Industry Association Executives Monthly Briefing

9/30/2011
9:00 am – 11:00 am
USPS HQ
Room 7801

Industry Association Attendees:

Maynard Benjamin; Paul Boyle; Jerry Ceresale; Tony Conway; Ben Cooper; Jim Cregan; Hamilton Davison; Gene DelPolito; Ken Garner; Donna Hanbery; Keith Judkins; Pierce Myers; Tonda Rush; Art Sackler; Mury Salls, Bob Galaher; David Steinhardt

Postal Attendees:

P. Donahoe, R. Stroman, P. Vogel, M. Brennan, E. Burgoyne, M. Gibbons, J. Corbett, D. Williams, S. LaChance

Postal Guests: Marie Therese Dominguez, Sam Pulcrano, Gary Reblin, S. Owens

Agenda

Opening Remarks	P Donahoe	5
Month in Review	P. Donahoe	20
Financial Update	J. Corbett	15
Legislative Update	P. Donahoe	15
Industry Discussion		20
Network Optimization Outreach Efforts	D. Williams	15
Closing Remarks	P. Donahoe	10

Additional Information

Security Arrangements: Pete Allen, Deborah Branagan

Resource Persons: Pete Allen, Deborah Branagan
MeetingPlace set up:
Room access: 7801
Special notes:

Next Meeting: Oct 25, 2011 (1:00-3:00) Room 4841

Hocking, Wendy A - Washington, DC

From: Williams Jr, David E - Washington, DC
Sent: Thursday, September 29, 2011 11:41 AM
To: LaChance, Susan M - Washington, DC; Owens, Sharon - Washington, DC; Finazzo, Krista A - Washington, DC; Pulcrano, Samuel M - Washington, DC; Dominguez, Marie Therese - Washington, DC
Subject: FW: Industry Association Executives Monthly Briefing Agenda
Attachments: 2011 09-30 Industry Assoc Exec Mtg Agenda.pdf; Network Optimization Industry Briefing v3.ppt

Susan -- Attached is a draft presentation for tomorrow's industry meeting on Network Optimization Update. Let me know if you would like me to add, change, or delete any of the slides. I inserted slide 10 - Stakeholder Outreach status and key issues.

Susan / Krista / Sam / Marie Therese -- any feedback? Thanks

Dave

Dave

From: Ambrose, Linda J - Washington, DC **On Behalf Of** LaChance, Susan M - Washington, DC
Sent: Wednesday, September 28, 2011 11:14 AM
To: Donahoe, Pat R - Washington, DC; Stroman, Ronald A - Washington, DC; Vogel, Paul E - Washington, DC; Burgoyne, Ellis A - Washington, DC; Gibbons, Mary Anne - Washington, DC; Corbett, Joseph - Washington, DC; Williams Jr, David E - Washington, DC; Reblin, Gary C - Washington, DC; Dominguez, Marie Therese - Washington, DC; Pulcrano, Samuel M - Washington, DC; (James.Cregan@magazine.org); (kgarner@mfsanet.org); 2kjudkins@cox.net; Art Sackler (asackler@postalcouncil.org); Ben Cooper (bycooper@wms-jen.com); David Steinhardt; Donna Hanbery (hanbery@hnclaw.com); genedp@postcom.org; Hamilton Davison (hdavison@catalogmailers.org); Jerry Cerasale (jcerasale@the-dma.org); Maynard Benjamin (mhbenjamin@envelope.org); Mury Salls (mlsalls@dstmailingservices.com); paul.boyle@naa.org; Pierce Myers (pierce@parcelshippers.org); Robert Galaher; Tony Conway (tony@nonprofitmailers.org); trush@americanpressworks.com
Cc: Owens, Sharon - Washington, DC; Allen, Pete X - Washington, DC; Branagan, Deborah L - Washington, DC; Billingsley, Teresa A - Washington, DC; Broadus, Sandra T - Washington, DC; de Torok, Judy A - Washington, DC; Duncan, Angela K - Washington, DC; Spencer, Philinda M - Washington, DC; Still, Pam - Washington, DC; Gardner, Karen - Washington, DC; Cleofe, Regina G - Washington, DC; Stavely, Rhonda J - Washington, DC; Fitzgerald, Bobbie N - Washington, DC; Anderson, Alisa R - Washington, DC
Subject: Industry Association Executives Monthly Briefing Agenda

Attached is the agenda for the Industry Association Executives meeting scheduled for September 30 at 9:00 a.m. in Conference Room 7801. If you cannot attend in person, please let my assistant Linda Ambrose know and she will provide you with the call in information. She can be reached via email at Linda.j.ambrose@usps.gov.

