## Mail Processing Facility Review Notice of Public Input Meeting

#### South Jersey P&DC in Bellmawr NJ to Philadelphia P&DC in Philadelphia PA

February 20, 2024

As part of a \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks, the U.S. Postal Service announced that it is conducting an evaluation of current operations and potential future uses of its South Jersey Processing and Distribution Center (P&DC) facility in Bellmawr NJ.

The USPS ten-year Delivering for America (DFA) plan includes initiatives to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

This specific facility review will inform the best allocation of resources and strategies to improve customer service and to achieve significant cost savings through operational precision and efficiency. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be unaffected throughout this review. The evaluation is a first step in the Postal Service review and investment process in this facility and will not result in this facility's closure or career employee layoffs.

Public input will be considered as part of the review. A public meeting will be held to share the initial results of the study and to allow members of the local community to provide their additional feedback and perspectives on the Initial Findings of the MPFR. The meeting will be held on Wednesday, March 6, 1:00 PM at the Cherry Hill Public Library, 1100 Kings Hwy N, Cherry Hill, NJ 08034. A summary of the MPFR will be posted on *about.usps.com* at least one week prior to the public input meeting.

Members of the local community may submit comments at: <a href="https://www.surveymonkey.com/r/mpfr-south-jersey-nj">https://www.surveymonkey.com/r/mpfr-south-jersey-nj</a>.

Below are some preliminary highlights from the study:

#### **Business Case**

The Postal Service is investing heavily in operations as it moves to modernize the nation's postal network, improve customer service, and achieve the organization's goal of 95% on-time delivery across all mail products.

The initial results of the facility review support the business case for keeping the South Jersey P&DC open and modernizing the facility as a Local Processing Center (LPC) with simplified processes and standardized layouts. The South Jersey LPC will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem. The facility will offer expanded and streamlined package processing capabilities in the local market and new workplace amenities for USPS employees. Additionally, the business case supports transferring some mail processing operations to the Philadelphia P&DC in Philadelphia, PA.

#### **Future of Facility**

The South Jersey P&DC will remain open and will be modernized. It will be repositioned as a Local Processing Center for destinating mail processing. It is expected that this facility will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem.

#### **Local Customers**

- Retail and other services currently available at the South Jersey P&DC will not change.
- Business mail acceptance will remain the same.
- A local postmark will continue to be available at retail post offices.
- Delivery times of mail to residence and businesses should not change throughout this review.

#### **Commercial Mailers**

- Mailers who presort mail will continue to receive appropriate postage discounts.
- Mailers who drop ship to Destination Sectional Center Facility (DSCF) can expect no changes if the MPFR is approved.

Please go to <a href="https://www.surveymonkey.com/r/mpfr-south-jersey-nj">https://www.surveymonkey.com/r/mpfr-south-jersey-nj</a>. to submit written comments. All written comments must be received by March 21, 2024.



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### USPS Proposes Improvements to Mail Operations at South Jersey **Processing Facility**

Facility to remain open and modernized as a Local Processing Center to improve mail and package flow through the region

Investments part of USPS 10-year Delivering for America plan to modernize the nation's aging postal network

#### Public meeting to be held Mar. 6

BELLMAWR, NJ — As part of a \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks, the U.S. Postal Service is conducting an evaluation of current operations and potential future uses of its South Jersey Processing and Distribution Center (P&DC) facility in Bellmawr, NJ.

The USPS ten-year Delivering for America (DFA) plan includes initiatives to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

This specific facility review will inform the best allocation of resources and strategies to improve customer service and to achieve significant cost savings through operational precision and efficiency. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be unaffected throughout this review. The evaluation is a first step in the Postal Service review and investment process in this facility and will not result in this facility's closure or career employee layoffs.

The initial results of the facility review support the business case for keeping the South Jersey facility open and modernizing the facility as a Local Processing Center (LPC). The South Jersey LPC will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem. The facility will offer expanded and streamlined package processing capabilities in the local market and new workplace amenities for USPS employees - part of the Postal Service's \$40 billion investment in the nation's aging postal network.

Additionally, the business case supports transferring some mail processing operations to the Philadelphia P&DC in Philadelphia, PA. This would mean a significant percentage of the mail collected locally will travel across the wider USPS transportation and processing network over significant distances to reach their final destinations in a more efficient manner. Mail and packages destined for outside the local area may receive better service and be more cost effectively distributed by aggregating it with mail and packages from other areas going to the same places that will likewise utilize the wider postal network and be transported significant distances from where the mail originated.

