



FALL MAIL SEASON 2011

Agenda

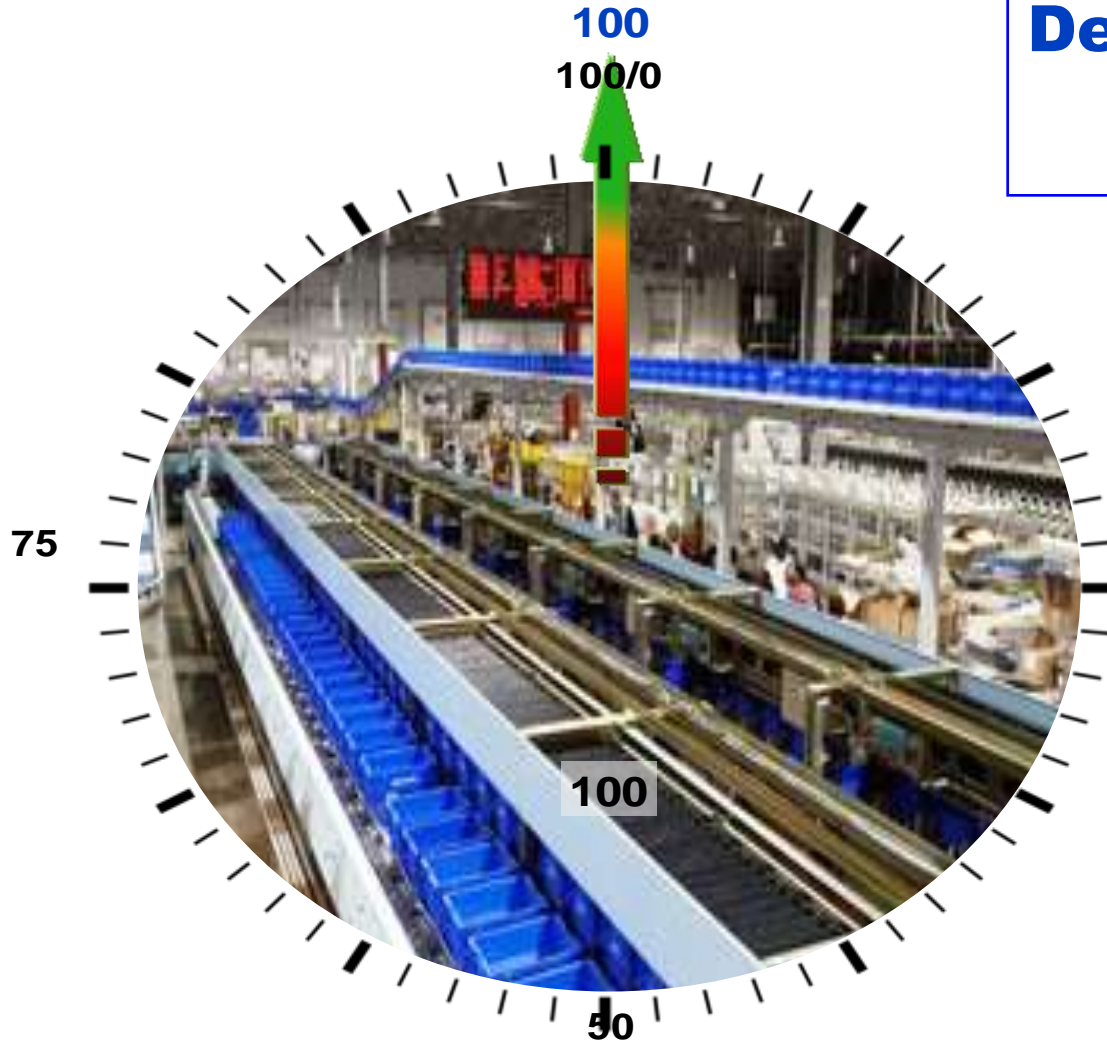
- Headquarters
 - Mail Conditions
 - Equipment updates
 - Drop Ship Profile
 - Projected volumes
 - MTE
- Industry

- Lean Six Sigma projects
- Fall Mail Season readiness checklist completed
- Run Plans and staffing plans developed around historical heavy drop days
- National mail conditions monitored daily
- Color code training all supervisors and craft employees

- FSS Updates
 - First Fall Mailing for 37 new sites
 - Production control system (PCS lite)
 - Is a scheduling tool for managing volumes and efficiencies
 - Upgraded software enhance machine performance
 - L006 – FSS Scheme Bundles
 - Reduces need for bundle sortation in upstream operations
 - Run plans developed based on FY10 data and FAST

