

Welcome

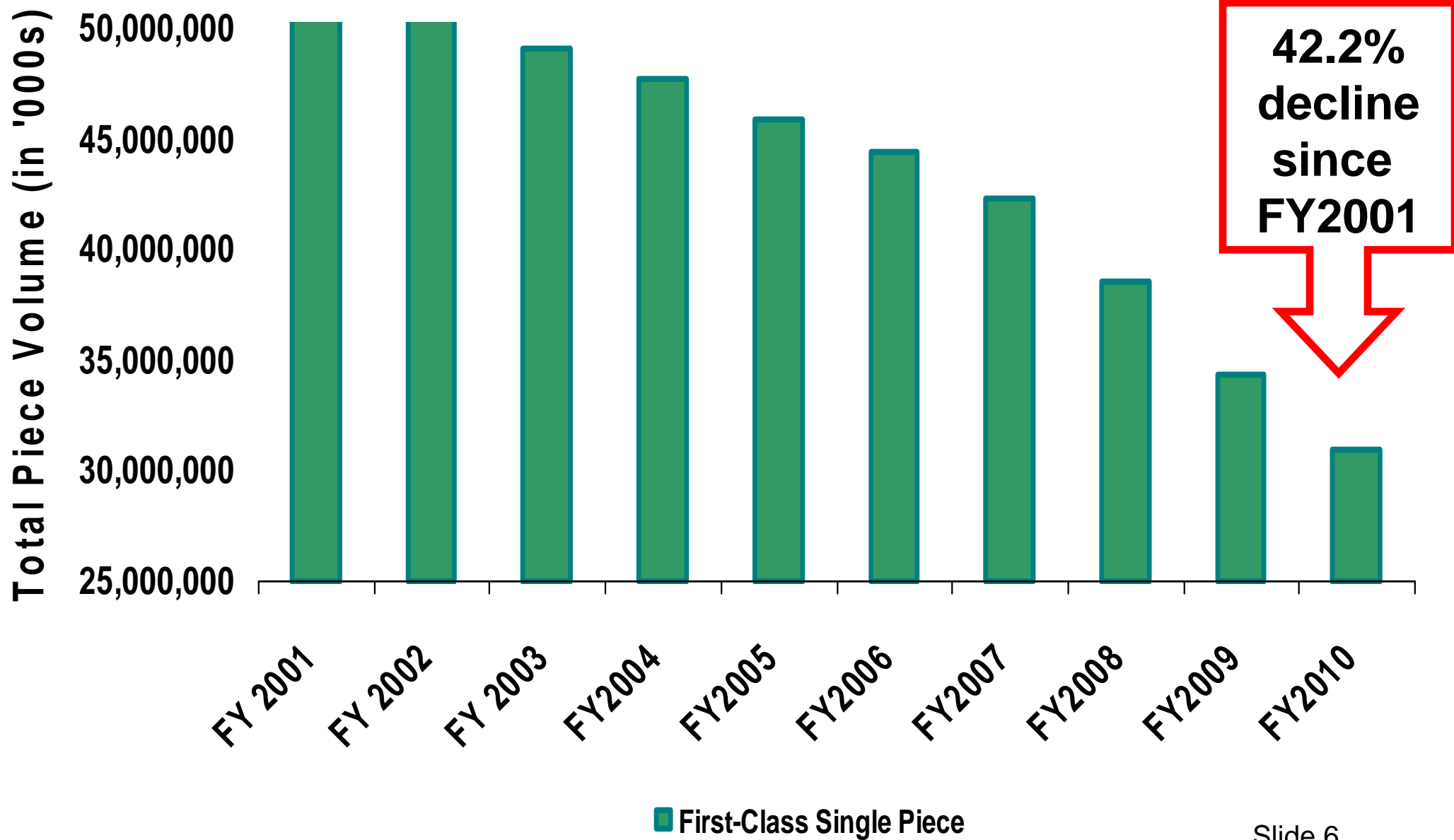
**Flagstaff, AZ
Area Mail Processing (AMP)
Public Meeting
May 10, 2011**

- **Video Presentation -
*Area Mail Processing (AMP)***
- **USPS Management Presentation**
- **Public Comments**
- **Meeting Close**

AMP Video Presentation

- **AMP (Area Mail Processing)**
Consolidation of all outgoing or all incoming mail processing operations from one or more facilities into other automated processing facilities for the purpose of improving operational efficiency and/or service.
- **Effective process used for decades to help us adjust to changes in the environment**

- **Postal Service faces “Acute Financial Crisis”**
- **Impacts due to the rise in Electronic Communications**
- **Economic Recession**
- **Change in Mail Mix**
 - Increase in Work Sharing and Drop Shipments
 - Decrease in First-Class Mail Volume



