Postal Regulatory Commission
Submitted 12/6/2013 3:09:28 PM
Filing ID: 88506
Accepted 12/6/2013

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

Rate Adjustment due to Extraordinary or	)	
Exceptional Circumstances	)	Docket No. R2013-11

REPLY COMMENTS

OF

VALPAK DIRECT MARKETING SYSTEMS, INC., AND VALPAK DEALERS' ASSOCIATION, INC.
(December 6, 2013)

William J. Olson
John S. Miles
Jeremiah L. Morgan
WILLIAM J. OLSON, P.C.
370 Maple Avenue West, Suite 4
Vienna, Virginia 22180-5615
(703) 356-5070

Counsel for:
Valpak Direct Marketing Systems, Inc., and Valpak Dealers' Association, Inc.

TABLE OF CONTENTS

INTRODUCTION

Valpak Direct Marketing Systems, Inc. and Valpak Dealers' Association, Inc. ("Valpak") filed their Initial Comments on the date that they were due, November 26, 2013. Certain important Postal Service responses to Presiding Officer's Information Requests ("POIR") (Nos. 9, 10, and 11) were not filed until after that date (on November 29, 2013). Accordingly, in addition to responding to certain points made in the Initial Comments of other parties, these Reply Comments address some of the Postal Service responses filed after Initial Comments were filed.

REPLY COMMENTS

I. POSTAL SERVICE RESPONSE TO POIR NO. 10 AND OTHER INITIAL COMMENTS ON COST REDUCTION PROGRAMS.

A. The Response to POIR No. 10, Q. 5(b) Admits that the Postal Service Refuses to Pursue the Major Cost Savings from Conversion of Door Delivery to Curb Delivery that Are Totally within Its Control.

The Commission asked the Postal Service whether conversion of residential and business door delivery to curbside delivery or other less expensive delivery methods — as discussed in USPS OIG, Audit Report: Modes of Delivery, Report No. DR-AR-11-006 (July 7, 2011) — is within the control of the Postal Service. The Postal Service replied in the affirmative:

> Yes, it is within the Postal Service's legal authority to require conversions, upon revising its existing regulations which require customer consent for conversions. To the extent that a change in the nature of delivery service is at least substantially nationwide in scope, it would be subject to the requirement that the Postal Service request an advisory opinion from the Postal Regulatory Commission under section 3661. [Postal Service Response to POIR No. 10, Q. 5(b).]

Although acknowledging that such major cost savings are completely within its control (and discretion), the Postal Service's response also recites a litany of reasons why it prefers not to realize any portion of the potential $4+ billion of potential annual savings.[1] By implication, it would prefer to breach the price cap and continue to impose the costs of expensive door delivery on mailers, all the while blaming Congress for not acting on other smaller cost savings measures which are not within the Postal Service's control.

The Postal Service states that "door delivery is a service that customers value," but gives no indication whether those customers now receiving door delivery would be willing to pay anything near the extra cost of the "value" they currently receive for free, courtesy of mailers. The monopoly is no longer effective at retaining volume,[2] hence mailers have the option to avoid paying for unnecessary services such as free door delivery by abandoning the mail, as many continue to do. *See also* Valpak Initial Comments, pp. 95-99.

The Postal Service cannot disregard an enormous annual cost savings if it is in financial crisis and operating in a businesslike manner.

---

[1] Other estimates of cost savings from conversion away from door delivery have been around $2 billion annually; all estimates of such cost savings would exceed the $1.78 billion in contribution being sought by the Postal Service in this docket.

[2] The October 2013 Preliminary Financial Information (filed with the Commission on Nov. 25, 2013) indicates that First-Class Mail declined this October by another 3.6 percent in comparison to one year ago.

B. SIIA/ABM Points to Other Potential Sizeable Cost Savings Not Pursued by the Postal Service.

Demonstrating that preserving door delivery is not the Postal Service's only cost-cutting problem, the Initial Comments of Software & Information Industry Association and American Business Media ("SIIA/ABM") also addressed other possible major cost savings:

> The USPS Inspector General released a report on September 26, 2013, which … contains information for fiscal year 2012 … saying the USPS has not taken all steps to reduce costs. The report states: "We found the Postal Service … used over 14 million work hours (equating to **$629 million dollars) more than necessary** to process mail volume." [*Id.*, p. 3 (emphasis added).]