Deployment Complete

Aug 2011



Program

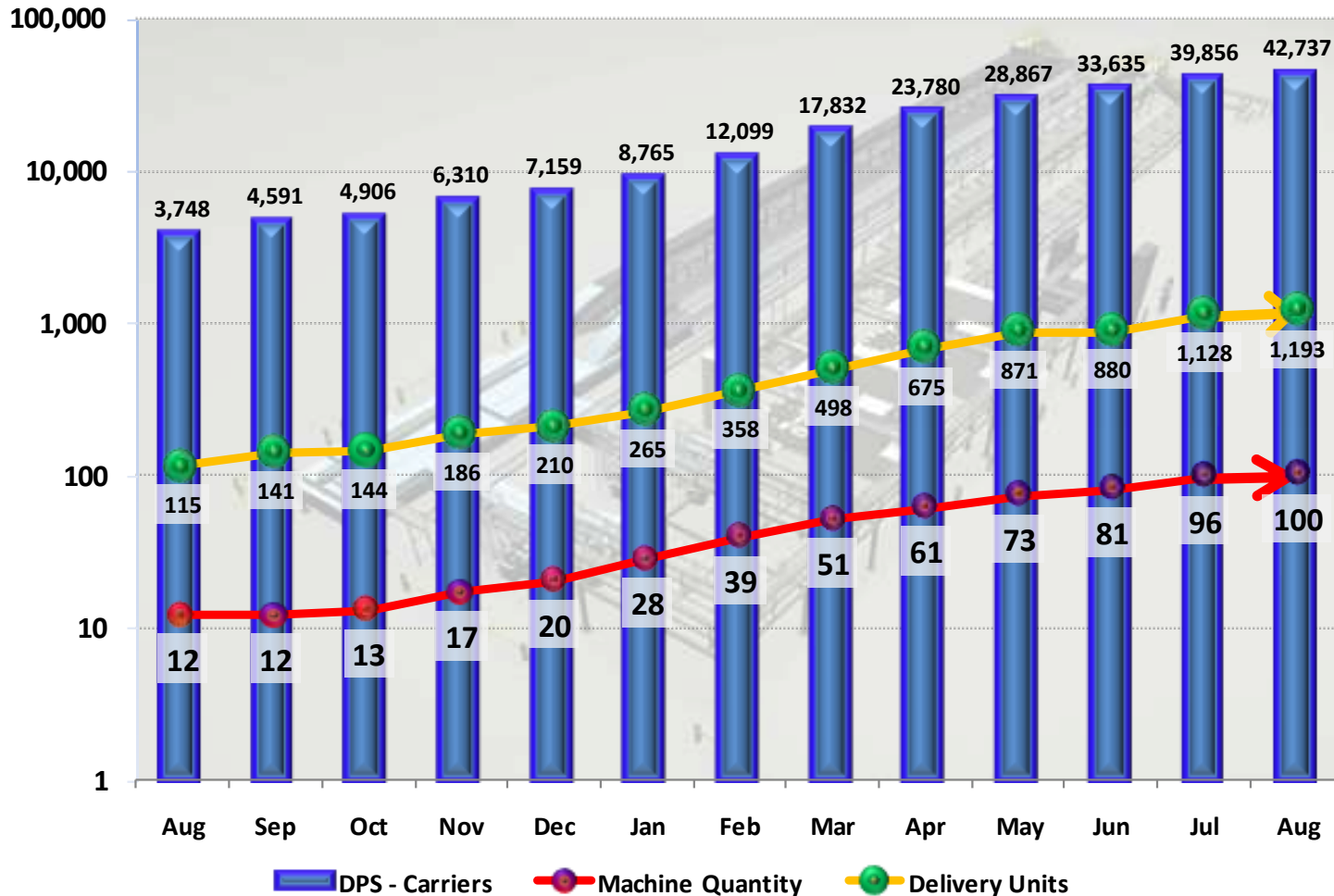
Total Systems Ordered	100
Total Sites	47

Status

25	Systems Installed	100
	Systems in Installation	0
	Systems Accepted	100
	Systems ready for test	0
	Sites with system accepted	47

