

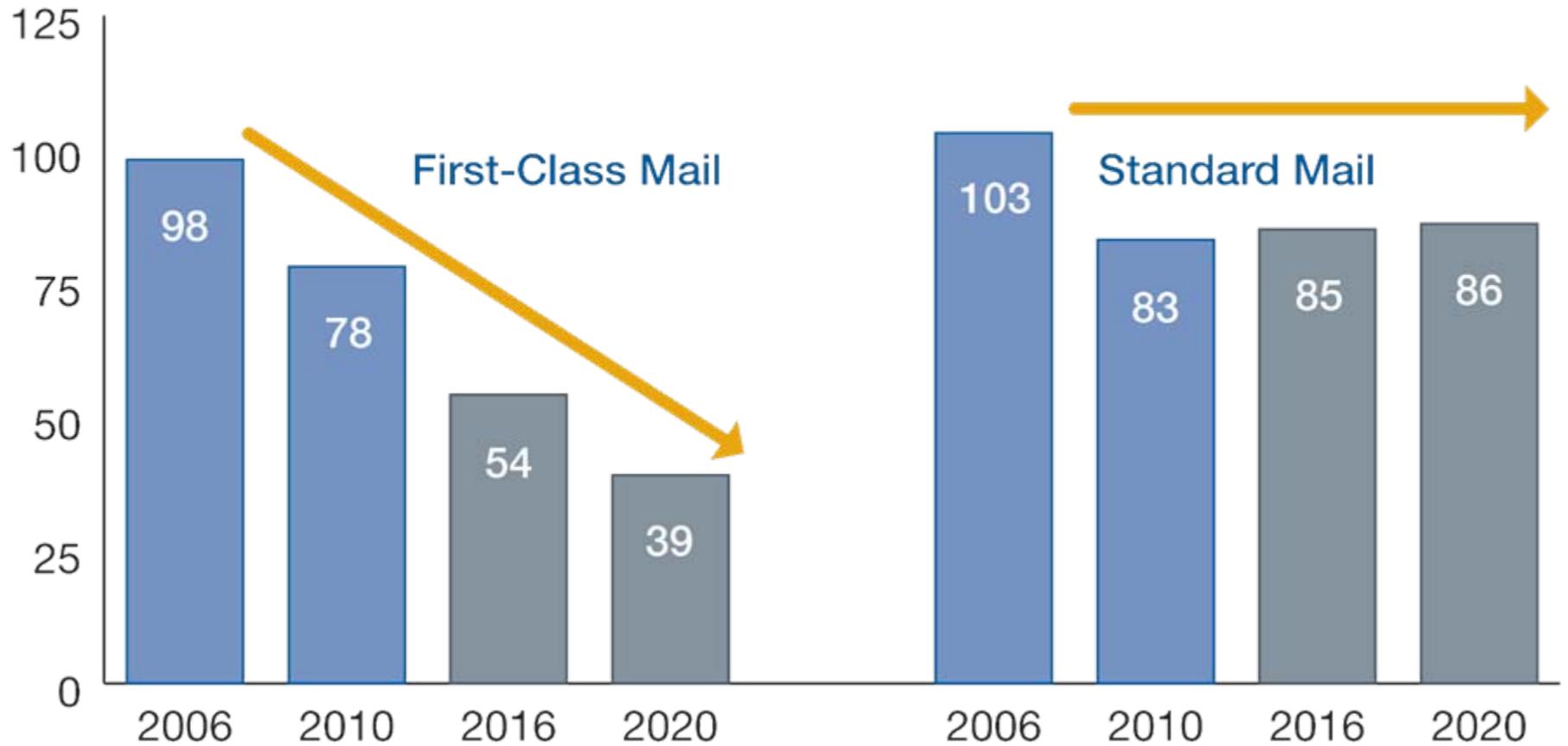
**Southern MD P&DC
Area Mail Processing (AMP)
Public Meeting**