Then, in what may be one of the leading candidates for understatement of the year, SIIA/ABM's comments observe that "This supports the contention that the Postal Service has not been on the leading edge of adjusting their business model to the new economy." *Id.*

C. The Postal Service Would Consider Further Cost Reductions only if Forced to Do So.

The Commission asked the Postal Service what it would do if the allowable price cap increase did not offset the lost contribution from the volume decline and if Congress did not permit the Postal Service to reduce delivery frequency. Witness Nickerson replied as follows:

> If allowable price increases within the confines of the CPI price cap were not sufficient to allow the Postal Service to maintain liquidity (setting aside defaults on the legally-required retiree health benefits prepayments) **management would consider additional cost reductions in all areas.** [Postal Service Response to POIR No. 11, Q. 13(d) (emphasis added).]

In other words, Postal Service management is fully aware that it could reduce costs further, but it refuses to do so. It would only "consider" such steps if forced to do so by liquidity needs. Otherwise, the Postal Service indicates no intention of considering significant cost-reducing possibilities that are not in its April 2013 plan. Clearly, the Postal Service is far from having done all that it could to avoid requesting an exigent rate increase. It needs to go much further in reducing costs, becoming a lean, efficient operation, and learning to live within the price cap, as Congress intended when it enacted PAEA. And the Postal Service needs to do it sooner rather than later, because that would enable it to generate ample funds for capital investment. However, the Postal Service indicates it will not do so unless compelled to do so by the price cap. Of course, this is why Congress imposed the cap, and why the Commission should reject the exigent rate request.

II. POSTAL SERVICE RESPONSE TO POIR NO. 11.

A. The Postal Service Prefers Speculative Small Contributions Many Years from Now to Improved Finances this Year.

The Commission asked the Postal Service whether it made any use of the Valpak Standard Mail Contribution Maximization Model which had been provided to the Postal Service on June 19, 2013. (This Model was filed with Valpak's Initial Comments in this docket, along with a narrative explanation.) The Postal Service's response was succinct: "No." Postal Service Response to POIR No. 11, Q. 8(a). Valpak's Model had never been considered.

The Commission then asked, if the Valpak model had not been used, why not? Witness Taufique offers two reasons. First, he states:

> The chosen across-the-board approach in Docket No. R2013-11 does not allow the highly differentiated price changes suggested by the Valpak model, or any other models of similar type. [Postal Service Response to POIR No. 11, Q. 8(b).]

We know from the testimony of witness Taufique that the decision to impose price increases was given him by the Governors. *See* Postal Service Response to POIR No. 9, Q. 1; Tr. 1/28, l. 23 – 29, l. 1 (Nov. 19, 2013). Putting these statements together, we now know that when the decision to impose the exigent price increase on an across-the-board basis was made by the Governors, it was made without regard to the opportunity presented in this docket to use "pricing flexibility" to maximize contribution by "highly differentiated" price changes — as demonstrated "by the Valpak model, or any other models of similar type." Assuming this to be true, the Governors were not well served by management, and failed to act in an informed manner on the proposed exigent increase, and their choice of an across-the-board pricing approach should be given no deference whatsoever by the Commission.

The second reason for not using the Valpak model is no better. Witness Taufique explained:

> the Valpak model is not dynamic/multiyear; it addresses **contribution only in the test year.** Contribution should be evaluated, and enhanced, in **a long-run context.** Single-year profitability is not necessarily consonant with long-run profitability. [Postal Service Response to POIR No. 11, Q. 8(b) (emphasis added).]

Witness Taufique's laid-back approach to near-term profitability contrasts mightily with testimony by witness Nickerson, who professes a fear that within the next 12 months the Postal Service's liquidity could be so low as to threaten its ability to meet payroll. Taken at face value, witness Taufique's statement implies that he believes witness Nickerson's fear is completely misplaced. In essence, witness Taufique says that the Postal Service has no need to use its pricing flexibility to increase availability of net cash in the near term. Witness

Taufique's statement is consistent with the Postal Service having no serious need for any exigent rate increase.

