MTAC: Peak Season Preparation

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Success in 2021

Complement

- Increased employee complement by 33,000 since January 2021
- Hired approximately 45,000 additional temporary employees (30,000 processing employees and 15,000 retail and delivery employees) to start on or after October 9, 2021 and hired 1,100 additional truck drivers.

Equipment

- Completed deployment of 112 package sorting machines, with 89 in processing facilities and 23 in delivery units.

Space

- Activated 46 package support annexes with 2-5 year lease terms for use beyond peak season to help acquire space in high demand areas.
- Activated 54 temporary mail processing and logistics annexes to process packages during the FY 2022 peak season.

Transportation

- Increased air transportation capacity by 12 percent over last peak season.
- Expanded 6 surface transfer centers (STC) and ensured they are not co-located at processing facilities to help alleviate dock congestion and reduce transportation trips.
- Better utilized trailer space on surface transportation trips.

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Complement

Continuing a successful strategy of pre-peak conversions and hiring

2021 Peak:

- **Significant conversions and backfill** throughout 2021 to increase overall complement by 33,000 prior to peak season
- **45,000 peak season hires** with starting as early as Oct. 1, 2021

2022 Peak:

- **~10,000 Conversions** throughout 2022
- **Backfill** to replace converted employees
- **~29,000 Peak season hires** starting in October

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Equipment

2021 Peak:

- **112 package processing machines** deployed prior to peak season
- **50M** total daily package processing capacity

2022 Peak:

- **46 additional package processing machines** deployed throughout 2022
- **Additional material handling equipment** deployments throughout 2022
- **53M** total daily package processing capacity

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Space

2021 Peak:

- **48 parcel support annexes** to support package processing
- **49 temporary peak annexes leased** to support peak operations
- **11.5M additional sq ft** to support processing and distribution operations

2022 Peak:

- **Continue use of PSAs**
- **24 temporary peak annexes** requested for 2022
- **10.5M additional sq ft** to support processing and distribution operations

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Transportation

Continuing a successful strategy to maintain a fluid and service responsive network
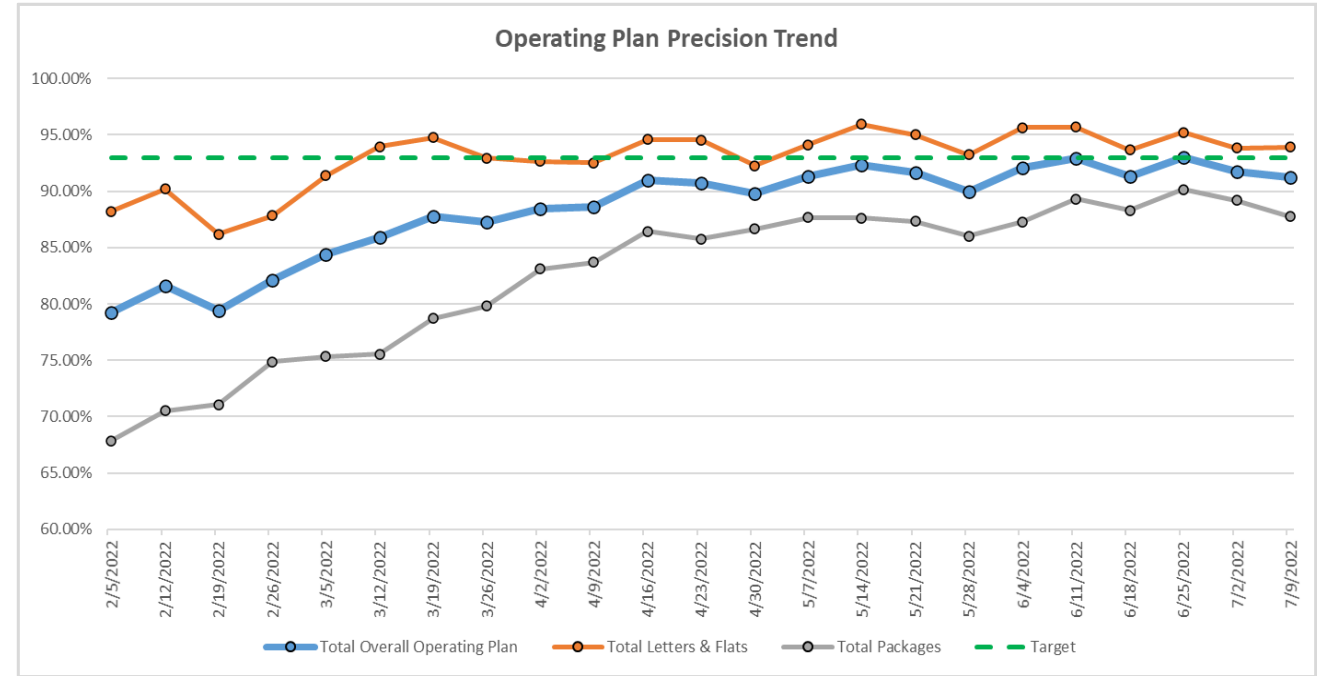
2021 Peak:

- **Expanded 6 surface transfer centers (STC)** to help alleviate dock congestion and reduce transportation trips
- **12% increase in air transportation capacity** to support peak operations
- **40.9% surface transportation utilized**

2022 Peak:

- **STC management plans**, including STC peak readiness tracker and contingency plans for staffing and routing
- **Supplier communications**

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Operational Precision

- Achieve our processing plan at each facility every day; processing all expected volume by the expected clearance time.

