Postal Regulatory Commission
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BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268–0001

COMPETITIVE PRODUCT PRICES GLOBAL PLUS 3 CONTRACTS (MC2016-152) NEGOTIATED SERVICE AGREEMENTS	Docket No. CP2017-258

NOTICE OF THE UNITED STATES POSTAL SERVICE OF FILING MODIFICATION TWO TO A GLOBAL PLUS 3 NEGOTIATED SERVICE AGREEMENT
(August 15, 2018)

In Order No. 4047, the Postal Regulatory Commission (Commission) added the agreement that is the subject of this docket (Agreement) within the Global Plus 3 (MC2016-152) product.[1] Attached to this notice is a Modification Two to the Agreement. The modification amends the Agreement by making a few revisions to certain articles, adding a few annexes, and extending the Agreement to August 31, 2019.

The effective date of Modification Two is intended to be September 1, 2018.

Redacted copies of Modification Two and of the certified statement required by 39 C.F.R. § 3015.5(c)(2) are filed as Attachments 1 and 2 respectively.[2] With respect to the non-public version of Modification Two, the certified statement, and the financial workpapers that are filed under seal, the Postal Service includes an Application for Non-Public Treatment as Attachment 3. The application protects from disclosure the

[1] PRC Order No. 4047, Order Approving Additional Global Plus 3 Negotiated Service Agreement and Conditionally Approving Modification, Docket No. CP2017-258, August 16, 2017.
[2] The Postal Service incorporates by reference Governors' Decision No. 11-6, which was included as Attachment 3 in the Postal Service's initial filing in this docket. *See* Notice of the United States Postal Service of Filing a Functionally Equivalent Global Plus 3 Negotiated Service Agreement and Application for Non-Public Treatment of Materials Filed Under Seal, Docket No. CP2017-258, August 4, 2017.

information that has been redacted from the materials that the Postal Service is filing publicly today with this notice.

In addition, the Postal Service is filing in separate Excel files redacted versions of the revised supporting financial documents for the contract that is the subject of this docket.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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August 15, 2018

MODIFICATION TWO TO THE GLOBAL PLUS SERVICE AGREEMENT BETWEEN THE UNITED STATES POSTAL SERVICE AND [redacted]

This Modification amends the Global Customized Mail Agreement ("Agreement") between [redacted] ("Contractholder"), with offices at [redacted], and the United States Postal Service ("USPS"), an independent establishment of the Executive Branch of the United States Government, with offices at 475 L'Enfant Plaza SW, Washington, DC 20260-9998, signed by the Contractholder on July 24, 2017, and by the USPS on July 31, 2017, as amended by Modification One signed by the Contractholder on August 28, 2017, and by the USPS on August 28, 2017. The Contractholder and the USPS may be referred to individually as a "Party" and together as the "Parties."

The purpose of this Modification is to make the following changes to the Agreement.

First, Article 1 is replaced by the following:

> **1. Purpose of the Agreement** This Agreement shall govern the use: (1) The Contractholder as "Mailer" may make of (a) the discounted prices for Priority Mail Express International (PMEI) service and Priority Mail International (PMI) service set forth in Annexes 1 and 6 of this Agreement, (b) the prices for Commercial ePacket (CeP) service set forth in Annexes 2 and 7 of this Agreement, and (c) the discounts for International Priority Airmail service (IPA) and International Surface Air Lift service (ISAL) set forth in Annex 3 of this Agreement, and (d) the prices for IPA and ISAL set forth in Annexes 8 and 9 of this Agreement; and (2) the Contractholder as "Reseller" may make of certain discounted prices for PMEI service and PMI service set forth in Annexes 4, 5, 10, and 11 of this Agreement.

Second, the following paragraph (19) is added to Article 2:

> (19) "Modification Two Effective Date" means the first date on which the USPS is willing to accept Qualifying Mail in accordance with Modification Two to this Agreement.

Third, Article 3(3) and (4) are replaced with the following:

> (3) PMEI. Every item must comply with the preparation requirements set forth in IMM 220 for Priority Mail Express International. Priority Mail Express International Flat Rate Items are not Qualifying Mail under this Agreement. [redacted]
>
> (4) PMI. Every item must comply with the preparation requirements set forth in IMM 230 for Priority Mail International. Priority Mail International Flat Rate Items are not Qualifying Mail under this Agreement. [redacted]

Third, Article 7(1) is replaced by the following:

> (1) Tender Amount. To tender to the USPS mail intended for delivery outside the United States [redacted]

Fourth, the following paragraph (4) is added to Article 8:

> (4) From Modification Two Effective Date, (a) For PMEI and PMI, the Mailer will pay postage according to the price charts in Annex 1 until 11:59 p.m. on January 19, 2019. From January 20, 2019 until the expiration of this Agreement, the Mailer will pay postage according to Annex 6, attached hereto; (b) For CeP, the Mailer will pay postage according to the price charts in Annex 7 until the expiration of this Agreement, attached hereto; (c) For IPA and ISAL, the Mailer will pay postage according to Annex 8 until 11:59 p.m. on January 2019. From January 20, 2019 until the expiration of this Agreement, the Mailer will pay postage according to Annex 9, attached hereto.

Fifth, the following paragraph (1A) is added after paragraph (1) to Article 12:

> (1A) Prices that Reseller is to Pay USPS: (a) From the Modification Two Effective Date until 11:59 p.m. on January 19, 2019, to pay postage to the USPS for Qualifying Mail in accordance with prices for Priority Mail Express International Qualifying Mail and Priority Mail International Qualifying Mail based on this Agreement in accordance with Annexes 4 and 5; (b) From January 20, 2019 until the expiration of this Agreement, to pay postage to the USPS for Qualifying Mail in accordance with prices for Priority

[redacted]

Mail Express International Qualifying Mail and Priority Mail International Qualifying Mail based on this Agreement in accordance with Annexes 10 and 11, attached hereto.

Sixth, Article 13(1) is replaced with the following:

(1) The Reseller is required to meet an annualized minimum commitment of [redacted]

Seventh, Article 18(1) is replaced with the following:

(1) The USPS will notify the Contractholder of the Effective Date of the Agreement within thirty (30) days after receiving the approval of the entities that have oversight responsibilities for the USPS. The Agreement shall remain in effect until August 31, 2019.

