

NORFOLK P&DF Area Mail Processing (AMP) Public Meeting

November 29, 2011

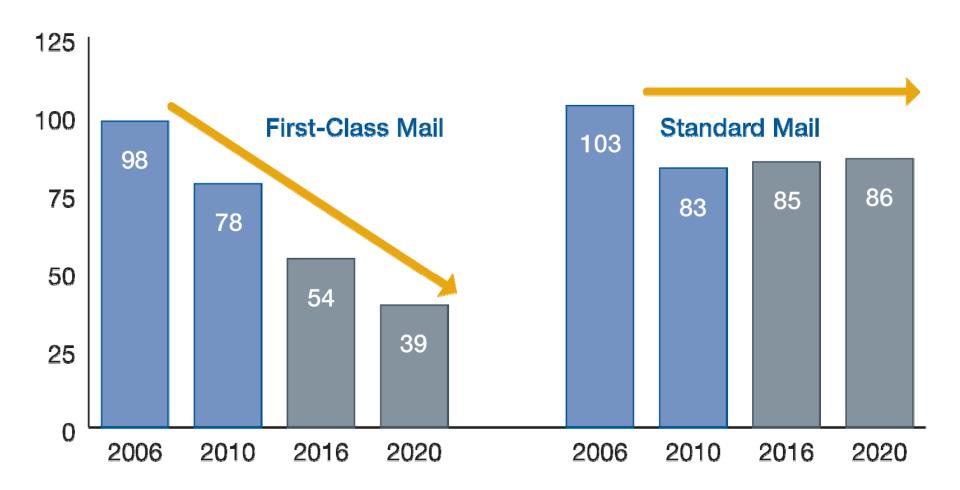


Two Topics

Radical Network Realignment Area Mail Processing Study



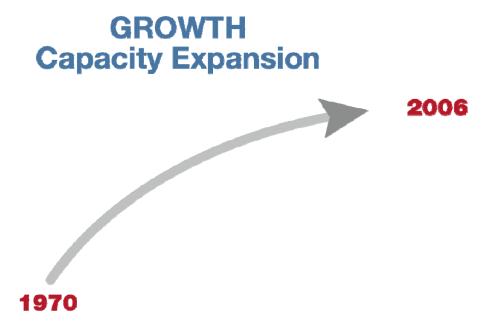
Mail Volume Shifting to a Less Profitable Mix



