

Q00C4QC06103264

LABOR RELATIONS



May 17, 2007

Mr. Cliff Guffey
Executive Vice President
American Postal Workers
Union, AFL-CIO
1300 L Street, NW
Washington, DC 20005-4128

RE: Q00C-4Q-C 0610364
Washington, DC 20260-4100

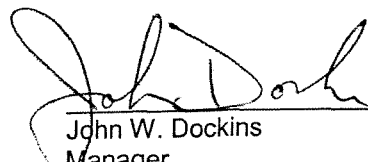
Dear Mr. Guffey:

Recently, we met to discuss the above-referenced case which is currently pending arbitration at the national level.

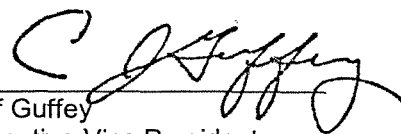
The interpretive issue presented is whether there is a violation of the national agreement, specifically Articles 1, 7, and 19, when contracts are let for a Contract Postal Unit (CPU) to contractors who do not own the property/facility.

1. The Postal Service will comply with the requirements of the existing Handbook AS-707F, Section 1.5.1, which defines a CPU as "a contractor-owned and operated facility, under contract to the Postal Service and under the jurisdiction of an administrative post office."
2. A contract postal unit may not be located on property which is owned or leased by the Postal Service.
3. As of the date of this MOU, competitor's-branded products and services, including those of UPS, FedEx, and DHL, may not be sold at any newly-established contract postal unit. Any exceptions to this exclusivity requirement may be evaluated and approved by Headquarters Retail Access Channels (or its successor).

Please sign and return the enclosed copy of this decision as your acknowledgment of the agreement to close Case Q00C-4Q-C 0610364 in its entirety and remove it from the pending national arbitration list.



John W. Dockins
Manager
Contract Administration (APWU)
USPS



Cliff Guffey
Executive Vice President
American Postal Workers Union,
AFL-CIO

Date: 5-17-07