Eighth, the following Article (3A) is added after Article 20(3):

(3A) After the Modification Two Effective Date, the USPS will give the Contractholder as Mailer thirty-five (35) days' notice of changes in the prices in Annexes 6 through 9 and the Contractholder as Reseller thirty (30) days' notice of changes to the prices in Annexes 4, 5, 10 and 11.

Ninth, the following paragraph (8) is added to Article 23:

(8) The USPS as well as its agents, suppliers, vendors, shall not be liable for any damages of any type, including but not limited to, any lost profits (both actual and anticipated) or other incidental or consequential damages arising out of any action by the USPS. The USPS is further not liable for any loss due to the use of, programming related to, or inability to use the USPS or other vendors' or suppliers' software.

Tenth, Article 28 is replaced with the following:

28. Assignment. Neither Party may, or shall have the power to, assign its rights under this Agreement or, delegate its obligations hereunder, without the prior consent of the other; such consent is not to be unreasonably withheld. In addition, in the event that the Contractholder is merged with or into or acquires another firm, corporation, or entity, pricing under this Agreement following such merger or acquisition shall apply only to mail sent by the entity existing prior to the merger or acquisition. Following any such merger or acquisition, the parties may negotiate in good faith to extend, modify or enter into a new Agreement applicable to the merged or acquired entity. Assignment by the Contractholder to a subsidiary of the Contractholder for which the Contractholder is the majority owner shall be allowed.

Eleventh, the following sentence is added after the first sentence of Article 35(1):

The Parties acknowledge and understand that all obligations of the USPS under this Agreement, including the prices in effect from Modification Two Effective Date set forth in Article 8(4) and Article 12(1A) shall be contingent on the USPS receiving approvals from one or more internal and external bodies that have oversight responsibilities ("Conditions Precedent").

Twelfth, Article 36 is replaced with the following:

36. Confidentiality The Contractholder acknowledges that as part of securing approval of this Agreement, and in other subsequent regulatory filings, the Agreement and supporting documentation will be filed with the Postal Regulatory Commission ("Commission") in a docketed proceeding. The Contractholder authorizes the USPS to determine the scope of information that must be made publicly available in any Commission docketed proceeding. The Contractholder further understands that any unredacted portion of the Agreement or supporting information will be available on the Commission's public website, www.prc.gov. In addition, the USPS may be required to file information in connection with this Agreement (including revenue, cost, or volume data) in other Commission dockets including the Commission docket number for the Annual Compliance Report (ACR) for the USPS fiscal year(s) in which this Agreement is in effect. Each ACR docket has a distinct docket number, such as ACR201#, in which "201#" signifies the USPS fiscal year to which the ACR pertains. The Contractholder has the right, in accordance with the Commission's rules, to address its confidentiality concerns directly with the Commission. The procedure for making an application to the Commission for non-public treatment of materials believed to be protected from disclosure is found in part 3007 of the regulations concerning the Commission in Title 39 of the Code of Federal Regulations.

Thirteenth, Article 40 is replaced with the following:

40. Intellectual Property, Co-Branding and Licensing The Contractholder is allowed the factual use of the following trademarks to identify the appropriate USPS service: Priority Mail Express

[redacted]

International®, Priority Mail International®, International Priority Airmail®, International Surface Air Lift®, Commercial ePacket®, M-Bag®, and the acronyms PMEI™, PMI™, CeP®, IPA®, and ISAL®. The Parties acknowledge that in the service of marketing the products under this Agreement that such product marketing may be enhanced through the use of co-branding or the use of each Party's trademarks, logos or intellectual property. In such instances, the Parties acknowledge and agree that any use shall be subject to separate written agreements. The Parties acknowledge and agree that neither Party shall use the other Party's trademarks, logos or intellectual property other than to factually identify the trademark owner or the trademark owner's services until such time that a license for marketing use has been executed by the Parties. Contractholder agrees to cooperate and execute any necessary filings required to perfect such license's effectiveness in the applicable jurisdictions, including, but not limited to the recording of such licenses.

Fourteenth, Article 41 is replaced with the following:

41. Warranties, Representations and Covenants The Contractholder warrants, represents, and covenants to the Postal Service as follows: (1) that the execution and delivery by the Contractholder of this Agreement, and the performance by the Contractholder of its obligations under this Agreement (a) are within the Contractholder's power and authority; (b) have been duly authorized; and (c) do not and will not contravene (i) any law or regulation binding on or affecting the Contractholder, (ii) any contractual restriction binding on the Contractholder, (iii) any order, judgment or decree of any court or other governmental or public body or authority, or subdivision thereof, binding on the Contractholder, or (iv) the organizational documents of the Contractholder; (2) that the Contractholder is not subject to, and is not related to an entity that is subject to, a temporary or other denial of export privileges by BIS and that the Mailer is not listed on OFAC's Specially Designated Nationals List, OFAC's Foreign Sanctions Evaders List, BIS's Denied Persons List, or BIS's Entity List, or subject to active sanctions by the U.S. Department of State pursuant to Executive Order No. 13382, and that the Contractholder is not in arrears for any amount due to the USPS; (3) that the Contractholder is not aware of any pending investigations that would be subject to the notice obligation under Article 7, Paragraph 11; (4) that there has been no criminal, civil, or administration enforcement action in the past 5 years against the Contractholder, any of its subsidiaries or affiliates, or any of its directors, officers, employees, or agents; (5) that each permit that the Contractholder as Mailer requests to use, or uses, for Qualifying Mail under this Agreement is owned by (a) the Mailer or (b) a subsidiary of the Mailer for which the Mailer is the majority owner; (6) that the individual signing the Agreement on behalf of the Contractholder is a duly authorized officer of the Contractholder with the power and authority to enter into the Agreement on behalf of Contractholder; and (7) that the Contractholder shall comply with all applicable federal, state and local laws, rules and regulations.

