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Postmaster General Restructures U.S. Postal Service Layers Eliminated, Officer Ranks Reduced

WASHINGTON — A 16 percent reduction to the officer ranks, realigning revenue-generating business units and closing one Area office are among steps taken today by Postmaster General Patrick R. Donahoe to create a leaner, faster, smarter U.S. Postal Service.

While cost savings will be realized, the main objective of the restructuring is to enhance and strengthen customer service and relationships. The realignment flattens the organization, enabling flexibility to more quickly adapt to changing market forces and continuing mail volume decline.

The actions today also provide a more integrated focus toward accomplishing key business goals: Strengthening the business-to-consumer channel; improving the customer experience; competing for the package business; and becoming a leaner, faster and smarter organization.

"It is imperative that the Postal Service continue its evolution as a forward-thinking, fast-acting company capable of providing quality products and services for customers and a welcoming, diverse, professional workplace," Donahoe said.

Major changes include:

- Developing both market dominant and competitive products now is the responsibility of one
 officer, the vice president of Domestic Products. Where those products are sold in retail, online
 or in alternative spaces becomes the responsibility of the vice president of Channel Access.
- All customer interaction and support, whether for large corporations, small businesses or individual consumers, will be the responsibility of the vice president of Consumer and Industry Affairs. The Consumer Advocate remains a vital part of customer service and will report to this
- The engineering technology and systems that keep mail moving and prepare the Postal Service for the future of mail, including Intelligent Mail, will become an integral part of the Information Technology department.
- All Human Resources functions will be led by the Chief Human Resources Officer, supported by the vice presidents of Labor Relations and Employee Resource Management.
- The Chief Sustainability Officer will continue the leadership role in greening the Postal Service and the mailing industry. This officer will report to the Deputy Postmaster General.
- The senior vice president title has been eliminated.

The Southeast Area Office, based in Memphis, TN, will be closed to help streamline Postal operations. All previous Southeastern districts now will report to the Southwest Area Office, with two exceptions: Tennessee District will report to Eastern Area and Atlanta District will report to Capital Metro Area. No implementation date has been established yet.

"The Postal Service is committed to making necessary changes to continue to provide quality service to our customers and to reinforce the value of the mail," Donahoe said. "Ensuring customer satisfaction is the ultimate goal of all plans and strategies we develop."

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A self-supporting government enterprise, the U.S. Postal Service is the only delivery service that reaches every address in the nation, 150 million residences, businesses and Post Office Boxes. The Postal Service receives no tax dollars for operating expenses, and relies on the sale of postage, products and services to fund its operations. With 32,000 retail locations and the most frequently visited website in the federal government, *usps.com*, the Postal Service has annual revenue of more than \$67 billion and delivers nearly 40 percent of the world's mail. If it were a private sector company, the U.S. Postal Service would rank 29th in the 2010 Fortune 500. *Black Enterprise* and *Hispanic Business* magazines ranked the Postal Service as a leader in workforce diversity. The Postal Service has been named the Most Trusted Government Agency six consecutive years and the sixth Most Trusted Business in the nation by the Ponemon Institute.