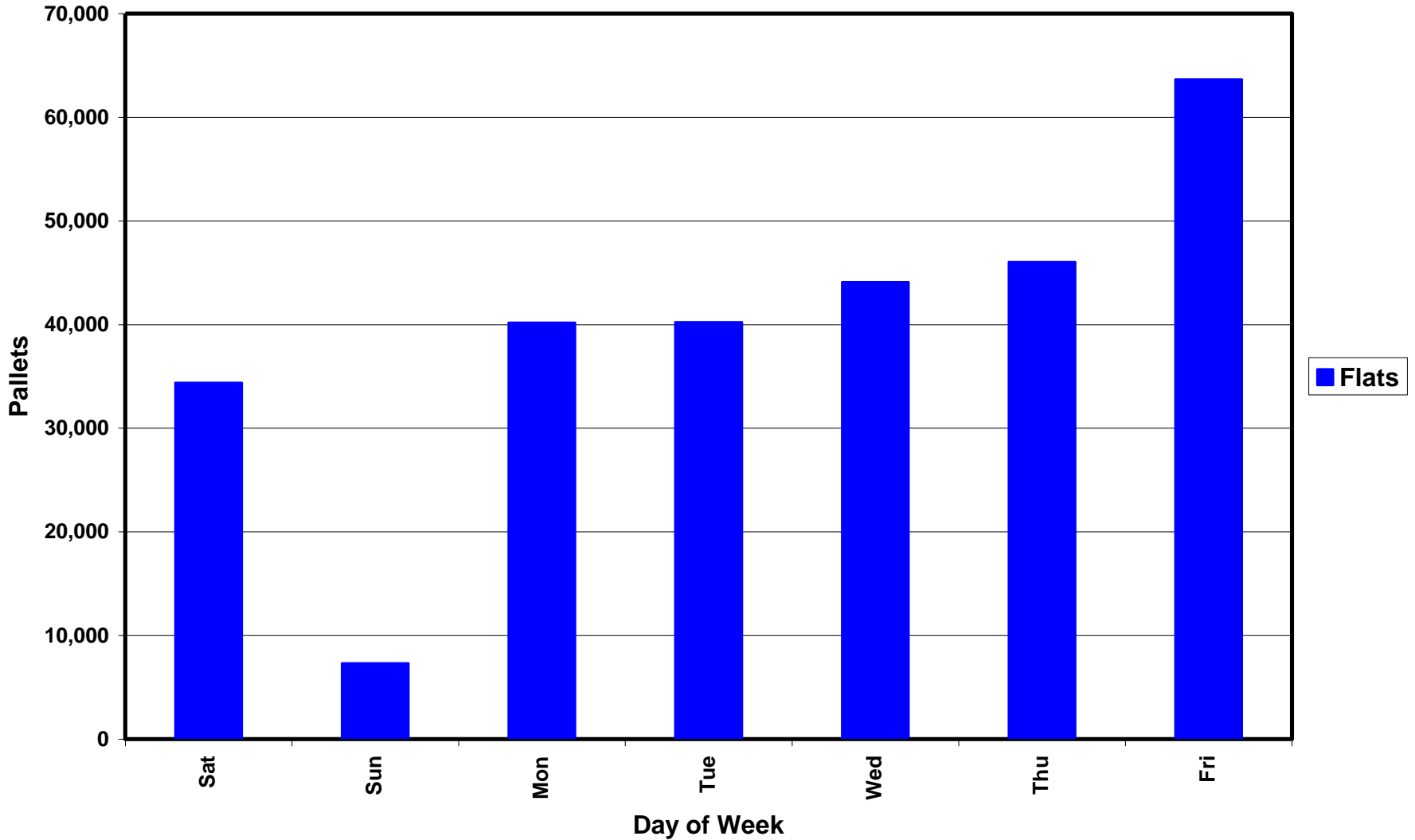
■ Accepted

Operational Status (Data as of September 02, 2011)

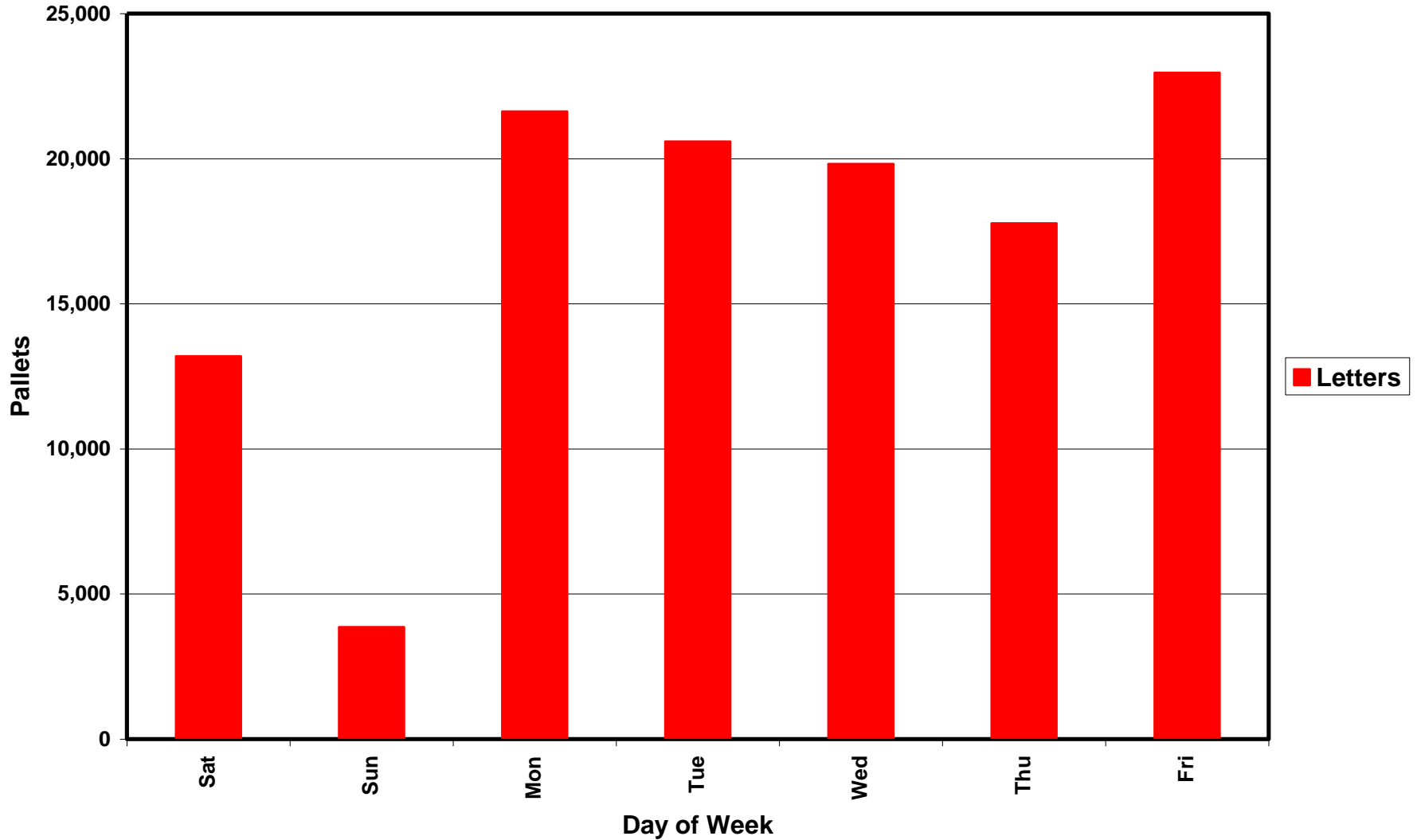


- APBS Deployment
 - APBS Machines
 - 147 sites, 194 machines scheduled for APBS
 - APBS Installs
 - Began - 5/23/2011
 - End - 12/12/2011
 - Average 8 APBS installs per week
 - Current machines operational 75

