



**Saginaw, Michigan  
Area Mail Processing (AMP)  
Public Meeting**

**November 29, 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**

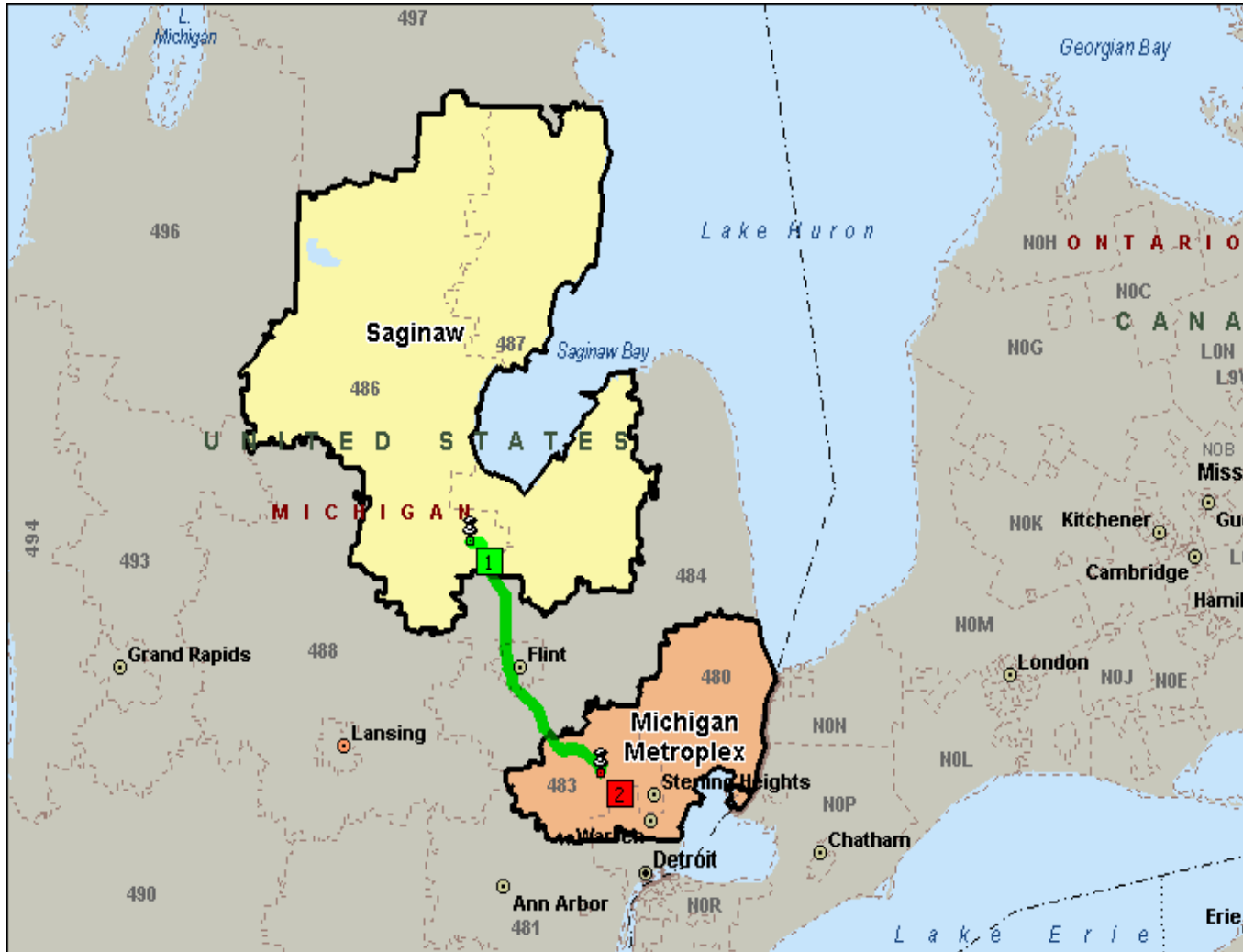
Fewer Mail Processing Positions



# Topic

**Area Mail  
Processing  
Study**

# DISTANCE BETWEEN FACILITIES – 71.3 miles



## BUSINESS CASE\*

Mail Processing Workhour Savings:	\$3,904,862
Mail Processing Management Savings:	\$954,669
Maintenance Savings:	\$2,237,782
Transportation Costs:	(\$156,698)
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Proposed Annual Savings:	\$6,931,615

\*Preliminary results subject to change



## **EMPLOYEE IMPACTS\***

Net bargaining employee impacts: -104

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  
Greater Michigan District  
PO Box 999631  
Grand Rapids, MI 49599-9631

*Must be postmarked by **December 14, 2011***