

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

MARKET TEST OF EXPERIMENTAL PRODUCT-
GLOBAL ECOMMERCE MARKETPLACE (GEM)
NON-PUBLISHED RATES

Docket No.
MT2016-1

**UNITED STATES POSTAL SERVICE NOTICE OF FILING
QUARTERLY DATA COLLECTION REPORT**
(February 8, 2019)

On May 25, 2016, the Postal Regulatory Commission (“Commission”) issued Order No. 3319, authorizing the GeM Merchant Solution market test to proceed.¹ In that Order, the Commission directed that the Postal Service file quarterly data collection reports in this docket 40 days after the close of each fiscal quarter.² In accordance with that order, today the Postal Service is filing under seal a data collection report concerning the GeM Merchant Solution market test for Quarter 1 of FY2019. A redacted copy of the report is attached to this notice. The Postal Service hereby incorporates by reference its application for nonpublic treatment filed on August 9, 2018 in this docket.³

Respectfully submitted,

UNITED STATES POSTAL SERVICE
By its attorneys:

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Chief Counsel
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¹ PRC Order No. 3319, Order Authorizing Market Test of Global eCommerce Marketplace (GEM) Merchant, Docket No. MT2016-1, May 25, 2016.

² *Id.* at 19, 26.

³ United States Postal Service Notice of Filing Quarterly Data Collection Report and Application for Nonpublic Treatment, Docket No. MT2016-1, Aug. 9, 2018, at Attachment 1.

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UNITED STATES POSTAL SERVICE QUARTERLY DATA COLLECTION REPORT
DOCKET NO. MT2016-1

TABLE 1

GeM Merchant Solution Market Test Data Reporting From October 1, 2018 to December 31, 2018		
	Q1 2019	2019 YTD Total
[REDACTED]		

¹ In accordance with PRC order no. 3319, at 20, these costs are disaggregated as described by USPS in its response to question 2a in response of the United States Postal Service to chairman's information request no. 1, docket no. MT2016-1, April 6, 2016, question 2a.

[REDACTED]

2 [REDACTED]

3 [REDACTED]

4 [REDACTED]

5 [REDACTED]

6 [REDACTED]



The objective of the GeM Merchant Solution market test is to assess the feasibility of a novel service for participating domestic e-commerce merchants and their international customers, which would allow participating domestic e-commerce merchants to offer their international customers the ability, at the time of purchase, to estimate and prepay duties and taxes that the foreign country's customs agency will assess once the shipment arrives in the foreign destination.

The Postal Service acknowledges that the Commission directed "the Postal Service's quarterly reports to disaggregate volumes, costs, and revenues based on:

- the specific GeM Merchant agreement,³⁵
- the package's weight and dimensions (cubic feet),
- the destination country group,
- the shipping method (expedited or deferred delivery), and
- the specific GeM facility used for processing.³⁶

³⁵ To facilitate the Commission's ability to review this aspect of the data collection, the quarterly reports shall list the GeM Merchant agreements that are newly executed or terminated during the reporting period. This part of the report shall include a serial number unique to each contract, as well as each contract's effective date and expected termination date.

³⁶ See Response to CHIR No. 1, question 5c; see *also* Response to CIR No. 1, question 6."⁷

The disaggregated information is provided below.

⁷ PRC Order No. 3319, at 20.

TABLE 2⁸

<u>October 1, 2018 – December 31, 2018</u>			
GeM Merchant Agreement	Volume	Cost⁹	Revenue¹⁰
GeM01			
GeM02			
GeM04			
GeM05			
GeM06			
GeM07			
GeM08			
GeM09			
GeM10			
GeM11			
GeM12			
GeM13			
GeM14			
GeM15			
Gem16			
TOTAL			

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

Destination Country Group	Volume	Cost	Revenue
[REDACTED]			
Shipping Method (speed)	Volume	Cost	Revenue
Expedited	[REDACTED]		
Deferred	[REDACTED]		
TOTAL	[REDACTED]		
Shipping Method (type)	Volume	Cost	Revenue
[REDACTED]			
GeM Facility	Volume	Cost	Revenue
[REDACTED]			
Weight and Dimensions	Min	Max	Avg.
[REDACTED]			

Agreements Executed (Q1 FY2019)

Serial Number	Effective Date	Expected Termination Date
GeM11	November 6, 2018	December 1, 2019
GeM12	November 6, 2018	December 1, 2019
GeM13	November 6, 2018	December 1, 2019
GeM14	November 6, 2018	December 1, 2019
GeM15	November 6, 2018	December 1, 2019
GeM16	November 6, 2018	December 1, 2019