A public meeting will be held on Wednesday, Mar. 6, 1:00 PM at the Cherry Hill Public Library, 1100 Kings Hwy N, Cherry Hill, NJ 08034. USPS will share the initial results of the study and allow members of the community to provide additional oral feedback and perspectives on the Initial Findings of the MPFR. A summary of the MPFR will be posted on *about.usps.com* at least one week prior to public input meeting. Members of the local community may submit written comments at <a href="https://www.surveymonkey.com/r/mpfr-south-jersey-nj">https://www.surveymonkey.com/r/mpfr-south-jersey-nj</a>. through Mar. 21, 2024. The public's input will be considered prior to a final decision.

The Postal Service will work closely with its unions and management associations throughout the facility review and will continually monitor the impact of any changes that are implemented and will adjust plans as necessary and appropriate.

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**Please Note:** The United States Postal Service is an independent federal establishment, mandated to be self-financing and to serve every American community through the affordable, reliable and secure delivery of mail and packages to 167 million addresses six and often seven days a week. Overseen by a bipartisan Board of Governors, the Postal Service is implementing a 10-year transformation plan, *Delivering for America*, to modernize the postal network, restore long-term financial sustainability, dramatically improve service across all mail and shipping categories, and maintain the organization as one of America's most valued and trusted brands.

The Postal Service generally receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations.

For USPS media resources, including broadcast-quality video and audio and photo stills, visit the <u>USPS Newsroom</u>. Follow us on <u>Twitter, Instagram, Pinterest</u> and <u>LinkedIn</u>. Subscribe to the <u>USPS YouTube channel</u>, like us on <u>Facebook</u> and enjoy our <u>Postal Posts blog</u>. For more information about the Postal Service, visit <u>usps.com</u> and <u>facts.usps.com</u>.

## Stand-Up Talk February 20, 2024

Mail Processing Facility Review
Public Meeting to be held re: South Jersey P&DC

On January 10, we shared that we were beginning an evaluation of current operations and potential future uses for this facility. This review is part of our 10-year strategic Delivering for America plan and our \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks.

The USPS ten-year Delivering for America (DFA) plan includes initiatives to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

This specific facility review will inform the best allocation of resources and strategies to improve customer service and to achieve significant cost savings through operational precision and efficiency. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be unaffected throughout this review. The evaluation is a first step in the Postal Service review and investment process in this facility and will not result in this facility's closure or career employee layoffs.

The initial results of the facility review support the business case for keeping this facility open and modernized as a Local Processing Center (LPC). Repurposing this facility as a Local Processing Center is consistent with the broader network redesign outlined in the DFA Plan. The South Jersey LPC will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem. It will result in a revitalized, modernized, and upgraded facility with improved employee amenities and a better working environment.

Additionally, the business case supports transferring some mail processing operations to the Philadelphia P&DC in Philadelphia, PA. This will mean a significant percentage of the mail collected here will travel across our wider transportation and processing network over significant distances to reach their final destinations in a more efficient manner. Mail and packages destined for outside our local area may receive better service and be more cost effectively distributed by aggregating it with mail and packages from other areas going to the same places that will likewise utilize the wider postal network and be transported significant distances from where the mail originated.

As updates are made to the facility and its operations, there will be no career employee layoffs.

The Postal Service will hold a public meeting to allow the local community to provide their feedback and perspectives on the Initial Findings of the review on Wednesday, March 6, 1:00 PM at the Cherry Hill Public Library, 1100 Kings Hwy N, Cherry Hill, NJ 08034. Attendance will be voluntary and off-the-clock for employees who choose to attend.

Comments on the proposal from employees and the public will be considered before any decision is made. Comments may be submitted at <a href="https://www.surveymonkey.com/r/mpfr-south-jersey-ni">https://www.surveymonkey.com/r/mpfr-south-jersey-ni</a>. You can submit your comments on the study up to 15 days after the public meeting.

Thank you for your attention. We will keep you updated as we move through the facility review process and additional initiatives to modernize our postal network.

# MAIL PROCESSING FACILITY REVIEW FREQUENTLY ASKED QUESTIONS

#### 1. Why is USPS conducting a review of this facility?

This review is part of a \$40 billion investment strategy to upgrade and improve processing, transportation, delivery networks and employee experiences across the country. The South Jersey Processing and Distribution Center (P&DC) facility has been selected as a candidate for evaluation of its current operations and potential future uses that may lead to overall modernization and enhancement initiatives at the facility.

