

Welcome

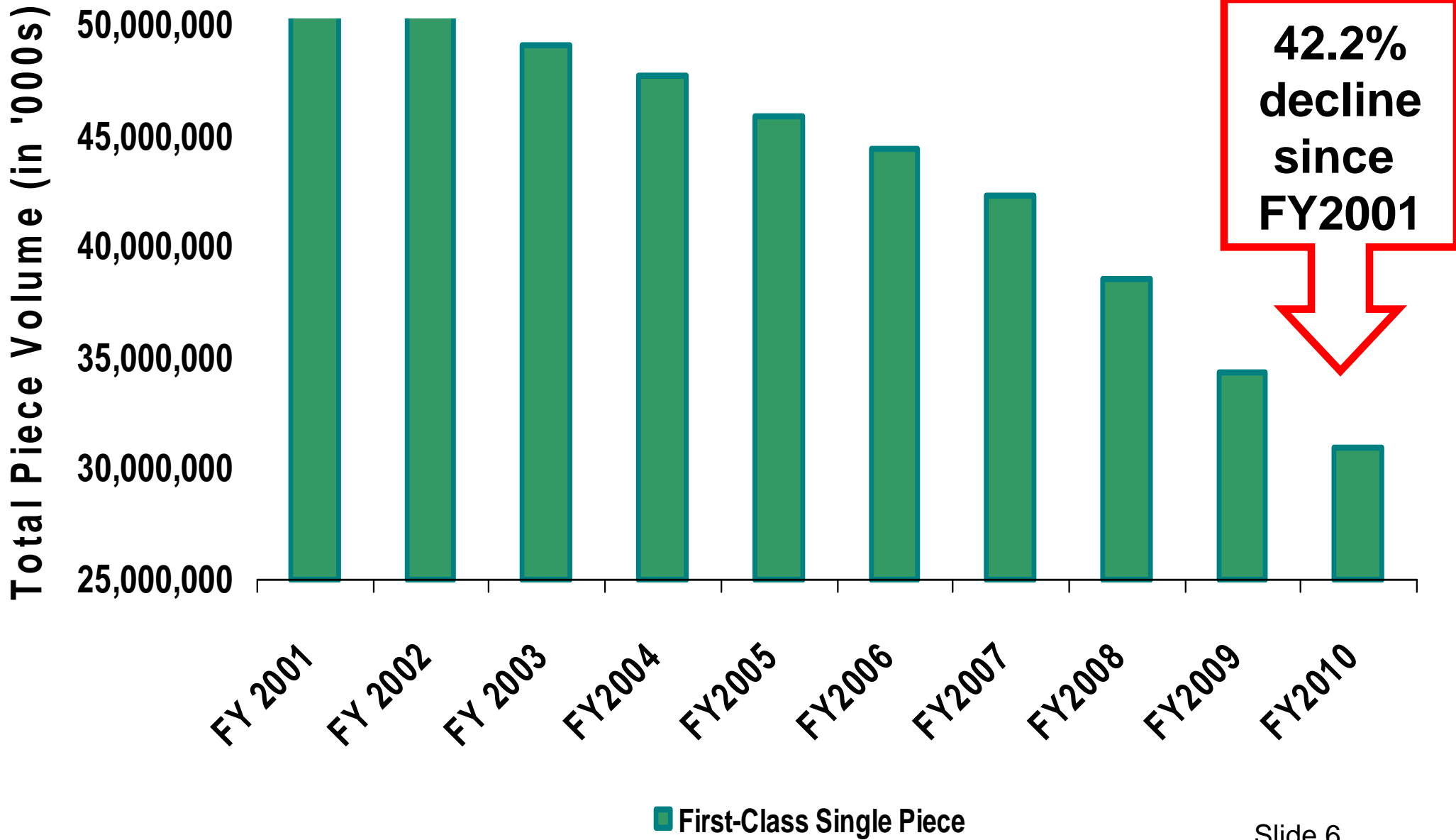
**Gary, IN
Area Mail Processing (AMP)
Public Meeting
June 30, 2011**

- **Video Presentation -
*Area Mail Processing (AMP)***
- **USPS Management Presentation**
- **Public Comments**
- **Meeting Close**

AMP Video Presentation

- **AMP (Area Mail Processing)**
Consolidation of all outgoing or all incoming mail processing operations from one or more facilities into other automated processing facilities for the purpose of improving operational efficiency and/or service.
- **Effective process used for decades to help us adjust to changes in the environment**

- **Postal Service faces “Acute Financial Crisis”**
- **Impacts due to the rise in Electronic Communications**
- **Economic Recession**
- **Change in Mail Mix**
 - Increase in Work Sharing and Drop Shipments
 - Decrease in First-Class Mail Volume



