



## **Dane Coleman**

VP Regional Processing Operations Eastern Processing Region United States Postal Service

# Key strategic goals

# 95%

performance target for on-time delivery across mail and shipping product classes.

# \$40 billion

capital investments in service, people, and infrastructure over the next ten years.



Provide new products and services and digital experiences



Establish service standards that foster service excellence

Implement a best-in-class



Establish a stable and empowered non-career workforce



Advance sustainability goals of reducing carbon footprint

Generate enough revenue

to cover operating costs and



Implement a best-in-class mail and package processing infrastructure





Optimize surface and air transportation networks

retail and delivery operations network

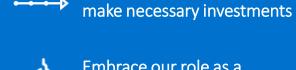
Design and execute a fully aligned organizational structure



Apply fair and flexible pricing strategies



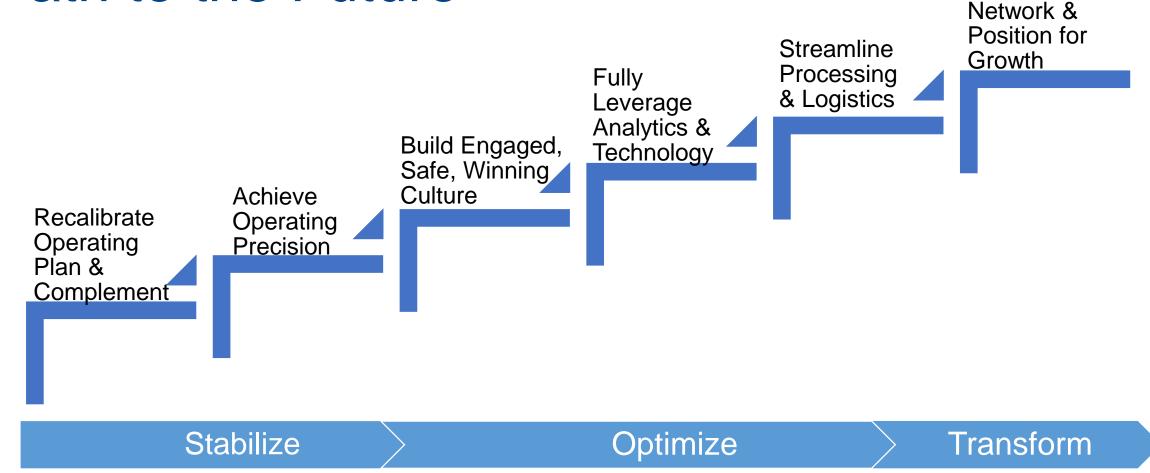
Seek judicious and appropriate legislative and administrative action