Fifteenth, Article 42 is replaced with the following:

42. Sovereign Acts The USPS and the Contractholder acknowledge and agree that this Agreement is subject to any legislation that might be enacted by the Congress of the United States or any orders or regulations that might be promulgated by any executive authority, agency, branch, or independent establishment of the United States Government. The USPS and the Contractholder further acknowledge and agree that this Agreement in no way waives the USPS's authority to act in its sovereign capacity and that, pursuant to the sovereign acts doctrine, the USPS shall not be held liable for any acts performed in its sovereign capacity, or for any acts performed by any executive authority, branch, agency or independent establishment of the United States Government in their sovereign capacities that may directly or indirectly affect the terms of this Agreement. In the event that either Party is required by legislation enacted by the Congress of the United States or any orders or regulations that might be promulgated by any executive authority, branch, agency or independent establishment of the United States Government to terminate, or otherwise as a result of such action is unable to perform its obligations under this Agreement, either Party may give notice of termination pursuant to Article 33 of this Agreement, which termination shall be effective immediately or on the effective date of such requirement, whichever is later. The Parties agree that in the event that this Agreement is terminated, as set forth in the preceding two sentences, or in the event that either Party is enjoined from proceeding with this Agreement by any court of competent jurisdiction, such Party shall not be subject to any liability by reason of such termination or injunction. Further, the USPS will evaluate the impact on the Agreement of amendments to statutes affecting its ability to perform under this Agreement and may give notice of termination pursuant to Article 33 of this Agreement based upon such amendments, which termination shall be effective immediately or as determined by the USPS. To the extent of termination on this basis, the USPS shall not be subject to any liability by reason of such termination.

[redacted]

Sixteenth, add Article 43:

43. Record Keeping and Audit. Contractholder shall prepare and maintain complete and accurate records, in accordance with good industry practice, to verify and document compliance with its obligations under this Agreement and substantiate any and all postage and penalties, and any related fees and expenses, payable by Contractholder hereunder, in furtherance of the audit requirement under § 3654(c) of Title 39, United States Code, as well as compliance with export control laws. Contractholder will retain all such records in the ordinary course of its business for a period of at least five (5) years after expiration or termination of this Agreement. Contractholder shall respond to the USPS' or its designated auditor's quarterly and/or yearly transaction confirmations related to Postal Service transactions; and quarterly and/or yearly transaction confirmations related to Postal Service transactions; and provide such other assistance as required by the Postal Service or its designated auditors in connection with Contractholder's performance under this Agreement.

Seventeenth, Annexes 6 through 11 attached to this Modification are added to the Agreement.

All other terms and conditions of the Agreement shall remain in force.

The USPS will notify the Contractholder of the Effective Date of this Modification as soon as possible within thirty (30) days after receiving the approval of the entities that have oversight responsibilities for the USPS.

The Parties acknowledge and understand that all obligations of the USPS under this Modification shall be contingent on the USPS receiving approvals from one or more internal and external bodies that have oversight responsibilities ("Conditions Precedent"). Conditions Precedent may include, but are not limited to: approvals or, if applicable, non-objection, from responsible USPS management officials, the USPS Board of Governors, the USPS Governors, the Postal Regulatory Commission, and/or any other governmental body with oversight responsibility for the USPS. The Parties acknowledge that this Modification may not be approved by such individuals or bodies. Until such time that all Conditions Precedent are fulfilled that are necessary to allow the USPS to provide the products or services contemplated under the Agreement, no obligation shall exist for the USPS and no benefit shall inure to either Party. In the event that the Conditions Precedent are not fulfilled, the USPS shall have no liability, which shall include no obligation to pay costs associated with any action taken by the Contractholder prior to the Effective Date of this Modification. Further, in the event of termination of the Agreement or the failure of any Condition Precedent, the USPS shall not be held liable for any damages including, without limitation, actual, special, indirect, incidental, punitive, consequential, or any other damages, which shall include but not be limited to damages for loss of business profits; business interruption; any other loss; and/or any costs incurred by either Party attributable to such non-approval such as attorney's fees.

The Contractholder acknowledges that this Modification and supporting documentation will be filed with the Postal Regulatory Commission ("Commission") in a docketed proceeding (CP2017-258). The Contractholder authorizes the USPS to determine the scope of information that must be made publicly available in any Commission docketed proceeding in which information related to this Modification must be filed. The Contractholder further understands that any unredacted portion of the Modification or supporting information will be available on the Commission's public website, http://www.prc.gov. In addition, the USPS may be required to file information in connection with this instrument (including revenue, cost or volume data) in other Commission dockets, including the Commission docket number for the Annual Compliance Report (ACR) for the USPS fiscal year(s) in which this Agreement is in effect. Each ACR docket has a distinct docket number, such as ACR201#, in which "201#" signifies the USPS fiscal year to which the ACR pertains. The Contractholder has the right, in accordance with the Commission's rules, to address its confidentiality concerns directly with the Commission. The procedure for making an application to the Commission for non-public treatment of materials believed to be protected from disclosure is found in part 3007 of the regulations concerning the Commission in Title 39 of the Code of Federal Regulations.

The Parties may execute this Modification in one or more counterparts (including by facsimile or by electronic means such as .pdf format). Not all Parties need be signatories to the same document. All counterpart signed documents shall be deemed an original and one instrument.

[redacted]

In witness whereof, this Modification is deemed executed on the latter of the two dates accompanying the Parties' signatures.

ON BEHALF OF THE UNITED STATES POSTAL SERVICE:

Signature: Donald W. Ross

Name: Donald W Ross

Title: Director International Sales

Date 8-14-2018

ON BEHALF OF [redacted]

Signature: [redacted]

Name: [redacted]

Title: [redacted]

Date: 8/13/18

CONTRACTHOLDER AS "MAILER" ANNEXES

ANNEX 6	PRICES FOR INTERNATIONAL PRIORITY AIRMAIL SERVICE AND INTERNATIONAL SURFACE AIR LIFT SERVICE
ANNEX 7	PRICES FOR COMMERCIAL EPACKET SERVICE
ANNEX 8	PRICES FOR INTERNATIONAL PRIORITY AIRMAIL SERVICE AND INTERNATIONAL SURFACE AIR LIFT SERVICE
ANNEX 9	PRICES FOR INTERNATIONAL PRIORITY AIRMAIL SERVICE AND INTERNATIONAL SURFACE AIR LIFT SERVICE

CONTRACTHOLDER AS "RESELLER" ANNEXES

ANNEX 10	PRICES FOR PRIORITY MAIL EXPRESS INTERNATIONAL AND PRIORITY MAIL INTERNATIONAL TENDERED WITHIN SPECIFIC 3 DIGIT ZIP CODES
ANNEX 11	PERIOD 3 PRICES FOR PRIORITY MAIL EXPRESS INTERNATIONAL AND PRIORITY MAIL INTERNATIONAL TENDERED AT LOCATIONS OTHER THAN THOSE SPECIFIED IN ANNEX 6 AND ANNEX 10