Thank you.

Susan M. LaChance
Vice President
Consumer & Industry Affairs

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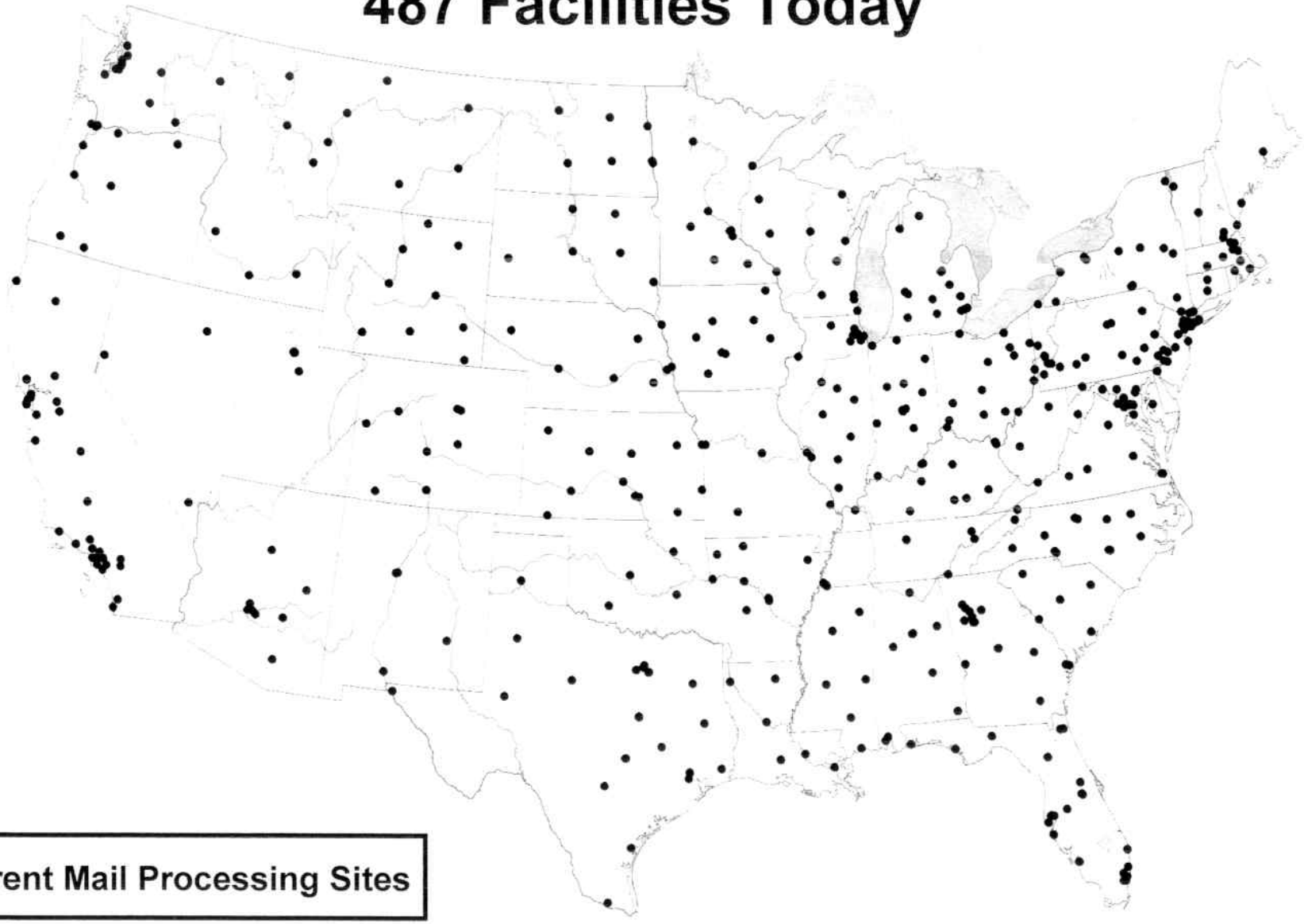
Network Optimization Concept Update