Volume in Billions of Pieces

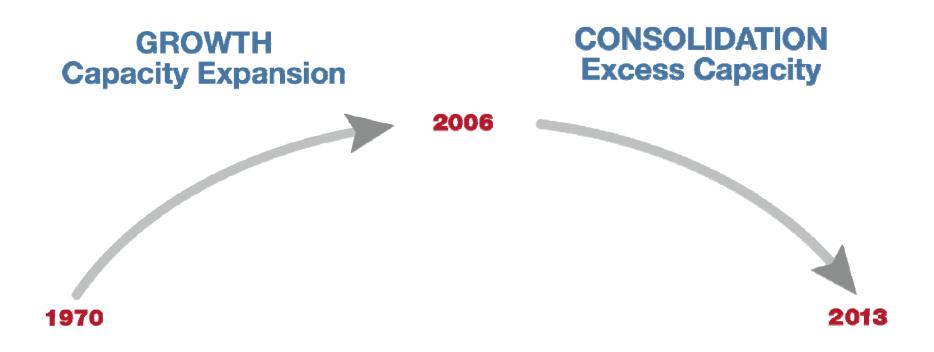


NETWORK CAPACITY



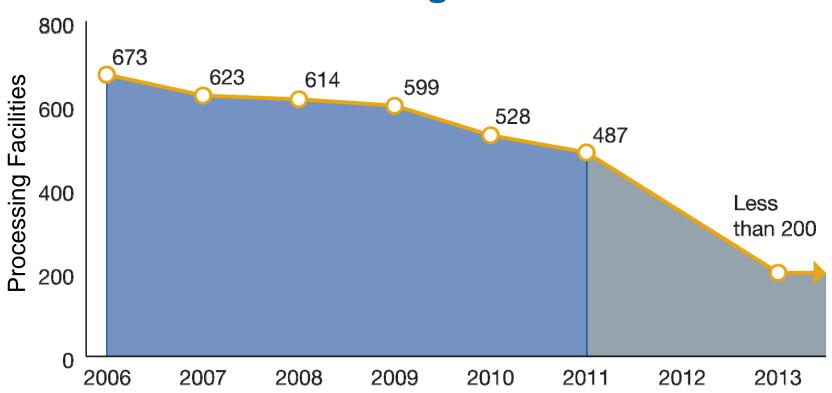


NETWORK CAPACITY





Potential Decrease in Processing Facilities Through 2013



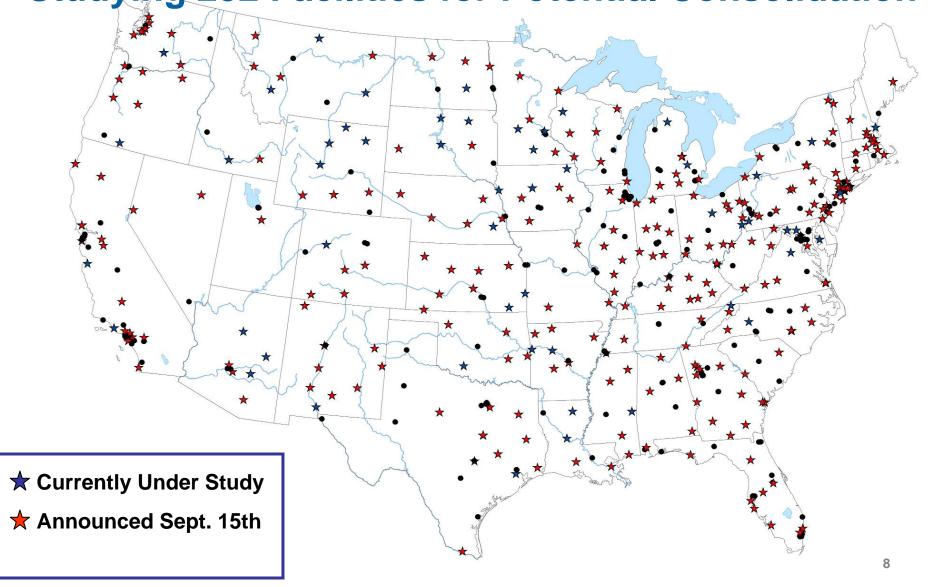
Mail Processing Facility Footprint



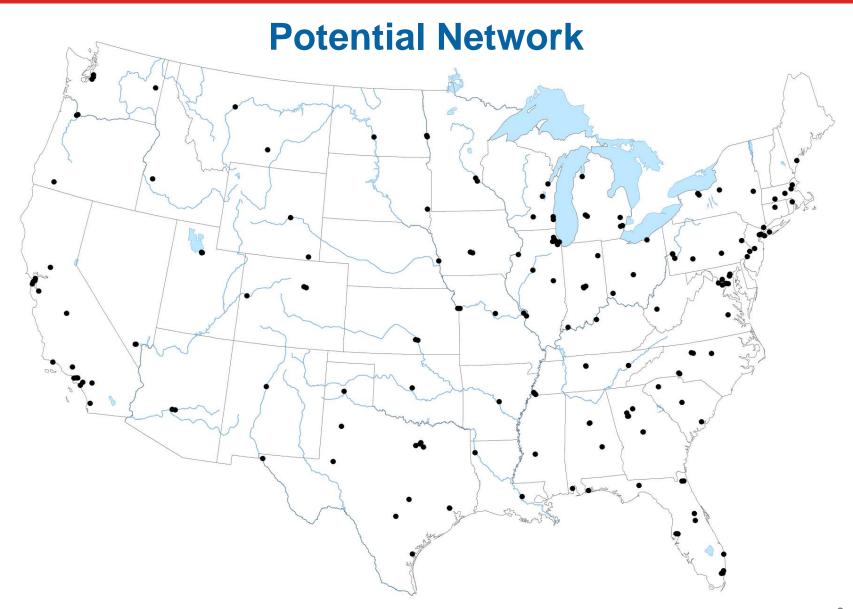


Mail Processing Facility Footprint

Studying 252 Facilities for Potential Consolidation



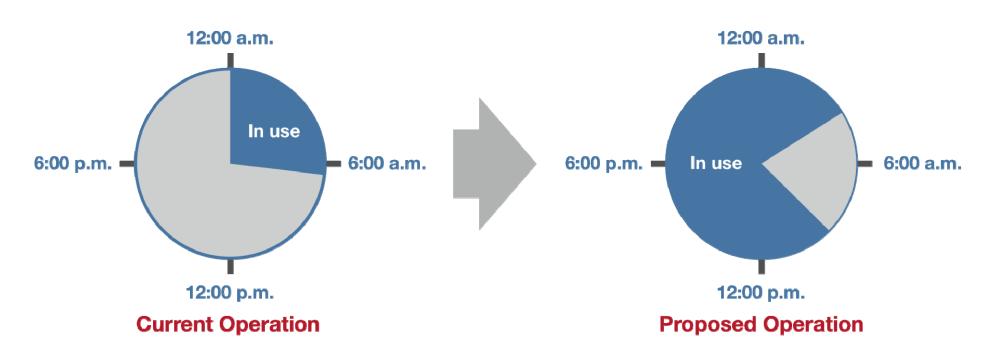
Mail Processing Facility Footprint





Mail Processing Redesign







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

