



UNITED STATES
POSTAL SERVICE®

**Panama City P&DF
Area Mail Processing (AMP)
Public Meeting**

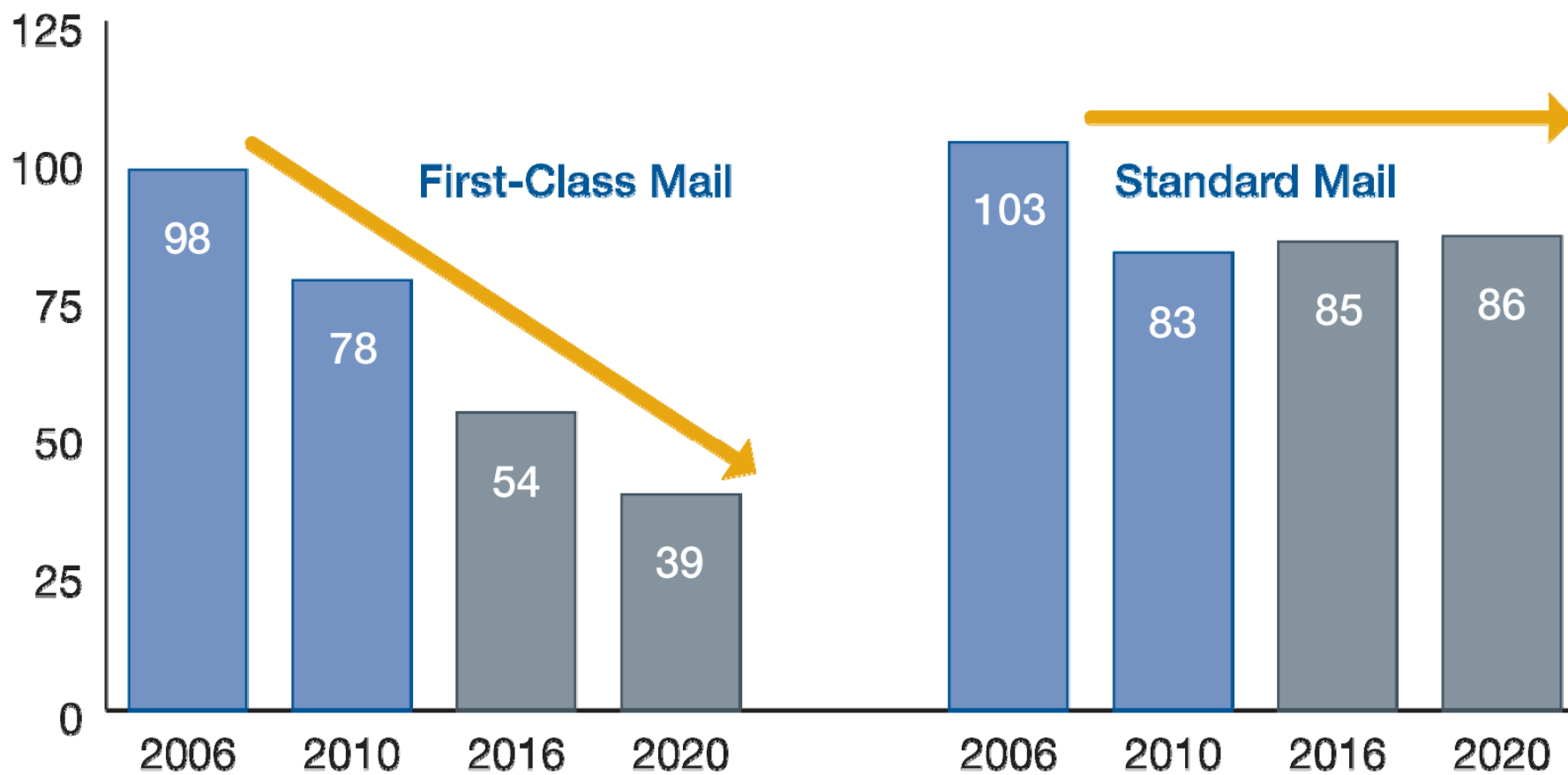
December 20, 2011



Two Topics

**Radical
Network
Realignment**

**Area Mail
Processing
