



UNITED STATES  
POSTAL SERVICE®

**Kilmer P&DC, Edison, NJ  
Area Mail Processing (AMP)  
Public Meeting**

**January 10, 2012**



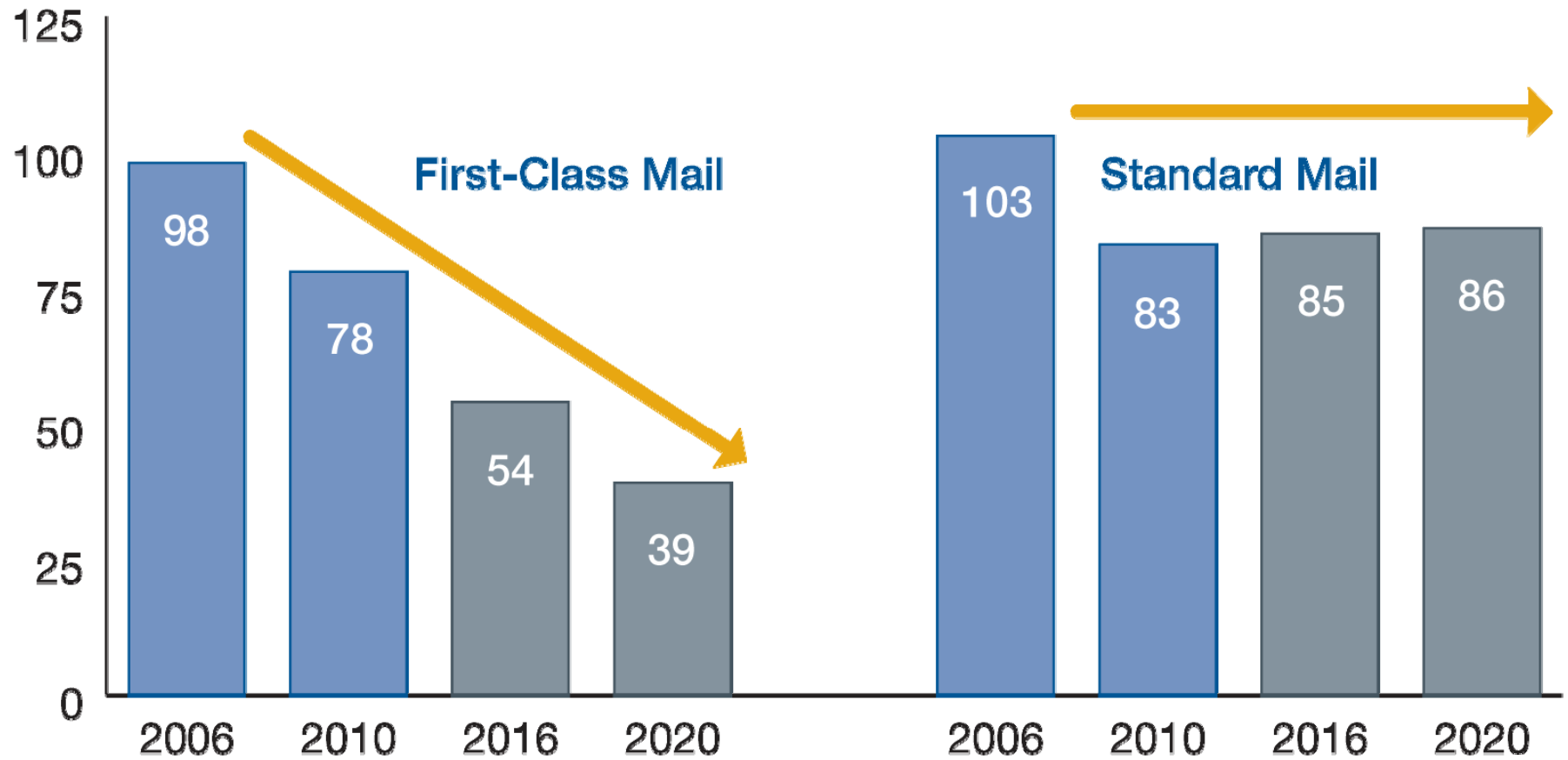
# Two Topics

**Radical  
Network  
Realignment**

**Area Mail  
Processing  
Study**



