Akron, Ohio
Area Mail Processing (AMP)
Public Meeting

November 15, 2011
Two Topics

Radical Network Realignment

Area Mail Processing Study
Mail Volume Shifting to a Less Profitable Mix

![Graph showing mail volume in billions of pieces from 2006 to 2020 for First-Class and Standard Mail](image)

Volume in Billions of Pieces

- **First-Class Mail**
  - 2006: 98
  - 2010: 78
  - 2016: 54
  - 2020: 39

- **Standard Mail**
  - 2006: 103
  - 2010: 83
  - 2016: 85
  - 2020: 86
NETWORK CAPACITY

GROWTH
Capacity Expansion

1970 → 2006
NETWORK CAPACITY

GROWTH Capacity Expansion

1970 - 2006

CONSOLIDATION Excess Capacity

2006 - 2013
Potential Decrease in Processing Facilities Through 2013

As of 8/31/2011
487 Facilities Today

- Current Mail Processing Sites
Studying 252 Facilities for Potential Consolidation

Currently Under Study
Announced Sept. 15th
Mail Processing Redesign

Mail Processing Facility

Current Operation:
- 6:00 p.m. to 12:00 a.m.:
  - In use

Proposed Operation:
- 6:00 p.m. to 12:00 a.m.:
  - In use
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
<table>
<thead>
<tr>
<th>Count</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>559,000</td>
<td>Total Career Employees</td>
</tr>
<tr>
<td>151,000</td>
<td>Total Mail Processing Employees</td>
</tr>
<tr>
<td>35,000</td>
<td>Fewer Mail Processing Positions</td>
</tr>
</tbody>
</table>
Topic

Area Mail Processing Study
DISTANCE BETWEEN FACILITIES – 37 miles
BUSINESS CASE*

Mail Processing Workhour Savings: $6,848,386
Mail Processing Management Savings: $3,891,077
Maintenance Savings: $5,164,527
Transportation Savings: $2,340,511
Proposed Annual Savings: $18,244,501

*Preliminary results subject to change
EMPLOYEE IMPACTS*

Net craft impacts:           -226
Net management impacts:      -15

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
Northern Ohio District
2400 Orange Avenue Room 25
Cleveland, Ohio 44101-9631

Must be postmarked by November 30, 2011