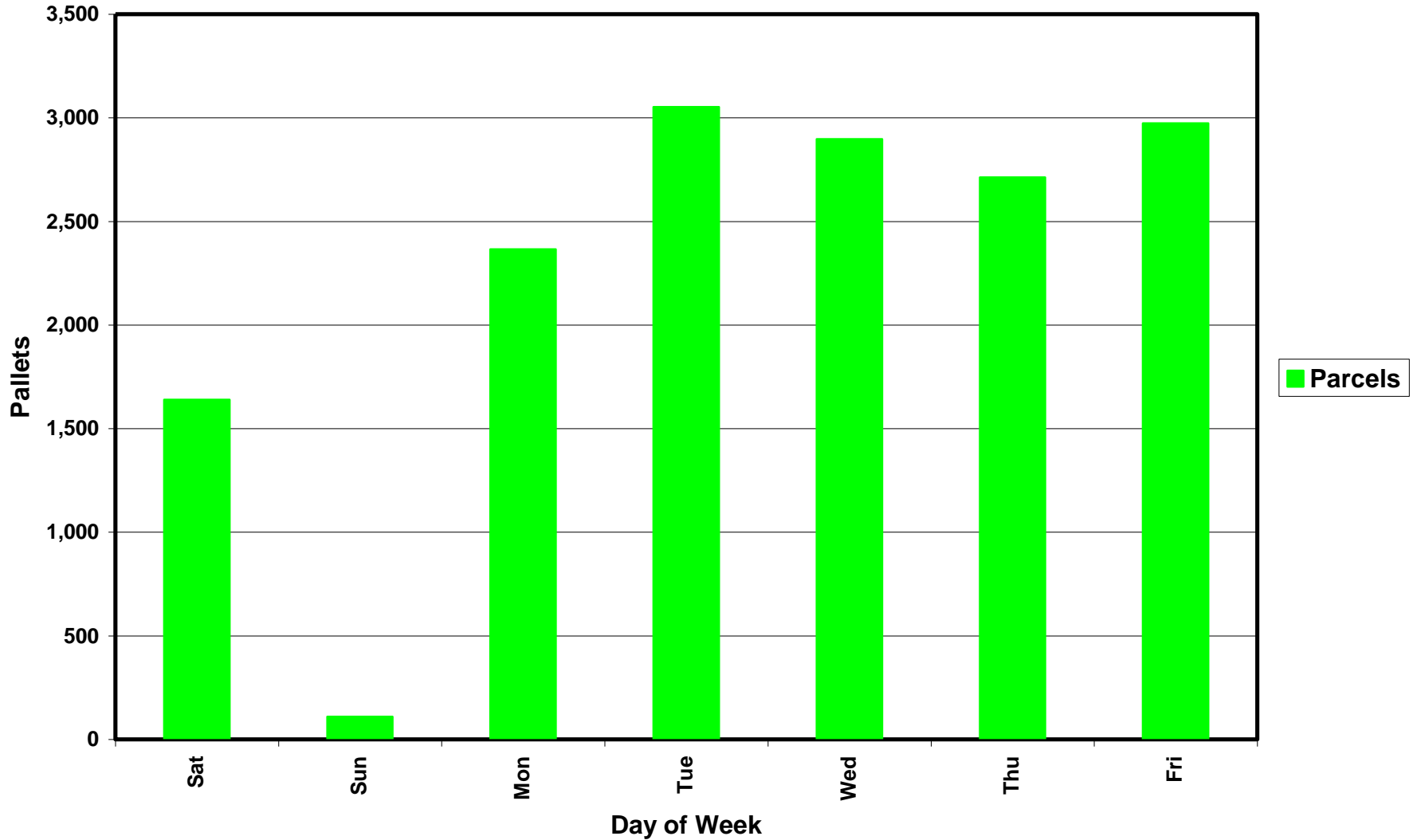
Fall Mail Drops - Flats Average Daily Volume