March 8, 2013

Two Topics

**Radical
Network
Realignment**

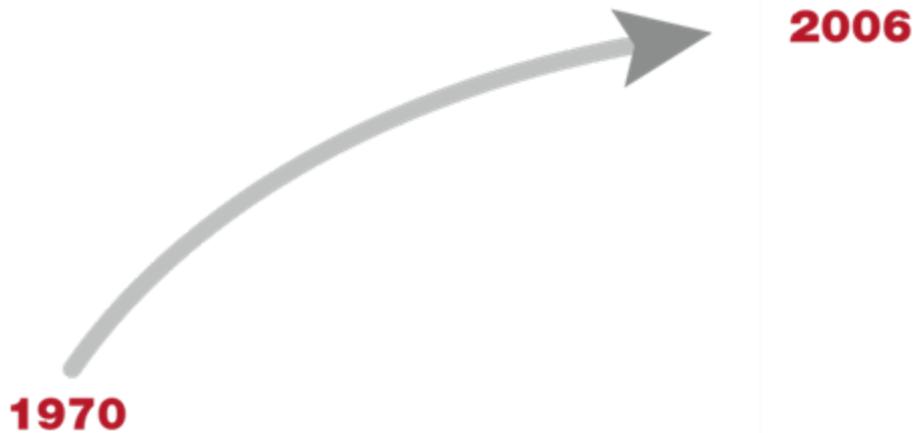
**Area Mail
Processing
Study**



Volume in Billions of Pieces