Embrace our role as a critical part of our Governments infrastructure

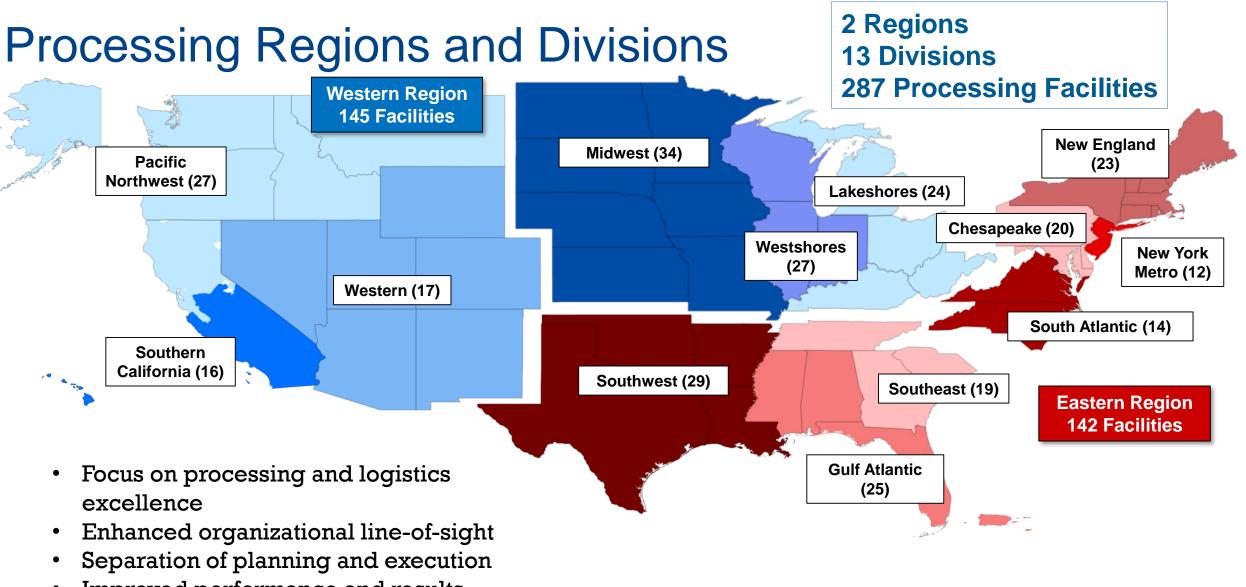


# Logistics and Processing Operations Path to the Future





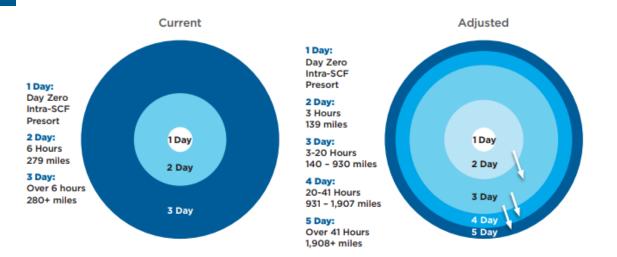
Modernize



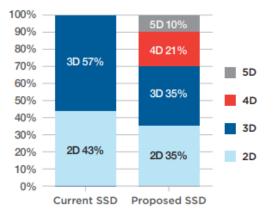
• Improved performance and results



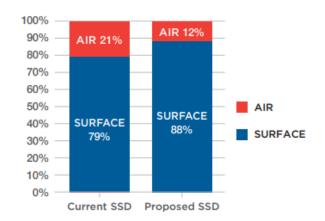
# **Service Excellence and Reliability**



VOLUME: % of Total FCM (letters & flats) Current Service Standards vs. Proposed with 5-Day



MODE IMPACT: % of Total FCM Volume (letters & flats) Current Service Standards vs. Proposed with 5-Day



### Reliable, Dependable, Lower Transportation Cost **95% on-time**

 61 percent of current First-Class Mail volume and
93 percent of current Periodicals volume will stay at its current standard

• 81 percent of current 2-day First-Class Mail volume will retain its 2-day standard.

- 70 percent of First-Class Mail volume would receive a standard of 1- to 3-days.
- 29% of First-Class Mail volumes adds a day to the standard
- 10% of First-Class Mail volumes adds two days to the standard



### **Processing Operations** Leadership



Dane Coleman – Regional Vice President



**Christine Young** New England



Stephen Humin New York Metro



Dave Webster Chesapeake



South Atlantic



Sharon Young Southeast



Mark Dahlstrom **Gulf Atlantic** 



Larry Wagener Southwest



Larry Munoz- Regional Vice President





Chuck Sciurba Westshores

Todd Hawkins Lakeshores



**Felipe Flores** Western



Pacific Northwest



**Rick Pivovar** 

Midwest

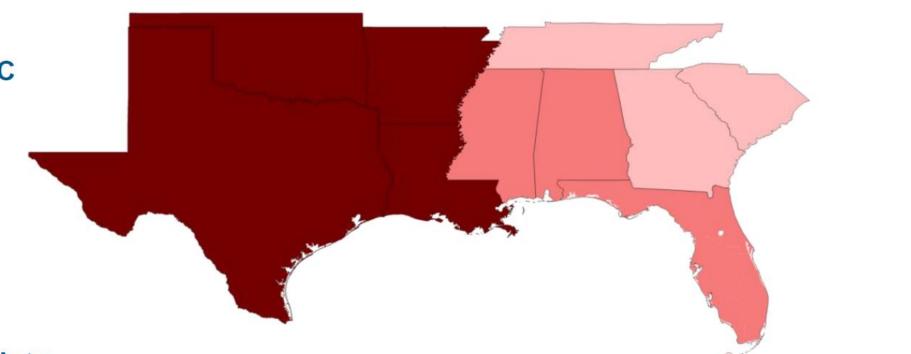
Britton Soto Southern California



### **Eastern Processing – Southern Logistics**

### **Divisions**

- SOUTHEAST (GA-TN-SC)
- GULF ATLANTIC (AL-FL-MS-PR)
- SOUTHWEST (AR-LA-OK-TX)



