

FREQUENTLY ASKED QUESTIONS

NETWORK CONSOLIDATION

1. What is the May 17, 2012, announcement?

The Postal Service is moving ahead with a modified plan to consolidate its network of mail processing facilities. A phased approach will be used and begin this summer.

2. Why is the Postal Service moving ahead with this plan?

The Postal Service does not have the mail volumes to justify the size and capacity of our current mail processing network. For the Postal Service to return to financial health and keep mail affordable, we must match our network to the anticipated workload. This modified plan allows the Postal Service to meet cost reduction goals, ensures a seamless process that preserves consistent service performance throughout the implementation period, and provides adequate time for customers to adapt to the network changes.

3. How will the plan be implemented?

The plan will be implemented in phases. Phase one of implementation will involve the consolidation of 140 mail processing centers between June 2012 and February 2013. Unless circumstances of the Postal Service change, phase two of implementation will involve consolidating an additional 92 mail processing centers beginning February 2014. The Postal Service had previously announced plans to implement 252 facilities consolidations the end of 2013.

4. How many mail processing centers will be consolidated?

A total of 229 of the existing 461 mail processing centers would be consolidated if the plan is fully implemented.

5. Is there a list of the mail processing centers that will be consolidated?

Yes. The list will be available at:

<http://about.usps.com/news/electronic-press-kits/our-future-network/welcome.htm>

6. Why the phased approach?

The Postal Service wants to provide a longer planning schedule for our customers, employees and other stakeholders and to enable a more methodical and measured implementation.

7. What consolidations will happen first?

The Postal Service will begin consolidating operations this summer – which mostly involve transferring mail-processing operations from smaller to larger facilities. Due to increased mail volumes predicted for the election and holiday mailing seasons, no consolidating activities will be conducted from September through December of 2012.

8. How does the affect employees?

Approximately 5,000 employees will begin receiving notifications the week of May 21 related to consolidating activities to be conducted this summer. The Postal Service is working with its unions for an employee incentive and will announce when a final decision is made.

9. Will this require a change in service standards?

Yes. The change in service standards (to be sent to the *Federal Register* on or about May 18th) will be a two-phase process that would shrink the geographic reach of overnight service to local areas. By collapsing the distance that we can provide overnight service to the distribution area served by a particular mail processing facility, the first phase would essentially preserve overnight delivery for First-Class Mail through the end of 2013. Unless the circumstances of the Postal Service change, the second phase of delivery standards will be implemented, which will further restrict overnight delivery.