NETWORK CAPACITY

GROWTH
Capacity Expansion



NETWORK CAPACITY

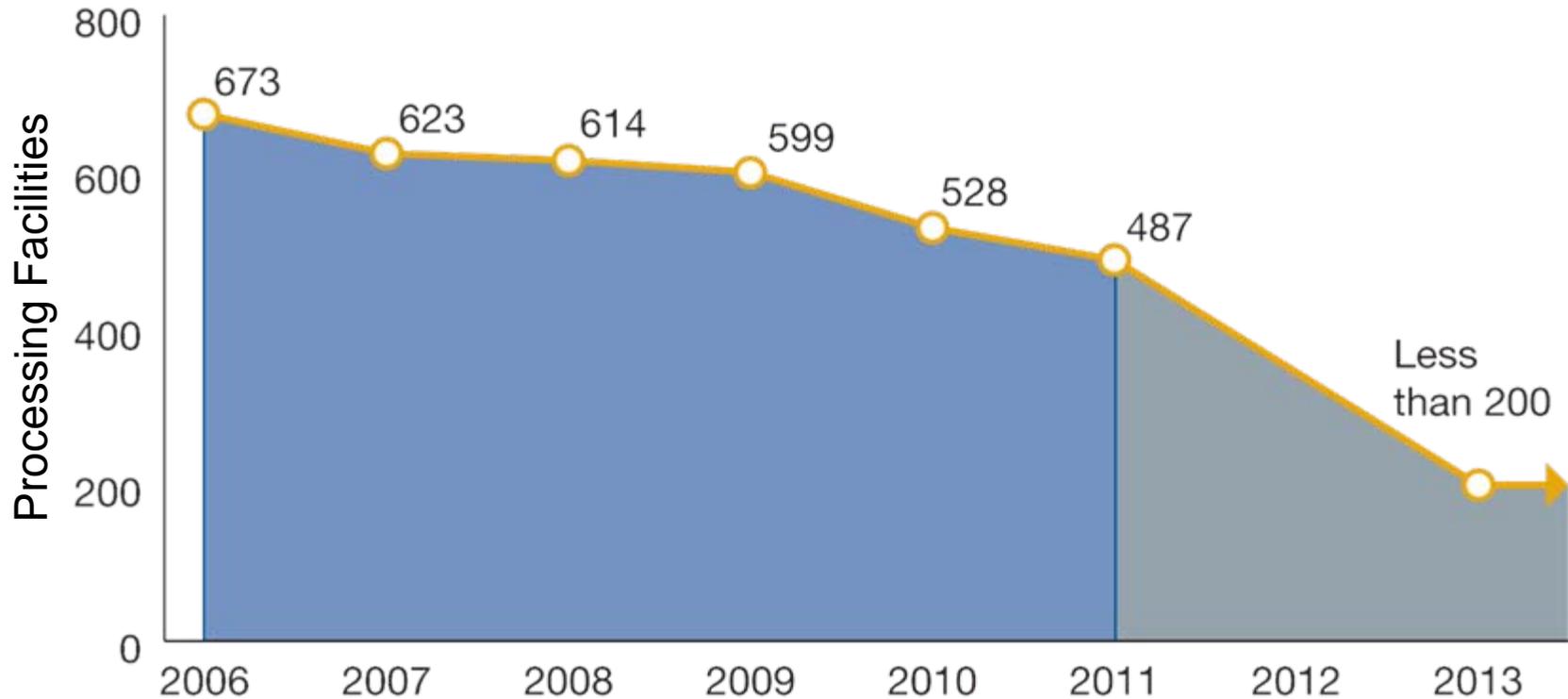
GROWTH
Capacity Expansion