Annex Number	Contractholder as	Annex Title	Dates in Effect		
			From August 20, 2017 to 11:59 p.m. on the day prior to the Modification Two Effective Date	From the Modification Two Effective Date to 11:59 p.m. on January 19, 2019	From January 20, 2019 to August 31, 2019
Annex 1	Mailer	Prices for PMEI and PMI Tendered at a USPS International Service Center	X	X	
Annex 2	Mailer	Prices for Commercial ePacket Service	X		
Annex 3	Mailer	Percentage Discounts for IPA and ISAL	X		
Annex 4	*Reseller*	Prices for PMEI and PMI Tendered Within Specific 3 Digit ZIP Codes	X	X	
Annex 5	*Reseller*	Prices for PMEI and PMI Tendered at Locations Other Than Those Specified in Annex 1 and Annex 4	X	X	
Annex 6	Mailer	Prices for PMEI and PMI Tendered at a USPS International Service Center			X
Annex 7	Mailer	Prices for Commercial ePacket Service		X	X
Annex 8	Mailer	Prices for IPA and ISAL		X	
Annex 9	Mailer	Prices for IPA and ISAL			X
Annex 10	*Reseller*	Prices for PMEI and PMI Tendered within Specific 3 Digit ZIP Codes			X
Annex 11	*Reseller*	Prices for PMEI and PMI Tendered at Locations other than those specified in Annex 6 and Annex 10			X

[redacted]

ANNEX 6A
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "MAILER" FOR PRIORITY MAIL EXPRESS INTERNATIONAL PRESORT DROPSHIPMENT AND PRIORITY MAIL INTERNATIONAL PRESORT DROPSHIPMENT TENDERED AT A USPS INTERNATIONAL SERVICE CENTER

The postage prices for Priority Mail Express International (PMEI) Qualifying Mail and Priority Mail International (PMI) Qualifying Mail set forth in this Annex 6A are only available for PMEI Qualifying Mail and PMI Qualifying Mail that is presorted and that is:

1. paid for through a separate permit imprint using USPS-provided Global Shipping Software (GSS) that is not used for any other type of mail than Qualifying Mail that meets the requirements set forth in this Agreement and Annex 6A;
2. [redacted]
3. tendered to the USPS at any of the following USPS International Service Center locations:
   - JOHN F KENNEDY AIRPORT MAIL CENTER
     US POSTAL SERVICE
     JOHN F KENNEDY INTERNATIONAL AIRPORT BLDG 250
     JAMAICA NY 11430-9998
   - JT WEEKER INTERNATIONAL SERVICE CENTER
     US POSTAL SERVICE
     11600 WEST IRVING PARK ROAD
     CHICAGO IL 60666-9998
   - LOS ANGELES INTERNATIONAL SERVICE CENTER
     US POSTAL SERVICE
     5800 WEST CENTURY BLVD
     LOS ANGELES CA 90009-9998
   - SAN FRANCISCO INTERNATIONAL SERVICE CENTER
     US POSTAL SERVICE
     660 WEST FIELD ROAD
     SAN FRANCISCO CA 94128-3161
   - MIAMI INTERNATIONAL SERVICE CENTER
     US POSTAL SERVICE
     11698 NW 25TH ST
     MIAMI FL 33112-9997
   - MIAMI PROCESSING AND DISTRIBUTION CTR
     U.S. POSTAL SERVICE
     2200 NW 72ND AVE
     MIAMI FL 33152-9997

[redacted]

[redacted]

ANNEX 6A CHART 1
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "MAILER" FOR PRIORITY MAIL EXPRESS INTERNATIONAL PRESORT DROPSHIPMENT TENDERED AT A USPS INTERNATIONAL SERVICE CENTER (ISC) FOR COUNTRY GROUPS 1 – 17

Weight Not Over (LBS)	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
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ANNEX 6A CHART 2
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "MAILER" FOR PRIORITY MAIL INTERNATIONAL PRESORT DROPSHIPMENT TENDERED AT A USPS INTERNATIONAL SERVICE CENTER (ISC) FOR COUNTRY GROUP 1

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ANNEX 6A CHART 3
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "MAILER" FOR PRIORITY MAIL INTERNATIONAL PRESORT DROPSHIPMENT TENDERED AT A USPS INTERNATIONAL SERVICE CENTER (ISC) FOR COUNTRY GROUPS 2-17

Weight Not Over (LBS)	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
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ANNEX 6B
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "MAILER" FOR PRIORITY MAIL EXPRESS INTERNATIONAL AND PRIORITY MAIL INTERNATIONAL TENDERED AT A USPS INTERNATIONAL SERVICE CENTER (ISC)

Postage prices for Priority Mail Express International Qualifying Mail and Priority Mail International Qualifying Mail, which are not presorted and prepared in accordance with Annex 6A requirements, shall be in accordance with the price charts in this Annex 6B if tendered to the USPS at any of the following USPS International Service Center locations:

JOHN F KENNEDY AIRPORT MAIL CENTER
US POSTAL SERVICE
JOHN F KENNEDY INTERNATIONAL AIRPORT BLDG 250
JAMAICA NY 11430-9998

JT WEEKER INTERNATIONAL SERVICE CENTER
US POSTAL SERVICE
11600 WEST IRVING PARK ROAD
CHICAGO IL 60666-9998

LOS ANGELES INTERNATIONAL SERVICE CENTER
US POSTAL SERVICE
5800 WEST CENTURY BLVD
LOS ANGELES CA 90009-9998

SAN FRANCISCO INTERNATIONAL SERVICE CENTER
US POSTAL SERVICE
660 WEST FIELD ROAD
SAN FRANCISCO CA 94128-3161

MIAMI INTERNATIONAL SERVICE CENTER
US POSTAL SERVICE
11698 NW 25TH ST
MIAMI FL 33112-9997

MIAMI PROCESSING AND DISTRIBUTION CTR
U.S. POSTAL SERVICE
2200 NW 72ND AVE
MIAMI FL 33152-9997

[redacted]

[redacted]