Benefits of Consolidation

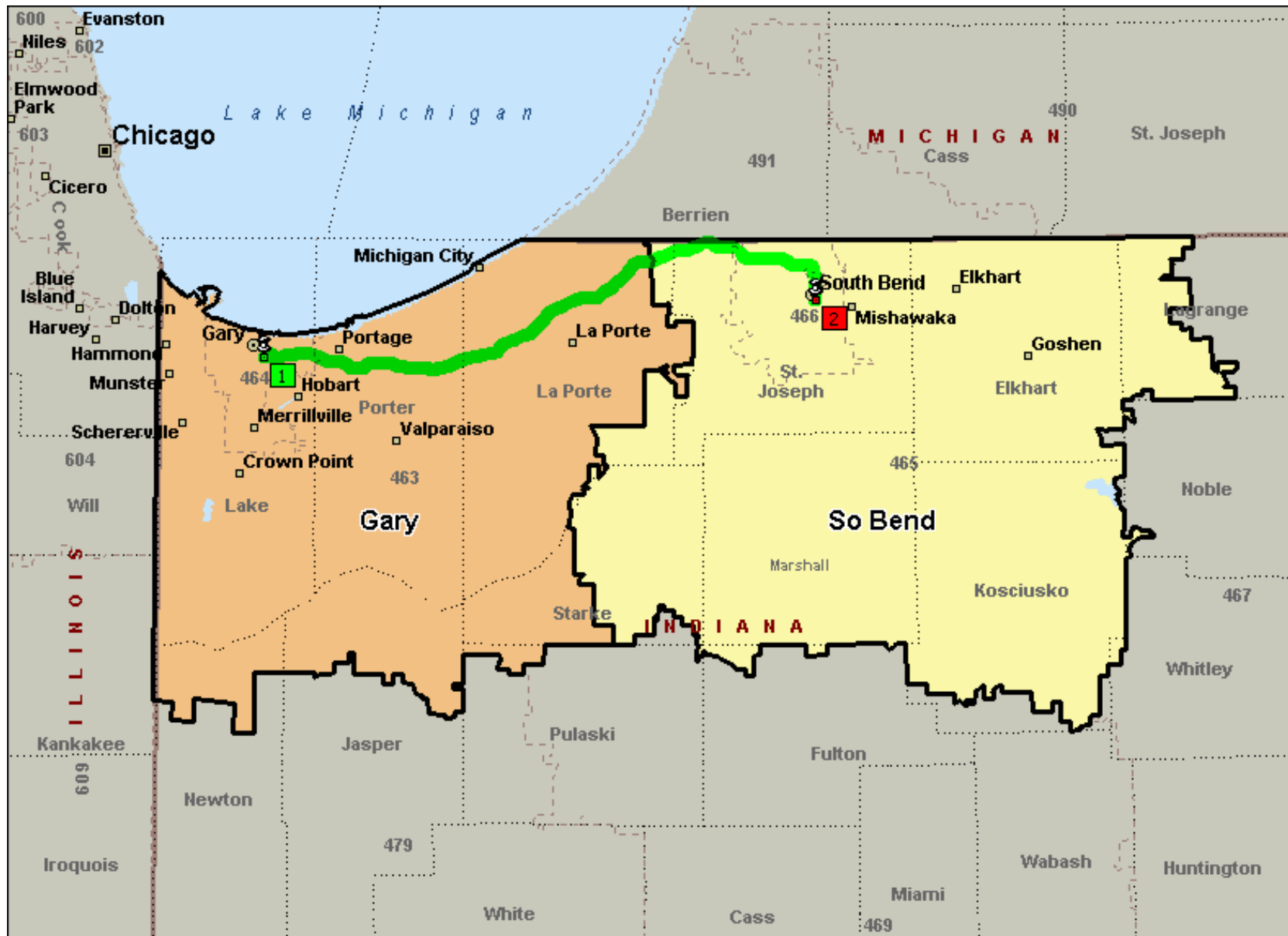
- **Puts the Right People in the Right Location with the Right Resources**
- **Utilizes Equipment Efficiently**
- **Reduces Overall Costs**
- **Does Not Affect Customer Services**
- **Supports Our Network Plan**

- **Office Inspector General (OIG) validated the new AMP process calling it credible and sound**
- **Recent OIG audits show AMP consolidations were prudent business decisions**
- **General Accounting Office (GAO) Report stated we consistently follow the AMP process**

- **Service Standards for First-Class Mail**
 - 2 Day Gary to Ft Wayne becomes Overnight
 - Overnight Gary to Lafayette becomes 2 Day
- **Community Identity**
 - Local Postmark Remains Available
 - Meter and Permit Indicia Do Not Change

- **Customer & Delivery Services**
 - Delivery Services
 - Customer Services
 - Retail Hours
 - Business Mail Acceptance
 - Drop Shipment
- **Jobs**
 - Impacted Jobs

Distance: Approx. 66 miles between facilities



Business Case*

- Approximately \$1.3 million annual savings
- Workhour savings of \$1,148,000
- Maintenance savings of \$363,000
- Transportation costs of (\$235,000)

Potential employee impact*

- Projected net decrease of 25 positions
- Reassignments will be made in accordance with union collective bargaining agreements

* Preliminary results subject to change

Benefits from consolidation

- Annual savings
- Maximize resources
- Reduce excess capacity
- Eliminate duplicate operations
- Focus on remaining operations

- No changes to delivery times
- No changes to retail services
- No changes to meter and permit indicia
- No changes to business mail acceptance
- Commercial mailers will continue to get appropriate postage discounts

- Reduces Costs
- Improves Efficiency
- Puts the Right People in the Right Location with the Right Resources
- Transparent to Customer Services
- Supports our Strategic Plan

If you wish to comment or have a question, please come to the microphone and state your:

Name

Affiliation

Comment or Question

Speakers are limited to two minutes, one opportunity per individual.

Please be courteous

Mail additional comments to:

Manager, Consumer and Industry Contact
Greater Indiana District
3939 Vincennes Road
Indianapolis, IN 46298-3006

Must be postmarked by July 15, 2011

Thank you!