

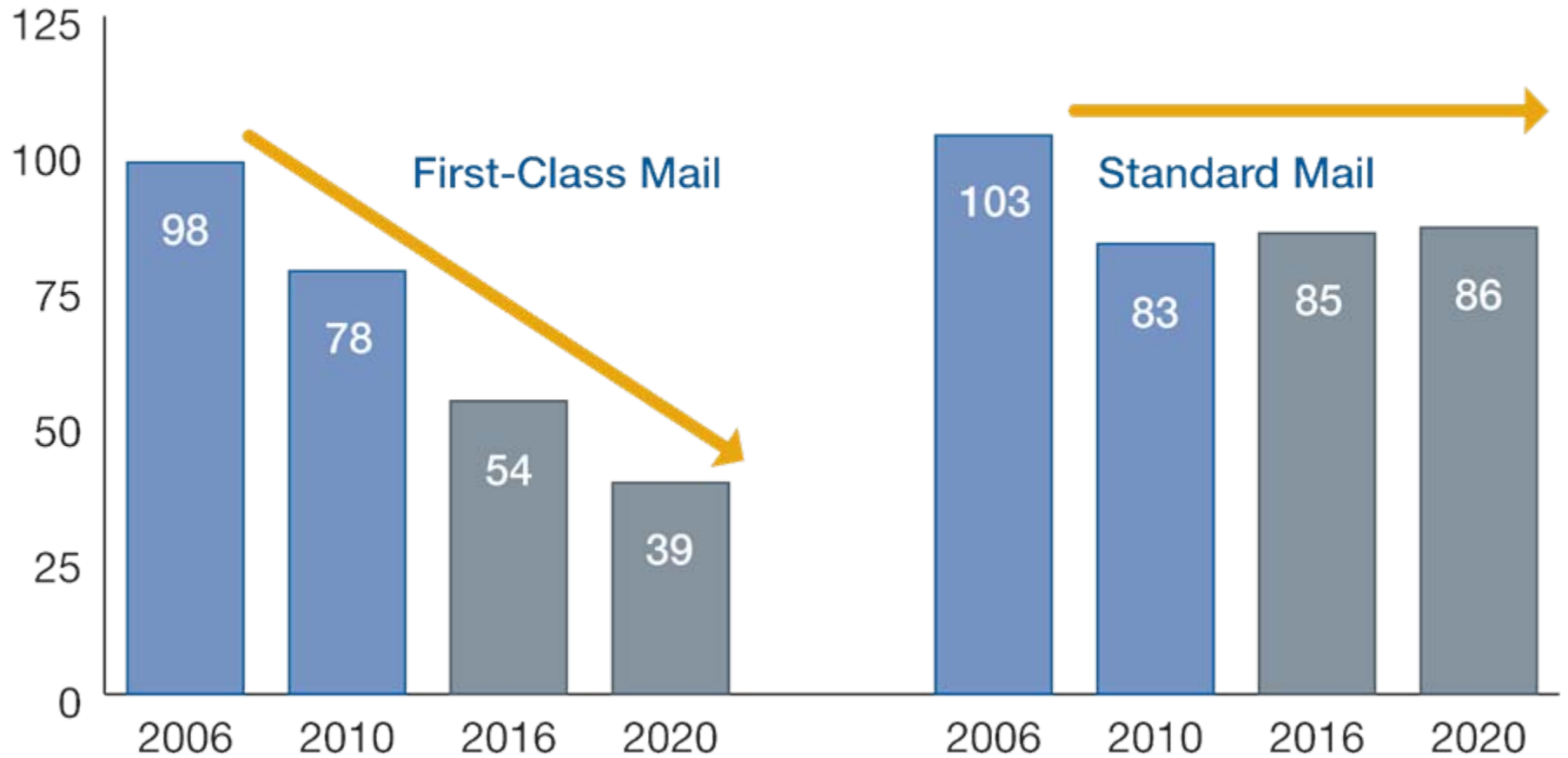
**Columbia MO
Area Mail Processing (AMP)
Public Meeting**

