

# Welcome

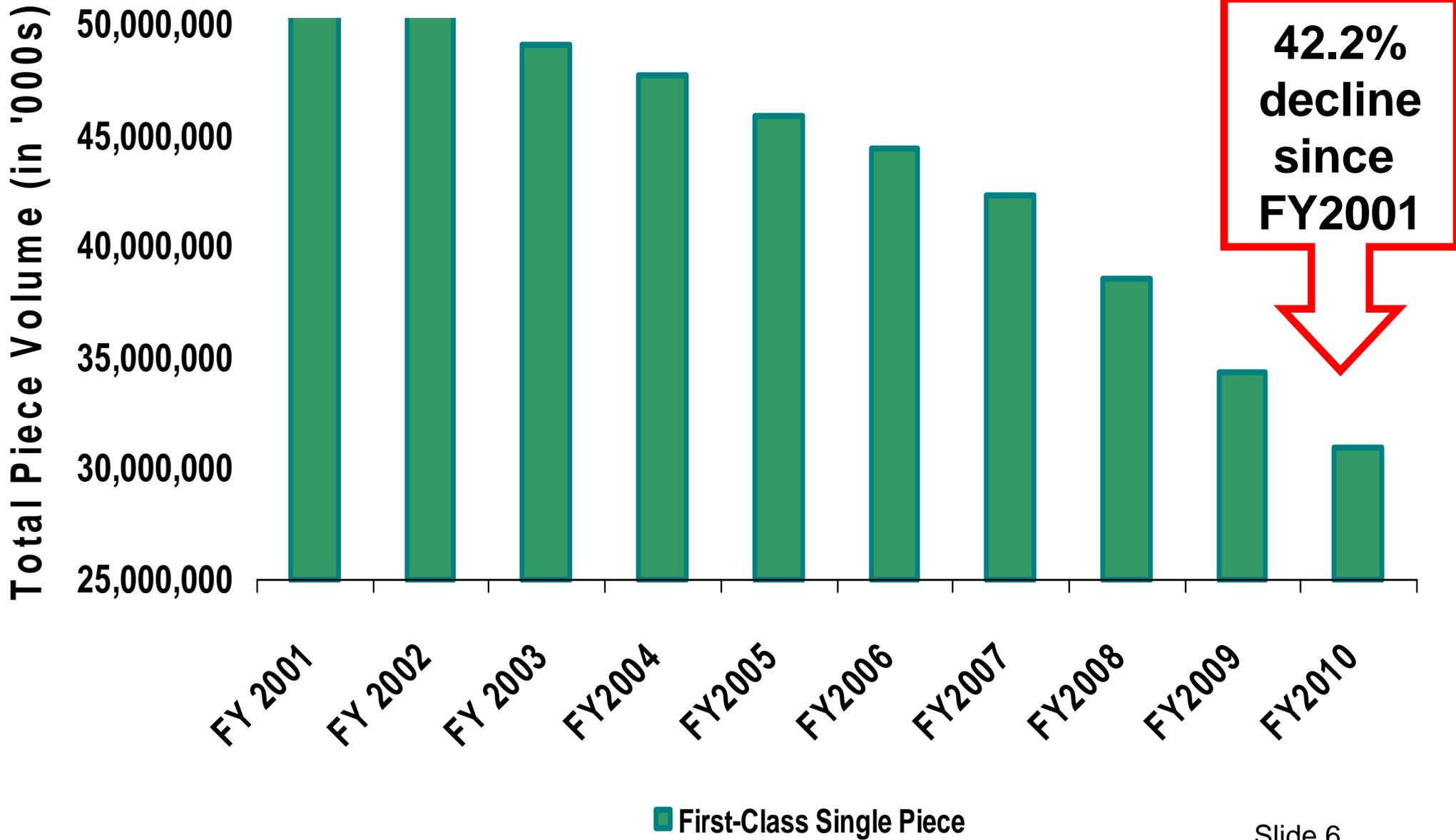
**Mankato, MN  
Area Mail Processing (AMP)  
Public Meeting  
August 24, 2011**

- **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**
- **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**

