

**BEFORE THE UNITED STATES
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001**

**PROPOSED RULES APPLICABLE TO
BASELINE AND FUNCTIONALLY
EQUIVALENT NEGOTIATED SERVICE
AGREEMENTS**

Docket No. RM2003-5

**COMMENTS OF EW CONSULTING RELATIVE TO RETAIL
APPLICATIONS**

EW Consulting offers the following comments pursuant to Order 1383 concerning proposed rules of the Postal Rate Commission (PRC) applicable to United States Postal Service (USPS) proposals requesting Commission review of baseline and functionally equivalent negotiated service agreements (NSAs). EW Consulting works with clientele that have interest in marketing first-class postage stamps through various classes of retail trade. Furthermore, these entities have interest in the future acquisition of large blocks of such postage at rates conducive to resale through commercial channels and applications, which may fall outside of the USPS charter and capabilities. The recent President's Commission on the Postal Service identified the need to grow retail/commercial sales channels for postage as a future protection of ongoing universal service, to increase the rapidity of such growth, and to take advantage of potential outsourcing opportunities.

EW Consulting supports the Commission's initiative to promote pricing flexibility through NSAs, and appreciates the Commission's efforts

related to the Capitol One NSA case. This case appears to open new doors for mutually beneficial postal/commercial contracts; however these appear to be specifically related to bulk mail and direct-mailer type applications. It is the intent of our comments to raise the Commission's attention to the possibility that NSAs may also have future applicability to the *retail sale of postage*. We specifically do not want the PRC to lose sight of the fact that future NSAs could be offered involving retail concepts and contracts with commercial wholesalers, distributors and agents having capabilities to market postage in channels that government agencies do not have access to. Such concepts could intertwine special services, distributor capabilities, consumer packaging, technology applications and relationships, which have not been previously accessed or adequately accessed. Such NSAs could benefit the USPS, the commercial sector and the nation as a whole.

SUMMARY:

EW Consulting appreciates the opportunity to comment on a related but slightly different application of the Commission's proposed future rules for Postal Service NSAs. In summary, *we encourage the Commission to consider / incorporate retail applications*, as well as bulk/direct mail applications, in its future NSA guidelines.

Respectfully Submitted,

_____/s/_____

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