Bend, OR
Area Mail Processing (AMP)
Public Meeting

December 27, 2011
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:
- 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

CONSORTIUM Excess Capacity

1970

2006

2013
Potential Decrease in Processing Facilities Through 2013

As of 8/31/2011
Studying 252 Facilities for Potential Consolidation

Currently Under Study
Announced Sept. 15th
Mail Processing Facility Footprint

Potential Network
Mail Processing Redesign

Mail Processing Facility

Current Operation

Proposed Operation
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 – 169 miles
BUSINESS CASE*

Mail Processing Workhour Savings: $1,094,963
Mail Processing Management Savings: $328,238
Maintenance Savings: $1,008,960
Transportation Costs: ($320,324)
Proposed Annual Savings: $2,111,837

*Preliminary results subject to change
EMPLOYEE IMPACTS*

Net craft impacts:  -18
Net management impacts:  1

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
Portland District
PO Box 4759
Portland, OR 97208-4759

Must be postmarked by January 11, 2012