



UNITED STATES
POSTAL SERVICE®

**Lexington KY
Area Mail Processing (AMP)
Public Meeting**

November 28, 2011



Two Topics

**Radical
Network
Realignment**

**Area Mail
Processing
Study**



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

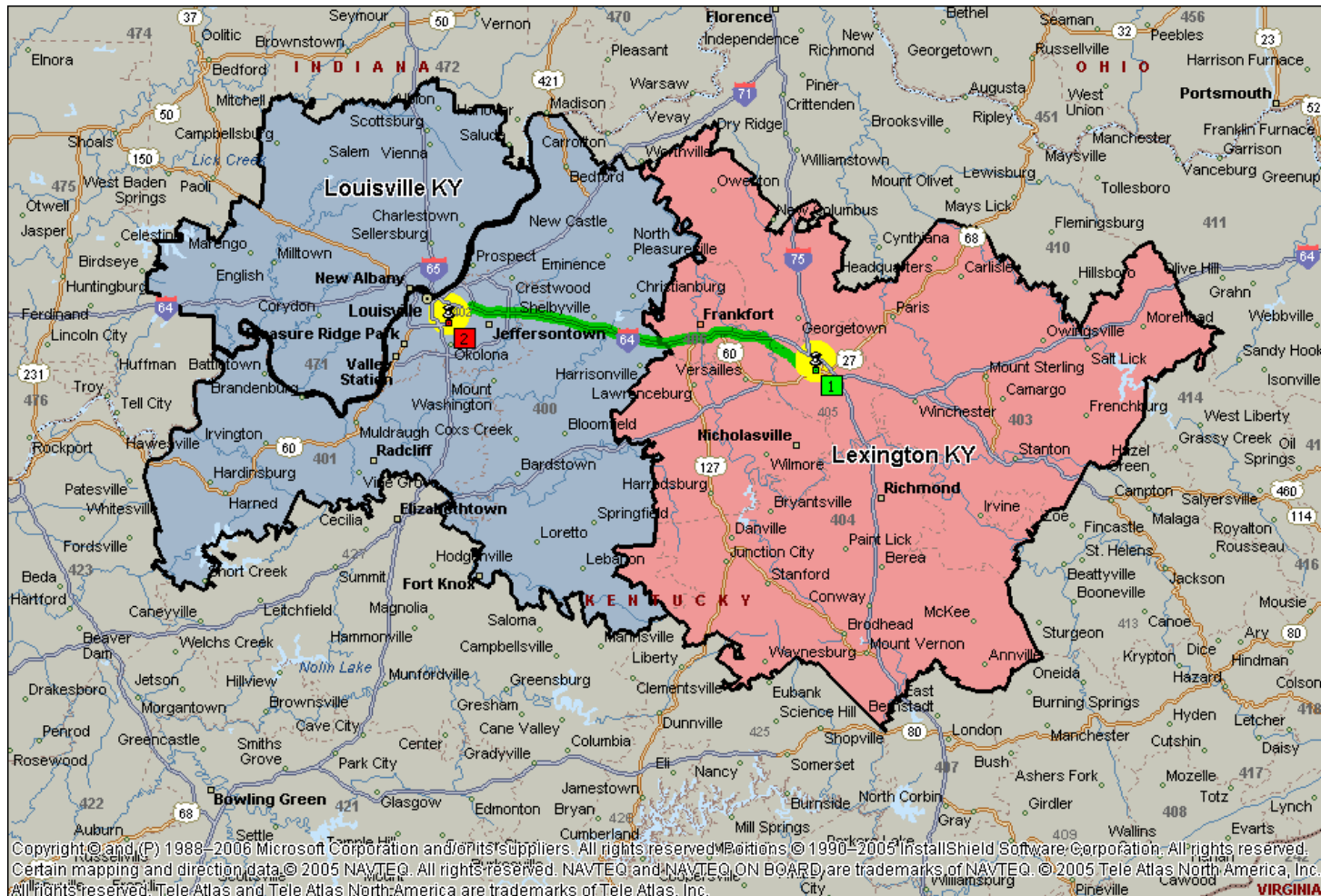
Fewer Mail Processing Positions



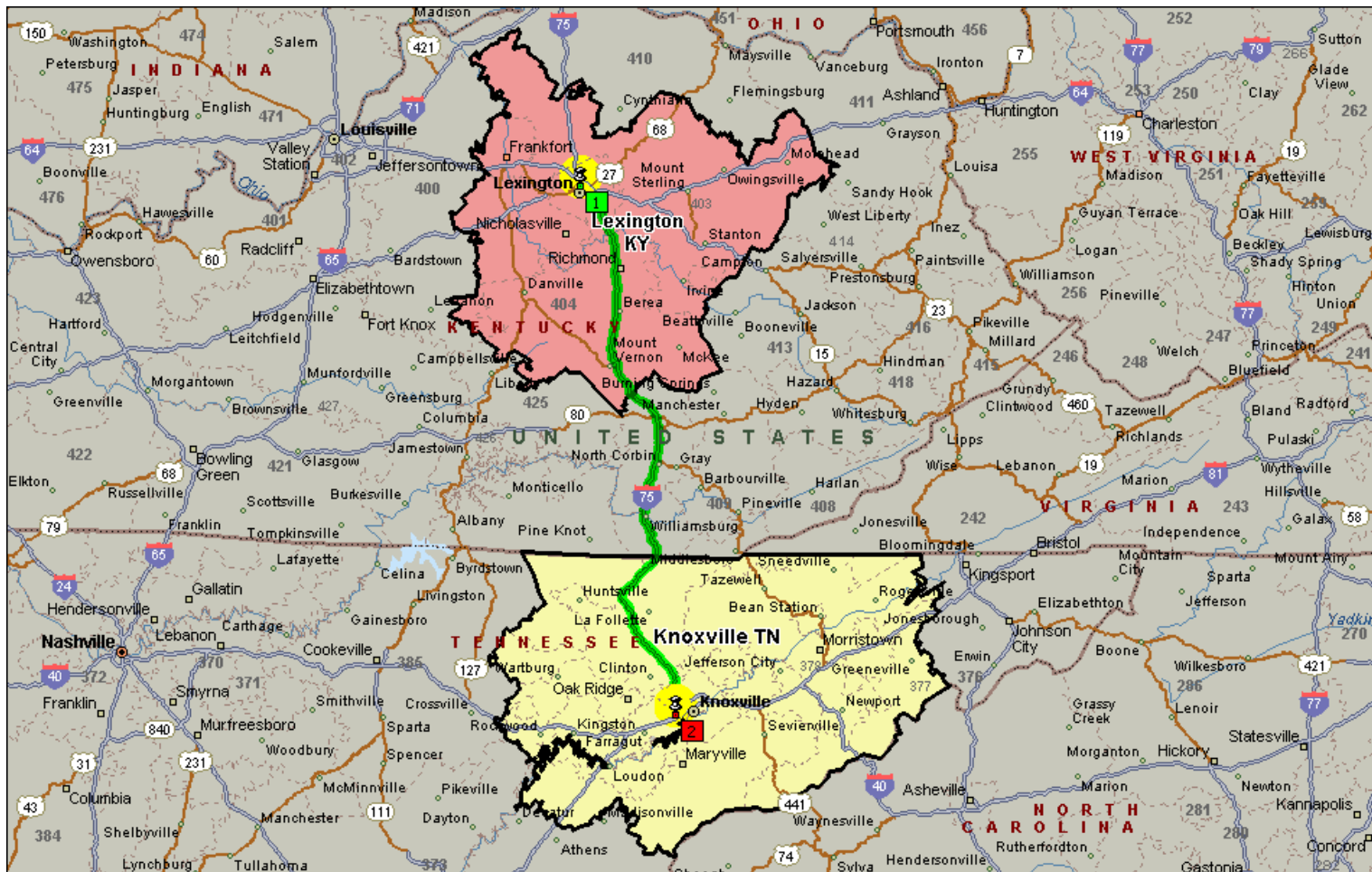
Topic

**Area Mail
Processing
Study**

DISTANCE BETWEEN FACILITIES: Lexington to Louisville – 73 miles



DISTANCE BETWEEN FACILITIES: Lexington to Knoxville – 176 miles



BUSINESS CASE*

Mail Processing Workhour Savings:	\$5,179,558
Mail Processing Management Savings:	\$1,076,787
Maintenance Savings:	\$2,673,664
Transportation Costs:	\$107,018
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Proposed Annual Savings:	\$9,037,028

***Preliminary results subject to change**

EMPLOYEE IMPACTS*

Net craft impacts: -97

Net management impacts: -6

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 & Industry Contact
Kentuckiana District
P.O. Box 31631
Louisville, KY 40231-9631

*Must be postmarked by **December 13, 2011***