Mail Processing Facility Footprint

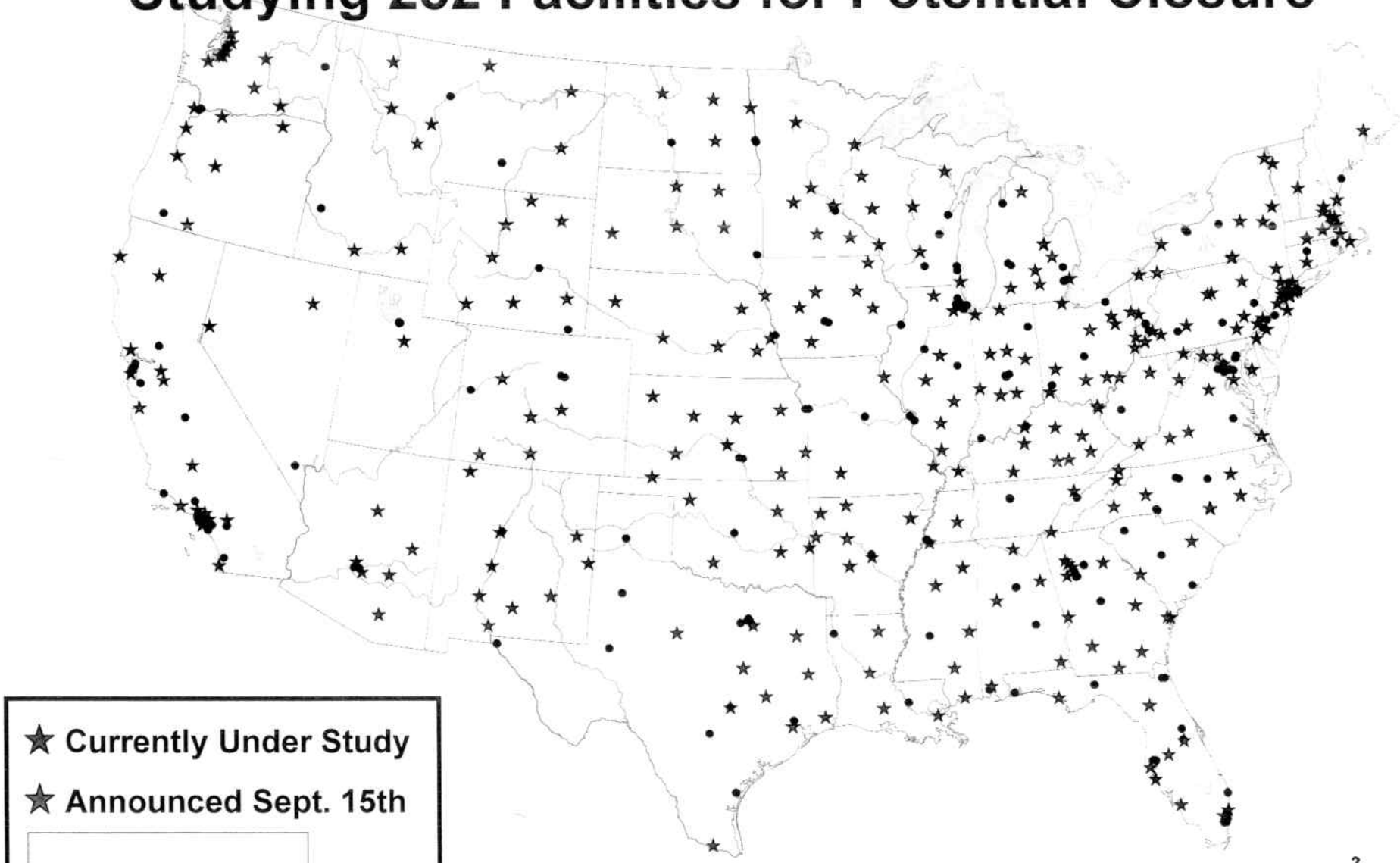
487 Facilities Today



• Current Mail Processing Sites

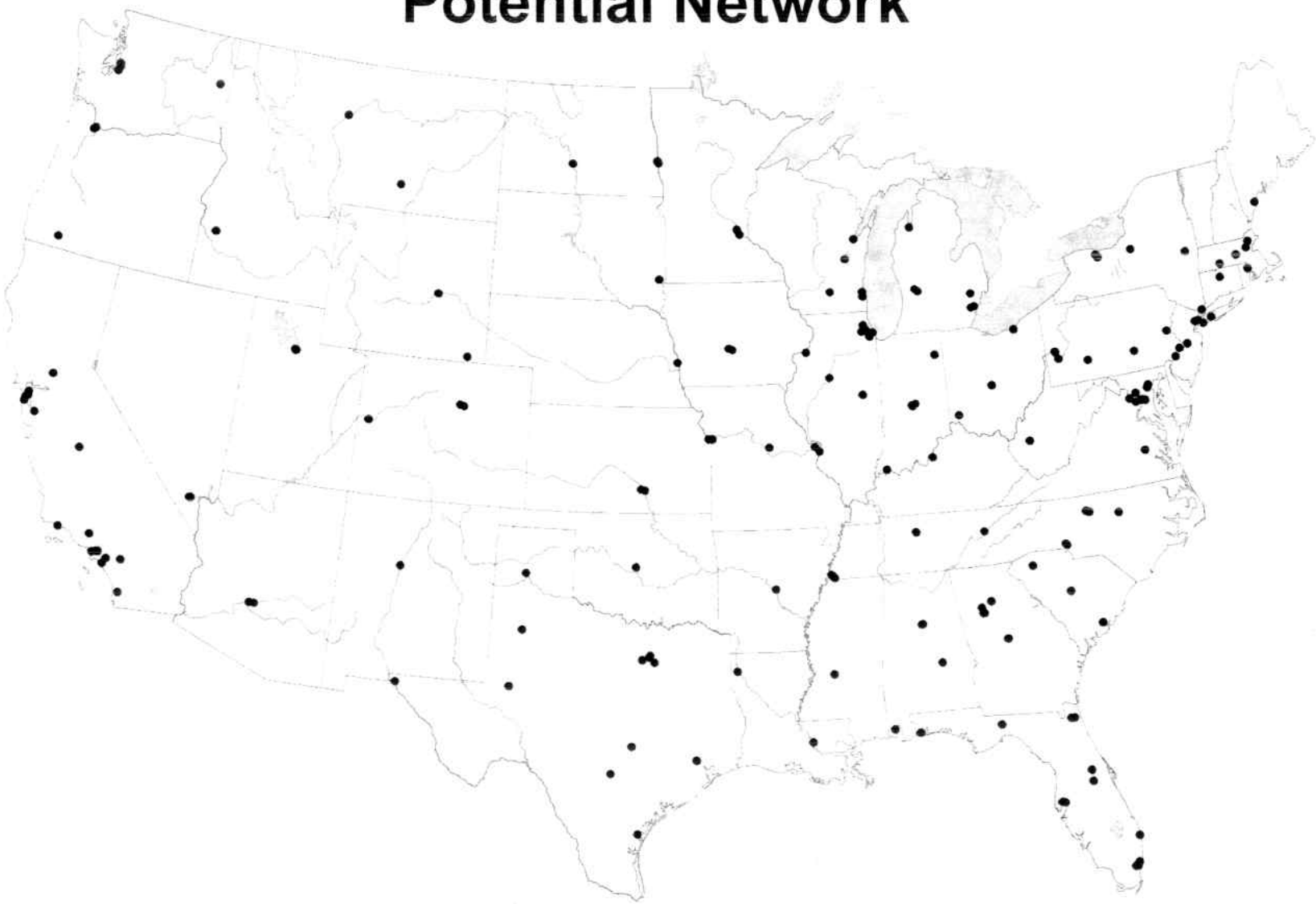
