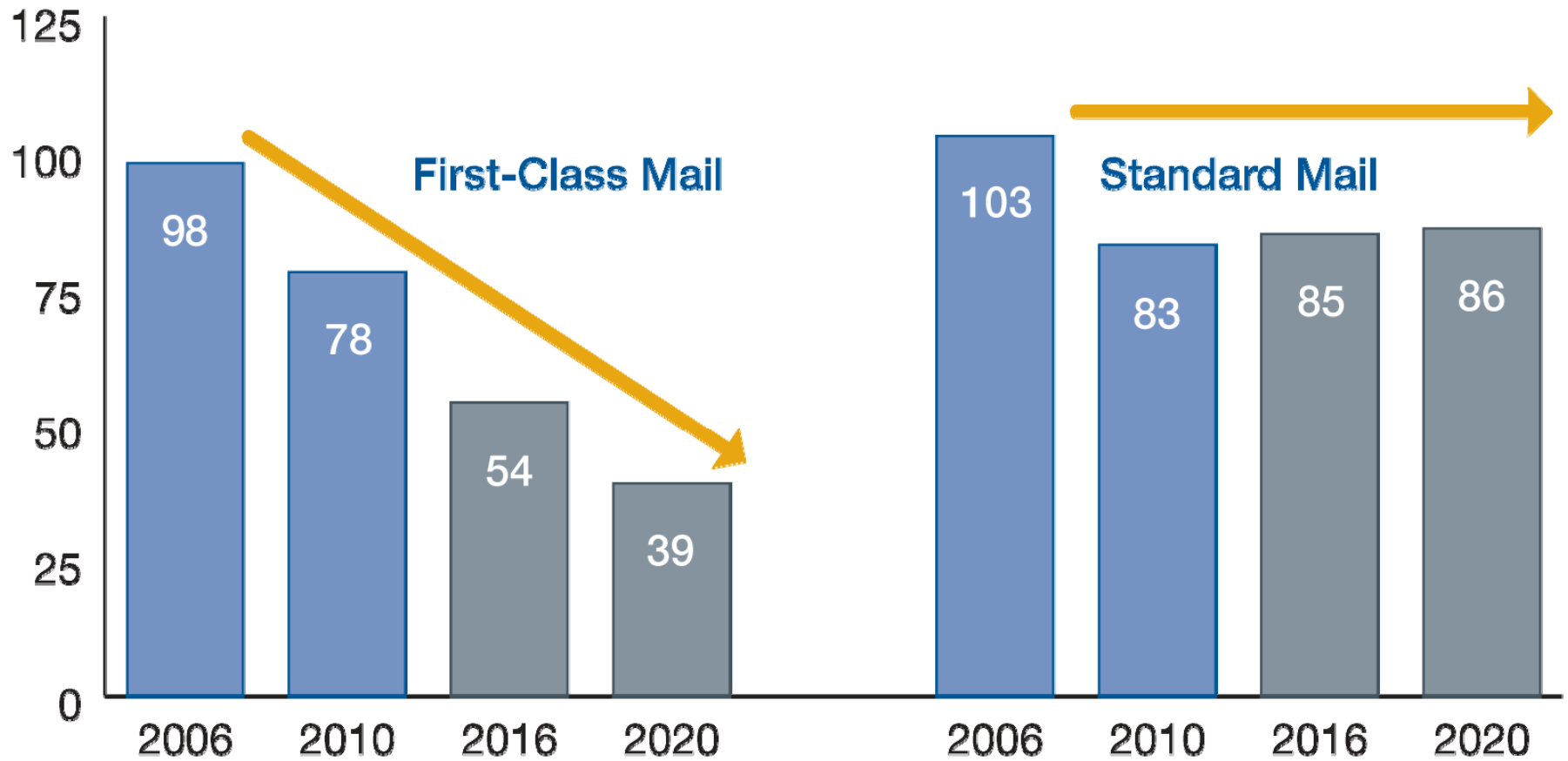
Two Topics

**Radical
Network
Realignment**

**Area Mail
Processing
Study**



Mail Volume Shifting to a Less Profitable Mix



Volume in Billions of Pieces

NETWORK CAPACITY

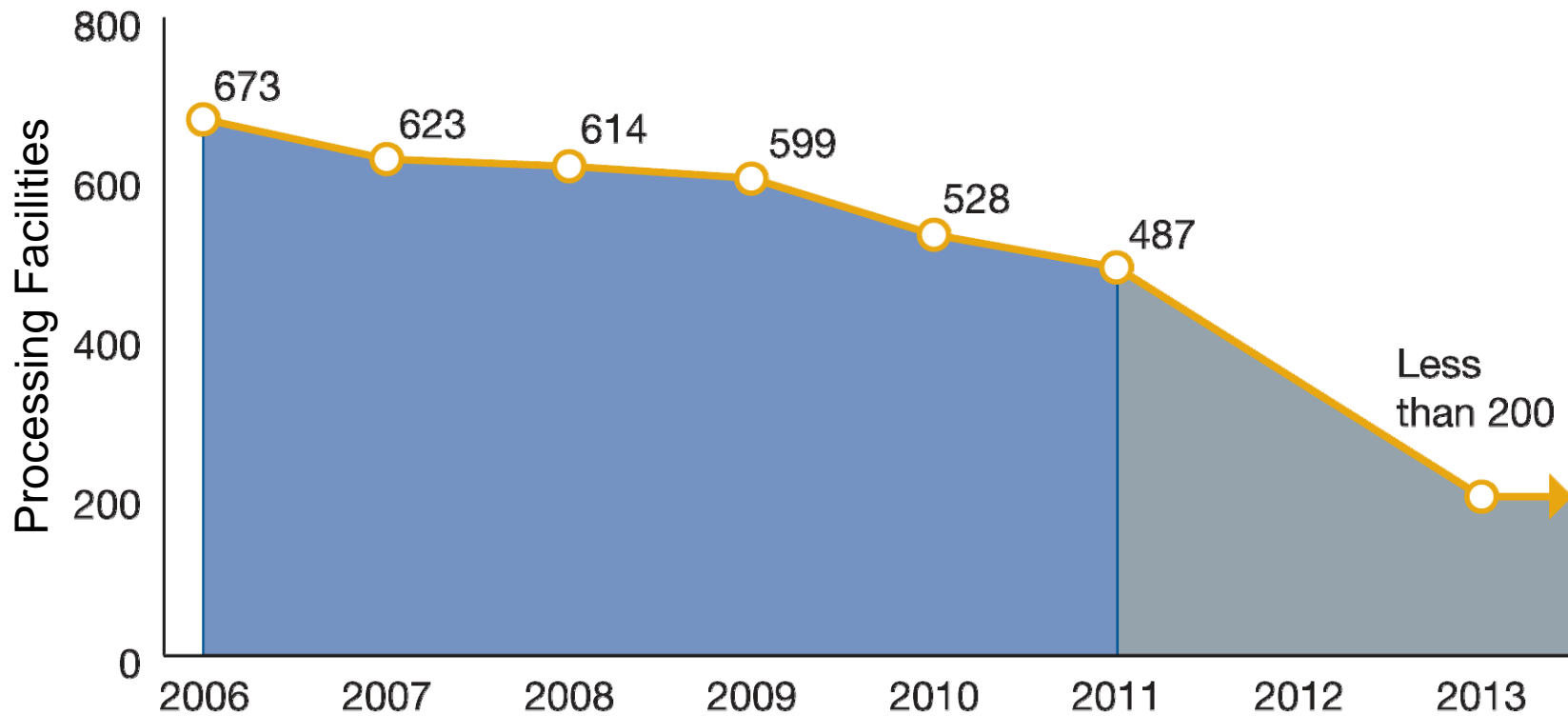
GROWTH
Capacity Expansion



NETWORK CAPACITY



Potential Decrease in Processing Facilities Through 2013



487 Facilities Today



● Current Mail Processing Sites

Studying 252 Facilities for Potential Consolidation



Potential Network





Mail Processing Facility



FUTURE NETWORK

- Support 2-3 day Service Standards
 - Revised Entry Times
 - Reduced Equipment
 - Reduced Footprint
-

BENEFITS

- Eliminate Excess Capacity
- More Efficient Transportation Network
- Fully Utilized Workforces
- Significant Annual Savings

CHANGES

- Planning for new mail processing footprint and transport pattern
 - Transitioning to 2-3 day service standard
-

