

Petersburg, WV Area Mail Processing (AMP) Public Meeting

November 3, 2011

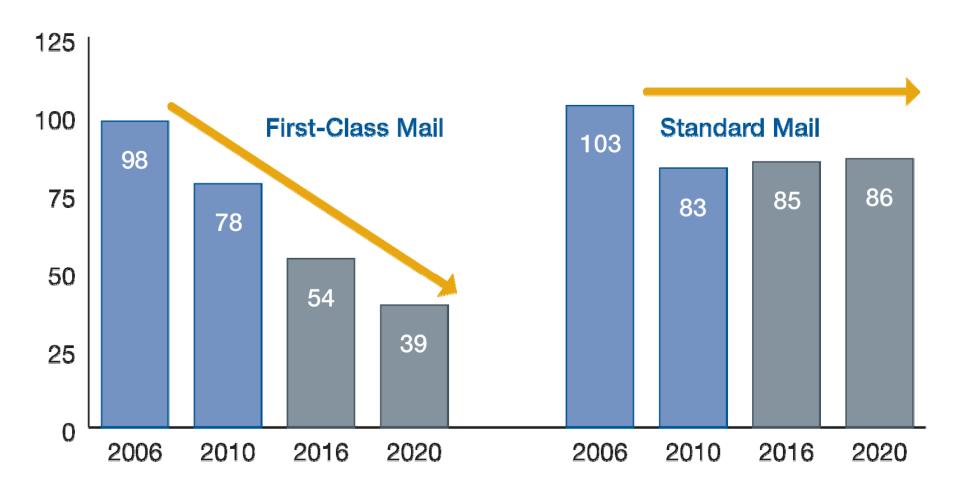


Two Topics

Radical Network Realignment Area Mail Processing Study



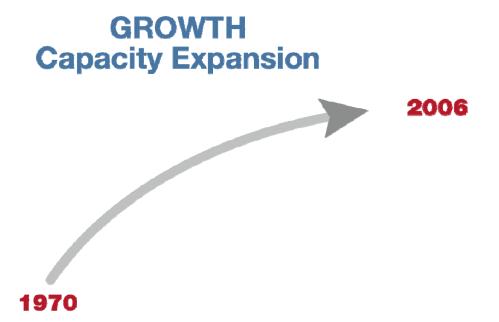
Mail Volume Shifting to a Less Profitable Mix



