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

POSTAL RATE AND FEE CHANGES, 2000	Docket No. R2000-1

INTERROGATORIES OF
THE DIRECT MARKETING ASSOCIATION, INC.
TO USPS WITNESS KINGSLEY

Pursuant to Sections 25 and 26 of the Commission's Rules of Practice, the Direct Marketing Association, Inc. hereby submits the attached interrogatories to USPS witness Kingsley: DMA/USPS-T10, Nos. 1-47. If the designated witness is unable to respond to any interrogatory, we request a response by some other qualified witness.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Commission's Rules of Practice.

Dana T. Ackerly II

Dated: February 3, 2000

DMA/USPS-T10-1. On page 3 (starting on line 20) of your testimony you say "AFCS image lift of script mail has reduced the pressure on the outgoing OCR operation" Please explain what you mean.

DMA/USPS-T10-2. You go on to say "it is however, currently more efficient to first send the pieces to the OCR for attempted resolution." Please reconcile this statement with your previous one,

DMA/USPS-T10-3. On page 4, line 24 of your testimony you use the phrase "staffing index". Please describe fully the meaning of this term.

DMA/USPS-T10-4. On page 4, in describing the MLOCR, you say "These enhancement have improved the overall encode rate of the MLOCR." What is that rate following the improvements? What was it before the improvements? Are there currently plans to further improve the encode rate?

DMA/USPS-T10-5. What is the acquisition cost of an MLOCR?

DMA/USPS-T10-6. On page 5 (beginning on line 10) of your testimony you say "the high proportion of Transitional Employees (TEs) at RECs allows for timely staffing reductions as RCR improvements are made." How many employees are there at RECs. How many are currently TEs? Please provide an estimate of how many employees there will be in RECs in the test year and of these, how many will be TEs.

DMA/USPS-T10-7. As the RBCS is currently configured does it currently sort mail in addition to applying barcodes? Please provide the through put for the RBCS

DMA/USPS-T10-8. On page 8 of your testimony you say "manual cases are staffed to sort the somewhat uncertain volumes of automation rejects in order to meet the transportation dispatch schedules and, ultimately, the service commitments." Does this imply that if service standards for first class mail were less stringent, staffing could be reduced? Are transportation dispatch schedules more critical for preferred mail than for Standard A mail? What percentage of the mail sorted in these manual cases is Standard A mail?

DMA/USPS-T10-9. On page 8 you say "Processing and Distribution plants processed 93 percent of their total incoming letter volumes in automated operations..." Please provide an estimate of this measure for the Test Year.

DMA/USPS-T10-10. You say that "improved read rates will further reduce the number of RECs" (p 9, line 26) Please describe other operational changes that the improved read rates will induce.

DMA/USPS-T10-11. Please explain how the addition of the Mail Cartridge System to the DBCSs will eliminate sweeping and second pass edge loading for DPS processing.

DMA/USPS-T10-12. Is there are difference in throughput in an FSM 881 operating in a BCR mode and in a BCR mode? If so, please provide the throughput for each.

DMA/USPS-T10-13. You say the maximum staffing on the FSM 881 is six employees. Under what circumstances and how often is an FSM 881 staffed with fewer than six employees? When it is staffed with fewer than six, is there a proportional effect on throughput?

DMA/USPS-T10-14. What is the throughput of the FSM 881 when staff is keying the mail?

DMA/USPS-T10-15. What is the throughput of the FSM 1000 when staff is keying the mail?

DMA/USPS-T10-16. Have there been any tests or experiments showing what the throughput of the FSM 1000 will be with the OCR modification cited on page 11? If so, what is the predicted throughput with a staff of six? Do you expect that staffing reduction will result in proportionate throughput reductions? If throughput on the FSM 1000 is better in an OCR mode than in a manual mode, why is deployment not scheduled before 2002 at the earliest?

DMA/USPS-T10-17. Please provide the deployment schedule for the AFSM 100.

DMA/USPS-T10-18. Will the AFSM 100 be able to process mail with the same set of charactersitics as is currently processed on the 881 and the 1000? Will it be able to handle thicker mail? Longer mail? Wider mail? Flimsier mail?

DMA/USPS-T10-19. Please provide the throughput of the AFSM 100 in the OCR mode. Please provide the throughput of the AFSM 100 in the BCR mode.

DMA/USPS-T10-20. Why is the Postal Service not planning a more rapid deployment of the AFSM 100? At the end of the first phase of deployment of the AFSM 100, will there still be a shortfall in mechanized flat sorting capacity? At the end of the second phase of deployment of the AFSM 100, will there still be a shortfall in mechanized flat sorting capacity?

DMA/USPS-T10-21. Of the flats that are originally entered into a FSM 1000 and then run in the OCR on that machine, what percentage must be keyed or worked manually?