Benefits of Consolidation

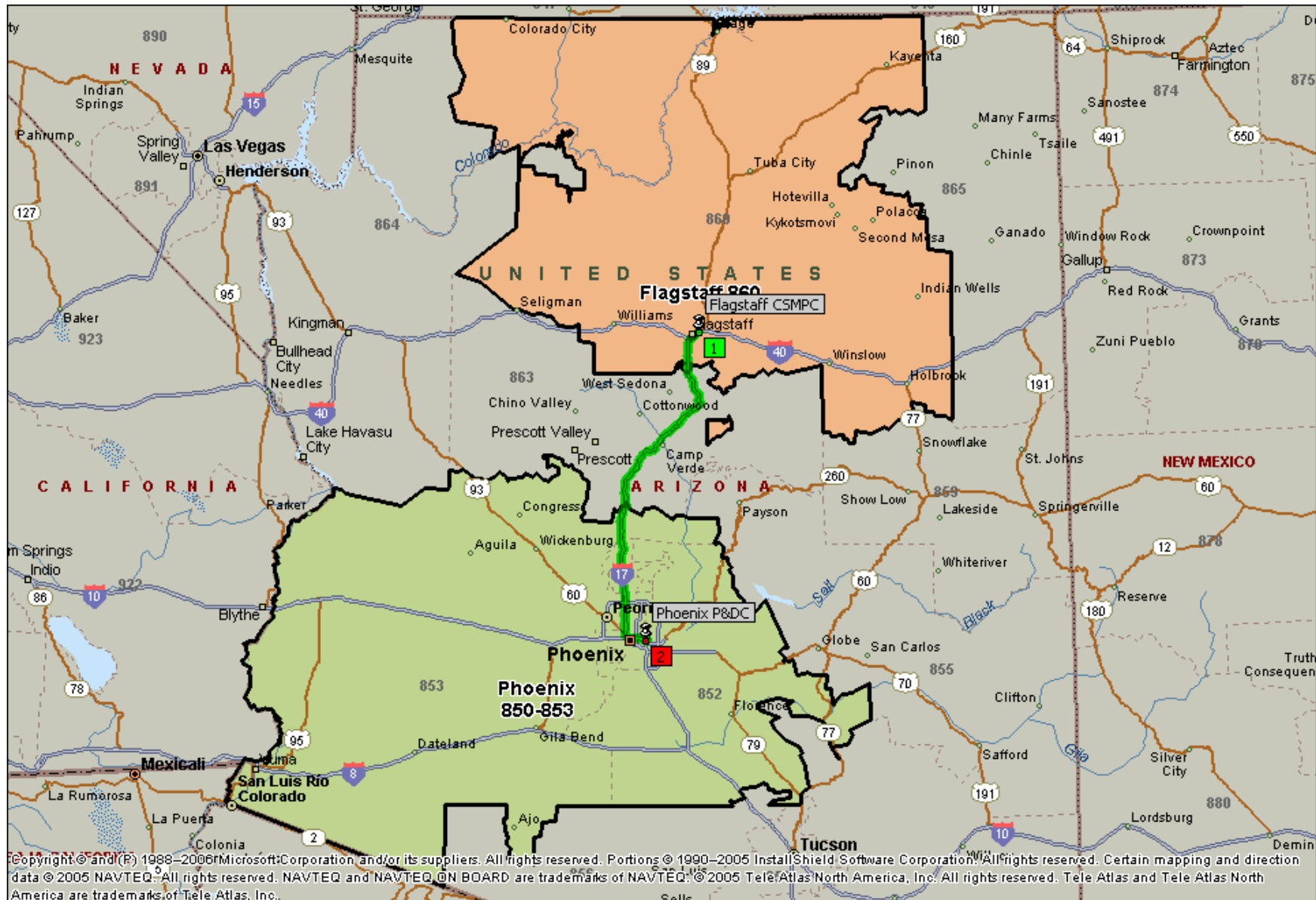
- **Puts the Right People in the Right Location with the Right Resources**
- **Utilizes Equipment Efficiently**
- **Reduces Overall Costs**
- **Does Not Affect Customer Services**
- **Supports Our Network Plan**

- **Office Inspector General (OIG) validated the new AMP process calling it credible and sound**
- **Recent OIG audits show AMP consolidations were prudent business decisions**
- **General Accounting Office (GAO) Report stated we consistently follow the AMP process**

- **Service Standards for First-Class Mail**
 - Impacts to Service
- **Customer & Delivery Services**
 - Delivery Services
 - Customer Services

- **Jobs**
 - Impacted Jobs
- **Community Identity**
 - Local Postmark Remains Available
 - Meter and Permit Indicia Do Not Change

Distance: 153 miles between facilities



Benefits from consolidation

- Approximately \$155,000* annual savings
- Maximize resources
- Reduce excess capacity
- Eliminate duplicate operations
- Focus on remaining operations

* Preliminary results subject to change

- No changes to delivery times
- No changes to retail services
- No changes to meter and permit indicia
- No changes to business mail acceptance
- Commercial mailers will continue to get appropriate postage discounts

Potential employee impact

- Projected net decrease of 8* positions
- Reassignments will be made in accordance with union collective bargaining agreements

* Preliminary results subject to change

- **Reduces Costs**
- **Improves Efficiency**
- **Puts the Right People in the Right Location with the Right Resources**
- **Transparent to Customer Services**
- **Supports our Strategic Plan**

If you wish to comment or have a question, please come to the microphone and state your:

Name

Affiliation

Comment or Question

Speakers are limited to two minutes, one opportunity per individual.

Please be courteous

Mail additional comments to:

CONSUMER AFFAIRS MANAGER

ARIZONA DISTRICT

PO BOX 21628

PHOENIX AZ 85036-1628

Must be postmarked by May 25, 2011

Thank you!