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Contact: **Zachary Laux**
zachary.c.laux@usps.gov



Certain Local Originating Mail Processing Operations Remaining in Missoula – Enabled by the Postal Service’s Proposed Operational Strategy to Save \$3 Billion Annually on a Nationwide Basis

Benefits of new strategy negate the need to relocate Missoula facility’s local mail processing operations

USPS plans to invest up to \$12.2 million in Missoula facility to move forward as part of 10-year Delivering for America plan to modernize the nation’s aged and neglected postal network

No anticipated employee impacts with the decision to keep these operations at the Missoula facility

MISSOULA, MT – The United States Postal Service (USPS) has announced plans to retain certain local mail processing operations at the Missoula postal facility in Missoula, MT. This decision to leave those operations in Missoula is made possible due to a proposed operational strategy aimed at increasing efficiency, improving service quality, and saving USPS an additional \$3 billion per-year nationwide. This proposed strategy was outlined in its request for an advisory opinion filed with the Postal Regulatory Commission. The significant savings generated by this proposed operational strategy would enable the Postal Service to absorb the cost of continuing to provide local cancellation service in Missoula. As a result, the Postal Service will not need to relocate certain local originating mail processing operations outside of the Missoula facility. This means that mail being delivered from one address in Missoula to another will not leave the region for processing. This update follows a previous USPS decision to shift all originating mail processing operations to the Spokane P&DC in Spokane, WA, in 2024.

The Missoula facility will also see changes designed to boost its services, thanks to a USPS planned investment of up to \$12.2 million. These changes will not impact business mail entry, Post Office, station, and branch retail services. Once the Missoula facility becomes a Local Processing Center (LPC), it is expected to handle package mailing and shipping, letters, and flats. The LPC is also expected to offer express services and accept bulk and permit mail, further improving its delivery services.

"Our proposed operational strategy will generate substantial savings for the Postal Service. This strategy provides a solution that will ensure our organization can cover the cost of local originating mail processing operations in the Missoula facility," **said Postmaster General Louis DeJoy**. "Moreover, our Delivering for America plan is channeling up to \$12.2 million into upgrading the Missoula facility. This investment goes beyond just enhancing the work environment for our employees. It's about equipping the facility with the necessary technology and resources to deliver top-notch service to the local community for the foreseeable future."

Proposed operational improvements and corresponding refinements within the current service standard ranges will enable USPS to improve efficiency, save money, and sustain certain local originating mail processing at the Missoula facility

On August 22, 2024, the USPS began the regulatory process with the PRC, proposing operational improvements and refinements within current service standards. These enhancements aim to strengthen service reliability, increase cost efficiency, and boost overall productivity.

Earlier in 2024, the Missoula processing facility was part of a Mail Processing Facility Review (MPFR). The main objective of these reviews was to find cost efficiencies, primarily through transportation savings. By implementing the changes proposed in the request filed with the PRC, the Postal Service intends to achieve further operational efficiencies and optimizations. These would be in addition to transportation savings but achieved through different strategies than those used in certain Mail Processing Facility Reviews.

There will be no change to the location for certain local originating mail processing and cancellation operations in Missoula. In simpler terms, single piece mail that is sent from Missoula to be delivered in Missoula will continue to be processed at its current location.

No anticipated employee impacts

The Postal Service initially anticipated staffing impacts due to the proposed move of certain local originating mail processing operations to the Spokane P&DC in Spokane, WA. However, with the decision to keep these operations at the Missoula facility, there would be no anticipated employee impacts.

This remains consistent with the stance taken in April 2024, where no career layoffs were part of the initiative. In fact, as part of its investment strategy in the Missoula facility, the Postal Service is focusing on enhancing package processing and shipping capacity. This could potentially lead to increased plant activity and a future need for additional staffing support.

USPS to invest up to \$12.2 million in the Missoula facility

The Postal Service will invest up to \$12.2 million in the Missoula LPC, which will result in expanded and streamlined package and mail processing and distribution capabilities for the facility. These funds will also be used for modernization efforts and deferred maintenance along with new workplace amenities for Postal Service employees such as new lighting and renovated bathrooms and breakrooms.

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Please Note: The United States Postal Service is an independent federal establishment, mandated to be self-financing and to serve every American community through the affordable, reliable and secure delivery of mail and packages to 167 million addresses six and often seven days a week. Overseen by a bipartisan Board of Governors, the Postal Service is implementing a 10-year transformation plan, [Delivering for America](#), to modernize the postal network, restore long-term financial sustainability, dramatically improve service across all mail and shipping categories, and maintain the organization as one of America's most valued and trusted brands.

The Postal Service generally receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations.

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