Gainesville FL P&DF
Area Mail Processing (AMP)
Public Meeting

December 1, 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

1970

CONSOLIDATION Excess Capacity

2013

2006
Potential Decrease in Processing Facilities Through 2013

As of 8/31/2011

Processing Facilities

2006: 673
2007: 623
2008: 614
2009: 599
2010: 528
2011: 487
2012: Less than 200
2013:
487 Facilities Today

- Current Mail Processing Sites
Mail Processing Facility Footprint

Studying 252 Facilities for Potential Consolidation

Currently Under Study
Announced Sept. 15th
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 – 71.6 miles to Jacksonville; 133 miles to Tampa
BUSINESS CASE*

Mail Processing Workhour Savings: $5,066,155
Mail Processing Management Savings: $ 856,482
Maintenance Savings: $2,213,236
Transportation Costs : $(2,339,875)
Proposed Annual Savings: $5,795,998

*Preliminary results subject to change
EMPLOYEE IMPACTS*

Net craft employee impacts   -45
Net management impacts       -11

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 and Industry Contact
North Florida District
PO Box 40005
Jacksonville FL 32203-0005

Must be postmarked by December 16, 2011.