# Mail Volume Shifting to a Less Profitable Mix



Volume in Billions of Pieces

# NETWORK CAPACITY

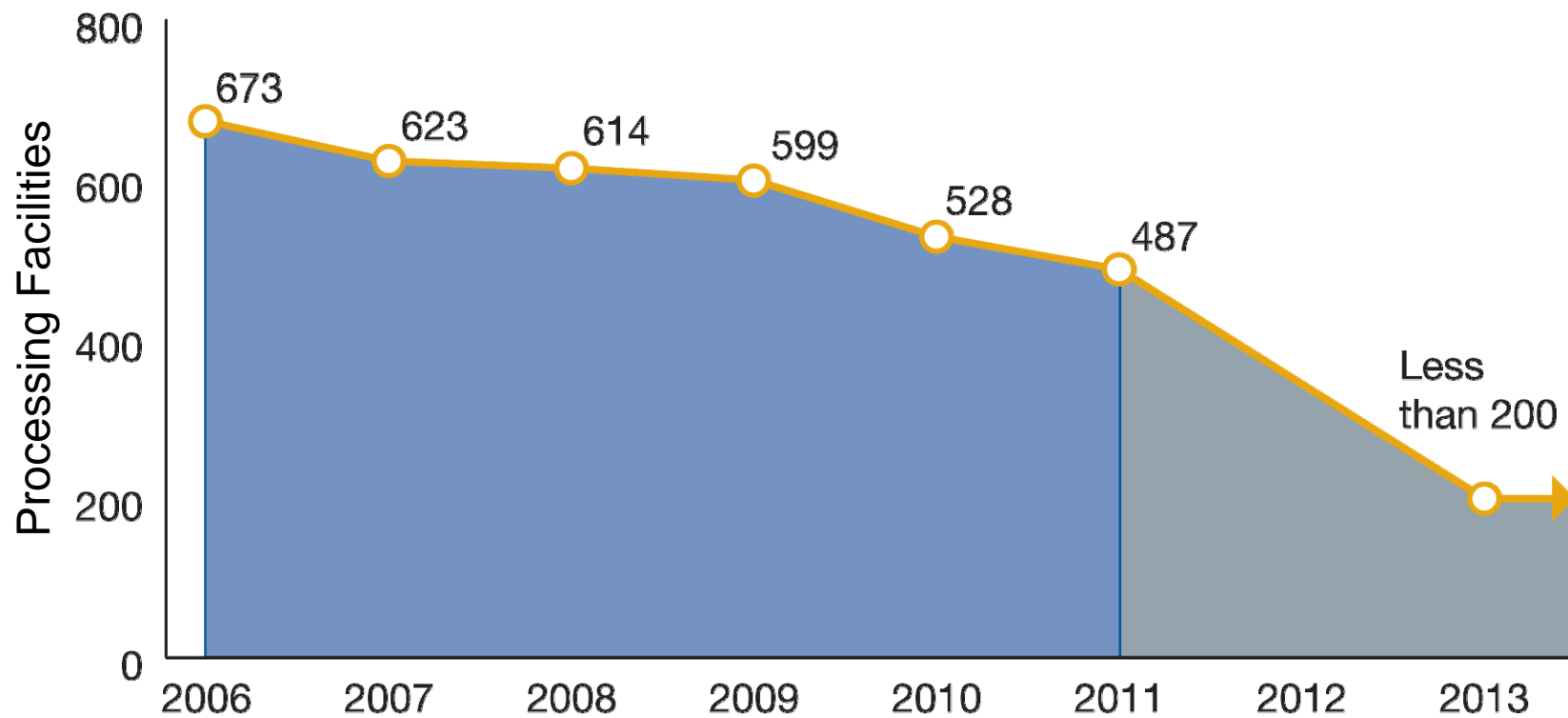
**GROWTH**  
Capacity Expansion



# NETWORK CAPACITY



## Potential Decrease in Processing Facilities Through 2013



## 487 Facilities Today



● Current Mail Processing Sites