April 2, 2013

Two Topics

**Radical
Network
Realignment**

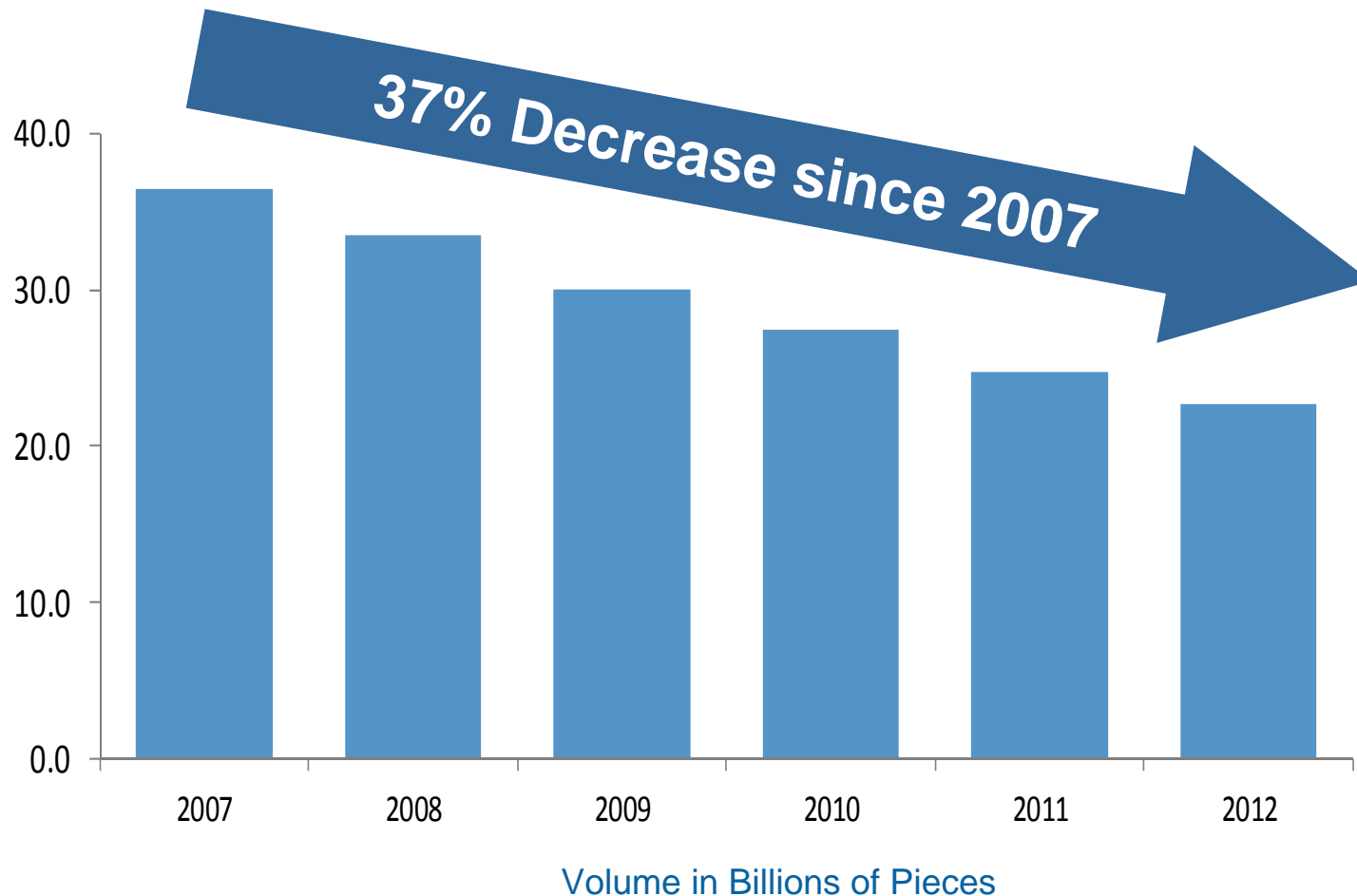
**Area Mail
Processing
Study**



Volume in Billions of Pieces

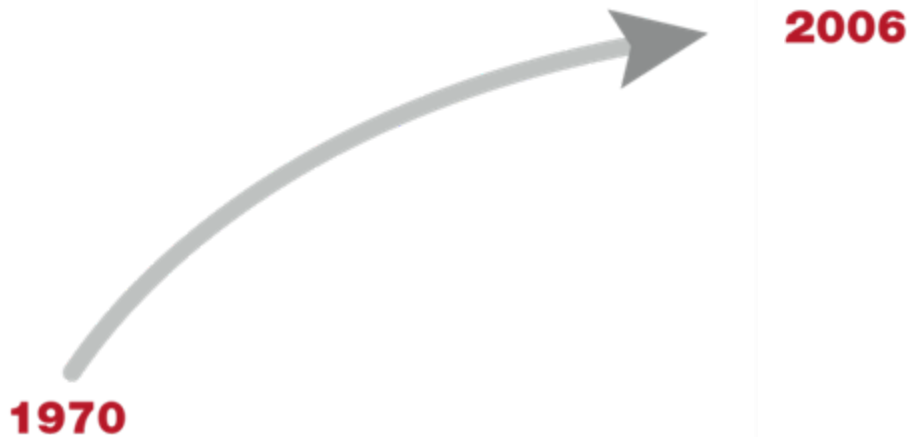
Adapting to America's Changing Mailing Habits