ANNEX 6B CHART 1
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "MAILER" FOR PRIORITY MAIL EXPRESS INTERNATIONAL TENDERED AT A USPS INTERNATIONAL SERVICE CENTER (ISC) FOR COUNTRY GROUPS 1-17

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ANNEX 6B CHART 2
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "MAILER" FOR PRIORITY MAIL INTERNATIONAL TENDERED AT A USPS INTERNATIONAL SERVICE CENTER (ISC) FOR COUNTRY GROUP 1

Weight Not Over (LBS)	[redacted]
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ANNEX 6B CHART 3
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "MAILER" FOR PRIORITY MAIL INTERNATIONAL TENDERED AT A USPS INTERNATIONAL SERVICE CENTER (ISC) FOR COUNTRY GROUPS 2-17

Weight Not Over (LBS)	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
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ANNEX 7
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "MAILER" FOR COMMERCIAL EPACKET SERVICE

[redacted]

[redacted]

ANNEX 8 – CHART 1
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "MAILER" FOR INTERNATIONAL PRIORITY AIRMAIL SERVICE AND INTERNATIONAL SURFACE AIR LIFT SERVICE

[redacted]

[redacted]

ANNEX 8 – CHART 2
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "MAILER" FOR INTERNATIONAL PRIORITY AIRMAIL SERVICE AND INTERNATIONAL SURFACE AIR LIFT SERVICE

[redacted]

[redacted]

[redacted]

ANNEX 9 – CHART 1
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "MAILER" FOR INTERNATIONAL PRIORITY AIRMAIL SERVICE AND INTERNATIONAL SURFACE AIR LIFT SERVICE

[redacted]

[redacted]

ANNEX 9 – CHART 2
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "MAILER" FOR INTERNATIONAL PRIORITY AIRMAIL SERVICE AND INTERNATIONAL SURFACE AIR LIFT SERVICE – M-BAGS

[redacted]

[redacted]

[redacted]

ANNEX 10
PRICES IN UNITED STATES DOLLARS
FOR CONTRACTHOLDER AS "RESELLER" FOR
PRIORITY MAIL EXPRESS INTERNATIONAL AND
PRIORITY MAIL INTERNATIONAL
TENDERED WITHIN SPECIFIC 3-DIGIT ZIP CODE PREFIXES

Postage prices for Priority Mail Express International and Priority Mail International tendered to the USPS within one of the following ZIP-Codes defined areas shall be in accordance with the price charts in this Annex 10.

1. 005, 010-043, 045, 048, 050-089, 100-149, 155, 157-159, 166-212, 214-239, 244, 254, 267-268, each of these ZIP Codes being within three hundred (300) miles of the USPS International Service Center in New York, NY.
2. 321, 327-342, 346-347, 349, each of these ZIP Codes being within three hundred (300) miles of the USPS International Service Center in Miami, FL.
3. 090-098, 430-438, 440-469, 478-509, 514, 520-528, 530-532, 534-535, 537-539, 541-545, 547-549, 600-620, 622-631, 633-639, 650-653, 962-966, each of these ZIP Codes being within three hundred (300) miles of the USPS International Service Center in Chicago, IL.
4. 864, 889-891, 900-908, 910-928, 930-936, each of these ZIP Codes being within three hundred (300) miles of the USPS International Service Center in Los Angeles, CA.
5. 894-895, 897, 937-961, 975, 976, each of these ZIP Codes being within three hundred (300) miles of the USPS International Service Center in San Francisco, CA.

[redacted]

[redacted]

ANNEX 10 CHART 1
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "RESELLER" FOR PRIORITY MAIL EXPRESS INTERNATIONAL
TENDERED WITHIN SPECIFIC 3-DIGIT ZIP CODE PREFIXES FOR COUNTRY GROUPS 1-17

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ANNEX 10 CHART 2
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "RESELLER" FOR PRIORITY MAIL INTERNATIONAL
TENDERED WITHIN SPECIFIC 3-DIGIT ZIP CODE PREFIXES FOR COUNTRY GROUP 1

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ANNEX 10 CHART 3
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "RESELLER" FOR PRIORITY MAIL INTERNATIONAL
TENDERED WITHIN SPECIFIC 3-DIGIT ZIP CODE PREFIXES FOR COUNTRY GROUPS 2-17

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ANNEX 11
PRICES IN UNITED STATES DOLLARS FOR
CONTRACTHOLDER AS "RESELLER" FOR
PRIORITY MAIL EXPRESS INTERNATIONAL AND PRIORITY MAIL INTERNATIONAL
TENDERED AT LOCATIONS OTHER THAN THOSE SPECIFIED IN ANNEX 6 OR ANNEX 10

Postage prices for Priority Mail Express International and Priority Mail International tendered to the USPS within any location other than those listed in Annex 6 or Annex 10 shall be in accordance with the price charts listed in this Annex 11.

[redacted]

[redacted]

ANNEX 11 – PRICE CHART 1
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "RESELLER" FOR PRIORITY MAIL EXPRESS INTERNATIONAL TENDERED AT LOCATIONS OTHER THAN THOSE SPECIFIED IN ANNEX 6 OR ANNEX 10 FOR COUNTRY GROUPS 1-17

Weight Not Over (LBS)	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
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ANNEX 11 – PRICE CHART 2
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "RESELLER" FOR PRIORITY MAIL INTERNATIONAL TENDERED AT LOCATIONS OTHER THAN THOSE SPECIFIED IN ANNEX 6 OR ANNEX 10 FOR COUNTRY GROUP 1

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ANNEX 11 – PRICE CHART 2
PRICES IN UNITED STATES DOLLARS FOR CONTRACTHOLDER AS "RESELLER" FOR PRIORITY MAIL INTERNATIONAL TENDERED AT LOCATIONS OTHER THAN THOSE SPECIFIED IN ANNEX 6 OR ANNEX 10 FOR COUNTRY GROUP 2-17

Weight Not Over (LBS)	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
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Certification of Prices for the Global Plus Contract with
[redacted]

I, Steven Phelps, Manager, Regulatory Reporting and Cost Analysis, Finance Department, United States Postal Service, am familiar with the prices for the Global Plus Contract with [redacted] The prices contained in this contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates, issued on March 22, 2011 (Governors' Decision No. 11-6), which established prices by means of price floor formulas.

