

ORIGINAL

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

SPECIAL SERVICES REFORM, 1996

Docket No. MC96-3

DOUGLAS F. CARLSON
RESPONSE TO INTERROGATORIES
OF DAVID B. POPKIN (DBP/DFC-1-6)

October 25, 1996

I, Douglas F. Carlson, hereby provide my responses to the interrogatories of David B. Popkin (DBP/DFC-1-6). The interrogatories were served on October 21, 1996.

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

Respectfully submitted,

Dated: October 25, 1996



DOUGLAS F. CARLSON



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OF DAVID B. POPKIN**

DBP/DFC-1. By renting a post-office box near your place of work (in Berkeley) instead of a box at the post office that serves the five-digit ZIP Code area in which you live (Emeryville), do you believe that you impose costs on the Postal Service higher than the costs that you would impose if you instead used a box in Emeryville?

RESPONSE:

No. In fact, I believe that I impose lower costs on the Postal Service by renting my box in Berkeley because the long lobby hours allow me to pick up my mail daily. The short lobby hours of the post office in Emeryville would prevent me from picking up my mail on a daily basis, so from time to time my mail might accumulate if my box were located in Emeryville.

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DBP/DFC-2. Witness Needham has testified repeatedly that nonresident boxholders are apt to present costlier situations to the Postal Service than resident boxholders. See, e.g., Response to DFC/USPS-T7-6. Do you have any evidence indicating that the Postal Service encourages or discourages customers from obtaining box service at a post office other than the one that serves the five-digit ZIP Code area in which they live?

RESPONSE:

Yes. Postal Service Publication 201, Consumer's Guide to Postal Services and Products (July 1996), states that "Post office box delivery is a secure and private means of getting your mail any time the post office lobby is open. With post offices conveniently located near most businesses, you can get a jump on your day by receiving your mail at a post office box near where you work." Library Reference LR-DFC-1 at 7. This publication appears to be promoting the concept of obtaining a post-office box at a post office near a person's place of work--a post office which, in many cases, would be a post office other than the customer's local post office. Witness Needham has testified that nonresident boxholders cause added administrative burdens for the Postal Service, and she cites these alleged burdens to justify the nonresident fee. This recently updated Postal Service publication appears to be promoting precisely the type of consumer behavior that Witness Needham claims is placing additional burdens on postal operations--a behavior for which the Postal Service now requests relief in the form of a nonresident fee.

I know of no attempts by the Postal Service to discourage customers from renting nonresident boxes.

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DBP/DFC-3. Suppose the lobby hours in Emeryville were increased to match the lobby hours of your post office in Berkeley. Suppose, further, that delivery service in Emeryville became just as reliable as delivery service in Berkeley. Assuming the fee for each box were identical, would you move your box to Emeryville?

RESPONSE:

Probably not, because I would incur certain significant costs in changing my address. For example, I would need to: order a new rubber return-address stamp and new address labels; notify 75 to 100 correspondents of my new address; and re-write all macros in my computer that I use in writing and addressing business mail. I made my decision to obtain box service in Berkeley based on the circumstances that existed in June 1995, and if the services between the offices subsequently became more equal, I probably would elect to avoid the cost and hassle of changing my address, despite some additional convenience that I could gain by having my box closer to home.

Similarly, if the Postal Service imposed a nonresident fee on my box in Berkeley, I would incur additional costs regardless of whether I kept or relinquished my box. If I retained the box, I would pay the nonresident fee. If I obtained box service elsewhere, I would incur costs in changing my address.

For another example of the penalty that a nonresident fee would impose on people who made a rational decision when they originally obtained box service, please see my testimony, DFC at 11.

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DBP/DFC-4. Do you contend that the nonresident fee would interfere with customers' ability to avoid delivery problems at particular post offices by obtaining box service at another post office?

RESPONSE:

Yes.

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DBP/DFC-5. Can you cite an example other than Emeryville of a post office that experiences serious delivery problems?

RESPONSE:

Yes. I used a box at the Sather Gate Station in Berkeley from 1986 to 1990. At the Sather Gate Station, several delivery problems existed. Flats almost always were delayed one day. On Saturdays, the station had only two clerks, who were responsible for sorting all the mail to the boxes and servicing the window in a busy location one block from the UC Berkeley campus. Consequently, often not all the box mail was delivered to the boxes on Saturdays because the clerks elected to serve the window customers instead. On one memorable Saturday--the Saturday of Labor Day weekend in 1989--I was expecting several letters containing documents that I had to sign and mail back that day. I pleaded with the window clerks several times to sort the box mail, but they refused because the line for window service was too long. I had to leave town around 1:00 PM--well after the posted deadline for distributing box mail--and allow the deadline on my letters to pass. Sure enough, the letters were in my box on Tuesday morning, and they most likely were in the station, unsorted, on Saturday.

