

Before The  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

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Postal Rate and Fee Changes

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Docket No. R2000-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE  
WITNESS ROBINSON TO INTERROGATORY OF  
DIRECT MARKETING ASSOCIATION  
(DMA/USPS-T34-2)

The United States Postal Service hereby provides the responses of witness Robinson to the following interrogatory of the Direct Marketing Association:

DMA/USPS-T34-2, filed on March 23, 2000.

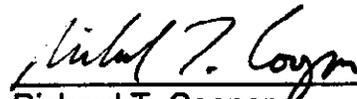
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

  
Richard T. Cooper

475 L'Enfant Plaza West, S.W.  
(202) 268-2993; Fax: -5402  
Washington, D.C. 20260-1137  
April 6, 2000

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROBINSON  
TO INTERROGATORIES OF THE DIRECT MARKETING ASSOCIATION

**DMA/USPS-T34-2.** Please refer to the Domestic Mail Rate History (LR-I-118) and your response to DMA/USPS-T34-1.

- a. Please confirm that the Postal Service offers presort discounts for First-Class Mail, Periodicals mail, Standard (A) Mail, and some Standard (B) Mail subclasses.
- b. Please confirm that the Postal Service offers presort discounts because mailer presortation reduces USPS costs.
- c. Please confirm that the Postal Service offers automation discounts for First-Class Mail, Periodicals Mail, Standard (A) Mail, and Standard (B) Mail.
- d. Please confirm that the Postal Service offers automation discounts because mailer prebarcoding reduces USPS costs.
- e. Please confirm that the Postal Service offers dropship discounts for First-Class Mail, Periodicals Mail, Standard (A) Mail, and Standard (B) Mail.
- f. Please confirm that the Postal Service offers dropship discounts because mailer dropshipping reduces USPS costs.
- g. Please confirm that the Postal Service's rate schedule for Standard (B) mail, Periodicals Mail, and Priority Mail that weighs more than five pounds is zoned.
- h. Please confirm that the Postal Service's rate schedule is zoned for these mail classes, which are comprised primarily of heavier pieces, because, *ceteris paribus*, pieces traveling longer distances in USPS transportation incur more USPS transportation costs than pieces traveling shorter distances in USPS transportation.
- i. Please confirm that mailer presortation, prebarcoding, and dropshipping of Priority Mail reduce USPS costs. If not confirmed, please explain your reasoning.
- j. Please confirm that Priority Mail pieces that travel long distances in USPS transportation incur more USPS transportation costs than Priority Mail pieces that travel only short distances in USPS transportation.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROBINSON  
TO INTERROGATORIES OF THE DIRECT MARKETING ASSOCIATION**

**RESPONSE:**

- a. Confirmed.
- b. Confirmed that the Postal Service offers presort discounts, in part, because mailer presortation reduces USPS costs.
- c. Confirmed.
- d. Confirmed that the Postal Service offers automation discounts, in part, because mailer prebarcoding and the other requirements for automation discounts reduce USPS costs.
- e. Confirmed for Periodicals Mail, Standard (A) Mail, and some subclasses of Standard (B) Mail. Not confirmed for First-Class Mail.
- f. Confirmed that the Postal Service offers drop ship discounts, in part, because mailer drop shipping reduces USPS costs.
- g. Confirmed that the Postal Service's rate schedules for (1) Priority Mail that weighs more than five pounds, (2) the advertising portion of Periodicals Mail, (3) Bound Printed Matter, and (4) Parcel Post are zoned. Not confirmed that Special Standard Mail, Library Mail and the nonadvertising portion of Periodicals Mail are zoned.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROBINSON  
TO INTERROGATORIES OF THE DIRECT MARKETING ASSOCIATION**

- h. Confirmed that the Postal Service's rate schedule for the zoned mail classes listed in the response to part (g) are zoned, in part, because pieces traveling longer distances in USPS transportation generally incur more USPS transportation costs than pieces traveling shorter distances in USPS transportation.**
  
- i. Not confirmed. I am unaware of any studies that have evaluated the impact of prebarcoding and drop shipment of Priority Mail on Postal Service costs. The only study that I am aware of evaluating the impact of presortation on Priority Mail costs has not been updated since Docket No. R90-1, and does not necessarily reflect the Postal Service's current cost structure including the PMPC network.**
  
- j. Confirmed.**

**DECLARATION**

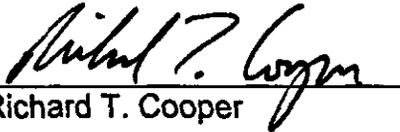
I, Maura Robinson, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

*Maura Robinson*  
MAURA ROBINSON

Dated: 4.6.2000

## CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

  
Richard T. Cooper

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