First-Class, Single-Piece Volumes



NETWORK CAPACITY

GROWTH
Capacity Expansion



NETWORK CAPACITY

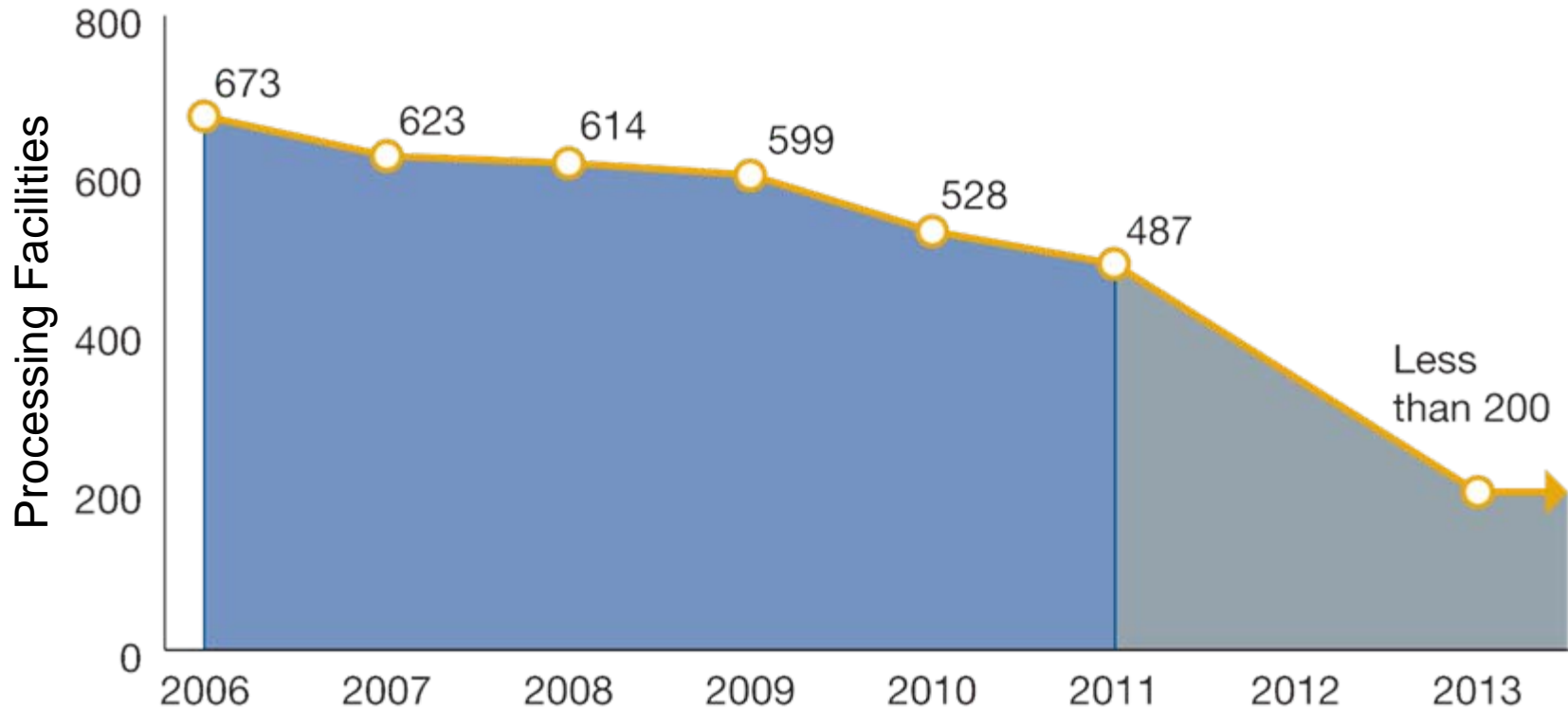
GROWTH