The review will not result in this facility's closure or career employee layoffs.

#### 2. What did the MPFR evaluate?

In connection with the review, the Postal Service evaluated the following:

- a. Whether efficiency could be increased by transferring some mail processing operations currently performed at the South Jersey P&DC to the Philadelphia P&DC. A significant percentage of the mail collected in South Jersey will travel across our wider transportation and processing network over significant distances to reach their final destinations. Mail and packages destined for outside the South Jersey area may receive better service and be more cost effectively distributed by aggregating it with mail and packages from other areas going to the same places that will likewise utilize the wider postal network and be transported significant distances from where the mail originated.
- b. Whether efficiency can be increased, and service improved, regardless of any determination to transfer some mail processing operations out of the South Jersey facility, by investing in the South Jersey facility to redesign mail processing operations to accommodate changing mail products and mail flow with modern operating strategies, equipment, and improved employee amenities.
- c. Whether efficiency can be improved and/or service enhanced, regardless of any determination to transfer some mail processing operations out of the South Jersey facility, by expanding operations at the facility including adding Sorting & Delivery Center functions currently being deployed throughout the nation, incorporating expanded retail functions currently being evaluated and deployed throughout the nation, and/or increasing local package delivery functions including local transportation initiatives supporting new products being introduced.

#### 3. When will a final decision be announced?

The Postal Service anticipates communicating initial findings in the coming month or two.

#### 4. What does the facility review mean for local employees?

The review will not result in career employee layoffs. Our DFA plan is focused on improving the workplace experience for all employees by investing in facility conditions – including better space and lighting. Throughout the review process, we will continue to communicate regularly with the unions and management associations to support local employees as appropriate.

#### 5. How can the public provide input in the process?

Members of the local community may provide feedback and perspectives on the Initial Findings of the MPFR at a public meeting to be held on Wednesday, March 6, 1:00 PM at the Cherry Hill Public Library, 1100 Kings Hwy N, Cherry Hill, NJ 08034 or submit comments at <a href="https://www.surveymonkey.com/r/mpfr-south-jersey-nj">https://www.surveymonkey.com/r/mpfr-south-jersey-nj</a>. A summary of the MPFR will be posted on about.usps.com at least one week prior to the public input meeting.

#### 6. How will local Post Office or retail operations be impacted by the review process?

The purpose of conducting this review and implementing our 10-year strategic plan is to improve service delivery and our overall retail experience. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will not slow down as a result of this review.

#### 7. What would repurposing this facility look like?

While it may be determined that moving some mail processing operations from this facility is a good business decision, it is highly likely under those circumstances that the facility will be modernized and repurposed as a Local Processing Center, a Sorting & Delivery Center, or both, consistent with the broader network redesign outlined in the DFA Plan. Any such repurposing will result in a revitalized, modernized, and upgraded facility with improved employee amenities and a better working environment.

#### 8. What is a Local Processing Center (LPC)?

Local Processing Centers are critical nodes in our new end-to-end network model. They are the connective node between Regional Processing & Distribution Centers (RPDCs) to Sorting & Delivery Centers – and will ensure a streamlined flow of mail and packages in a logical and integrated manner. As an LPC, the facility amenities – including lighting, space, and bathrooms – would be improved.

#### 9. What is a Sorting & Delivery Center (S&DC)?

Within a region, S&DCs will expand our network reach. S&DCs will aggregate delivery units into fewer, larger, and centrally located sites to provide faster and more reliable mail and package delivery over a greater geographic area, as compared to traditional delivery units.

As with RPDCs, S&DCs will be repurposed existing facilities as well as new buildings. In each S&DC, we will install package sorting equipment to reduce manual handlings and improve throughput. Employee amenities such as lighting, bathrooms, and breakrooms, will also be improved.

We have opened 31 S&DCs since the DFA plan launched. We plan to open another 38 in coming months.

# 10. What are the long-term benefits of implementing the Delivering for America Plan and modernizing the postal network?

There are many benefits derived from realizing the Delivering for America 10-year Plan. Implementation of the plan will lead to a better everything including better service performance for our customers; better employee morale and retention rates; better facility conditions; a better carbon footprint; better sequencing of mail and packages; better opportunities for our customers to reach a larger population in less time, and overall, a better customer experience.