

When NAPS was informed of these pilots with United Parcel Service I had a discussion with John Hegarty, the President of the Mailhandlers Union and their Legislative Coordinator, Robert Losi as this pilot would also impact the Mailhandler craft significantly at the NDC's and at Plants where container transfers of NMO's to UPS would occur and the work belongs to Mailhandlers.

The plan calls for normal acceptance of NMO's and containerization for UPS transfers. UPS would provide all distribution and transportation of NMO's within their networks and present NMO's at destinating delivery units. In certain instances the NMO's may also be drop shipped to destinating Plants.

The Mailhandlers union already has their attorneys working on their objections and they contend that there are studies that indicate that insourcing the distribution and transportation of NMO's is cheaper using USPS personnel and vehicles. There are contractual issues galore.

The resident officers are also discussing this issue and we are also planning on developing a position objecting to the pilot and any expansion or diversion of NMO's to UPS or any other outsourcing.

Jay Killackey

Executive Vice President