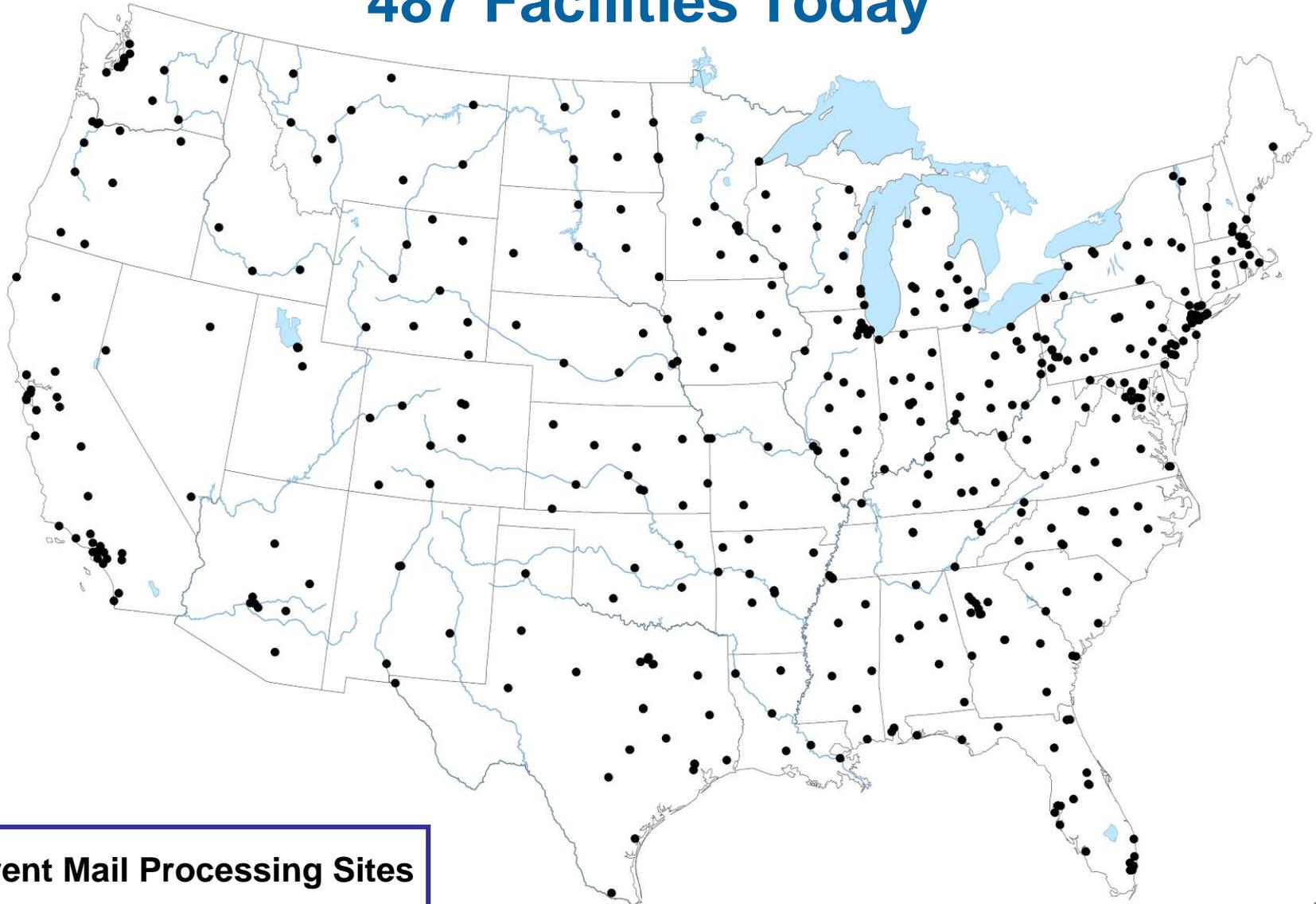
CONSOLIDATION
Excess Capacity



Potential Decrease in Processing Facilities Through 2013

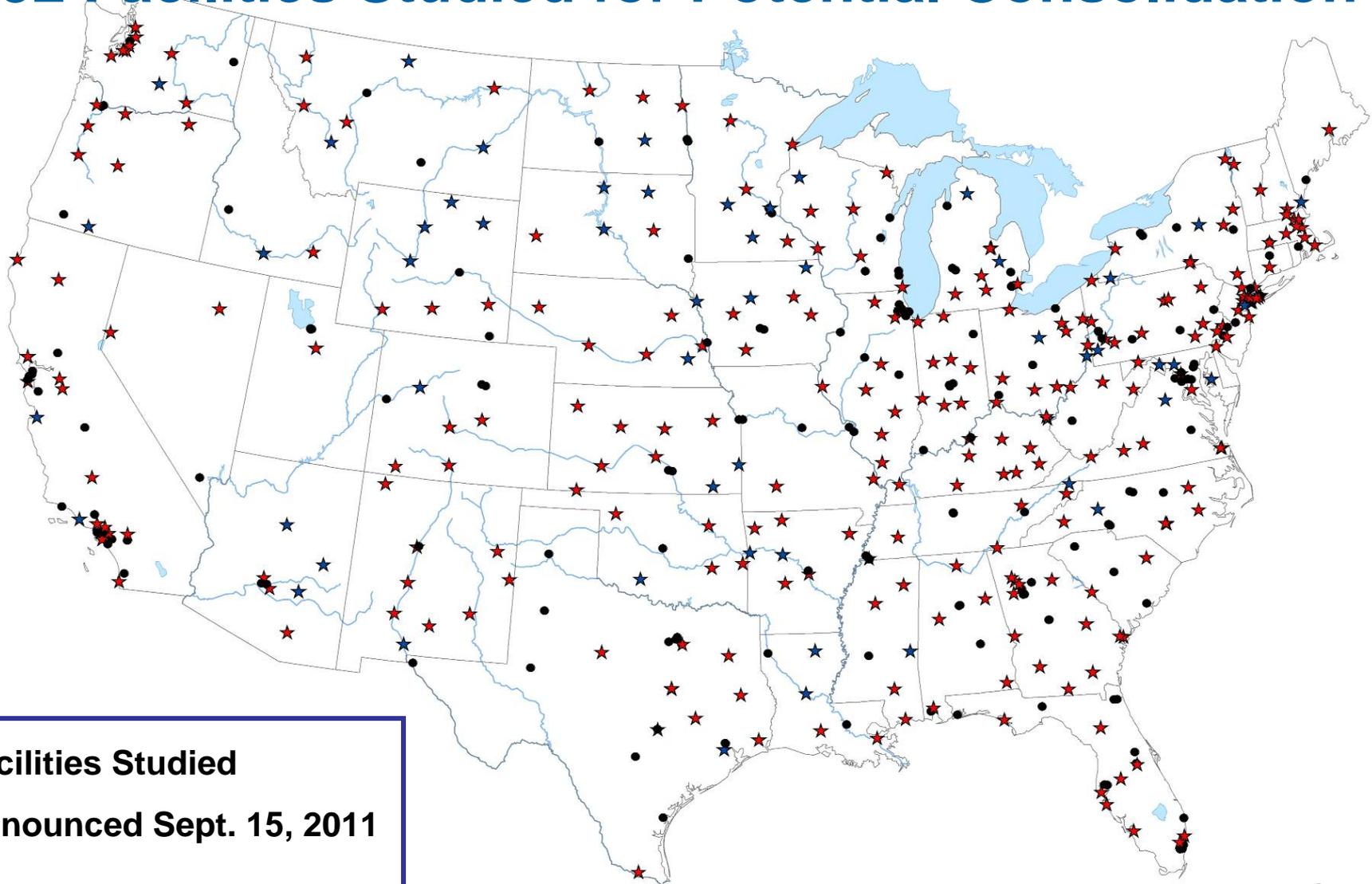


