

Stand-Up Talk

October 18, 2023

Notice of Intent: Mail Processing Facility Review Wilmington P&DC

Today, the Postal Service will begin a Mail Processing Facility Review (MPFR) at the Wilmington Processing and Distribution Center (P&DC). The purpose of this study is to see if it makes operational sense to consolidate the remaining outgoing operations into the Philadelphia P&DC.

Why is this MPFR study being conducted?

The Postal Service is moving forward with the Delivering for America Plan, which includes strategies for the development of a mail processing network that enables more precise, efficient and reliable service. By using best-in-class logistics practices, the Postal Service is driving efficiency and service performance improvement to fuel revenue growth and customer retention.

The MPFR process will help identify how this facility can best support the organization's service and operational goals, as well as provide platforms for launching new products and competitive services for mailing and shipping customers in the future.

So how does the MPFR process work?

First, a feasibility study will be conducted. Based on the data from that study, a proposal will then be made. The proposal may recommend consolidating mail processing operations or it may be determined that a consolidation should not occur because it would not provide any cost savings or would negatively impact service.

Public input will be considered as part of the review process. Members of the local community and employees may submit initial comments online.

If the facility review supports the business case for change to the facility's processing operations, the Postal Service will hold a public meeting to allow members of the local community to provide additional feedback. All comments will be fully considered in any decision.

We anticipate the review will have minimal impact to customer service. Business mail entry, Post Office, station and branch retail services, and delivery services are expected to remain unchanged in most cases.

What would happen if the decision were made to move some operations to Philadelphia P&DC?

If it is determined that operations should be moved, there may be some employee reassignments. All reassignments will be made in compliance with the collective bargaining agreements.

There would be no change in local mail service. The local postmark would still be available at local Post Offices.

We will keep you informed about any future developments regarding this MPFR.

MAIL PROCESSING FACILITY REVIEW FREQUENTLY ASKED QUESTIONS

1. What is being announced?

The Postal Service is conducting Mail Processing Facility Review (MPFR) studies of various facilities to assess how best to utilize these facilities to support the organization's service and operational goals, as well as provide platforms for launching new products and competitive services for mailing and shipping customers in the future.

This is the beginning of a multi-year process to modernize the mail processing network. The Postal Service will continually monitor the impact of any implemented changes and will adjust accordingly.

The MPFR will determine a recommendation to consolidate, reconfigure or continue status-quo operations at the facility to best support increased delivery performance and the Postal Service's financial sustainability over the long term.

2. Is the Postal Service making changes to its mail processing network?

Under the Delivering for America plan, the Postal Service is focused on modernizing its aging, inefficient network through targeted \$40 billion in investments, and on establishing new or reimagined facilities that support redesigned processing, transportation, and delivery networks.

The Postal Service regularly reviews its processing and delivery network footprints to ensure its facilities and services are best aligned to provide increased service reliability to customers and a better workplace experience for employees.

3. What is a Mail Processing Facility Review study?

A Mail Processing Facility Review (MPFR) determines the feasibility of changing mail processing operations to improve operational efficiency and/or service. An MPFR involves the consolidation of all originating and/or destinating distribution operations from one or more Post Offices/facilities into other automated processing facilities for the purpose of improving operational efficiency and/or service. The intent is to use Postal Service equipment, facilities, staff work hours and transportation more efficiently.

4. When will the studies happen?

The studies are currently underway, and the Postal Service anticipates communicating findings in the coming months.

5. What criteria is used to study the facilities?

MPFR study criteria include projected savings, service issues, transportation and logistics networks, capacity within processing plant, amount of required capacity necessary, equipment usage and maximizing capacity across the board.

6. What does this mean for employees who work at the facilities being studied?

The Postal Service is focused on improving the workplace experience for all employees. Throughout the MPFR process, the Postal Service will continue to communicate regularly with the unions and management associations to support local employees as appropriate.

7. Does the Postal Service involve the public in these decisions?

Yes. Public input will be considered as part of the review process. Members of the local community may submit initial comments at <https://www.surveymonkey.com/r/mpfr-lehigh-valley-pa>. If the facility review supports the business case for change to the facility's processing operations, the Postal Service will hold a public meeting to allow members of the local community to provide additional feedback.

8. How are public meetings held?

The public meetings will be held in a central location that can accommodate a group of people. If sufficient meeting space is unavailable to host public meetings, the Postal Service may use Zoom.

9. How much will efficiency improve, and money will be saved with this initiative?

The intent is to make more efficient use of Postal Service resources — equipment, facilities, staffing and transportation. For each location, we will disclose the potential savings ahead of a community meeting and/or when public input is solicited.

10. Can facilities close without going through the MPFR process?

The Postal Service is not required to conduct MPFR studies prior to making changes at annexes, or mail processing operations within a single customer service area.

11. If a facility is closed or if an operation is consolidated, where will mail be processed?

Should a facility be determined to be closed or consolidated, the MPFR process will provide analysis of where best to process the mail and packages in the region.

12. Can the Postal Service sell facilities that close?

Decisions will be made based on the operational needs of the Postal Service. Postal Service-owned facilities could be sold if appropriate for operational needs.

13. Will these changes affect how long it take for mail and packages to be delivered?

The impact of these changes on delivery times is part of the MPFR study analysis.

14. If operations are consolidated, will it impact local Post Office or retail operations?

The MPFR will have minimal impact to customer services. Business Mail entry, Post Office, station, and branch retail services, and delivery services are expected to remain unchanged in most cases.