I hereby certify that the numerical cost values underlying the prices in the [redacted] Contract are the appropriate costs to use in the formulas and represent the best available information. The prices, resulting in a cost coverage in excess of the minimum required by the Governors' Decision, are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). The prices demonstrate that the Contract should cover its attributable costs and preclude the subsidization of competitive products by market dominant products. International competitive mail accounts for a relatively small percentage of the total contribution by all competitive products. Contribution from Global Plus Contracts should be even smaller. The Agreement with [redacted] should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

Steven Phelps

Digitally signed by Steven Phelps
DN: cn Steven Phelps, o Pricing and Costing, ou Pricing, email steven.r.phelps@usps.gov, c US
Date: 2018.08.15 08:40:41 -04'00'

Steven Phelps

APPLICATION OF THE UNITED STATES POSTAL SERVICE FOR NON-PUBLIC TREATMENT OF MATERIALS

In accordance with 39 C.F.R. Part 3007, the United States Postal Service (Postal Service) hereby applies for non-public treatment of certain materials filed with the Commission in this docket concerning a modification to a Global Plus 3 contract.

The modification and supporting documents establishing compliance with 39 U.S.C. § 3633 and 39 C.F.R. § 3015.5 are being filed separately under seal with the Commission. A redacted copy of the modification and a redacted version of the certified statement required by 39 C.F.R. 3015.5(c)(2) are filed as Attachments 1 and 2, respectively. Redacted versions of other financial documentation are filed publicly as separate Microsoft Excel documents.

The Postal Service hereby furnishes the justification required for this application by 39 C.F.R. § 3007.201(b) below.

(1) The rationale for claiming that the materials are non-public, including the specific statutory provision(s) supporting the claim, and an explanation justifying application of the provision(s) to the materials;

Information of a commercial nature, which under good business practice would not be publicly disclosed, as well as third party business information, is not required to be disclosed to the public. 39 U.S.C. § 410(c)(2); 5 U.S.C. § 552(b)(4). The Commission may determine the appropriate level of confidentiality to be afforded to such information after weighing the nature and extent of the likely commercial injury to the Postal Service against the public interest in maintaining the financial transparency of a government establishment competing in commercial markets. 39 U.S.C. §

504(g)(3)(A).[1] Because the portions of materials filed non-publicly in this docket fall within the scope of information not required to be publicly disclosed, the Postal Service asks the Commission to support its determination that these materials are exempt from public disclosure and grant its application for their non-public treatment.

(2) A statement of whether the submitter, any person other than the submitter, or both have a proprietary interest in the information contained within the non-public materials, and the identification(s) specified in paragraphs (b)(2)(i) through (iii) of this section (whichever is applicable). For purposes of this paragraph, identification means the name, phone number, and email address of an individual.[2]

Concerning this Global Plus 3 contract, the Postal Service believes that persons other than the Postal Service with a proprietary interest in the materials would be the counterparty to the contract, the PC Postage Provider(s) if the contract allows for and the customer intends to use a PC Postage Provider, and foreign postal operators.

As for the customer with whom the contract is made, the Postal Service maintains that customer identifying information should be withheld from public disclosure. Therefore, rather than identifying the customer and the PC Postage

[1] The Commission has indicated that "likely commercial injury" should be construed broadly to encompass other types of injury, such as harms to privacy, deliberative process, or law enforcement interests. PRC Order No. 194, Second Notice of Proposed Rulemaking to Establish a Procedure for According Appropriate Confidentiality, Docket No. RM2008-1, Mar. 20, 2009, at 11.

[2] [2] Section 3007.201(b)(2) further states the following:

(i) If the submitter has a proprietary interest in the information contained within the materials, identification of an individual designated by the submitter to accept actual notice of a motion related to the non-public materials or notice of the pendency of a subpoena or order requiring production of the materials.

(ii) If any person other than the submitter has a proprietary interest in the information contained within the materials, identification of each person who is known to have a proprietary interest in the information. If such an identification is sensitive or impracticable, an explanation shall be provided along with the identification of an individual designated by the submitter to provide notice to each affected person.

(iii) If both the submitter and any person other than the submitter have a proprietary interest in the information contained within the non-public materials, identification in accordance with both paragraphs (b)(2)(i) and (ii) of this section shall be provided. The submitter may designate the same individual to fulfill the requirements of paragraphs (b)(2)(i) and (ii) of this section.

Provider (if applicable) for the contract that is the subject of this docket, the Postal Service gives notice that it has already informed the customer and the PC Postage Provider (if applicable), which have a proprietary interest in the materials for the contract that is the subject of this docket, of the nature and scope of this docket, and their ability to address their confidentiality concerns directly with the Commission.[3]

The Postal Service employee responsible for providing notice to any third parties with proprietary interest in the materials filed in these dockets is Ms. Amy E. Douvlos, Marketing Specialist, Global Business, United States Postal Service, 475 L'Enfant Plaza, SW, Room 5427, Washington, DC 20260-4017, whose email address is Amy.E.Douvlos@usps.gov, and whose telephone number is 202-268-3777.

As for foreign postal operators, the Postal Service provided notice to all foreign postal operators within the Universal Postal Union network through an International Bureau Circular issued on December 18, 2017, that the Postal Service will be regularly submitting certain business information to the Commission. Some UPU-designated foreign postal operators may have a proprietary interest in such information. The circular includes information on how third parties may address any confidentiality concerns with the Commission.[4] In addition, contact information for all UPU Designated Operators who could accept actual notice of a motion related to the non-public materials or notice of the pendency of a subpoena or order requiring production of the materials is

[3] The Postal Service has provided a blanket notice to PC Postage Providers in light of the fact that these filings are fairly routine. To the extent required, the Postal Service seeks a waiver from having to provide each PC Postage Provider notice of this docket.

[4] To the extent required, the Postal Service seeks a waiver from having to provide pursuant to 39 C.F.R. § 3007.200(b) each foreign postal operator notice of this docket. It is impractical to communicate with dozens of operators in multiple languages about this matter. Moreover, the volume of contracts would overwhelm both the Postal Service and the applicable foreign postal operators with boilerplate notices.

available at the following link, which is incorporated by reference into the instant application: http://pls.upu.int/pls/ap/addr_public.display_addr?p_language=AN.