### **Supports 13 Districts**



### Southwest Division (AR-LA-OK-TX)



Larry Wagener Southwest Division Director Processing Operations





John Darden Southwest Division Director Logistics Operations

Finance Number	Facility Name	Finance Number	Facility Name
480014	Abilene TX P&DF	045149	Little Rock Lindsey Road Annex
480230	Amarillo TX P&DC	485937	Lubbock Annex
480401	Austin Annex	485397	Lubbock TX P&DC
480421	Austin TX P&DC	485454	McAllen TX P&DC
210625	Baton Rouge LA P&DC	485917	Midland TX P&DF
480612	Beaumont TX P&DF	216567	New Orleans LA P&DC
482031	Corpus Christi TX P&DC	484143	North Houston TX P&DC
482269	DALLAS NDC	482273	North Texas TX P&DC
482274	Dallas TX P&DC	396139	Oklahoma City OK P&DC
482847	El Paso TX P&DC	487989	San Antonio Annex
045146	Fayetteville P&DF	487981	San Antonio TX P&DC
483221	Fort Worth TX P&DC	217957	Shreveport LA P&DC
484141	Houston TX North DDC	216563	St Rose P&DF
214977	Lafayette P&DF	398350	Tulsa OK P&DC
045131	Little Rock AR P&DC		



## Gulf Atlantic Division (AL-FL-MS-PR)



#### Mark Dahlstrom Gulf Atlantic Division Director

Processing Operations



### **Juan Gonzalez (A)** Gulf Atlantic Division Director Logistics Operations



Finance Number	Facility Name	Finance Number	Facility Name
010781	Birmingham AL P&DC	015602	Mobile AL P&DC
010710	Birmingham Annex	010711	Mobile Annex
428459	Catano DMDU Annex	015631	Montgomery AL P&DC
113077	Fort Myers FL P&DC	116916	Orlando FL P&DC
113250	Gainesville FL P&DF	117411	Pensacola FL P&DC
273150	Gulfport MS P&DF	116812	Royal Palm FL P&DC
014250	Huntsville AL P&DF	428461	San Juan PR P&DC
273784	Jackson MS P&DC	116920	Seminole FL P&DC
114382	Jacksonville FL P&DC	118898	Tallahassee FL P&DC
114381	JACKSONVILLE NDC	118926	Tampa FL P&DC
115605	Manasota FL P&DC	119466	West Palm Beach FL P&DC
115851	Miami FL P&DC	118906	Ybor City FL P&DC
115945	Mid-Florida FL P&DC		



### Southeast Division (GA-TN-SC)



**Sharon Young** Southeast Division Director Processing Operations



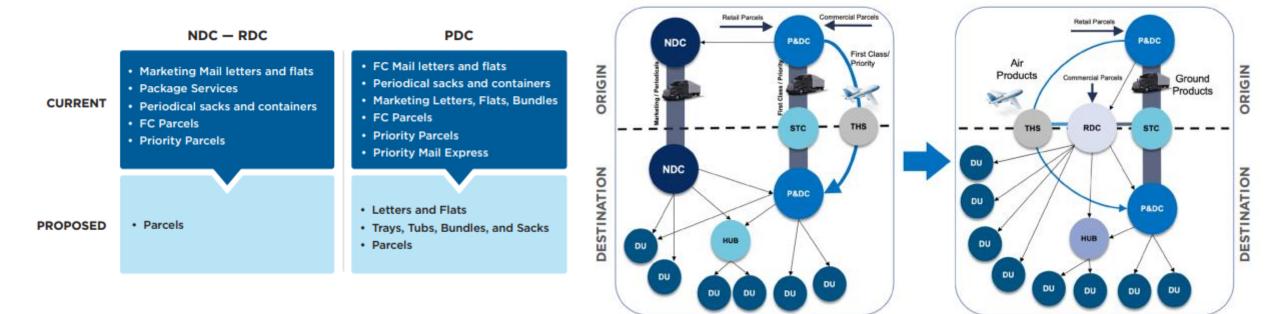
**Barbara Murph** Southeast Division Director Logistics Operations