487 Facilities Today



● Current Mail Processing Sites

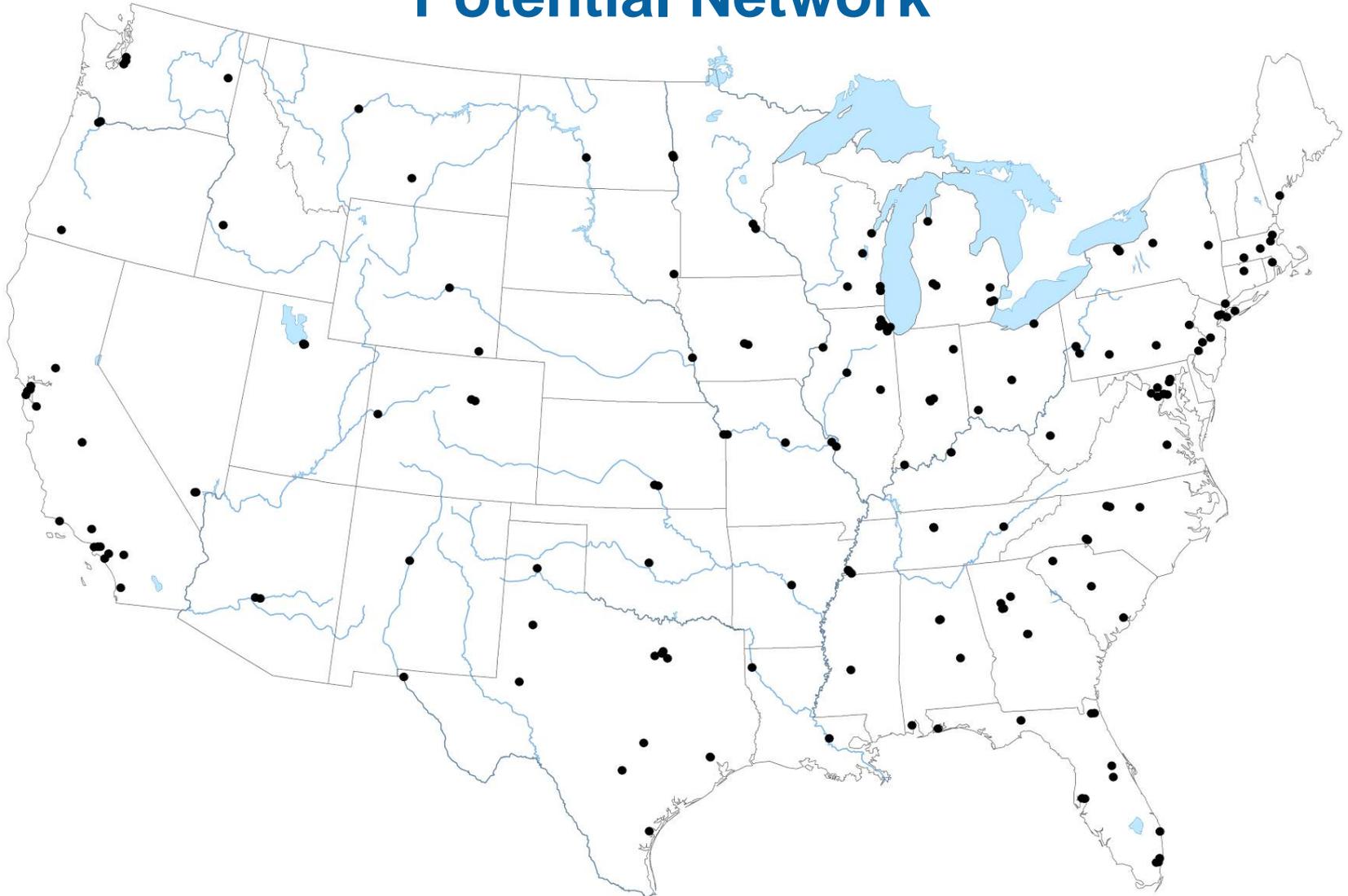
252 Facilities Studied for Potential Consolidation