(3) A description of the information contained within the materials claimed to be non-public in a manner that, without revealing the information at issue, would allow the Commission to thoroughly evaluate the basis for the claim that the information contained within the materials are non-public.;

In connection with its Notice filed in this docket, the Postal Service included a modification to a contract, financial workpapers, and the certified statement required for the contract by 39 C.F.R. 3015..5(c)(2), certifying that the agreement should meet the requirements of 39 U.S.C. § 3633(a)(1), (2), and (3).. These materials were filed under seal, with redacted copies filed publicly, after notice to the customer. The Postal Service maintains that the redacted portions of these materials should remain confidential.

With regard to the modification filed in this docket, the redactions on page 1 and to the footers of each page, in the signature block, and in the footer of the modification and its annexes constitutes the name or address of a postal patron whose identifying information may be withheld from mandatory public disclosure by virtue of 39 U.S.C. § 504(g)(1) and 39 U.S.C. § 410(c)(2). The Postal Service maintains that the redacted portions of these materials should remain confidential.

Other redacted information in the modification includes information with specific impact on the customer, including certain negotiated contract terms, such as the minimum revenue commitment agreed to by the customer.

The redactions made in the Annexes of the modification, other than those involving the customer's name, withhold the actual prices that are being offered to the

customer in exchange for commitments and performance of the customer's obligations under the terms of the agreement.

The redactions applied to the financial workpapers protect commercially sensitive information such as underlying costs and assumptions, pricing formulas, information relevant to the mailing profile of the customer, business information of interested third parties, and cost coverage projections. To the extent practicable, the Postal Service has limited its redactions in the workpapers to the actual information it has determined to be exempt from disclosure under 5 U.S.C. § 552(b). However, in a limited number of cases, narrative passages, such as words or numbers in text, were replaced with general terms describing the redacted material. For example, where the mailer's name appears in the spreadsheet within a cell, the mailer's name has been replaced by the word "Mailer."

To the extent that the Postal Service files data in future filings that will show the actual revenue and cost coverage of the customer's completed contract, the Postal Service will redact in its public filing all of the values included that are commercially sensitive information and will also protect any customer identifying information from disclosure.

(4) Particular identification of the nature and extent of the harm alleged and the likelihood of each harm alleged to result from disclosure.

If the portions of the modification that the Postal Service determined to be protected from disclosure because of their commercially sensitive nature were to be disclosed publicly, the Postal Service considers that it is quite likely that the Postal Service would suffer commercial harm. First, revealing customer identifying information would enable competitors to focus marketing efforts on current postal customers that

have been cultivated through the efforts and resources of the Postal Service. The Postal Service considers that it is highly probable that if this information were made public, its competitors would take immediate advantage of it. The Global Plus 3 competitive contracts include a provision allowing the mailer to terminate its contract without cause by providing at least 30 days' notice. Therefore, there is a substantial likelihood of the Postal Service losing customers to a competitor that targets customers of the Postal Service with lower pricing.

Other redacted information in the modification includes certain negotiated contract terms, such as the minimum revenue commitment agreed to by the customer and mail preparation requirements. This information is commercially sensitive, and the Postal Service does not believe that it would be disclosed under good business practices. Competitors could use the information to assess offers made by the Postal Service to its customers for any possible comparative vulnerabilities and focus sales and marketing efforts on those areas, to the detriment of the Postal Service. Additionally, other potential customers could use the information to their advantage in negotiating the terms of their own agreements with the Postal Service. The Postal Service considers these to be highly probable outcomes that would result from public disclosure of the redacted material.

The financial workpapers filed with this notice include specific information such as costs, assumptions used in pricing formulas, the formulas themselves, mailer profile information, projections of variables, as well as contingency rates included to account for market fluctuations and the exchange risks. Similar information may be included in the cost, volume and revenue data associated with this Global Plus 3 agreement, which

the Commission may require the Postal Service to file after the expiration of this agreement. All of this information is highly confidential in the business world. If this information were made public, the Postal Service's competitors would have the advantage of being able to determine the absolute floor for Postal Service pricing. Unlike its competitors, the Postal Service is required to demonstrate that each negotiated agreement within this group covers its attributable costs. Furthermore, the Postal Service's Governors have required that each contract be submitted to the Commission with a notice that complies with 39 C.F.R. § 3015.5. Competitors could take advantage of the information to offer lower pricing to a Global Plus 3 customer, while subsidizing any losses with profits from other customers. Eventually, this could freeze the Postal Service out of the relevant delivery services markets. Given that these spreadsheets are filed in their native format, the Postal Service's assessment is that the likelihood that the information would be used in this way is great.

Potential customers could also deduce from the rates provided in the modification, from the information in the workpapers, or from the cost, volume and revenue data that the Commission may require the Postal Service to file after the agreement's expiration, whether additional margin for net profit exists between the contract and the contribution that Global Plus 3 contracts must make. From this information, each customer could attempt to negotiate ever-increasing incentives, such that the Postal Service's ability to negotiate competitive yet financially sound rates would be compromised. Even a customer involved in this filing could use the information in the workpapers, or the cost, volume and revenue data associated with the expired agreement, in an attempt to renegotiate its own rates, threatening to terminate

its current agreement. However, the Postal Service considers this to be less likely than the risks previously identified.

Price information in the modification the financial spreadsheets, and any cost, volume and revenue data concerning the contract filed after the agreement's expiration consists of sensitive commercial information of the customer. Disclosure of such information could be used by competitors of the customer to assess the customer's underlying costs, and thereby develop a benchmark for the development of a competitive alternative.

Information in the financial spreadsheets and any cost, volume and revenue data concerning this agreement filed after the expiration of this contract also consists of sensitive commercial information related to agreements between the Postal Service and interested third parties. Such information would be extremely valuable to competitors of both the Postal Service and third parties. Using detailed information about such agreements, competitors would be able to better understand the counterparty's underlying costs, and identify areas where they could adapt their own operations to be more competitive. In addition, competitors of the counterparty could use such information to their advantage in negotiating the terms of their own agreements with the Postal Service. Also, competitors of foreign postal operators could use the information in the financial spreadsheets to understand their nonpublished pricing to better compete against them.

Information in the financial models may also include sensitive commercial information related to agreements between the Postal Service and PC Postage Providers. Such information would be extremely valuable to competitors of both the

Postal Service and the PC Postage Providers. Using detailed information about such an agreement, competitors would be able to better understand the costs of the postage programs used, and identify areas where they could adapt their own operations to be more competitive. In addition, competitors of the PC Postage Providers could use such information to their advantage in negotiating the terms of their own agreements with the Postal Service.

