

## FACT SHEET

# CONSOLIDATING THE POSTAL SERVICE MAIL PROCESSING NETWORK

## Reducing Costs to Sustain Affordable Mail Service

### America needs a financially stable Postal Service

The Postal Service is a vital part of the nation's economic infrastructure — providing a delivery platform that is reliable, secure and affordable.

- Sustains a trillion dollar industry employing over 8 million people.
- Delivers to more than 150 million addresses a day.
- The Postal Service does not receive taxpayer funding.

### Financial crisis: Necessary changes must be made

With the rapid decline of First-Class Mail, the Postal Service is considering changing its delivery standards which will enable the consolidation of its operational networks to gain important efficiencies, save almost \$2.1 billion annually, and ensure the long-term affordability of mail.

- The Postal Service is making the tough decisions it needs to make to return to financial stability.
- Postal Service is losing billions of dollars; lost \$3.3 billion last quarter.
- 264 processing facilities were studied for possible consolidation. Of the 264, 6 are on hold for further internal study, 35 will remain open at this time and 223 have been found feasible for consolidation, all or in part.
- The realignment of the mail processing operations is one part of a larger, comprehensive plan to reduce costs by \$20 billion by 2015.
- When completed, the new Postal Service network of mail processing facilities will be sustainable well into the future.

### Committed to a seamless transition

This seamless transition will create a more efficient processing network to better serve Postal Service customers.

- The Postal Service will routinely communicate about its planning process to provide ample time for its customers to prepare for service changes.
- Committed to providing logistical solutions for business customers.
- The Postal Service expects the transition to be transparent to its more than 138 million residential customers.

### Status of changes

The Postal Service is preparing to implement a major consolidation of its national network of mail processing facilities.

- Due to regulatory and labor-agreement requirements, the Postal Service is beginning a lengthy notification process now in order to be in a position to begin implementing its national mail processing realignment during the summer and fall of 2012. These changes are contingent upon a final decision to change our service standards for First-Class Mail.
- Further, in keeping with the terms of an agreement the Postal Service made with Congress in December, 2011, no consolidation of any postal facility will occur prior to May 15, 2012, to give Congress and the Administration the opportunity to enact an alternative plan.

Learn more at [www.usps.com/ourfuturenetwork](http://www.usps.com/ourfuturenetwork)



## QUICK FACTS



The network consolidation would reduce operating costs by \$2.6 billion annually and result in a net savings of \$2.1 billion.

Part of an across-the-board plan to reduce costs by \$20 billion by 2015.