Capacity Expansion



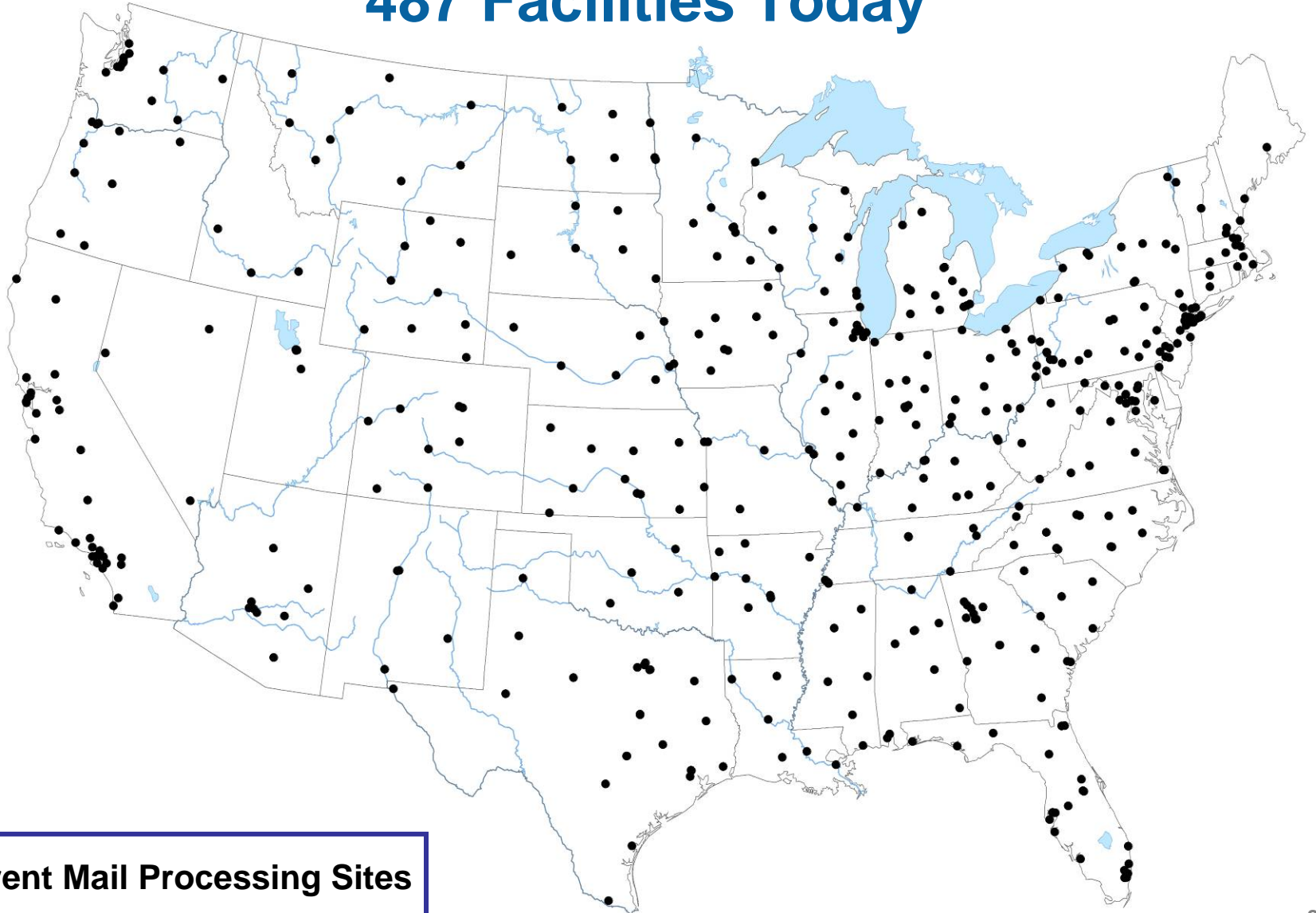
CONSOLIDATION
Excess Capacity



Potential Decrease in Processing Facilities Through 2013