Moreover, the statement that "Single-year profitability is not necessarily consonant with long-run profitability" is totally unsupported by any reasoning whatsoever. It makes no economic sense in the context of products whose revenues: (i) have failed even to cover volume variable costs (much less make any contribution) for as long as separate product records have been available; (ii) are projected to continue in this money-losing mode for FY 2013 and FY 2014 (*see* Nickerson Attachments 23–26) and beyond; and (iii) show no promise of ever being able to provide revenues that exceed those costs.

B. Witness Taufique Fails to Distinguish between Net Cash Flow, Contribution, and Gross Revenue.

In Response to POIR No. 11, witness Taufique makes two revealing statements:

> **The purpose** of R2013-11 **was to increase revenue** for the Postal Service. [Postal Service Response to POIR No. 11, Q. 6 (emphasis added).]
>
> Long-run profitability requires considering … how much volume will actually be around in the long run to produce a **revenue yield.** [Postal Service Response to POIR No. 11, Q. 8(c) (emphasis added).]

Just as the Postal Service has often expressed a preference for volume for the sake of volume, rather than volume which it could handle efficiently and make a profit, the Postal Service has often focused more on top-line revenue, to the detriment of the bottom line — whether it be termed net revenue or profitability.

In the context of underwater products that cause the Postal Service to lose money every week of the year and contribute significantly to the Postal Service's asserted cash flow and liquidity "crisis," the failure even to mention contribution and the focus exclusively on "revenue" or "revenue yield" could scarcely be more misplaced. On the basis of witness Taufique's statements, the Postal Service appears completely indifferent to whether products lose money or provide it with substantial profits. Such statements negate any claim to "economical and efficient management." Until the Postal Service employs its pricing flexibility in a meaningful manner to cure its financial ills, the Commission should not provide it with an escape valve so it can continue its distinctly unbusinesslike pricing ways.

C. Witness Taufique Professes Little Confidence in the Postal Service's Own Elasticity Estimates, and Gives No Consideration to how Contribution Might Be Increased when Elasticity Estimates Are Uncertain.

In Response to POIR No. 11, question 8(b), witness Taufique states that:

> Standard Mail own-price elasticities are not known with enough certainty to justify mechanistic application in a model whose legitimacy (e.g., vis-à-vis "maximizing" contribution) relies to a great extent on those elasticities. This particularly applies for Standard Mail Flats and Standard Mail Letters whose **elasticities are not even estimated separately by the Postal Service.** [Emphasis added.]

Witness Taufique's lack of confidence in the elasticity estimates produced by the Postal Service is echoed in Initial Comments by Valassis (pp. 30-31) and NPPC/MMA/NAPM (pp. 5-7, citing Larry Buc). One common approach when faced with such uncertainty is use of sensitivity analysis to investigate how prices should change in response to a wide variation in assumed elasticity (as is done in the appendix to Valpak's Initial Comments), but this approach witness Taufique fails to mention.

A second approach when facing uncertainty is to fall back on what is known. The Postal Service's data on average revenue, cost, and profitability of individual products have been the subject of intense scrutiny for four decades and are as good as can be developed. Although elasticity estimates could be in doubt, there is no doubt the Postal Service knows which products are profitable and which are not. When profitability of individual products is known to vary widely (as it does), the "chosen across-the-board approach in Docket No. R2013-11" is the very antithesis of efficient and economic management that endeavors to maintain and continue the development of postal services of the kind and quality adapted to the needs of the United States.

Under any conceivable circumstances, "best practices of … efficient, and economical management" would seek to minimize any price increases on those products that are the most profitable, and which do the most to support and maintain the organization, while focusing any necessary price increases on those products that make little or even no contribution, and whose reduction of volume would have no negative impact on the Postal Service's bottom line. The greater the uncertainty concerning elasticities of the various products, the more this holds true. If some volume must be sacrificed to a price increase, the Postal Service can ill afford to risk accelerating the erosion of its most profitable volume. And, given witness Taufique's professed concern about the long-run context of pricing decisions, such an approach is far wiser and more conservative than the "chosen across-the-board approach."

An across-the-board increase may represent best practices of politics aimed at getting Congress to bend to the Postal Service's will, but it is far removed from "best practices of economical and efficient management."[3] The Postal Service itself often states that its business

---

[3] *See also* Saturation Mail Coalition and Association Commenters ("SMCAC") Initial Comments, p. 7 ("An across the board increase may be political expedient, but it is not

model is broken. Not discussed, however, is that its own process for making pricing decisions that are economically efficient is equally broken, if not more so. Those appallingly bad decisions fail to evidence a serious sense of fiduciary responsibility for maintaining the Postal Service in sound financial condition. Approving an exigent price increase would only perpetuate bad pricing.

