Rock Springs, WY
Area Mail Processing (AMP)
Public Meeting

November 29, 2011
Two Topics

Radical Network Realignment

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

Volume in Billions of Pieces
NETWORK CAPACITY

GROWTH Capacity Expansion

1970

2006
NETWORK CAPACITY

GROWTH Capacity Expansion

CONSOLIDATION Excess Capacity

1970 → 2006

2006 → 2013
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: Less than 200
Mail Processing Facility Footprint

487 Facilities Today

- Current Mail Processing Sites
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: 179.2 miles
BUSINESS CASE*

Mail Processing Workhour Savings: $748,377
Mail Processing Management Savings: $22,732
Maintenance Savings: $505,758
Transportation Savings: $32,811
Proposed Annual Savings: $1,309,678

*Preliminary results subject to change
EMPLOYEE IMPACTS*

Net craft impacts: -9
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
Colorado/Wyoming District
7500 East 53rd Place, Rm. 2216
Denver, CO 80266-9617

Must be postmarked by December 14, 2011