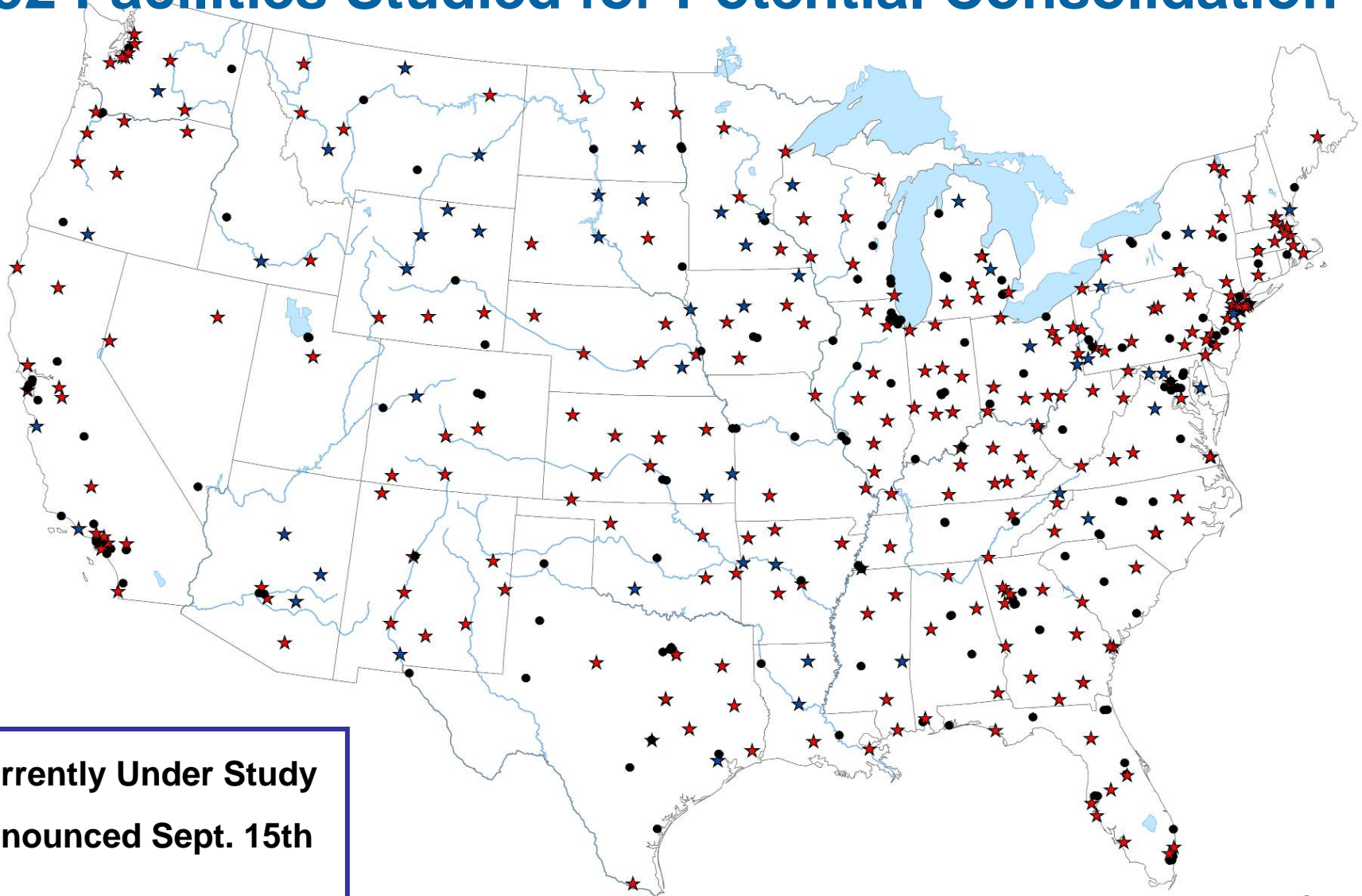


487 Facilities Today



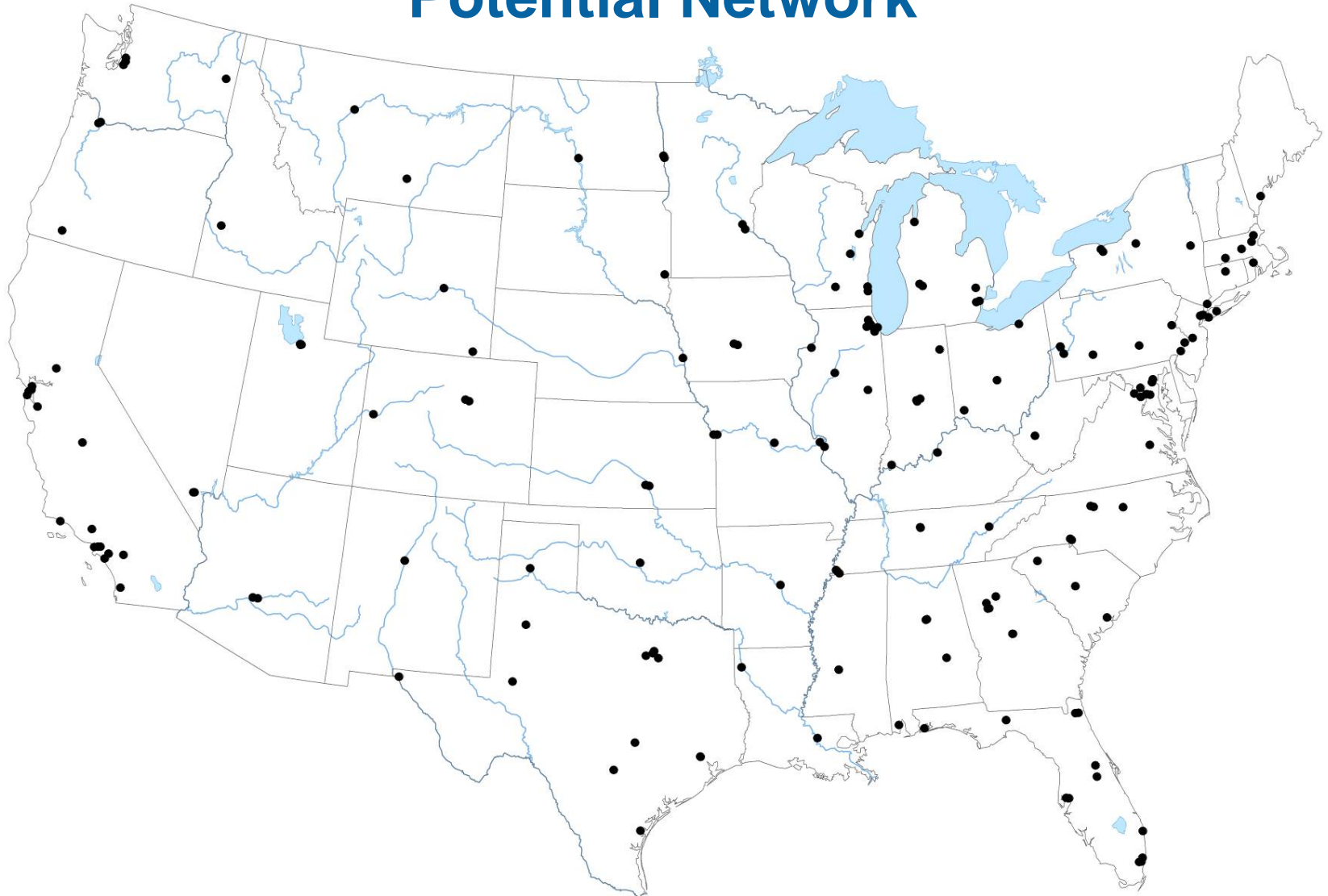
● Current Mail Processing Sites