- Precision in processing enables trucks to leave on time and mail to get to destination timely

- Effective planning and daily execution; aligning staffing with workload, achieving throughput and clearance times by ensuring quality maintenance operations and standardized operator performance.


Operating Plan Precision Trend

Legend: Total Overall Operating Plan, Total Letters & Flats, Total Packages, Target

Source: WebEOR

Summary

Established a successful year-round strategy to deliver for our customers

2021 Peak:

- ✓ **Stable workforce**
- ✓ **No gridlocked facilities**
- ✓ **Timely unload of trailers**
- ✓ **Reduced cycle times and delays**
- ✓ **Fluid network**
- ✓ **Days to deliver:**
  - First Class Mail: 2.68 days
  - Priority Packages: 2.90 days
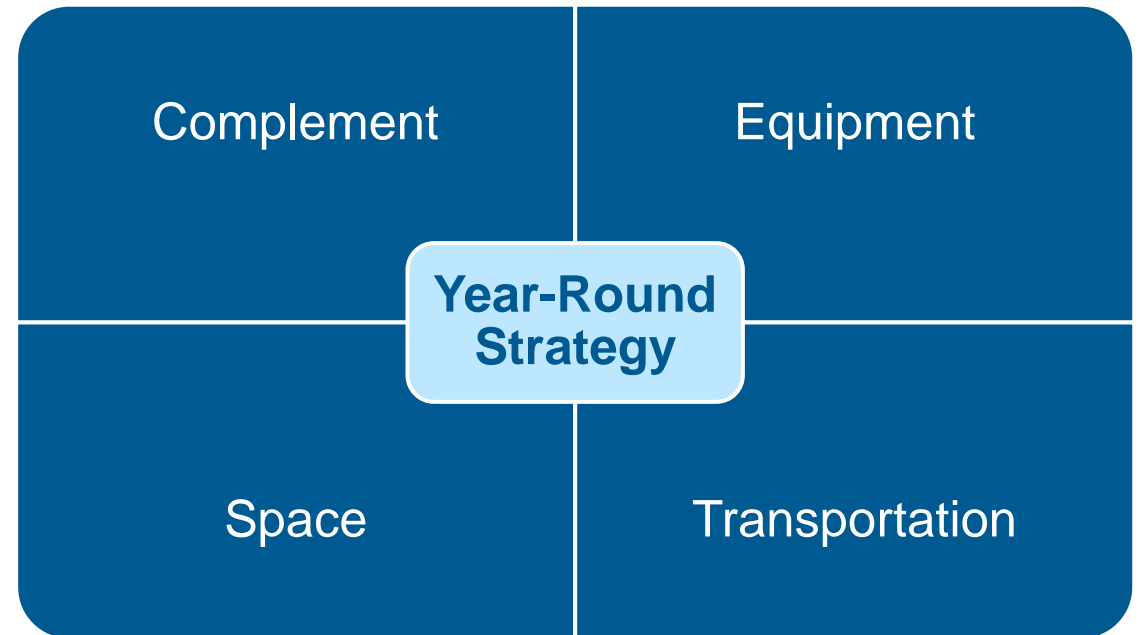 - First Class Packages : 3.30 days

Vision

Strategy

Execution

Success

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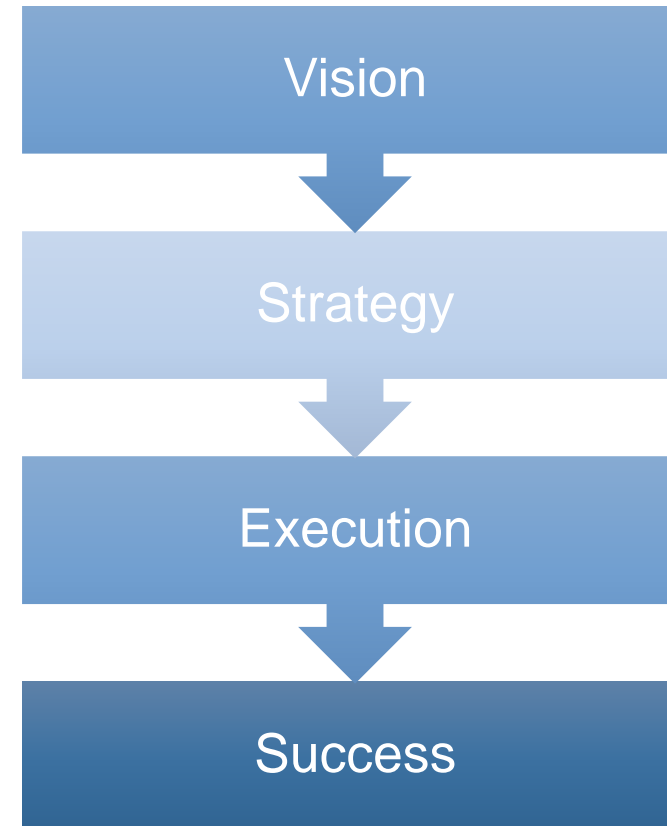
Summary

Continuing a successful year-round strategy to deliver for our customers

2022 Peak:

- **Maintain or improve on all 2021 peak successes**, including days to deliver
- **Early assessment and fulfillment of customer MTE needs**
- Requesting **early notification** for additional Peak Volume Pickups
- **Improved system** to return wood pallets to customers

Complement	Equipment
Year-Round Strategy	
Space	Transportation

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Thank You!

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