



UNITED STATES
POSTAL SERVICE®

**Gaylord, MI
Area Mail Processing (AMP)
Public Meeting**

October 20, 2011



Two Topics

**Radical
Network
Realignment**

**Area Mail
Processing
Study**



Volume in Billions of Pieces

NETWORK CAPACITY

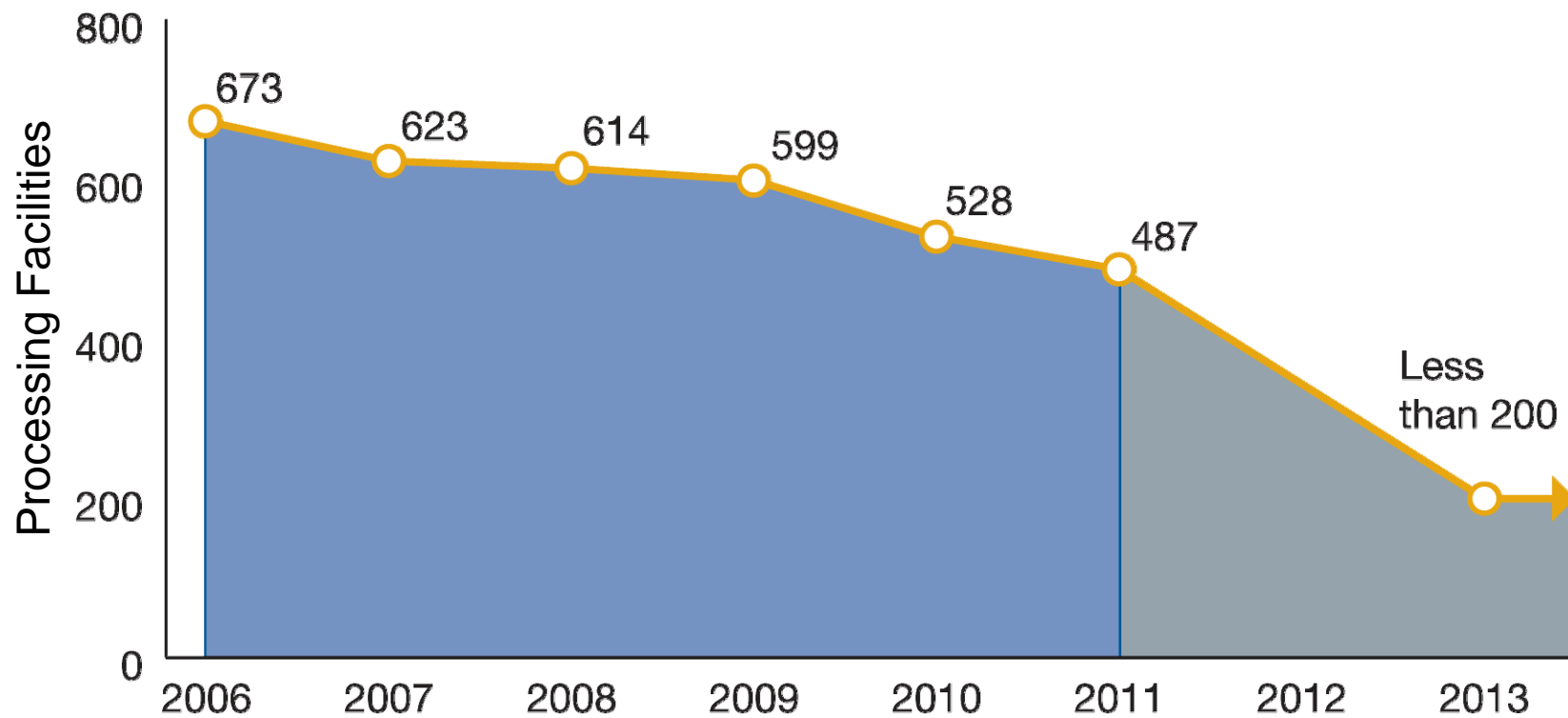
GROWTH
Capacity Expansion



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
- Up to \$3 Billion Cost Reduction