Study**



Volume in Billions of Pieces

NETWORK CAPACITY

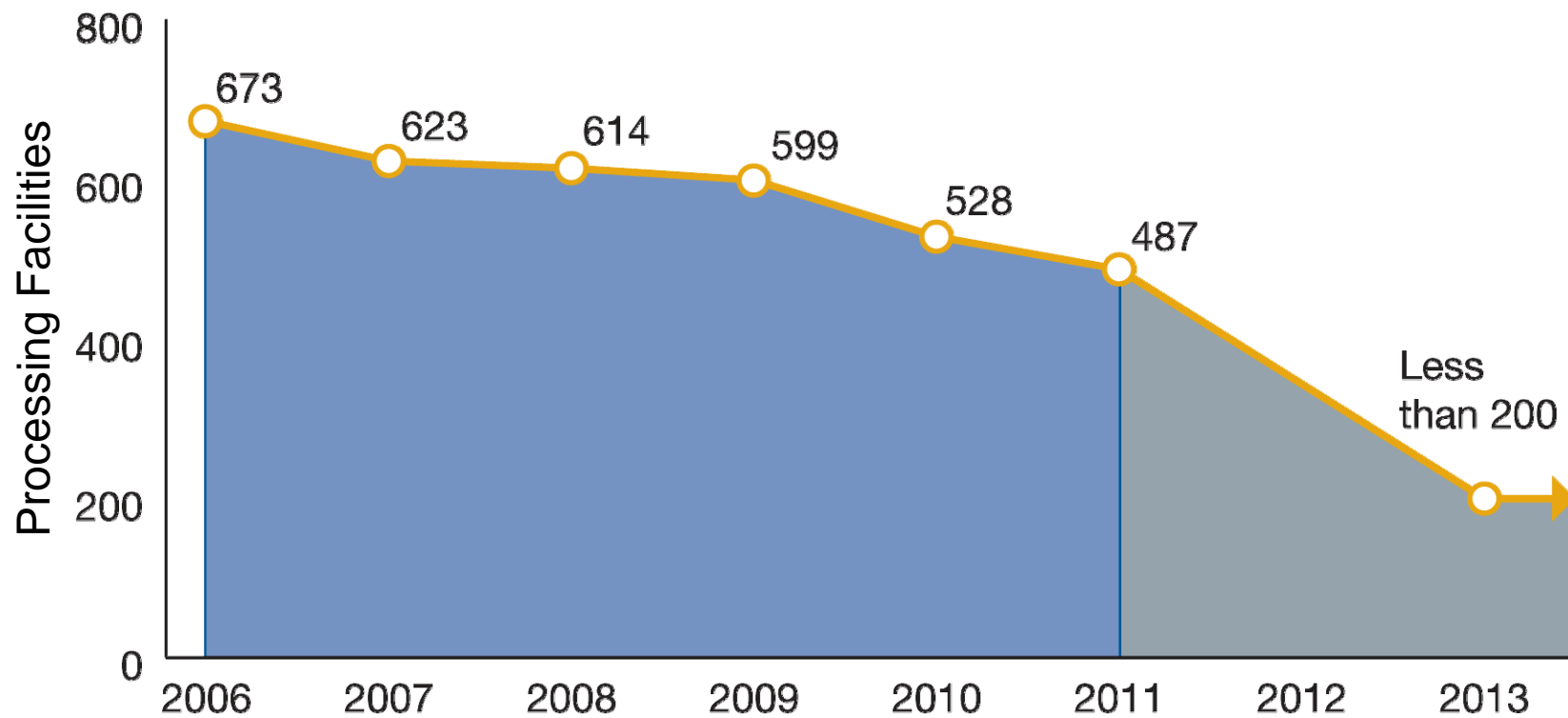
GROWTH
Capacity Expansion



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
- 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