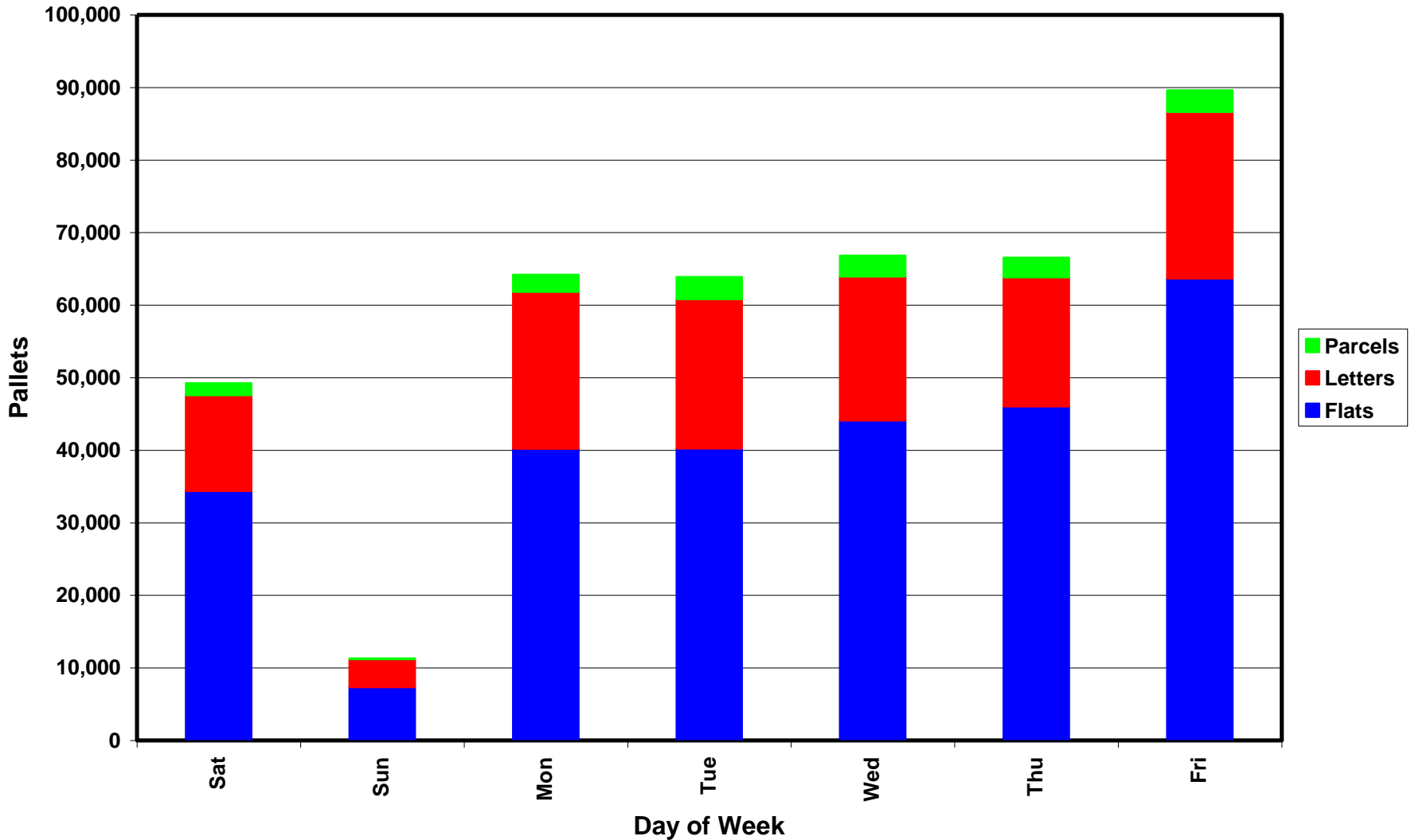
Fall Mail Drops - Letters Average Daily Volume



