



**UNITED STATES
POSTAL SERVICE®**

**Duluth MN Processing and Distribution
Facility
Area Mail Processing (AMP)
Public Meeting**

November 10, 2011



Two Topics

**Radical
Network
Realignment**

**Area Mail
Processing
Study**



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
-

OUR APPROACH

- Ongoing communication and collaborative solutions

559,000

Total Career Employees

151,000

Total Mail Processing Employees

35,000

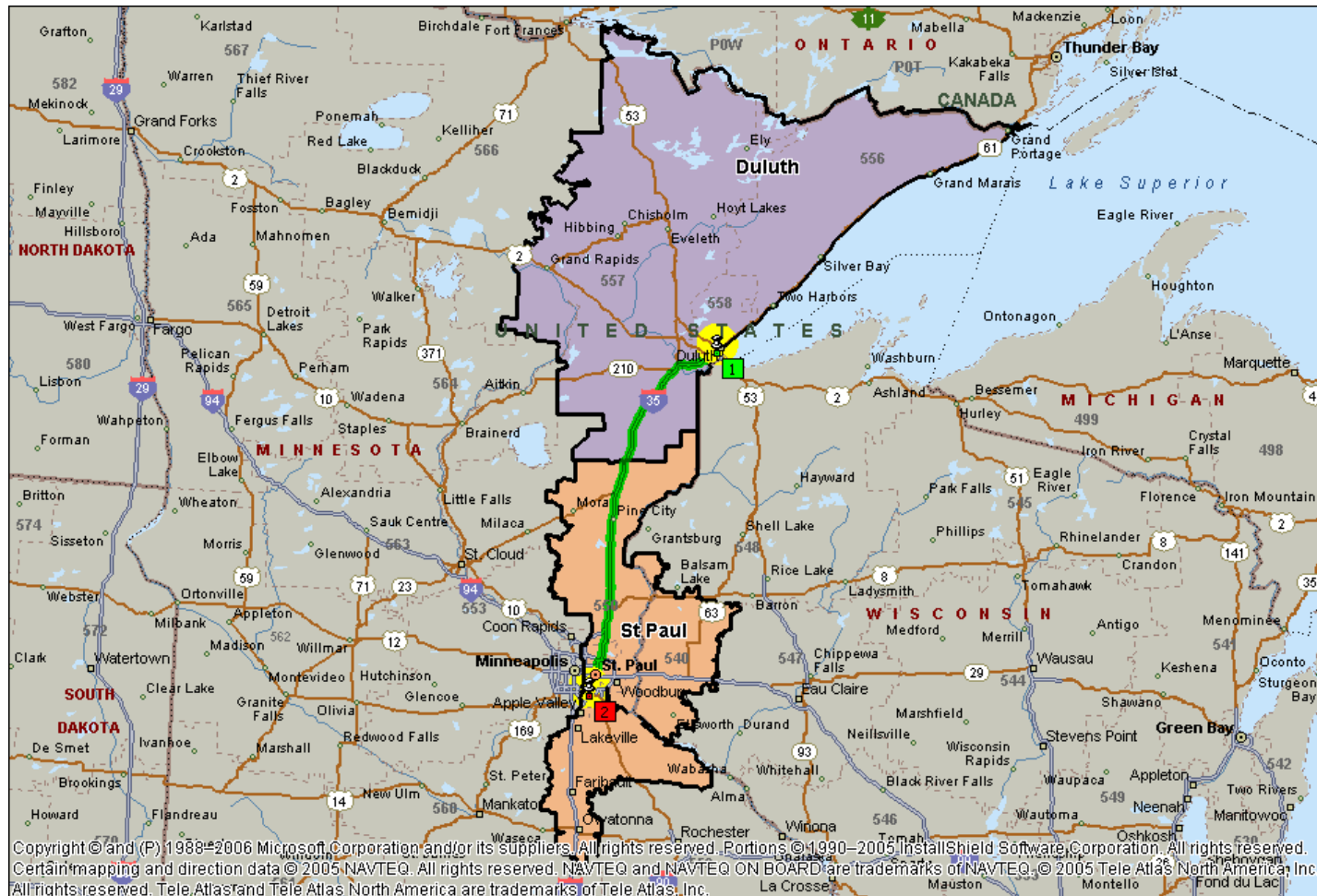
Fewer Mail Processing Positions



Topic

**Area Mail
Processing
Study**

DISTANCE BETWEEN FACILITIES – 158.7 miles



BUSINESS CASE*

Mail Processing Workhour Savings:	\$1,642,928
Mail Processing Management Savings:	\$247,228
Maintenance Savings:	\$1,581,468
Transportation Savings:	\$348,876
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Proposed Annual Savings:	\$3,849,023

***Preliminary results subject to change**

EMPLOYEE IMPACTS*

Net craft impacts: -55

Net management impacts: -3

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
Northland District
100 S 1st Street, Room 115
Minneapolis, MN 55401-9631

*Must be postmarked by **November 25, 2011***