Mid Hudson P&DC, Newburgh, NY
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
Mid Hudson P&DC Cancellation Trend

Volume in Millions of Pieces
Data Source - WebEOR
First Handled Pieces (FHP)

Mid Hudson P&DC FHP Volume Trend

Volume in Millions of Pieces
Data Source - eFlash
NETWORK CAPACITY

GROWTH Capacity Expansion

1970 → 2006
NETWORK CAPACITY

GROWTH Capacity Expansion

CONSOLIDATION Excess Capacity

1970 2006 2013
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
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
Total Career Employees: 559,000
Total Mail Processing Employees: 151,000
Fewer Mail Processing Positions: 35,000
Topic

Area Mail Processing Study
DISTANCE BETWEEN FACILITIES – 94.1 miles
BUSINESS CASE*

Mail Processing Workhour Savings: $8,580,989
Non-MP Craft/EAS Workhour Savings: $464,683
Mail Processing Management Savings: $1,769,154
Maintenance Savings: $5,140,252
Transportation Costs: ($637,449)
Proposed Annual Savings: $15,317,629

*Preliminary results subject to change
EMPLOYEE IMPACTS*

Net craft impacts: -228
Net management impacts: -6

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
Westchester District
1000 Westchester Ave
White Plains NY 10610-9211

Must be postmarked by December 16, 2011