

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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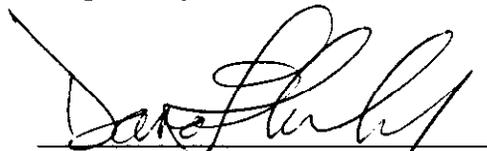
Docket No. R2000-1

POSTAL RATE AND FEE CHANGES, 2000

**INTERROGATORIES OF
THE DIRECT MARKETING ASSOCIATION, INC.
TO ABA&NAPM WITNESS CLIFTON**

Pursuant to Sections 25 and 26 of the Commission's Rules of Practice, the Direct Marketing Association, Inc. hereby submits the attached interrogatories to ABA&NAPM witness Clifton: DMA/ABA&NAPM-T1, Nos. 1-4. If the designated witness is unable to respond to any interrogatory, we request a response by some other qualified witness.

Respectfully submitted,

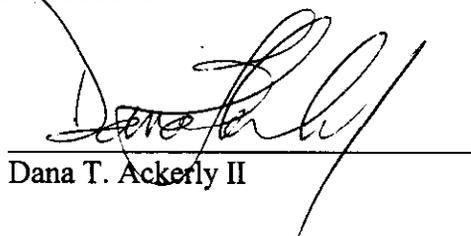


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CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Commission's Rules of Practice.



Dana T. Ackerly II

Dated: June 2, 2000

DMA/ABA&NAPM-T1-1. Please refer to your testimony on page 60, lines 1-5, where you refer to “these changes in cost coverage” as being “discriminatory and unfair to First Class worksharing mailers”

- a. Please confirm that the Commission’s rate recommendations in Docket No. R97-1 were made following major classification changes pursuant to PRC Docket No. MC95-1. If you do not confirm, please explain fully.
- b. Do you contend that cost coverages recommended by the Commission in Docket No. R97-1 for First Class and Standard A mail were “discriminatory” and “unfair?” If so, please explain your contention in as much detail as possible with specific reference to the pricing criteria of section 3622(b).
- c. What is the continued relevance, if any, of conclusions made by the Commission in Docket No. R90-1, a case that was litigated a decade ago and that preceded the classification changes instituted pursuant to Docket No. MC95-1? Please explain fully.

DMA/ABA&NAPM-T1-2. Please refer to your testimony at page 60, lines 7-13, where you state, “it does appear unmistakably that in the growing disparate trends between cost coverages for single piece versus workshared mail in the allocation of institutional costs, workshared mail is being singled out in an arbitrary and almost punitive way. This is unfair, inequitable, and discriminatory”

- a. Is it your contention that the USPS proposals in this proceeding discriminate unfairly against workshared First Class mailers, as compared with mailers of single-piece First Class mail? If so, please explain as fully as possible your contention with references to the pricing criteria of section 3622(b).
- b. Is it your contention that the USPS proposed rates for workshared First Class mail discriminate unfairly against the mailers of workshared First Class mail as compared with the mailers of Standard A mail? If so, please explain your position as fully as possible with reference to the pricing criteria of section 3622(b).

DMA/ABA&NAPM-T1-3. Please refer to your testimony at page 60, lines 26-28, where you state, “. . . First Class Mail, and workshared mail in particular, has been shouldering an extremely unfair share of institutional delivery costs for several years, while Standard A mail has unfairly benefited from this cost coverage convention,” citing USPS witness Mayes as “acknowledging this benefit,” referring to witness Mayes’ interrogatory answer ABA&NAPM/USPS-T32-4, at Tr. 11/4214-15.

- a. Please confirm that the referenced “benefit” accruing to Standard A mail as a result of the contributions to institutional costs made by First Class mail is no

- a. Please confirm that the referenced “benefit” accruing to Standard A mail as a result of the contributions to institutional costs made by First Class mail is no different qualitatively from the benefit accruing to First Class mail as a result of the contributions to institutional costs made by Standard A mail. If you do not confirm, please explain fully. In your opinion, would USPS witness Mayes confirm the foregoing statement? If your answer is other than an unqualified “yes”, please explain fully.
- b. Is it your understanding that witness Mayes is of the opinion that First Class mail shoulders “an extremely unfair” share of institutional delivery costs and that Standard A mail has “unfairly” benefited from the cost coverage convention utilized in PRC proceedings? Please explain fully with specific references to witness Mayes’ testimony.
- c. With specific references to the pricing criteria set forth in section 3622(b), please explain as fully as possible your contention that the First Class mail contribution to institutional costs is “extremely unfair” and that Standard A mail has benefited “unfairly” from the cost coverage convention.

DMA/ABA&NAPM-T1-4. Please refer to your testimony on page 61, lines 11-16, where you address per-piece contributions to institutional delivery costs paid by First Class mail and Standard A mail.

- a. What, in light of the statutory pricing criteria of section 3622(b), is the proper weight that should be given to a per-piece revenue contribution analysis as compared with the “cost coverage convention” that you criticize?
- b. What, in your opinion, are the differences between your position and the Commission’s previously stated views on this issue? Please be as specific as possible.
- c. In your opinion, would the Commission need to modify its previously described views concerning per-piece analyses in order to agree with your rate proposals? Please explain fully.