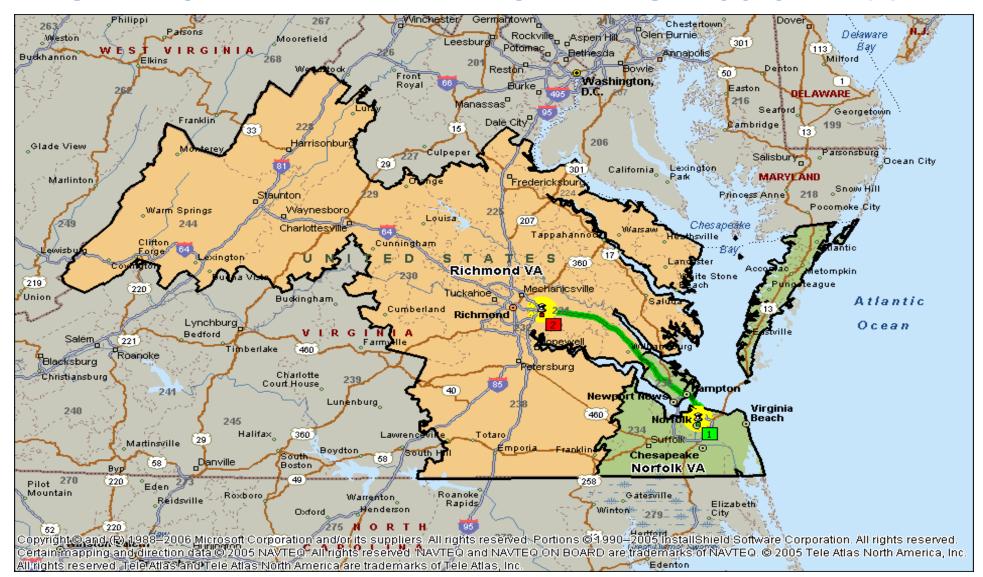


Topic

Area Mail Processing Study



DISTANCE BETWEEN FACILITIES – 83.5 miles





BUSINESS CASE*

Mail Processing Workhour Savings: \$12,439,228

Mail Processing Management Savings: \$1,599,054

Maintenance Savings: \$6,973,055

Transportation Costs: (\$850,703)

Proposed Annual Savings: \$20,222,639

^{*}Preliminary results subject to change



EMPLOYEE IMPACTS*

Net craft impacts: 255

Net Supervisory/Management 5

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

Richmond District

1801 Brook Road

Richmond, Virginia 23232-9631

Must be postmarked by December 14, 2011