III. COMMENTERS AGREE THAT THE PRINCIPAL IMPETUS FOR THIS EXIGENT PRICE INCREASE IS NOT THE 2008-2009 RECESSION.

Although the Postal Service claims that the extraordinary or exceptional circumstance giving rise to its proposed exigent price increase is the 2008-2009 recession, several commenters point to the Postal Service's liquidity problem as the primary driver of the exigent price increase. NPPC/MMA/NAPM/AMEE[4] (hereinafter "NPPC") explained:

> The Postal Service asserts that the problem facing it is, as Mr. Nickerson says, "a lack of adequate liquidity." *Statement of Stephen J. Nickerson* at 5. Indeed, at the November 20 hearing Mr. Nickerson reiterated that the Service's liquidity issue was the "primary consideration" for the exigency filing. [NPPC Initial Comments, p. 4.]

Likewise, the Public Representative ("PR") cites Mr. Nickerson as explaining that the Postal Service's necessity for the exigent increase is the lack of liquidity:

> Postal Service representative Nickerson states the Postal Service "needs this money because it has an ongoing liquidity challenge." He confirms that the liquidity challenge is to some extent the most critical financial issue faced by the Postal Service.... The Postal Service states its request as an exigent

---

smart. It is not in the long-term best interests of the Postal Service.").

[4] The National Postal Policy Council, the Major Mailers Association, the National Association of Presort Mailers, and the Association for Mail Electronic Enhancement.

> price increase due to the recession, but all its argument clearly indicates the need for an exigent price increase is “due to” a perceived cost of service liquidity problem. [PR Initial Comments, pp. 9-10.]

Similarly, the Postal Service’s initial filing in Docket No. R2010-4 painted a grim picture of the Postal Service’s short-term financial condition, stating that it would be completely insolvent by September 2011 (with or without the exigent increase proposed in that case). *See* Order No. 547, pp. 74-75. However, not only did it survive FY 2011, it has survived FY 2012 and FY 2013 (the latter ending with a small profit, although not affecting the Postal Service’s cash balance).[5]

SMCAC identify another reason as the principal driver of the Postal Service’s case in this docket — pending legislation:

> This case was not filed “due to” the 2008-2009 recession. The exigency increase was filed because Congress has not passed comprehensive postal reform. The same structural problems that haunted the Postal Service in the last exigent filing … are the problems that led the USPS to seek an exigent increase. [SMCAC Initial Comments, pp. 4-5.]

SMCAC cited statements from the Postal Service Board of Governors Chairman, Postmaster General, and Deputy Postmaster General that the exigent increase would be withdrawn if Congress acts. As SMCAC states, “This filing was not ‘due to’ the 2008-2009 recession. It was plainly due to inaction in Congress.” *Id.*

[5] Chairman Goldway’s questions at the public hearing revealed that Postal Service liquidity varies throughout the fiscal year, but is usually the lowest just after the end of the fiscal year. *See* Tr. 2/194, l. 7 – 195, l. 1.

Valpak agrees with the Initial Comments of NPPC, the PR, and SMCAC that the principal drivers behind this exigent price adjustment are (i) the Postal Service liquidity difficulty and (ii) the desire for postal reform legislation and use of this proposed increase as a tool to pressure Congress. The Commission already has determined that neither is an acceptable ground for breaching the CPI-based price cap. *See* Valpak Initial Comments, pp. 17-25.

IV. THE PUBLIC REPRESENTATIVE PROPOSES A *DE MINIMIS* ACCELERATION IN THE PATH OF STANDARD FLATS TOWARD 100 PERCENT COST COVERAGE.

The Public Representative's Initial Comments discussing pricing policy for products that do not cover costs state:

> **unprofitable products** [should] receive **larger price increases** than profitable products. **This approach will** mitigate price increases for profitable products, and help to ensure the Postal Service **keep as many profitable mail pieces as possible in the mailstream.** [PR Initial Comments, p. 45 (emphasis added).]