DMA/USPS-T10-22. You say that the FSM 1000 is also "utilized as an "extra FSM 881" to process machinable flats because of a lack of FSM 881 capacity" (page 12). Given that the through put of the 881 is higher than that of the 1000, does this lack of capacity increase sorting costs? If so, why are there no pans to purchase additional FSM 881s?

DMA/USPS-T10-23. In the Test Year, what percentage of all flats processed on machines will be processed on the AFSM 100?

DMA/USPS-T10-24. Will the shift from manual incoming secondary to automated processing discussed on page 13 of reduce costs?

DMA/USPS-T10-25. On pages 13 and 14 you say "There are also heavy volume periods where our existing shortfall in flats sorting capacity results in some flats, that could otherwise be processed on the FSM 881 of FSM 1000, being processed in manual operations." What is the mix of mail by class that is typically processed in manual operations during these periods? During what time of day do these periods typically occur? Does this imply that if service standards for first class mail were less stringent, staffing could be reduced?

DMA/USPS-T10-26. Please provide an estimate of the percentage of non-carrier route flats bearing a barcode in FY 2000 and 2001

DMA/USPS-T10-27. Why is scheme training more difficult to maintain at the plant than at the delivery unit?

DMA/USPS-T10-28. Do you expect that sorting flats to DPS will reduce costs to the Postal Service? Please provide an estimate of the cost savings from a DPS program for flats.

DMA/USPS-T10-29. Will DPS of flats increase the value of the barcode?

DMA/USPS-T10-30. When does the Postal Service expect to begin DPS of flats?

DMA/USPS-T10-31. Are there any studies or other information bearing on economic justifiability of bundle collators? Is so, please provide them.

DMA/USPS-T10-32. How many Priority Mail Processing Centers are there? Where are they located? Is the equipment for sorting parcels in these centers the same as the equipment in the BMCs for sorting parcels? If not, please describe it.

DMA/USPS-T10-33. You say that the throughput of the SPBS is between 678 and 945 bundles or small parcels per induction station per hour. What accounts for the wide variation in throughput? Does the variation depend upon how mailers have prepared the mail? If so, how? Does it depend on circumstances which are under the control of the USPS? If so, please describe them.

DMA/USPS-T10-34. When bundles are manually sorted, what is the throughput? How many separations are bundles typically sorted to in a manual sort?

DMA/USPS-T10-35. When will the additional SPBS feed systems that are under contract be deployed?

DMA/USPS-T10-36. You say there are 341 SPBS machines and that 240 have feed systems and that another 50 are under contract. Please describe all plans to procure feed systems for the 51 machines that will be without feed systems following the deployment of the 50 under contracts. Include any schedule for deployment in you description.

DMA/USPS-T10-37. Given that "SPBS is the equipment of choice for these bundle-sorting operations" (p 21), please describe any plans for deploying additional SPBS machines. If there are no plans, does this imply that there is no capacity shortage?

DMA/USPS-T10-38. On page 21 of your testimony in reference to unloading sacks you say "Bedloads are labor intensive and time consuming to unload" What percentage of vehicles are bedloaded and what percentage are loaded with containers? Does the USPS bedload vehicles. If so, please explain why in light of your statement.

DMA/USPS-T10-39. On page 20 of your testimony, you describe new technology for parcel sorters which "will eliminate, to a large degree, manual labor currently used for facing and keying." (Line s 12-13). Please estimate the amount of labor currently used in these tasks. How much will be saved in the new system?

DMA/USPS-T10-40. On page 22, lines 22-28 of your testimony you describe robotic systems for processing letter trays. Please describe the deployment plans for these systems.

DMA/USPS-T10-41. On page 23 of your testimony you describe the "next generation of sorters" which will "further reduce labor hours" for sorting bundles and parcels. Please describe the deployment plans for these systems.

DMA/USPS-T10-42. Please describe the deployment plans and schedules for Universal Transport Systems described on page 23.

DMA/USPS-T10-43. Please describe the deployment plans and schedules for robotic systems for loading and unloading parcels, bundles, pallets, and sacks into and out of containers described on page 23.

DMA/USPS-T10-44. Please provide Total Factor Productivity for the USPS for each of the last ten years. In light of your description of automation advances on pages 2 through 22 can you please explain why Total Factor Productivity for the USPS has declined over the last five years.

DMA/USPS-T10-45. On page 24 of your testimony, you describe Robotic Containerization Systems and say that in FT 2000 there will be 100 robots loading trays and tubs into containers. Please describe plans for additional deployments.

DMA/USPS-T10-46. On page 24 of your testimony, you describe Tray Management systems and say "Plans are to extend the system to most large and medium facilities." Please describe these plans.

DMA/USPS-T10-47. On page 27 of your testimony you say motorization has increased "the proportion of carriers with vehicles from 85 percent in FY 88 to 91 percent in FY 98." Please provide an estimate of this proportion for FY 99, 00, and 01.