Mail Processing Facility Footprint

Studying 252 Facilities for Potential Closure



Mail Processing Facility Footprint

Potential Network

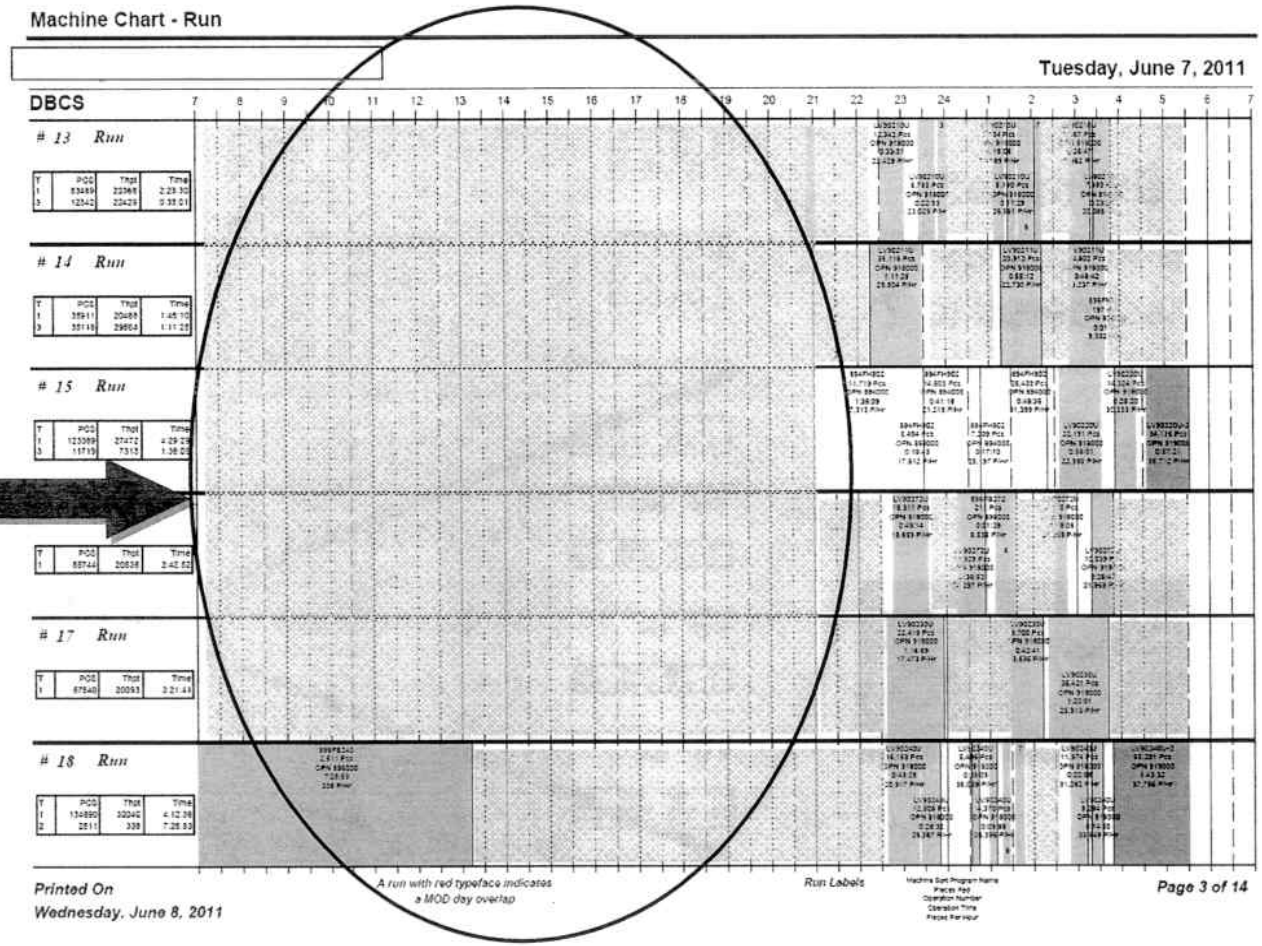


Network Optimization

Illustrative Example

Network infrastructure driven by operating windows constrained to meet current First-Class Mail overnight service commitments