Finance Number	Facility Name	Finance Number	Facility Name
120441	Atlanta GA P&DC	474634	Knoxville TN P&DC
120439	ATLANTA NDC	125490	Macon GA P&DC
120476	Augusta GA P&DF	475665	MEMPHIS NDC
451490	Charleston SC P&DC	475666	Memphis TN P&DC
471562	Chattanooga TN P&DC	476110	Music City Annex
451801	Columbia SC P&DC	476145	Nashville TN P&DC
453621	Greenville SC P&DC	123569	North Metro GA P&DC
125501	Holt Ave GA Annex	120442	Peachtree GA P&DC
475689	Jet Cove Annex	125502	South Macon Annex
474474	Johnson City TN P&DC		



# Simplifying How We Process



#### FIGURE 19: Redesign Network Distribution Center Network



# **Processing Operations Initiatives**

#### LEGACY OPERATING PLAN

Standardized on-size fits all

**Rigid constraints** 

Sub-optimized mail flow and equipment utilization

Unachievable Production Planning and Control

Analytic tools and dashboards ineffective

#### OPTIMIZED OPERATING PLAN

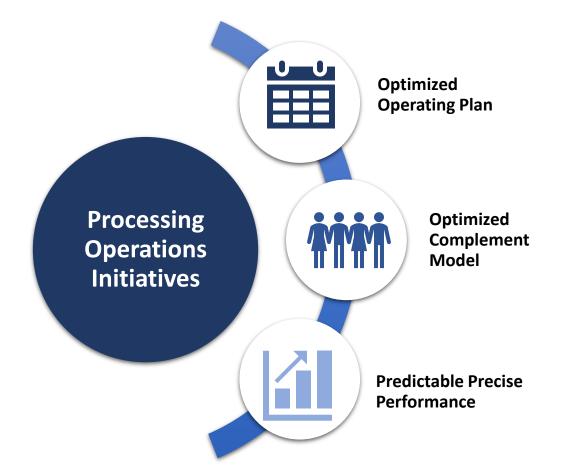
Standardized framework — locally optimized

Optimized for variable inputs, machine sets, product mix

Optimal alignment to Delivery, Network ,and Market requirements

Fully leverage analytic tools and dashboards

Efficient, predictable, precise performance





# **Logistics Initiatives**

#### CURRENT NETWORK

Late dispatch due to misalignment with Processing Operations

Redundant surface network and trips

Under-utilized surface trips

Over-burdened air network

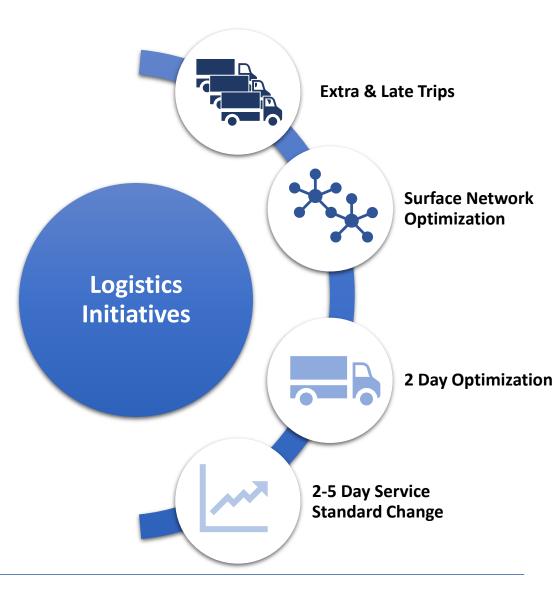
#### FUTURE NETWORK

Timely dispatch and alignment with Processing Operations

Consolidated surface network

Surface trips fully utilized

Reduced reliance on air network





# Logistics and Processing Operations Vision and Strategy

#### Focused Organization

- Processing and Logistics Excellence
- Effective Planning and Execution
- Enhanced Line-of-Sight
- Improved Performance and Results

### Precise and Efficient Operations

- Engaged Employees with a Safe and Winning Culture
- Recalibrated Operating Plan
- Right-sized Complement
- Fully Leveraged Technology and Analytics

### Network Modernization

- Streamlined Processing and Logistics
- Redesigned Package Network
- Highly Efficient and Reliable with Extended Reach
- Positioned for Growth