## Studying 252 Facilities for Potential Consolidation



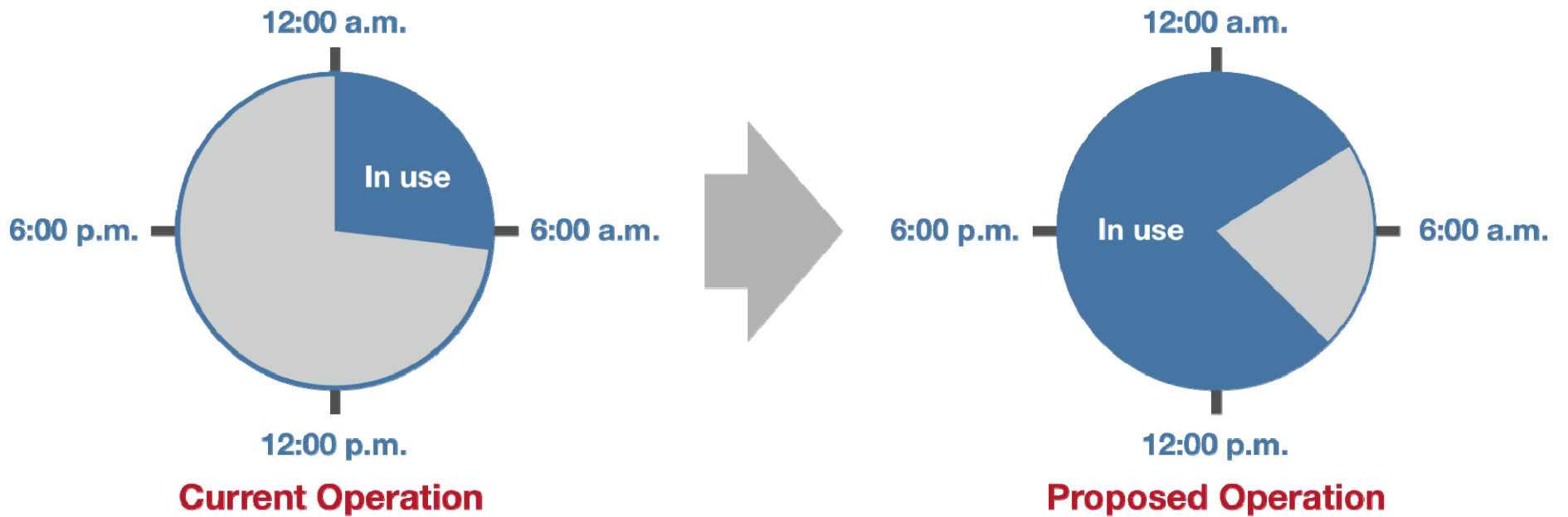


## Potential Network





**Mail Processing Facility**



## **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
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## OUR APPROACH