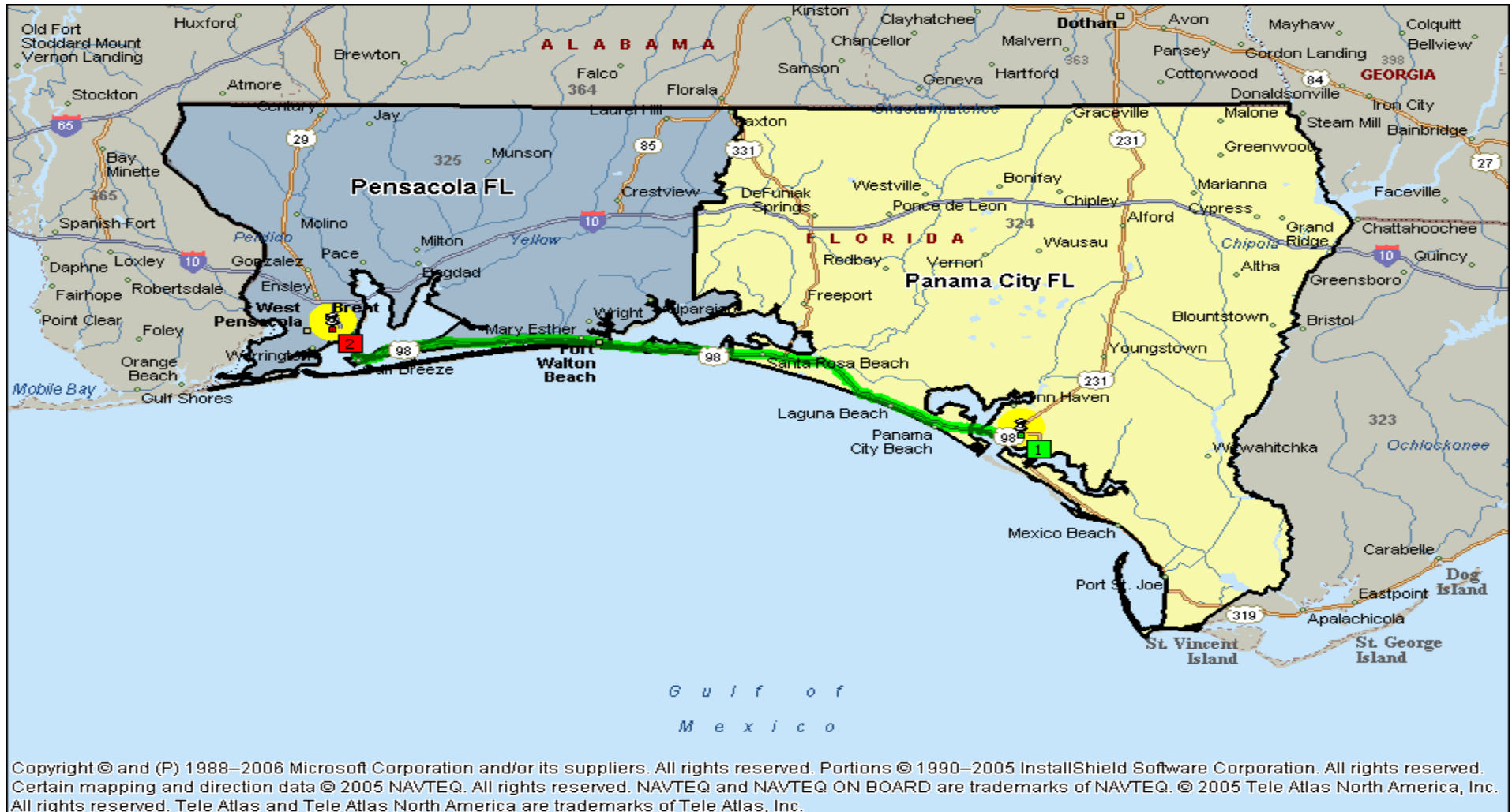
Fewer Mail Processing Positions



Topic

**Area Mail
Processing
Study**

DISTANCE BETWEEN FACILITIES – 106 miles



BUSINESS CASE*

Mail Processing Workhour Savings:	\$1,002,542
Mail Processing Management Savings	\$ 489,082
Maintenance Costs:	\$1,958,663
Transportation Savings:	\$ 216,729
<hr/>	
Proposed Annual Savings:	\$ 3,667,016

***Preliminary results subject to change**

EMPLOYEE IMPACTS*

Craft Employees Impacted at Panama City P&DF	-71
Proposed Craft Positions to be added at Pensacola	+34
Net Craft Employees impacts due to consolidations	-37
Net Management Employees 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 and Industry Contact
North Florida District
PO Box 40005
Jacksonville FL 32203-0005

Must be postmarked by January 4, 2012.