Fall Mail Drops - Parcels Average Daily Volume

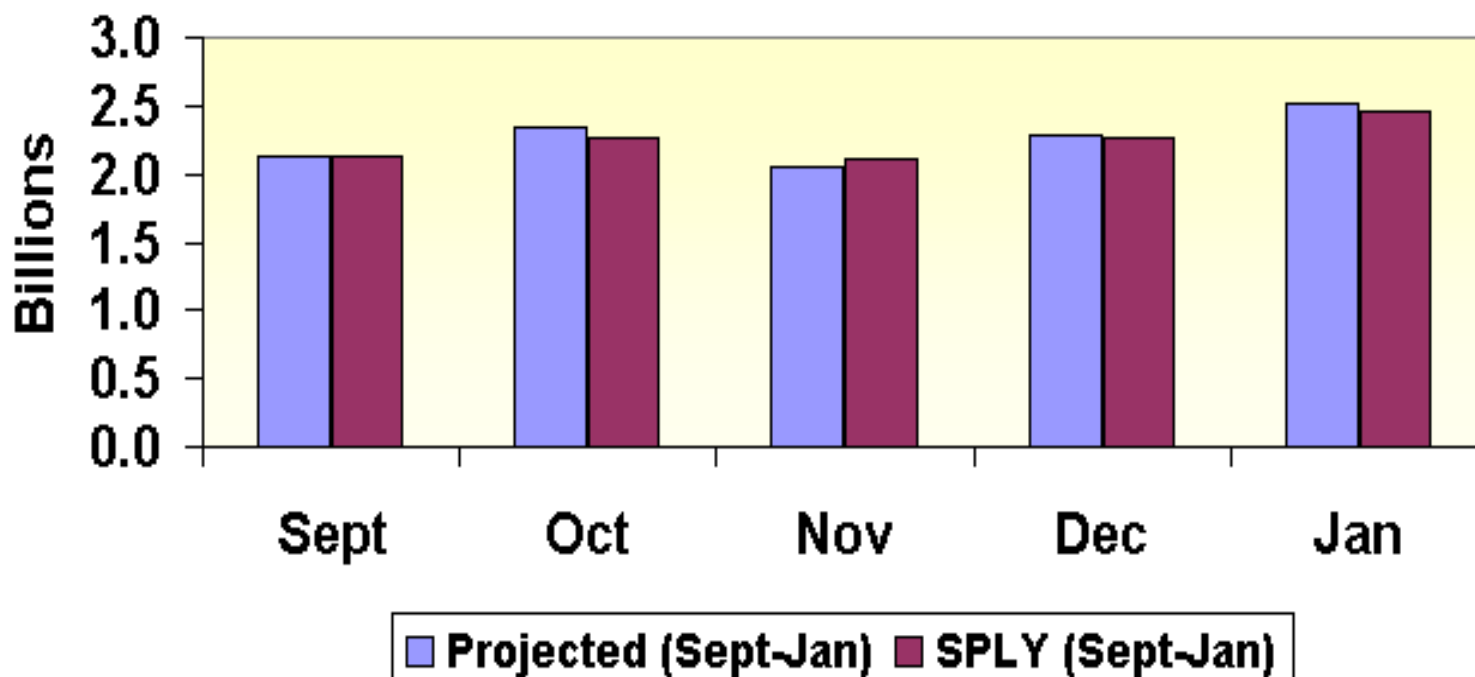


Fall Mail Drops - Flats, Letters, and Parcels Average Daily Volume



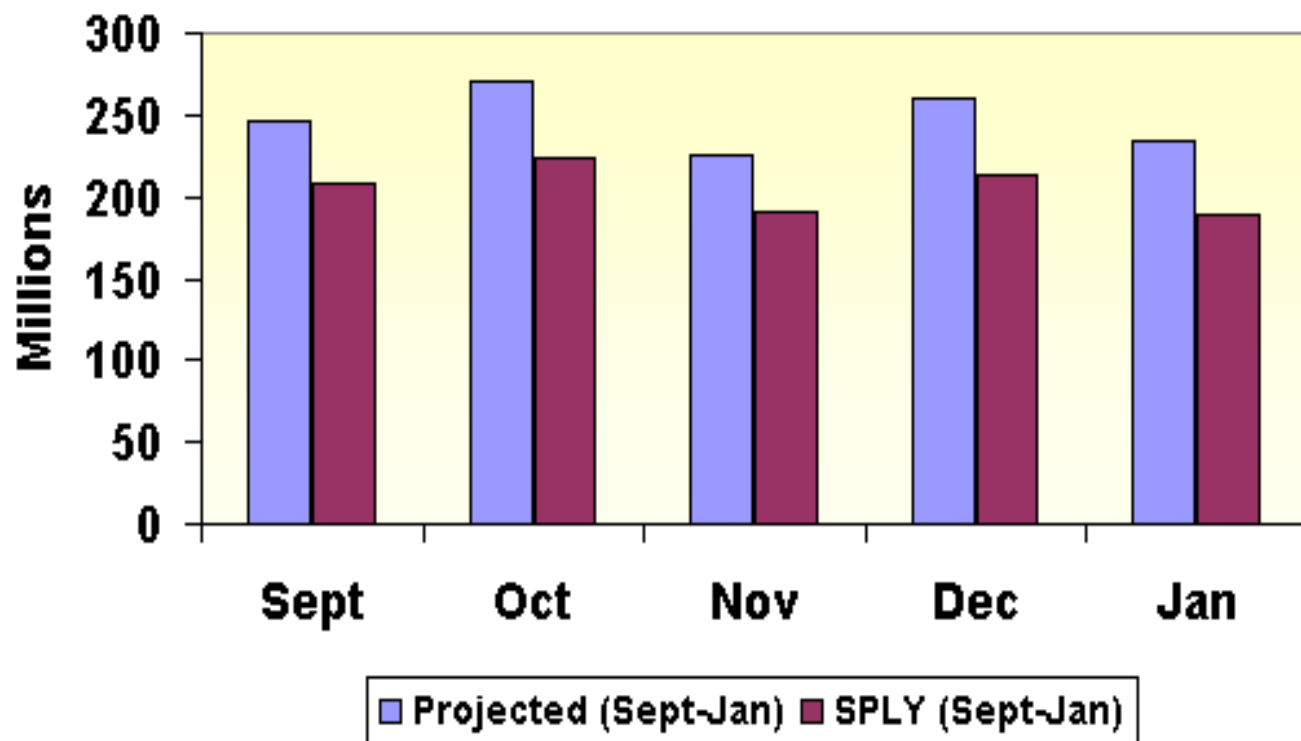
**FIRST-CLASS* MAIL VOLUME
HOLIDAY VOLUME FORECAST (Sept 2011-Jan 2012)**

Time Frame	Sept	Oct	Nov	Dec	Jan	Total
Projected (Sept-Jan)	2,135,606,826	2,334,222,818	2,057,821,596	2,281,196,206	2,513,346,319	11,322,193,765
SPLY (Sept-Jan)	2,122,762,792	2,259,674,514	2,113,996,336	2,273,071,125	2,462,412,571	11,231,917,338