As a general proposition, this statement is perfectly sensible; it is consistent with what Valpak has been saying for many years. The PR then adds, as to Standard Flats:

> The Postal Service should have **taken advantage of the opportunity** of the exigent request to give Standard Mail Flats **an even greater price increase** than other profitable Standard Mail products **to accelerate its path toward a greater than 100 percent cost coverage**.... The Public Representative recommends that the price increase for Standard Mail Flats be (**at a minimum**) **1.05 times** the overall proposed price increase of 4.3 percent. [*Id.* (emphasis added).]

The PR's "minimum" recommendation is only a tiny step in the right direction. The CRA for FY 2012 indicates that Flats had a negative per-piece contribution of $0.09. The additional revenue from the overall 4.3 percent increase mentioned by the PR would amount to $0.01625 per piece, while the additional revenue from an increase that is 1.05 times 4.3 percent would amount to $0.0169313 per piece. On the unrealistic assumption of no further increase in the unit cost of Flats, and assuming an exigent price increase every year, annual incremental revenue of $0.0165 would eliminate the negative contribution in approximately **5 years and 7 months**, while annual incremental revenue of the PR's preferred minimum rate of $0.0169313 would eliminate the negative contribution in approximately **5 years and 4 months**. Thus, the PR's recommendation would accelerate breakeven by only 3 months sooner than average increases. If one is going to "take advantage of the opportunity of the exigent request to give Standard Mail Flats an even greater price increase than other profitable Standard Mail products," as the PR urges, it should not be wasted with a baby step.

V. THE PUBLIC REPRESENTATIVE'S COMMENTS ON UNUSED RATE AUTHORITY FAIL TO ADDRESS RESCISSION FOLLOWING ANY EXIGENT RATE INCREASE.

Although the Public Representative opposes the Postal Service's specific price increase, he takes the position that should a proper case eventually be made out for an exigent increase, then the price increase should exist only as a temporary measure to cover "the 'temporary' cost sustaining the postal network because of a decrease in contribution from lost mail volume." PR Initial Comments, p. 21. To ensure such temporary exigent rates come to an end, the PR proposes adoption of a:

> surcharge price table [which] would remain in effect until the Postal Service recoups the fixed contribution the Commission approves due to the exigency. [*Id.*, p. 23.]

Such a surcharge price table is a good idea and would ameliorate part of the serious problem identified by MPA, *et al.* regarding the compounding effect of basing future price adjustments on exigent prices, if approved. *See* MPA, *et al.* Initial Comments, p. 4.

Elsewhere in his comments, the PR also addresses the proper use of the Postal Service's unused rate adjustment authority. *See* PR Initial Comments, pp. 35-38. In particular, the PR considers this in the regulatory context of 39 C.F.R. § 3010.63(c), which requires the Postal Service to exhaust all unused rate adjustment authority before imposing adjustments above the cap.[6] The PR concludes:

> The second approach offered by the Postal Service, which zeros out all currently unused pricing authority, is the only approach consistent with 39 CFR § 3010.63(c). [PR Initial Comments, p. 36.]

Valpak generally agrees with the PR's general principle mandating use of any positive unused rate authority.

However, neither the Postal Service nor the PR specifically explains how to treat the price cap after any exigent prices, if approved in this docket, are rescinded, since there is negative pricing authority for four of the classes. It would not make sense for an exigent increase to zero out negative pricing authority. Otherwise, if there is negative pricing authority, once the exigent prices are removed, prices will be in breach of the price cap (unless that negative banked authority is returned to the "bank"). This is a complex issue which deserves the Commission's further attention. *See* Valpak Initial Comments, pp. 79-83.

---

[6] Although the Postal Service addressed the unused rate authority in its discussion of "harmonization" of the exigent request with prior price increases (*see* Postal Service Request, pp. 35-38), it was not in response to the requirement of Rule 3010.63(c).

Two alternate solutions to avoid a future breach of the price cap after rescission are either (i) to return the unused rate authority to the "bank," or (ii) to roll prices back below the pre-exigent rate level, so that unused authority is reset to zero percent. The PR's proposed surcharge table could work, but only if the base prices were readjusted to account for the current negative unused rate adjustment authority. For example, base prices for Standard Mail would be the prices approved in Docket No. R2013-10 minus 0.354 percent, with the surcharge prices being equal to 4.618 percent (*see* Valpak Initial Comments, p. 82, Table VII-3).