Volume in Billions of Pieces

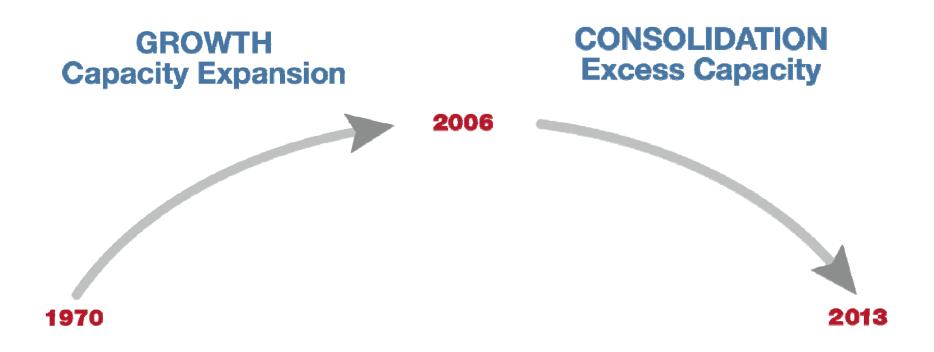


NETWORK CAPACITY



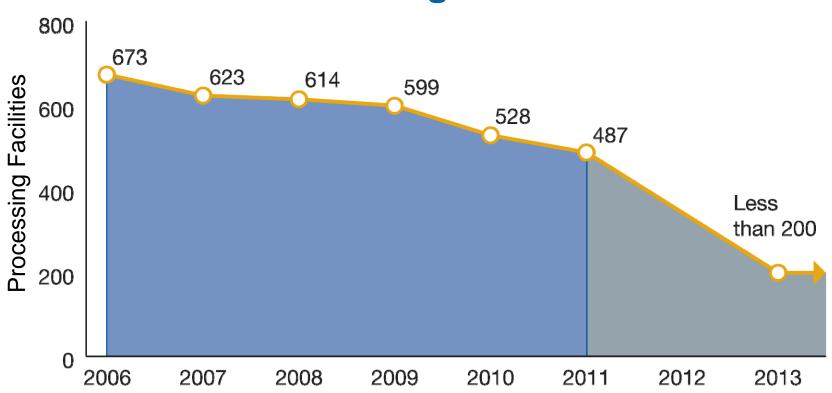


NETWORK CAPACITY





Potential Decrease in Processing Facilities Through 2013



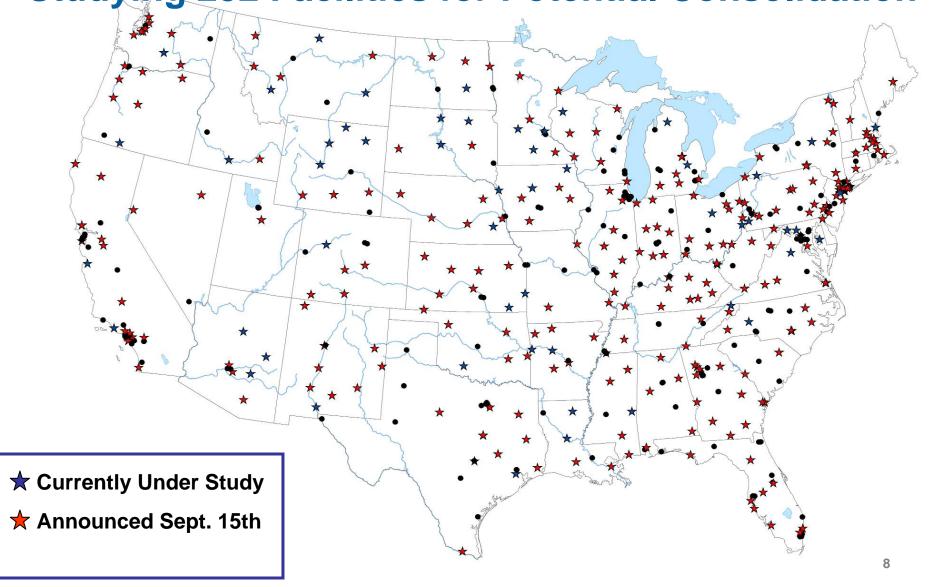
Mail Processing Facility Footprint



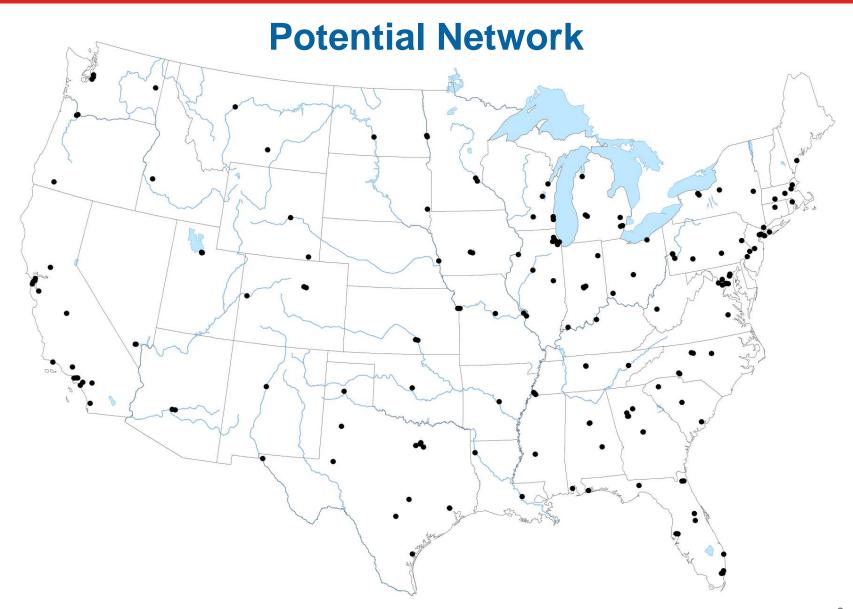


Mail Processing Facility Footprint

Studying 252 Facilities for Potential Consolidation



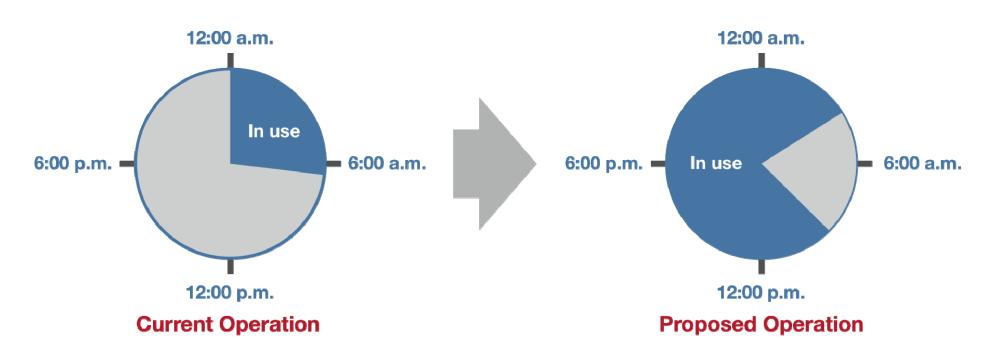
Mail Processing Facility Footprint





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
- 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

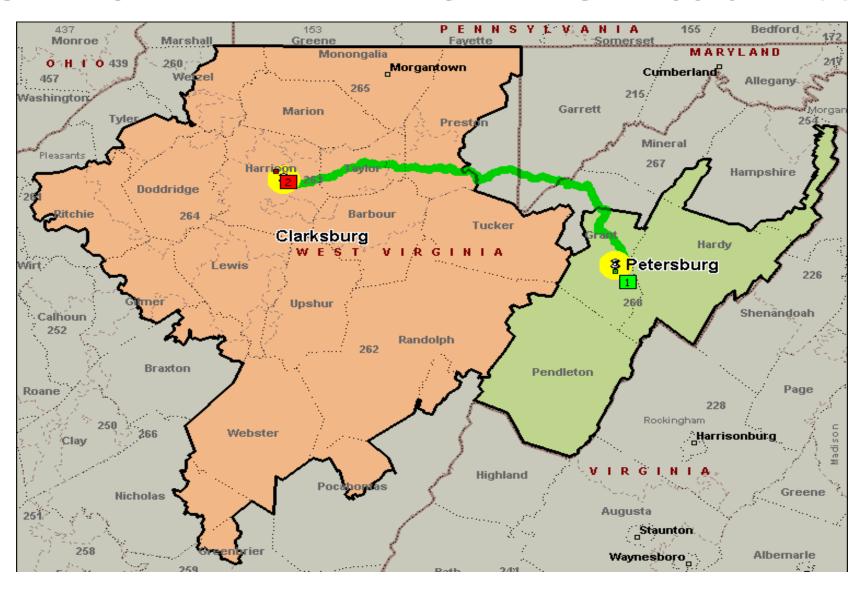


Topic

Area Mail Processing Study



DISTANCE BETWEEN FACILITIES – 103.6 miles





BUSINESS CASE*

Mail Processing Workhour Savings: \$163,254

Maintenance Savings: \$5,859

Transportation Costs: (\$54,958)

Proposed Annual Savings: \$114,155



EMPLOYEE IMPACTS*

Net craft impacts:

-1

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



CUSTOMER & DELIVERY SERVICES

- Retail and other services
- Business mail acceptance
- Collection mail
- Delivery of mail
- Local postmark



FIRST-CLASS MAIL SERVICE STANDARD CHANGES

- Upgrade 2-day to Overnight
 - Charleston, Huntington, Beckley, Parkersburg,
 Clarksburg and Gassaway to Petersburg
- Downgrade Overnight to 2-day
 - Dulles, Winchester and Culpeper to Petersburg





NEXT STEPS

Complete Area and HQ review

Review Public Comments

Continue Network Optimization studies





Mail additional comments to:

Manager, Consumer & Industry Contact

Appalachian District

PO Box 59631

Charleston, WV 25350-9631

Must be postmarked by November 18, 2011