IDLE CAPACITY



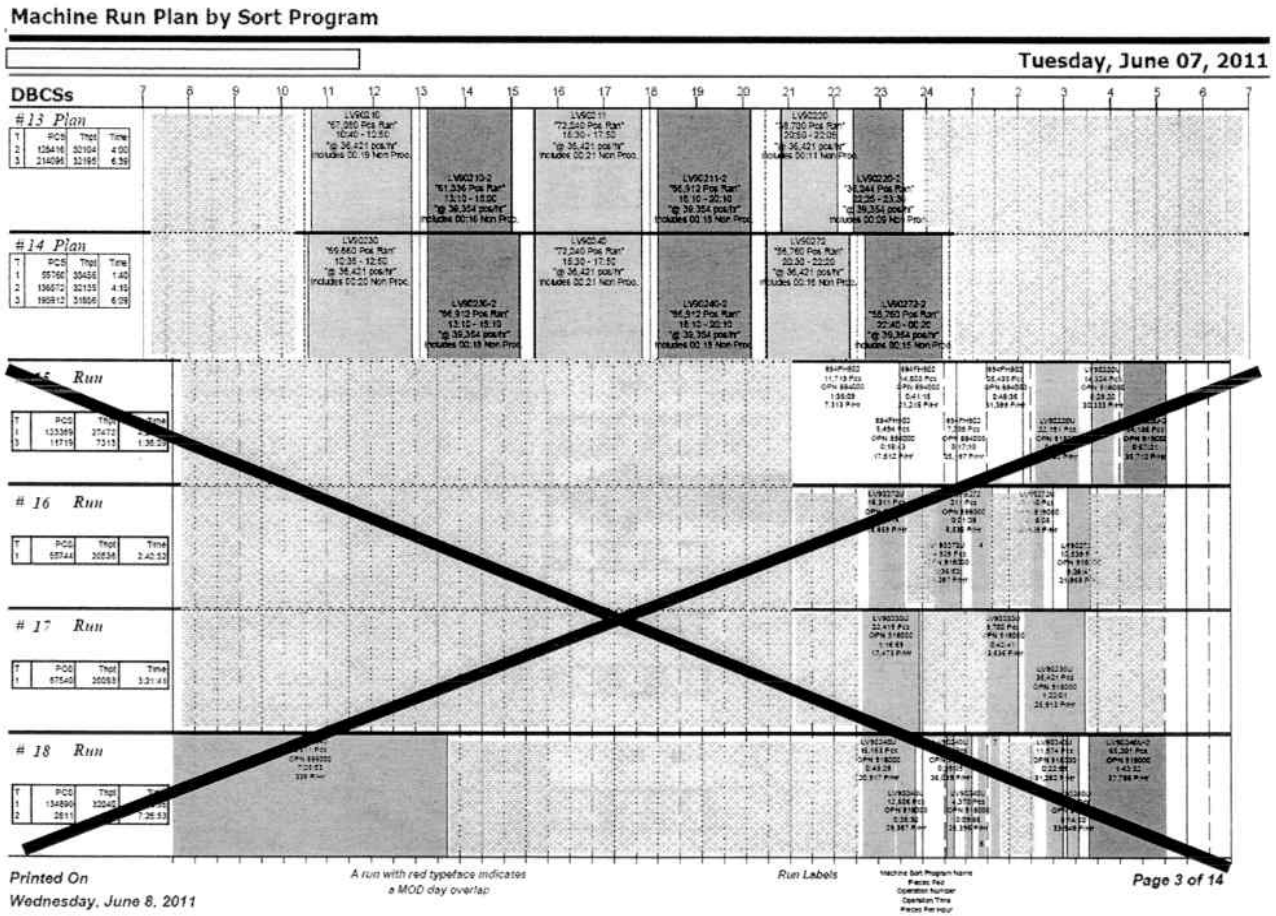
Network Optimization

Illustrative Example

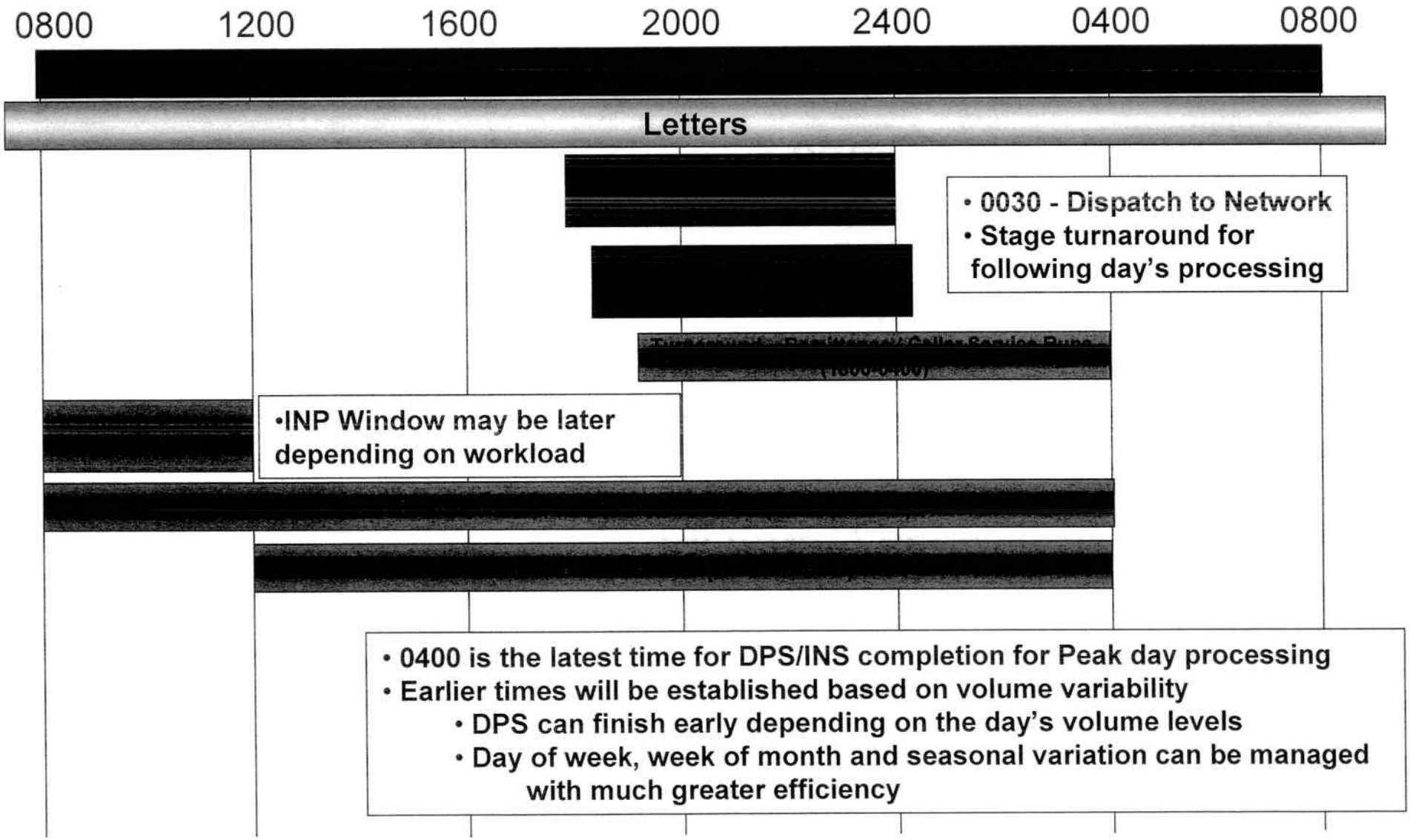
Processing Consolidated onto Significantly Fewer Machines

Example:
6 machines
consolidated to 2

Fewer machines needed for longer window



Plan for Change – Operating Concept



FUTURE NETWORK

- Support 2-3 day Service Standards
- Revised Entry Times
- Reduced Equipment ~ 50 % reduction
- Reduced Footprint

BENEFITS

- Eliminate Excess Capacity
- More Efficient Transportation Network
- Fully Utilized Workforce
- Up to $3 Billion Cost Reduction

CHANGES

- Planning for new mail processing footprint and transport pattern
- Transitioning to 2-3 day service standard

OUR APPROACH

- Industry-specific strategies
- Ongoing communication and collaborative mitigation of issues