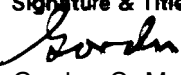




Management Instruction

Date Issued 10/30/89	Filing Number PO-140-89-7
Effective Date Immediately	Obsoletes n/a
Originating Organization & OCC Code Philatelic and Retail Service; Department PR200	
Title Retail Location Policy	Signature & Title  Gordon C. Morison Assistant Postmaster General

I. Purpose

This management instruction establishes policy and planning guidelines for the provision of retail service in future postal facilities so that retail units are properly located to efficiently serve the needs of our customers.

II. Scope

This policy applies to all postal organizations involved in the facility planning process regarding the decision to locate retail units.

III. Background

A. Current Service Locations

Retail services are currently provided at more than 34,000 U.S. Postal Service (owned or leased) facilities. Traditionally, retail units have been placed in the majority of postal facilities as a matter of course, often expanding current service levels and retaining retail service in the former location as both new and replacement facilities are opened. This increased the capital and expense costs of new or replacement facilities, and has caused labor costs to rise in the Customer Service area (LDC 42 and other Function 4 categories). In many cases, our retail units are in the wrong locations because they have been collocated with mail processing and delivery functions.

B. Expansion of Alternative Service

In recent years, the Postal Service has expanded alternative means of providing retail services to customers. While improving convenience, these alternatives impact both the number and type of customers using our retail units which should influence our plans for providing retail service in postal facilities. Our retail customers can be categorized, or segmented, into business and residential custom-

ers. It is important that postal retail units be located properly to serve those customers (primarily business) who cannot be served by alternative methods, especially since retail competition for those customers has become a factor in the past decade. It is also important to continue to expand alternative marketing channels to efficiently increase the convenience of the services we offer residential customers.

IV. Procedural Guidelines

To ensure that retail units are placed for maximum customer convenience, revenue potential and cost effectiveness, adherence to the following policy guidelines is required:

a. Retail window services should not be routinely planned nor be included in new (added) General Mail Facilities (GMFs), Mail Processing Centers (MPCs), or delivery units. Exceptions: see section V-B.

b. Airport Mail Facilities (AMFs) must be considered on a case-by-case basis. If an AMF is located near the main terminal or on a main access thoroughfare, then a full window service retail unit may be justified. Otherwise, Express Mail acceptance and vending equipment are sufficient.

c. In all cases, including delivery units, when replacing (vacating existing) a facility, window services may be provided at the replacement facility when needed. Retail services are currently available in virtually every community in the nation. It is not the purpose of this policy to withdraw service from communities. Small community post offices shall be continued and the procedures concerning the establishment and closure outlined in the *Domestic Mail Manual*, Part 113, and the *Postal Operations Manual*, Part 211, must be followed.

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d. In all cases, including delivery units, when adding (while retaining existing) a new facility, window service should not be provided unless required to serve a substantial population of business (not residential) customers. As a rule of thumb, 450 possible business deliveries located within 2.0 miles of the proposed facility site but more than 2.0 miles from an existing postal retail unit are considered to be "substantial" population. The needs of residential customers can generally be served by other means as identified in section IV-k.

e. Due to alternative methods of service (e.g., consignment), future growth in the number of lobby window positions should not be projected to match general population growth.

f. In cities with multiple retail units, periodic assessments of the growth or decline of business deliveries in station territories must be made so that retail window service is appropriate for the area served. It is expected that window service hours will not increase nationally in future years, and that growth in the number of postal owned or leased facilities will not increase at the same rate as general population growth.

g. A centrally located (to business) finance station with post office boxes is generally preferable to a retail unit collocated with a delivery unit or GMF on the periphery of the service area.

h. Contract postal units conveniently located where customers shop with hours appropriate to shopping patterns should be considered as a means of serving residential customers.

i. Post office box service should be provided at all postal retail units. However, provisions for post office box service in facilities with no retail units may be appropriate in some areas.

j. Delivery units should provide vending equipment. They should provide a dutch door or other means to serve calling customers. Notice-left items should be retained at the delivery unit for customer pick-up or redelivery.

k. Where retail service is required, it should be provided by:

1. Consignment
2. Stamps by Mail/Stamps by Phone
3. Contract Postal Unit
4. Vending
5. Postal retail window service

1. When determining which service to provide you must consider public interest, cost to the Postal Service, efficiency, availability of equipment, and the qualifications of employees.

V. Implementation

A. Responsibility:

Funds Investment Committees (FICs) and Capital Investment Committees (CICs) are charged with ensuring that new projects (leased and owned) comply with this policy.

B. Exceptions

With the variety of areas we serve, it is recognized that a small number of locations may require an exception to these location guidelines. When an exception is requested, it must be justified by a thorough analysis of existing and projected retail needs of customers and must be consistent with Division or MSC facility and retail plans.

C. Reevaluations

This policy applies only to projects in the planning process. Projects already in design and/or construction may be reevaluated at the option of local/regional management.