★ Facilities Studied

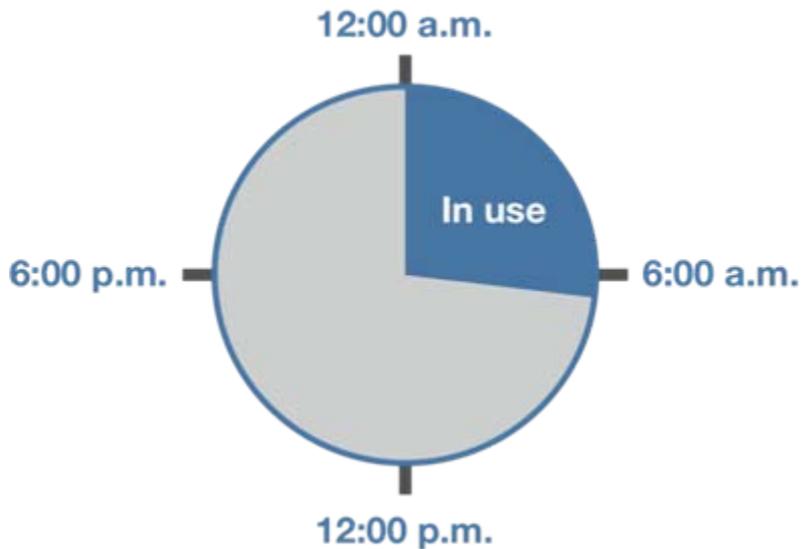
★ Announced Sept. 15, 2011

Potential Network

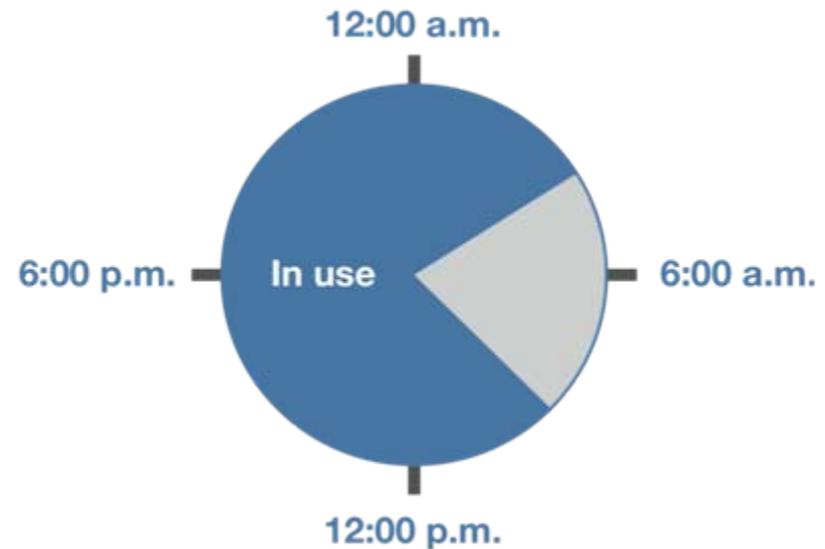




Mail Processing Facility



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

559,000

Total Career Employees

151,000

Total Mail Processing Employees

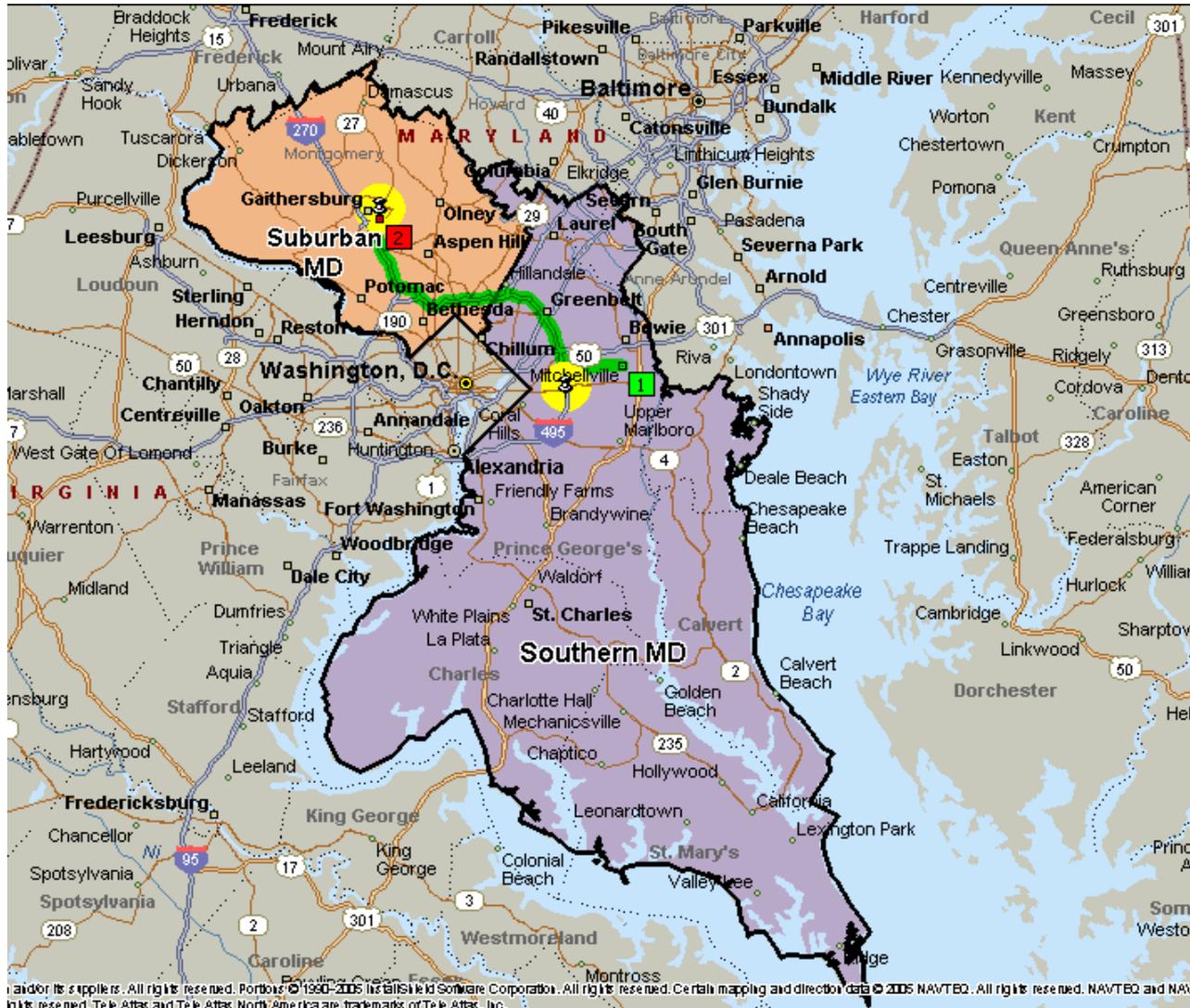
35,000

Fewer Mail Processing Positions

Topic

**Area Mail
Processing
Study**

DISTANCE BETWEEN FACILITIES – 35 miles



BUSINESS CASE*

Mail Processing Workhour Savings:	\$ 2,429,142
Mail Processing Management Savings:	\$ 218,422
Maintenance Savings:	\$ 507,278
Transportation Costs:	\$ (119,889)
<hr/>	
Proposed Annual Savings:	\$ 3,034,953

*Preliminary results subject to change

EMPLOYEE IMPACTS*

Craft Employees Impacted at Southern MD P&DC	-179
Proposed Craft Positions to be added at Suburban MD	+ 122
Net Craft Employees impacts due to consolidation	- 57
Net Management Impact	+ 5

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 and Industry Contact
Capital District
PO Box 16
Washington, DC 20044-0016

Must be postmarked by April 12, 2013