(5) At least one specific hypothetical, illustrative example of each alleged harm;

Identified harm: Revealing customer identifying information would enable competitors to target the customers for sales and marketing purposes.

Hypothetical: The identity of the customer that signed a Global Plus 3 contract is revealed to the public. Another delivery service has an employee monitoring the filing of Global Plus 3 contracts and passing along the information to its sales function. The competitor's sales representatives could quickly contact the Postal Service's customer and offer the customer lower rates or other incentives to terminate its contract with the USPS in favor of using the competitor's services.

Identified harm: Public disclosure of pricing in the modification would provide potential customers extraordinary negotiating power to extract lower rates.

Hypothetical: Customer A's negotiated rates are disclosed publicly on the Postal Regulatory Commission's website. Customer B sees the rates and determines that there may be some additional profit margin between the rates provided to Customer A and the statutory cost coverage that the Postal Service must produce in order for the

agreement to be added to the competitive products list. Customer B, which was offered rates identical to those published in Customer A's agreement, then uses the publicly available rate information to insist that Customer B must receive lower rates than those the Postal Service has offered it, or Customer B will not use the Postal Service for its international delivery needs.

Alternatively, Customer B attempts to extract lower rates only for those destinations for which it believes that the Postal Service is the low-cost provider among all service providers. The Postal Service may agree to this demand in order to keep the customer's business overall, which the Postal Service believes will still satisfy total cost coverage for the agreement. Then, the customer uses providers other than the Postal Service for destinations for which the customer did not extract lower rates. This impacts the Postal Service's overall projected cost coverage for the agreement, such that the Postal Service no longer meets its cost coverage requirement. Although the Postal Service could terminate the contract when the Postal Service first recognizes that the customer's practice and projected profile are at variance, the costs associated with establishing the contract, including filing it with the Postal Regulatory Commission, would be sunk costs that would have a negative impact on the Global Plus 3 product overall.

Identified harm: Public disclosure of information in the financial workpapers would be used by competitors and customers to the detriment of the Postal Service and foreign postal operators.

Hypothetical: A competing delivery service obtains a copy of the unredacted version of the financial workpapers from the Postal Regulatory Commission's website. The competing delivery service analyzes the workpapers to determine what the Postal Service would have to charge its customers in order to meet the Postal Service's minimum statutory obligations for cost coverage and contribution to institutional costs. The competing delivery service then sets its own rates for products similar to what the Postal Service offers its Global Plus 3 customers under that threshold and markets its ability to guarantee to beat the Postal Service on price for international delivery services. By sustaining this below-market strategy for a relatively short period of time, the competitor, or all of the Postal Service's competitors acting in a likewise fashion, would freeze the Postal Service and associated foreign postal operators out of the business-to-business and business-to-customer delivery services markets for which the Global Plus 3 product is designed.

Identified harm: Public disclosure of information in the modification and financial workpapers would be used by the counterparty's and its customer's competitors to its detriment.

Hypothetical: A firm competing with the customer obtains a copy of the unredacted version of the modification and financial workpapers from the Postal Regulatory Commission's website. The competitor analyzes the prices and the workpapers to assess the customer's underlying costs, volumes, and volume distribution for the corresponding delivery products. The competitor uses that information to (i) conduct market intelligence on the customer's business practices, and (ii) develop lower-cost alternatives using the customer's costs as a baseline.

Identified harm: Public disclosure of information in the modification and financial workpapers would be used by the competitors of the third party to the detriment of the Postal Service and/or the counterparty to the agreement.

Hypothetical: A firm competing with the interested third party obtains a copy of the unredacted version of the modification and financial workpapers from the Commission's website. The firm uses the information to assess the third party's revenue sources and growth opportunities, and thereby develop benchmarks for competitive alternatives. In addition, disclosure of such information could provide leverage to other parties in their negotiations with the Postal Service concerning financial arrangements that they may make with the Postal Service in the future.

Identified harm: Public disclosure of any cost, volume and revenue data concerning this modification that the Commission may require the Postal Service to file after the contract's expiration would give competitors a marketing advantage.

Hypothetical: A competitor could use any cost, volume and revenue data associated with this agreement, which the Commission may require the Postal Service to file in this docket after this agreement's expiration, to "qualify" potential customers. The competitor might focus its marketing efforts only on customers that have a certain mailing profile, and use information filed after the contract's expiration to determine whether a customer met that profile.

Identified harm: Public disclosure of information in a Global Plus 3 contract that includes postage payment through a PC Postage Provider, and of information in related financial workpapers, would be used by the competitors of the PC Postage Provider to the Postal Service and/or the PC Postage Provider's detriment.

Hypothetical: A firm competing with the customer's PC Postage Provider obtains a copy of the unredacted version of a Global Plus 3 contract that includes postage payment through a PC Postage Provider, and financial workpapers, from the Commission's website. The firm uses the information to assess the PC Postage Provider's revenue sources and growth opportunities, and thereby develop benchmarks for competitive alternatives. In addition, disclosure of such information could provide leverage to other PC Postage Providers in their negotiations with the Postal Service concerning financial arrangements that PC Postage Providers make with the Postal Service in the future.

(6) The extent of the protection from public disclosure alleged to be necessary;

The Postal Service maintains that the redacted portions of the materials filed non-publicly should be withheld from persons involved in competitive decision-making in the relevant delivery services markets, as well as their consultants and attorneys. Additionally, the Postal Service believes that actual or potential customers of the Postal Service for this or similar products should not be provided access to the non-public materials. This includes all competitors of the relevant customer, whether or not they are currently actual Postal Service customers.

(7) The length of time for which non-public treatment is alleged to be necessary with justification thereof.

The Commission's regulations provide that non-public materials shall lose non-public status ten years after the date of filing with the Commission, unless otherwise provided by the Commission. 39 C.F.R. § 3007.401(a). However, because the Postal Service's relationships with customers often continue beyond ten years, the Postal Service intends to oppose requests for disclosure of these materials pursuant to 39 C.F.R. § 3007.401(b-c).

(8) Any other relevant factors or reasons to support the application.

None.

Conclusion

For the reasons discussed, the Postal Service asks that the Commission grant its application for non-public treatment of the identified materials.