Boxholders at the Sather Gate Station suffered from another service problem. In the late 1980's, Oakland, the Processing and Distribution Center that serves Berkeley, used both Multi-Position Letter Sorting Machines (MPLSM's) and Bar Code Sorters (BCS's) to sort mail to the Sather Gate box section. (The Sather Gate box section shared the ZIP Code of the surrounding city streets, but the carriers worked out of the Berkeley main post office. Thus, Oakland separated the box mail for Sather Gate and dispatched it directly to Sather Gate.) While no consistent problem existed with delivery of MPLSM-sorted mail on Saturdays, the

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mail that received secondary sortation on a BCS almost never arrived on Saturday. It almost always was delayed until Monday. Before multiline OCR's were deployed, I could test the problem as often as I wanted, with predictable results each time. I would mail two test letters to myself in a bundle of metered letters. On one letter I used my 5-digit ZIP Code, while on the other letter I used my 9-digit ZIP Code. The letters would receive corresponding 5-digit ("A field") and 9-digit ("C field") bar codes. The letter with the 5-digit bar code would receive secondary sortation on an MPLSM and arrive on Saturday. The letter with the 9-digit bar code would receive secondary sortation on a BCS and arrive on Monday. The problem was so predictable that I finally brought it to the attention of the Oakland P&DC, only to receive a letter informing me that they were unable to "pinpoint" the problem. Nonetheless, the problem continued through May 1990, when I closed my box and left Berkeley.

I would disapprove of a nonresident fee that would charge me an extra fee for obtaining box service at another post office so that I could avoid problems such as the one I described at Sather Gate.

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DBP/DFC-6. Do you believe that customers can effectively obtain solutions to delivery problems by bringing the problems to the attention of postal authorities? Provide examples.

RESPONSE:

Often customers face significant obstacles in obtaining solutions to their problems. I was unable to secure a solution to the problems at Sather Gate that I described in my response to DBP/DFC-5, despite letters to the Berkeley postmaster and postal officials in Oakland. I was particularly disturbed that the problems were not solved given that I had used my expert knowledge of mail processing to determine that only mail that received secondary sortation on automation was affected. In other words, I did quite a bit of work before I even brought the problem to the Postal Service's attention, and I provided the Postal Service with a large amount of useful information. Most customers probably would have been able to provide significantly less information in their complaint letter, so I doubt they would have received a solution, either.

In my testimony, DFC at page 8, lines 6-9, I noted that I mailed a letter to the plant manager in Oakland regarding the problem with delivery of flats to my box in Berkeley. I have attached the letter from Ms. Carol Miller that I received in response to my letter. Attachment 1 to Response to DBP/DFC-6. While the letter is courteous and provides some interesting information about dispatch times, it does not offer me promise of a prompt solution to the problem. Indeed, service has not improved since I sent my letter or since I received Ms. Miller's response.

SENIOR PLANT MANAGER
PROCESSING & DISTRIBUTION CENTER



September 26, 1996

Mr. Douglas F. Carlson
PO Box 12574
Berkeley CA 94712-3574

Dear Mr. Carlson:

Thank you for your letter of inquiry and information. We would like to take this opportunity to extend our sincerest apologies for any inconvenience you have experienced due to service delays.

All first class flats are worked during the night shift and dispatched at 0630 and 0700; any residual first class flats that arrive in the unit during the day shift are worked and dispatched later in the afternoon.

Although this does not explain why you have continued to experience delays in service, my staff will continue to monitor this operation to ensure all first class flats are being pulled in time for scheduled dispatches.

Again, we thank you for bringing this to our attention. We at the Oakland Processing & Distribution Center are committed to providing our customers with the highest quality of service possible.

Sincerely,

A handwritten signature in cursive script that reads "Carol A. Miller".

Carol A. Miller
Senior Plant Manager

cc: Postmaster, Berkeley CA 94704-9998

DECLARATION

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

Dated: October 25, 1996



DOUGLAS F. CARLSON

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon the required participants of record in accordance with section 12 of the Rules of Practice and sections 3(B)(3) and 3(C) of the Special Rules of Practice.



DOUGLAS F. CARLSON

October 25, 1996
Emeryville, California