- Ongoing communication and collaborative solutions

**559,000**

Total Career Employees

**151,000**

Total Mail Processing Employees

**35,000**

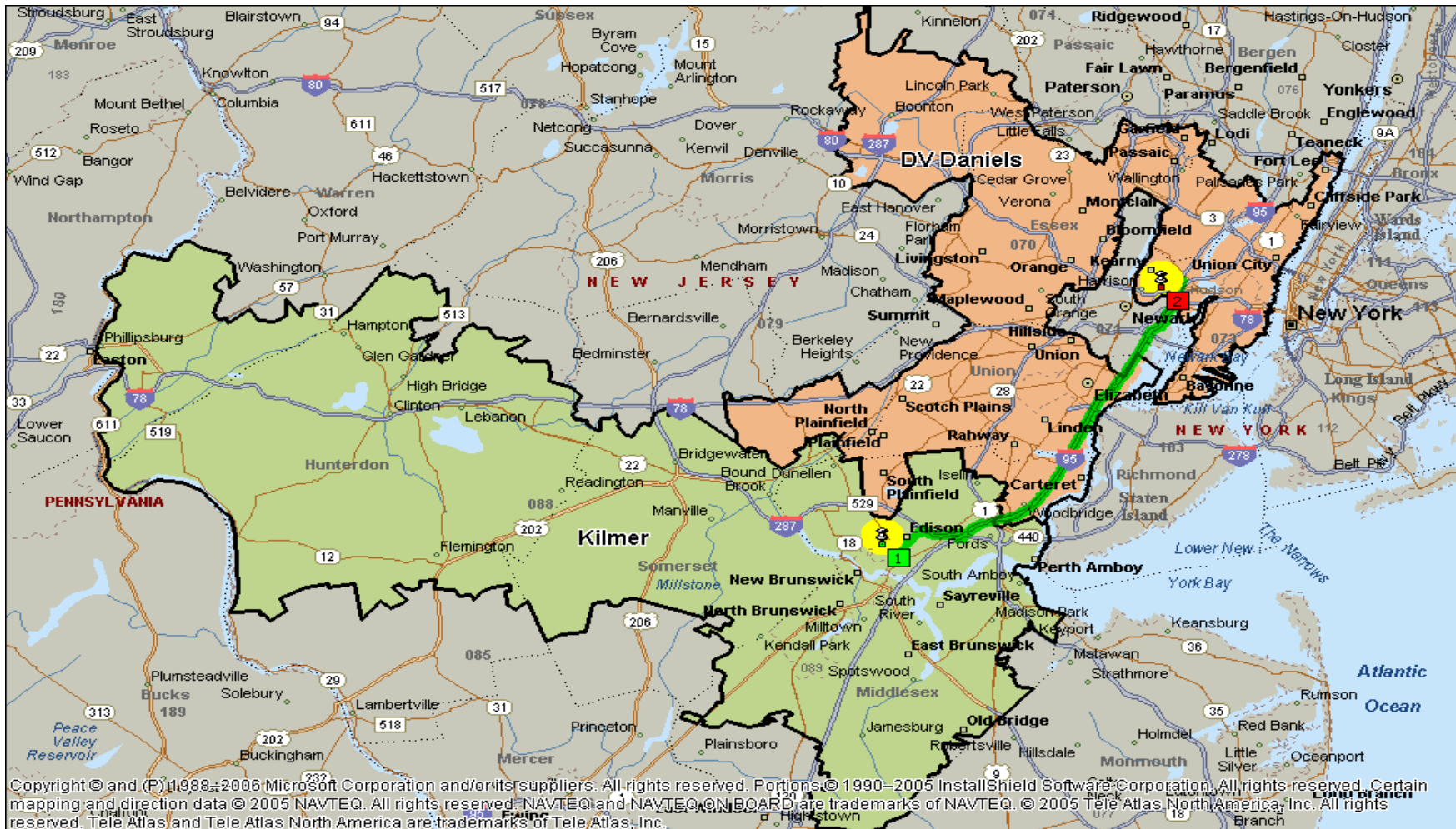
Fewer Mail Processing Positions



# Topic

**Area Mail  
Processing  
Study**

# DISTANCE BETWEEN FACILITIES – 28 miles



## BUSINESS CASE\*

Mail Processing Workhour Savings:	\$6,887,431
Mail Processing Management Savings:	\$2,329,409
Maintenance Savings:	\$8,044,816
Transportation <b>Costs</b> :	(-\$1,073,826)
Proposed Annual Savings:	\$17,052,238

**Note: Major categories are listed above**

**\*Preliminary results subject to change**



## EMPLOYEE IMPACTS\*

Net craft impacts: -236

Net management impacts: -9

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  
Northern NJ District  
494 Broad Street  
Newark NJ 07102-9331**

*Must be postmarked by* **January 25, 2012**