VI. NPPC IS CORRECT THAT THE POSTAL SERVICE'S REQUEST IS PRECLUDED BY THE DOCTRINE OF LACHES.

NPPC's Initial Comments take the position that the Postal Service's request should be precluded by the equitable doctrine of laches:

> By waiting until September 2013 to file its "Renewed Request," the Postal Service has made matters worse, by its own analysis. In the meantime, mailers have relied to their detriment on the Postal Service's not having filed a request for exigent rates. Accordingly, the Joint Commenters submit that the Postal Service is barred by the doctrine of laches from basing any request for exigent rates on FY 2012 data, or from any subsequent period. [NPPC Initial Comments, p. 26.]

NPPC explains how the two preconditions for application of laches are applicable here: "(1) the Postal Service acted unreasonably in delaying its pursuit of an increase and (2) the delay caused harm to the adverse party." *Id.*, p. 29. Similarly, SMCAC stated, "the Commission should also scrutinize the case based on a requirement that any extraordinary or exceptional rate request be pursued in a **diligent manner** to get the additional rate increase on an **'expedited' basis**." SMCAC Initial Comments, p. 6 (emphasis added).

In addition, NPPC addressed the objection that would most likely be raised by the Postal Service — that the doctrines of laches is not generally available against the government — and concludes:

> The doctrine of laches applies to the government when it operates in a commercial capacity. See *United States v. Administrative Enterprises, Inc.*, 46 F.3d 670, 673 (7th Cir. 1995) (allowing laches in cases where the government seeks to enforce its own "private" rights, relying on *Clearfield Trust Co. v. United States*, 318 U.S. 363 (1943)). And the related doctrine of equitable estoppel has been invoked against the Postal Service in a commercial dispute. *Portman v. United States*, 674 F.2d 1155 (7th Cir. 1982). [*Id.*, p. 29 (footnote omitted).]

Valpak agrees with NPPC. The Postal Service is no ordinary government agency. Rather, in the Postal Reorganization Act of 1970, the cabinet-level Post Office Department was abolished and the new U.S. Postal Service was formed to be an "independent establishment of the executive branch of the Government of the United States." *See* 39 U.S.C. § 201. Ordinary government agencies do not compete in the marketplace with private sector businesses, and are not regulated by another government agency so that the public might be protected. *See* Chapter 36 of Title 39 of the U.S. Code.

The Postal Service is engaged in a commercial enterprise selling both market dominant and competitive products, and has been commissioned by Congress to be financially self-sufficient, not a burden to taxpayers. 39 U.S.C. § 101(d). As the Supreme Court observed in Clearfield Trust Co. v. United States, "'[t]he United States does business on business terms' [and] [i]t is not excepted from the general rules governing the rights and duties" of commercial law, including the doctrine of laches. *Id.*, 318 U.S. 363, 369 (1943).

Additionally, laches has special application in a case such as this when there was no statutory time limit within which the Postal Service was required to act to seek an exigent rate increase. The U.S. Court of Appeals for the Second Circuit strongly supported the invocation of laches against a government enforcement action, the initiation of which is not governed by a statute of limitations. *See* Cayuga Indian Nation v. Pataki, 413 F.3d 266, 278-79 (2d Cir. 2005). Likewise, the Seventh Circuit recognized that it would be appropriate to invoke the doctrine of laches where there is "no express limitation on the time within which [a government agency] may bring an enforcement action." *See* Martin v. Consultants & Administrators, Inc., 966 F.2d 1078, 1091 (7th Cir. 1992). Because there is no time limit fixed by statute within which the Postal Service must bring an exigent rate increase proposal before the Commission, and because there was no statutory limit applicable to its decision to activate its request after remand in Docket No. R2010-4(R), it is well established that the Commission should apply a laches standard to determine that the Service has unjustifiably delayed action to the detriment of postal patrons, such as NPPC persuasively explains has happened here.

Respectfully submitted,
/s/

William J. Olson
Jeremiah L. Morgan
John S. Miles
WILLIAM J. OLSON, P.C.
370 Maple Avenue West, Suite 4
Vienna, Virginia 22180-5615
(703) 356-5070
Counsel for:
Valpak Direct Marketing Systems, Inc.,
and Valpak Dealers' Association, Inc.