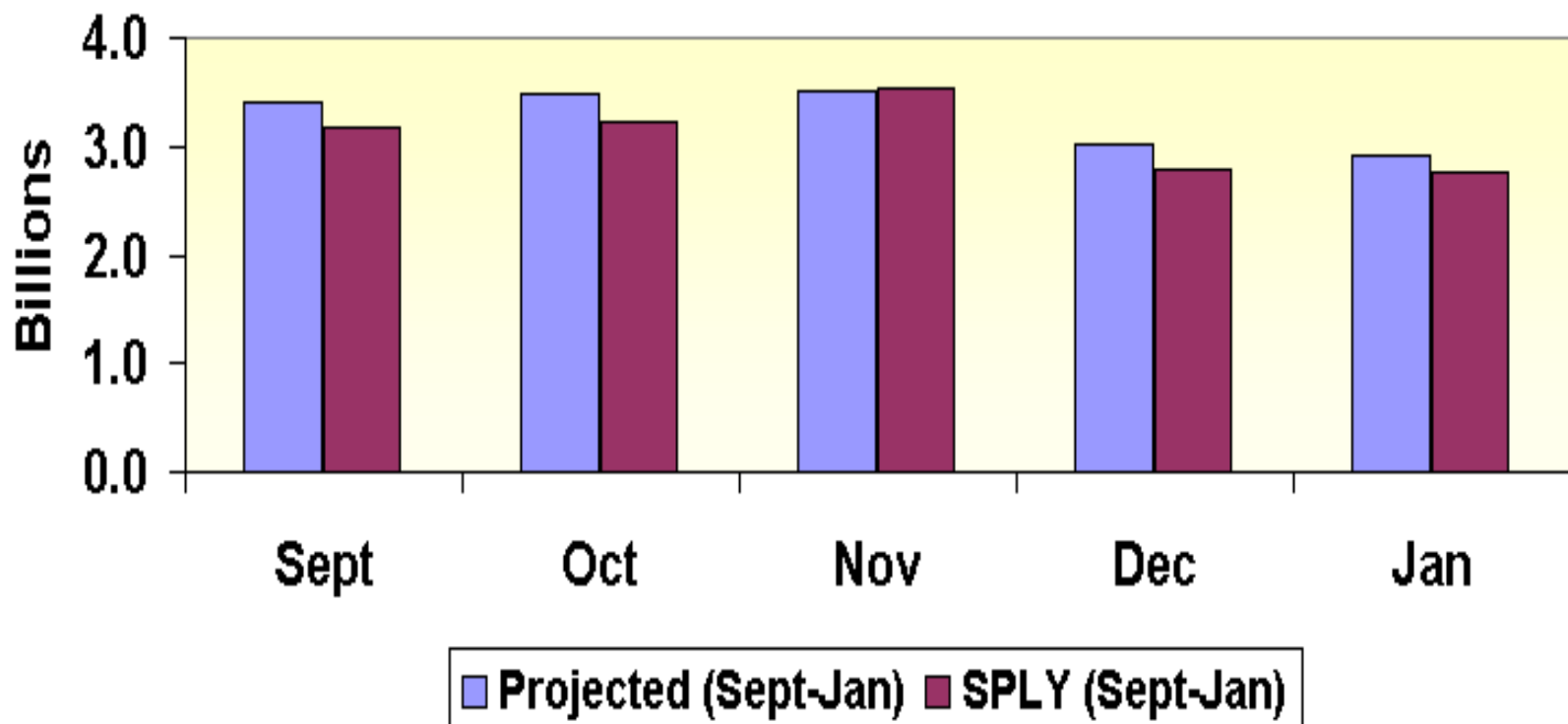
PERIODICAL MAIL VOLUME HOLIDAY VOLUME FORECAST (Sept 2011-Jan 2012)

Time Frame	Sept	Oct	Nov	Dec	Jan	Total
Projected (Sept-Jan)	245,425,248	270,001,546	224,768,858	259,964,196	234,927,803	1,235,087,651
SPLY (Sept-Jan)	208,485,386	223,010,229	190,087,649	212,804,155	188,208,954	1,022,596,373



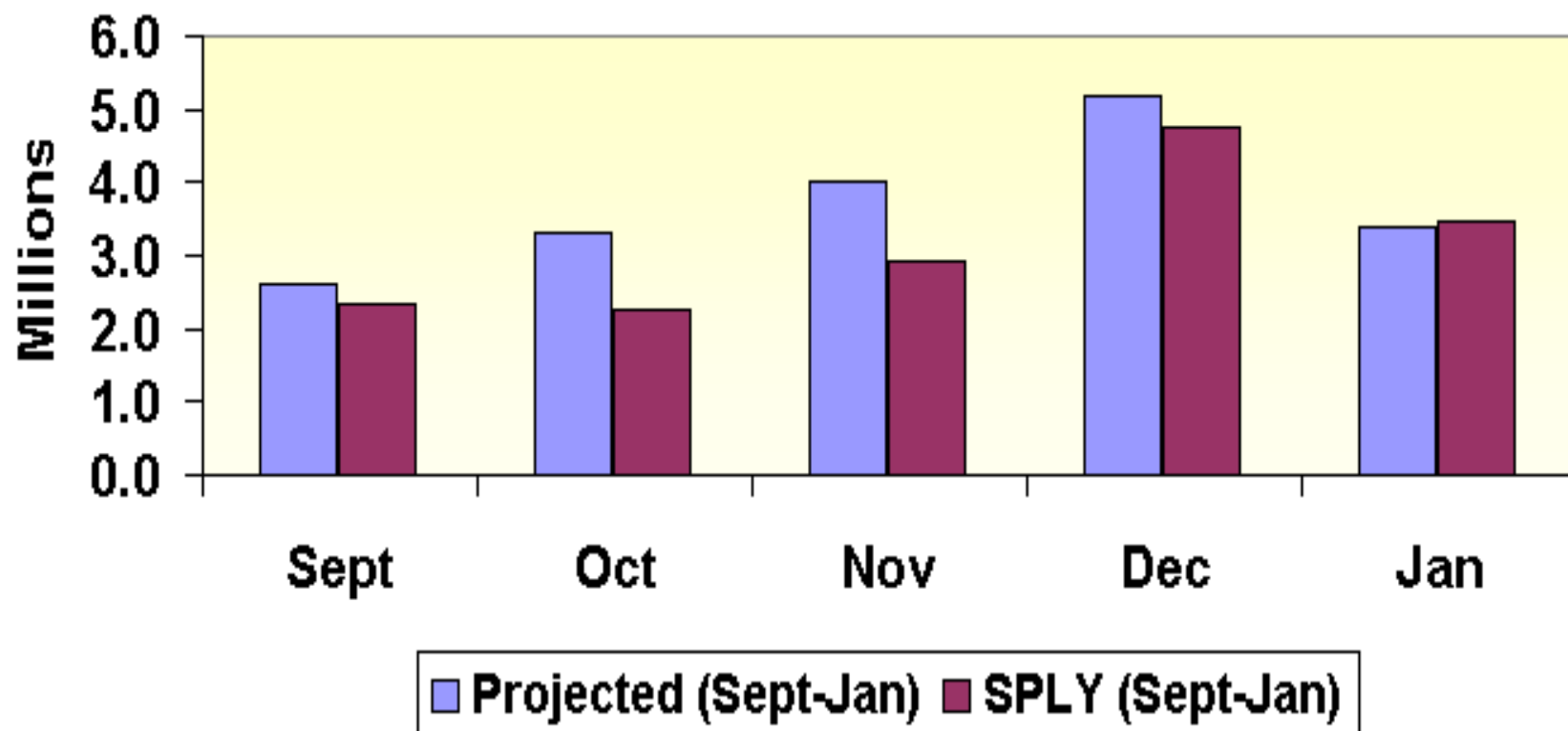
**STANDARD MAIL VOLUME
HOLIDAY VOLUME FORECAST (Sept 2011-Jan 2012)**