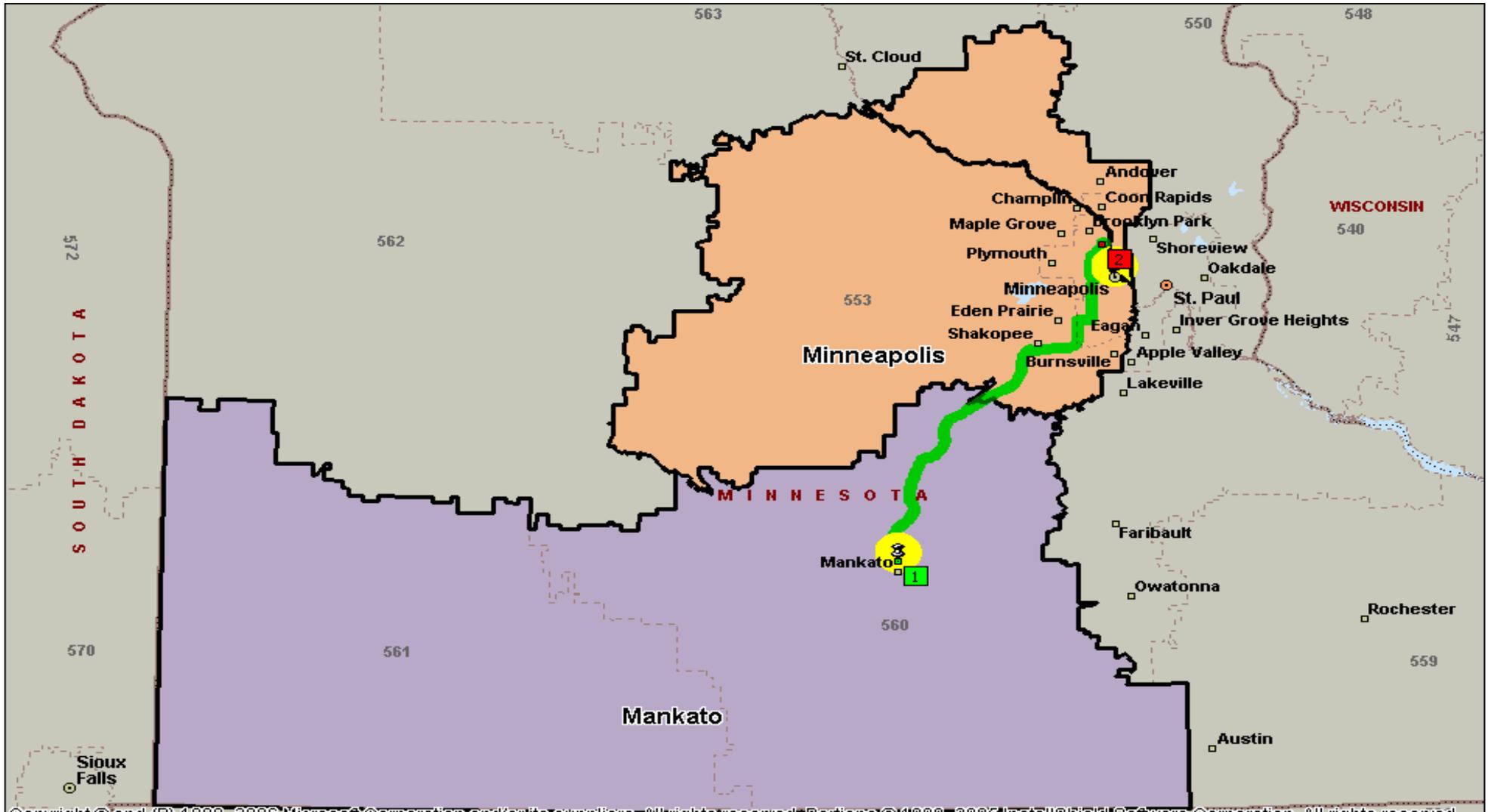
- Upgrade 2-day to Overnight
  - Mankato to St Paul
  - Mankato to St Cloud
  
- Downgrade Overnight to 2-day
  - Mankato to Sioux City
  - Mankato to Sioux Falls

## **Customer & Delivery Services**

- Delivery Services
- Customer Services
  - Retail Hours
  - Business Mail Acceptance
  - Drop Shipment

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

**Distance: Approx. 85.4 miles between facilities**



## Proposed Annual Savings of \$965,140 \*

|                                   |            |
|-----------------------------------|------------|
| Mail Processing Employee Savings: | \$697,502  |
| Mail Processing Management Costs: | (\$12,608) |
| Maintenance Savings:              | \$226,068  |
| Transportation Savings:           | \$54,178   |
| One-Time Costs:                   | (\$57,240) |

Projected net decrease of 12 positions \*

Net craft impacts: -12

Net supervisor/management impacts: 0

All bargaining employee reassignments will be made in accordance with the respective collective bargaining agreements.

\* Preliminary results subject to change

## **Benefits from consolidation**

- Annual savings
- Maximize resources
- Reduce excess capacity
- Eliminate duplicate operations
- Focus on remaining operations

- No changes to delivery times
- No changes to retail services
- No changes to meter and permit indicia
- Hours and location of business mail acceptance remains the same,

- 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**

*Please be courteous*

***Mail additional comments to:***

Manager Consumer and Industry Contact  
100 S 1st Street, Room 115  
Minneapolis, MN 55401-9631

***Must be postmarked by September 8, 2011***