OUR APPROACH

- Ongoing communication and collaborative solutions

559,000

Total Career Employees

151,000

Total Mail Processing Employees

35,000

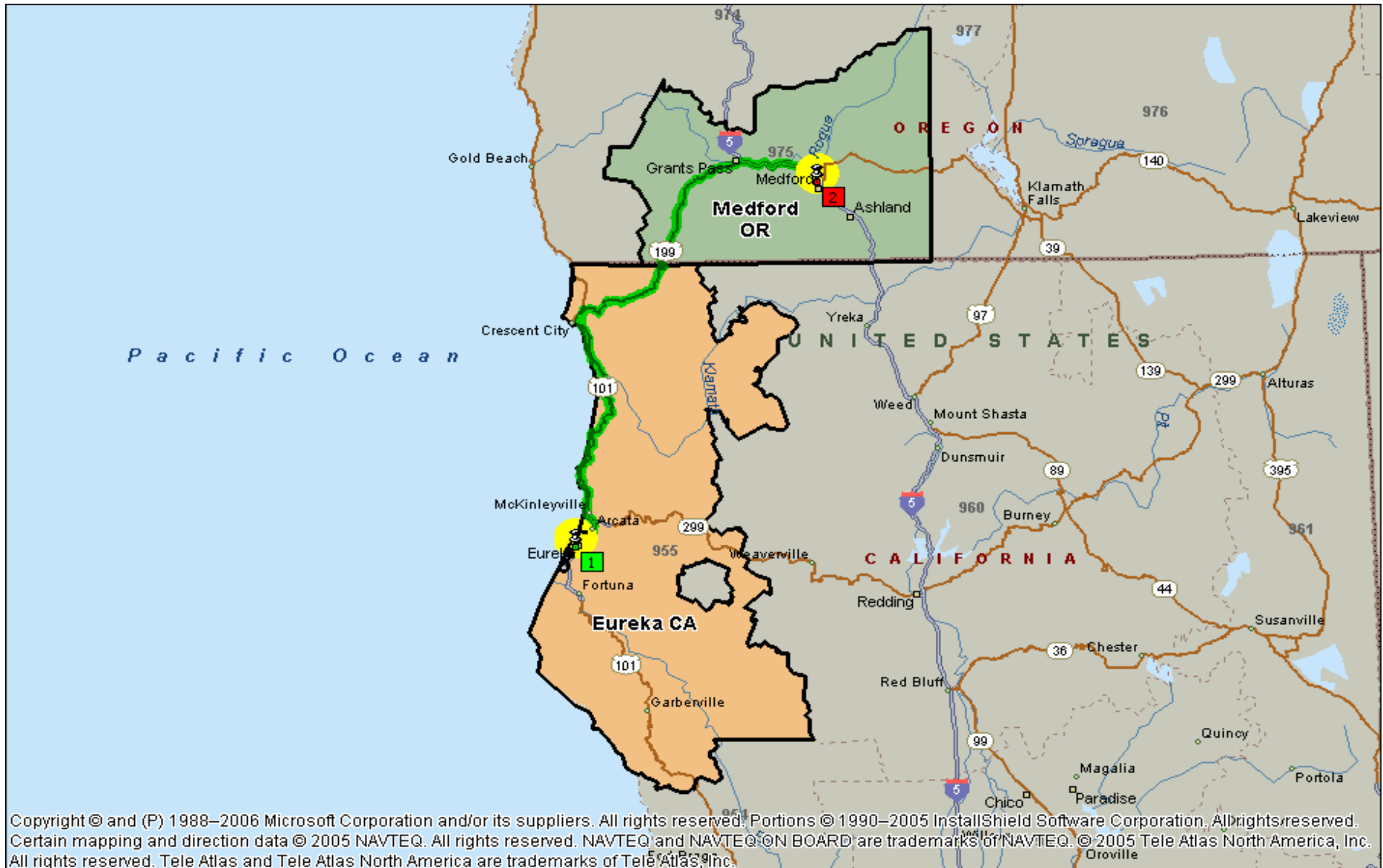
Fewer Mail Processing Positions



Topic

**Area Mail
Processing
Study**

DISTANCE BETWEEN FACILITIES – 195 miles



BUSINESS CASE*

Annual Mail Processing Employee Savings	\$ 1,070,014
Annual Maintenance Savings	\$ 123,339
Annual Transportation Savings	\$ 619,284
<hr/>	
Proposed Annual Savings:	\$ 1,923,304

***Preliminary results subject to change**

EMPLOYEE IMPACTS*

Net craft impacts: **-10**

All bargaining employee reassignments will be made in accordance with the respective collective bargaining agreements.

***Preliminary results subject to change**

CUSTOMER & DELIVERY SERVICES

- Supports a 2-3 day service standard for First-Class Mail
- Retail and other services
- Business mail acceptance
- Collection mail
- Delivery of mail
- Local postmark

NEXT STEPS

- Complete Area and HQ review
- Review Public Comments
- Continue Network Optimization studies

Mail additional comments to:

**Manager, Consumer and Industry Contact
San Francisco District
PO Box 193000
San Francisco, CA 94188-3000**

*Must be postmarked by **December 31, 2011***