Time Frame	Sept	Oct	Nov	Dec	Jan	Total
Projected (Sept-Jan)	3,394,939,795	3,480,426,398	3,517,309,245	3,030,885,204	2,925,052,701	16,348,613,344
SPLY (Sept-Jan)	3,164,800,909	3,237,432,876	3,523,358,672	2,788,440,358	2,757,881,604	15,471,914,420



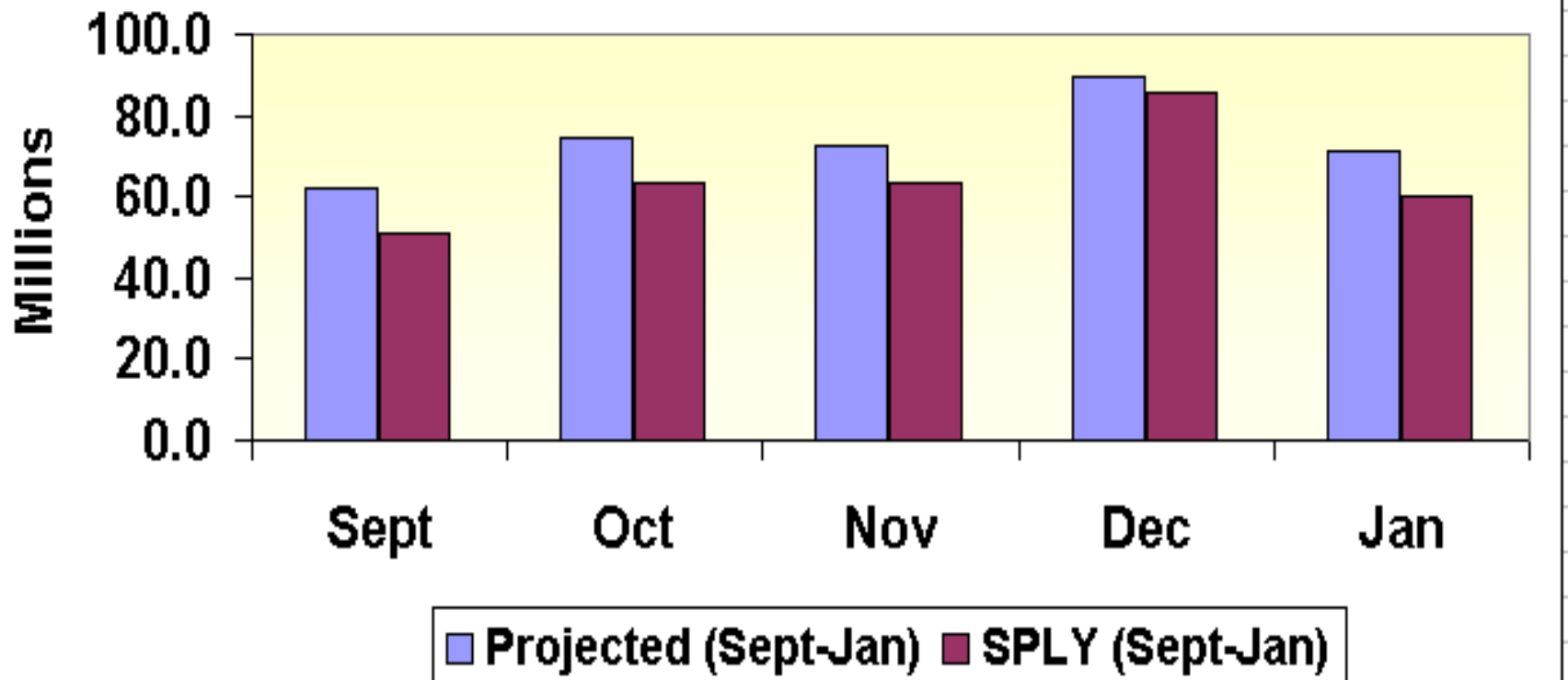
PRIORITY MAIL VOLUME
HOLIDAY VOLUME FORECAST (Sept 2011-Jan 2012)

Time Frame	Sept	Oct	Nov	Dec	Jan	Total
Projected (Sept-Jan)	2,613,155	3,316,808	4,011,112	5,195,375	3,387,524	18,523,974
SPLY (Sept-Jan)	2,344,065	2,255,359	2,928,710	4,766,321	3,458,976	15,753,432



PACKAGE* MAIL VOLUME
HOLIDAY VOLUME FORECAST (Sept 2011-Jan 2012)

Time Frame	Sept	Oct	Nov	Dec	Jan	Total
Projected (Sept-Jan)	62,261,520	74,492,072	72,573,496	89,863,756	71,437,624	370,628,469
SPLY (Sept-Jan)	50,715,667	63,268,023	63,623,005	85,848,018	59,892,224	323,346,937



- National equipment roundups
- Plant MTE inventories input this year
- Headquarters monitoring of high inventories in the field to reposition

- Industry go around