252 Facilities Studied for Potential Consolidation



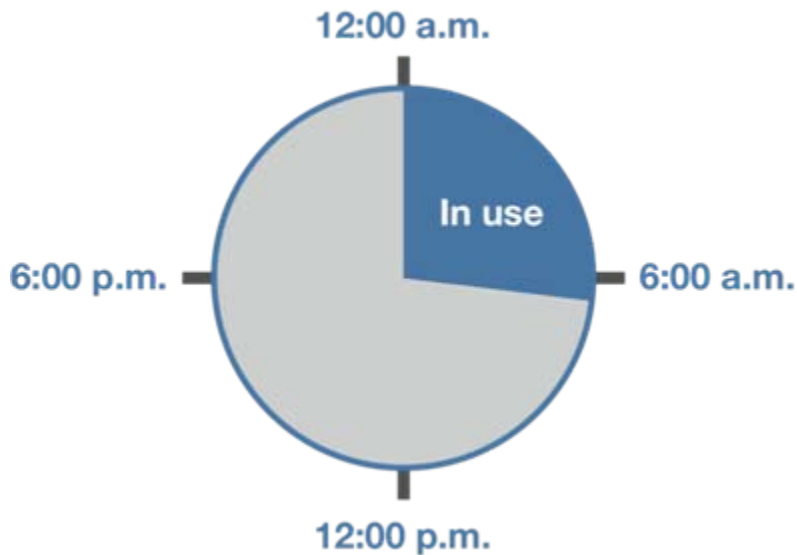
- ★ Currently Under Study
- ★ Announced Sept. 15th

