AMP Video
Two Topics

Radical Network Realignment

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

Volume in Billions of Pieces

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

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

GROWTH Capacity Expansion

1970 → 2006
NETWORK CAPACITY

GROWTH Capacity Expansion

CONCONSOLIDATION Excess Capacity
Potential Decrease in Processing Facilities Through 2013

As of 8/31/2011
Mail Processing Facility Footprint

487 Facilities Today

- Current Mail Processing Sites
Mail Processing Facility Footprint

Studying 252 Facilities for Potential Consolidation

Currently Under Study
Announced Sept. 15th
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
Our Employees

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 – 224 miles
BUSINESS CASE*

Mail Processing Workhour Savings: $371,453
Maintenance Savings: $234,365
Transportation Savings: $345,492
Proposed Annual Savings: $951,310

*Preliminary results subject to change
EMPLOYEE IMPACTS*

Net craft impacts: -6
Net management impacts: 0

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
Northland District
100 S 1st Street, Room 115
Minneapolis, MN 55401-9631

Must be postmarked by January 19, 2012