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

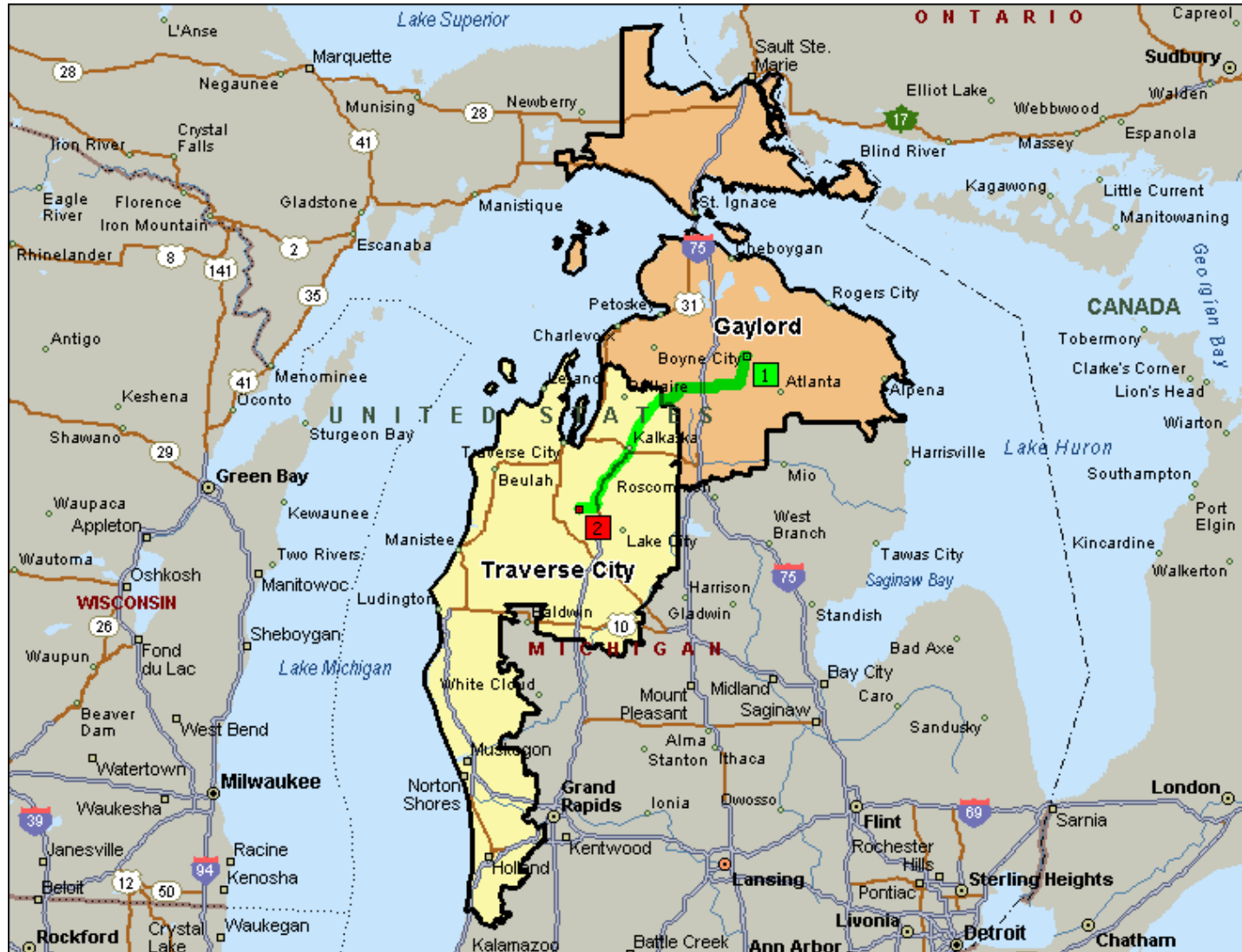
Fewer Mail Processing Positions



Topic

**Area Mail
Processing
Study**

DISTANCE BETWEEN FACILITIES – 63.4 miles



BUSINESS CASE*

Mail Processing Workhour Savings:	\$2,278,599
Mail Processing Management Savings:	\$281,732
Maintenance Savings:	\$602,381
Transportation Savings:	\$183,918
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Proposed Annual Savings:	\$3,346,630

*Preliminary results subject to change

EMPLOYEE IMPACTS*

Net craft impacts: -25

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

***Preliminary results subject to change**

CUSTOMER & DELIVERY SERVICES

- Retail hours remains the same
- Business mail acceptance remains the same
- Collection mail remains the same
- Local postmark remains
- Mailers who drop ship to DCSF 497 can expect changes if the AMP is approved

First-Class Mail Service Standard Changes

- Upgrade 2-day to Overnight
 - Gaylord to/from Traverse City
 - Gaylord to Grand Rapids

NEXT STEPS

- Complete Area and HQ review
- Review Public Comments

Mail additional comments to:

Manager, Consumer & Industry Contact
Greater Michigan District
PO Box 999631
Grand Rapids, MI 49599-9631

Must be postmarked by November 4, 2011