Potential Network

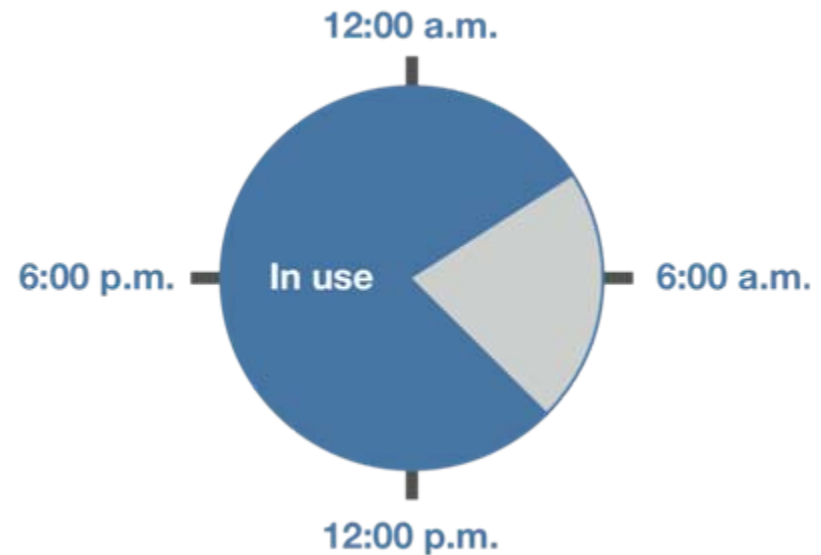




Mail Processing Facility



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

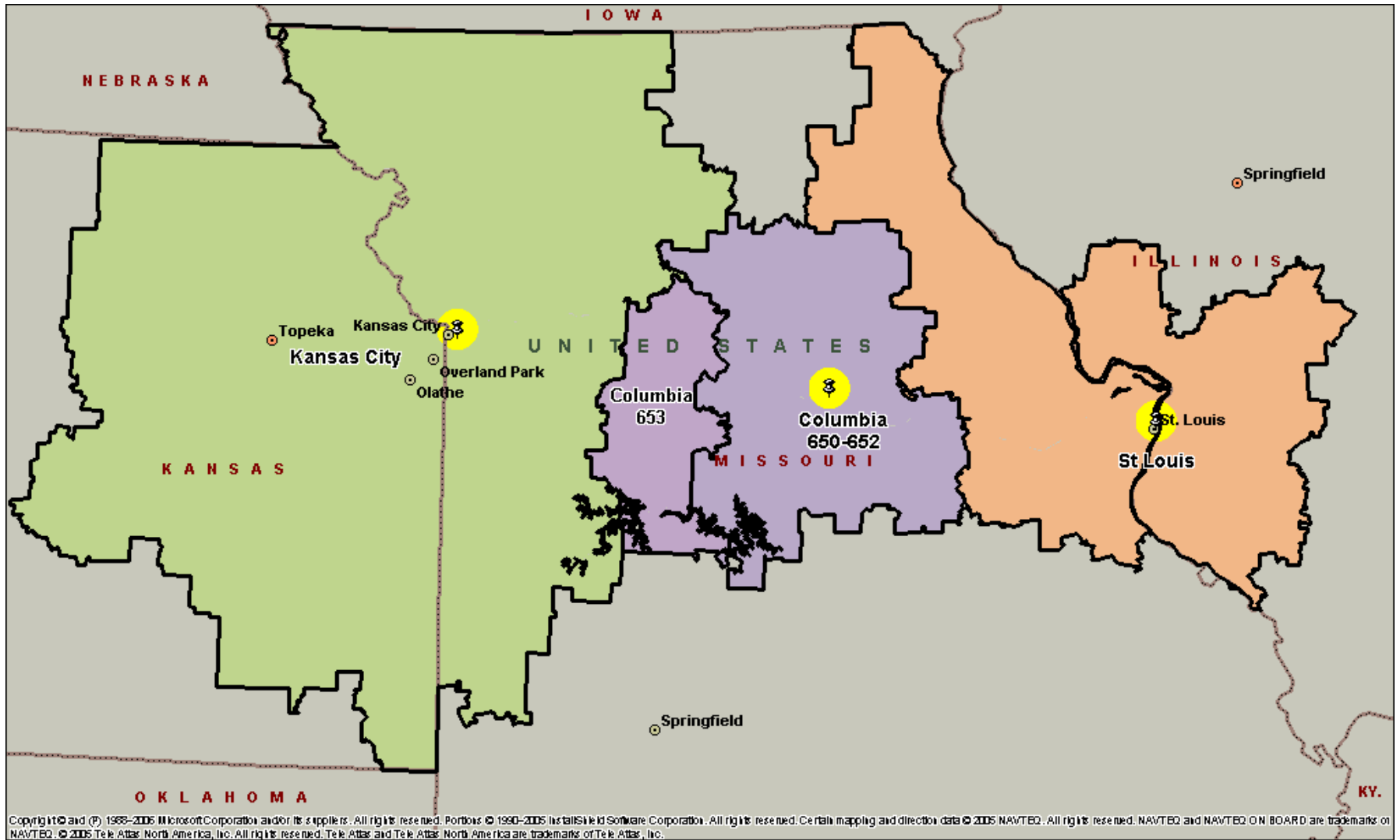
35,000

Fewer Mail Processing Positions

Topic

**Area Mail
Processing
Study**

Driving Distance: 132.9 miles to St Louis; 136.7 miles to KC MO



BUSINESS CASE*

Mail Processing Workhour Savings:	\$1,788,132
Mail Processing Management Savings:	\$392,649
Maintenance Savings:	\$1,163,711
Transportation Savings:	\$806,218
<hr/>	
Proposed Annual Savings:	\$4,150,710

*Preliminary results subject to change

EMPLOYEE IMPACTS*

Net bargaining employee impacts: -42

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
Gateway District
1720 Market St., Room 1015
St. Louis MO 63155-9511

*Must be postmarked by **April 17, 2013***