



# BMC FUTURE



September 10, 2007

Before the rumor mill begins to whirl up to full speed and those fear mongers out there begin to spread their "good will", here are the facts on the Postal Service's recent "REQUEST FOR INFORMATION CONCERNING A TIME-DEFINITE SURFACE NETWORK." The request for information begins with "The U.S. Postal Service (USPS) is conducting market research to identify interested organizations with the capability to implement a time-definite mail distribution and transportation network. A synopsis of the network requirements are described in this document." The market research is described in a seventeen page documents that is available and can be provided to any interested member. The Postal Service's objective is described under Section 1.3 and states

### **"1.3 Market Research Objective**

The Postal Service is conducting market research to identify interested organizations with the capability to design and manage a time-definite distribution and transportation network. Network components consist of (1) Operations, (2) Network Design, (3) Facilities, (4) Equipment, (5) Information Technology, (6) Personnel, (7) Network Management, and (8) Security. The Postal Service desires an overall network on-time service performance level that meets or exceeds 95%, where local mail requires overnight supplier delivery, and mail traveling coast to coast requires supplier delivery in four to seven days (depending on mail class)."

A meeting of interested parties was held on August 14, 2007 with The National Postal Mail Handlers Union represented by our Manager of Contract Administration, William Flynn and General Counsel Bruce Lerner. During this meeting an opportunity was provided for questions to be posed by attendees. The Postal Service responded to numerous questions from contractors and others. Here are a few relevant exchanges:

*Q: In terms of the BMC network that does exist right now in those large facilities, are you looking at sharing that space, leasing that space, reusing that space for FSS?*

*A: Yes, we think those facilities are great assets. We have a lot of really good people there, and we want to change the function of that building, but we're not leasing it. We're not looking for anyone to share space with us. We have use for those facilities.*

*Q: Say how about example of a pallet of flat mail that are in bundles. Would that be entered at -- see, currently I'm making a BMC pallet of bundles of flats. So where would this pallet go?*

*A: It depends on the level of makeup. If it's a destination entered, it would go to the BMC, the same as today.*

*Q: So there would still be a USPS-operated BMC entry point for this pallet?*

*A: Correct.*

*Q: I've got a few questions in terms of the BMCs and those facilities. Would those potentially be available to the contractors? What I suspect the major carriers are dealing with is their facilities have been optimized, and they're not going to have a lot of excess space in those facilities, and I understand that you're looking for timeframes to deal with too. But the BMCs, in certain cases, would those be available to the contractors either to buy, lease, whatever?*

*A: No, there aren't any cases that I would see the BMC facilities being available to anyone other than us.*

*Q: The unions have always been a very important part of the Postal Service. How are you dealing with the unions as you're looking at the potential of contracting this out?*

*A: They continue to be an important part of the Postal Service, and as we mentioned in the initial comments of the meeting, there are some very fine employees in the bulk mail centers, and they will continue to be used in some capacity within the Postal Service if this should go beyond just an RFI.*

A follow-up meeting is to be held in Washington DC on September 11<sup>th</sup> and as information becomes available it will be forwarded. Of course our National Office is monitoring this situation closely, however, as with previous Postal initiatives, such as the Evolutionary Network Development plan trumpeted a few years ago, these initiatives take years to develop and quite often die on the vine. If you have any question on this or other Union related matter please do not hesitate to speak with any Union representative.

  
John Gibson