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

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000–1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF THE DIRECT MARKETING ASSOCIATION, INC. (DMA/USPS–T10–1-47)

The United States Postal Service hereby provides the responses of witness Kingsley to the following interrogatories of the Direct Marketing Association, Inc.: DMA/USPS–T10-1-47, filed on February 3, 2000.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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.

Response:

Since the AFCS/ISS can lift images of script mail, mail no longer needs to go to the OCR/ISS for image lift, thereby, reducing the volume going through an OCR/ISS for outgoing processing.

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.

Response:

This statement refers to the OCR readable pieces, not script mail. The combination of OCR and RCR read rates are superior to just the RCR read rate for this mail, thereby reducing the amount of images requiring keying at the REC.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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.

Response:

The staffing index for a mail processing operation is the ratio of work hours to operating time (e.g. machine run time for a mechanized or automated operation). In common usage, it means either the actual ratio observed or the normal, expected ratio. In my testimony, this phrase – which appears several times, but not at page 4, line 24 – generally means the normal or expected ratio, i.e. the amount of staffing necessary for a machine fully up and running.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

DMA/USPS-T10-4. On page 4, in describing the MLOCR, you say "These enhancements 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?

Response:

The MLOCRs coded approximately 35-40% of the mail to 9-digit. The latest MLOCR software codes 62% of the mail to 11-digit. New software will be tested in March with contract award expected sometime after that. We are requiring a minimum improvement of 3% but a slightly higher percentage is anticipated.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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

Response:

The most recent purchase of MLOCRs was in 1995, deployment in Nov., 1995 through April, 1996. The unit price of these systems was $550,000. This does not include the ISS kits, nor the co-directory/co-processor modifications.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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.

Response:

As of AP 05, FY 00 the *On-Rolls and Paid Employees Statistics Report* shows there are 15,510 total paid employees in the RECs with 10,743 classified as TEs. It is my understanding that LR-I-127 contains an estimate for 2001 of 7,000 for REC TEs. It is my further understanding that the estimate for total employees in 2001 at RECs is 10,736.

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.

Response:

No. RBCS is a system to assist current sortation equipment (OCR and BCS) in applying more barcodes. There is no throughput related to RBCS alone.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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?

Response:

In response to your first question, I am not sure what you mean by hypothetical service standards for First-Class Mail that were "less stringent." If you are asking about a hypothetical in which service standards for all mail, including First-Class Mail and Standard Mail, were the same, it seems most likely that the hours used to handle First-Class Mail would be scheduled for a different time of day. Yes. We do not track volumes within operations by class but see USPS-T-17, Table 3, for Standard A distribution key shares in manual operations.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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.

Response:

94.1 percent for FY 2001.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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.

Response:

Improved read rates on the OCRs will increase the amount of mail that can receive a barcode immediately without the use of an RCR or REC keying. These pieces can be moved directly to the downstream barcode sorters which could result in a small portion of mail being finalized earlier in the tour. Improvements in the RCR technology will serve primarily to reduce the amount of images that need to be keyed at the REC.

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.

Response:

The specifications for Mail Cartridge System call for the existing sweep-side stackers to be modified so the mail will now be sorted into mail cartridges. For second pass mail, the cartridges will be automatically swept and transported to the feeder end of the DBCS in the correct sequence. The mail from each cartridge will be automatically fed back into the machine.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

DMA/USPS-T10-12 Is there a 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.

Response:

I assume you mean a difference in throughput in an FSM 881 operating in a BCR mode and an **OCR** mode. The throughput is the same since the modified FSM 881 has the capability to process the mail without the intervention of a keyer by automatic address recognition or by reading the barcode. As mentioned in my testimony, the throughput of the FSM 881 is approximately 6,500 pieces per hour for BCR/OCR operations. The BCR and OCR are not two separate modes. The process occurs simultaneously.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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?

Response:

An FSM 881 would be staffed with fewer than six employees when in lower volume situations when the operation window allows. For example, an incoming secondary program may only require half the machine or is run on Tours 2 and/or 3. Since the throughput is feeder paced, it would be proportional based on the number of feeders staffed.

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

Response:

The throughput of an FSM 881 in keying mode is influenced by whether scheme knowledge is required. The throughput ranges from 4500 to 5500.

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

Response:

The throughput of the FSM 1000 in keying mode is influenced by whether scheme knowledge is required. The throughput ranges from 4000 to 5000.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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?

Response:

No – Engineering has not resolved all the technical and procurement issues at this time. Plans are evolving but further work needs to be done, therefore, the OCR modification on the FSM 1000 is not expected until later than originally anticipated.

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

Response:

Please see attached.

AFSM SEQ. #	AREA	PLANT	ST	TOTAL UNITS	START ACCEPT TEST
				175	
2	HQ	Baltimore (NG Training Ctr; Eng.)	MD		
3	HQ	Baltimore (NG Training Ctr; ILS)	MD		
1	CM	Baltimore P&DC **(Pre-Prod)**	MD	2	**13-Sep-99**
4	HQ	Baltimore (NG Training Ctr; T1)	MD		
5	HQ	Baltimore (NG Training Ctr; T2)	MD		
10	HQ	Baltimore (NG Training Ctr; T3)	MD		
13	HQ	Baltimore (NG Training Ctr; T4)	MD		
6	MW	St Paul P&DC **(First Article)**	MN	1	**21-Mar-00**
7	AL	Harrisburg P&DC	PA	1	23-Jan-00
8	PA	Industry P&DC	CA	1	23-Jan-00
9	NE	Buffalo P&DC	NY	1	23-Jan-00
11	SE	Atlanta P&DC	GA	1	23-Jan-00
12	CM	No Virginia P&DC	VA	1	01-May-00
14	MA	Columbia P&DC	SC	1	23-Jan-00
15	MA	Fayetteville P&DC	NC	1	23-Jan-00
16	GL	Indianapolis MPA #1	IN	2	23-Jan-00
17	NY	Mid-Island P&DC #1	NY	2	23-Jan-00
18	GL	Chicago Central P&DC #1	IL	2	23-Jan-00
19	WE	Spokane P&DC	WA	1	23-Jan-00
20	AL	Cleveland P&DC #1	OH	2	23-Jan-00
21	NE	Hartford P&DC #1	CT	3	23-Jan-00
22	SW	Tulsa P&DC #1	OK	2	23-Jan-00
23	CM	Dulles P&DC	VA	1	23-Jan-00
24	PA	San Francisco P&DC #1	CA	2	23-Jan-00
25	SE	Jacksonville P&DC (TAnnex)	FL	1	23-Jan-00
26	WE	Las Vegas P&DC #1	NV	2	23-Jan-00
27	GL	Indianapolis MPA #2	IN		23-Jan-00
28	NY	Mid-Island P&DC #2	NY		23-Jan-00
29	MW	Milwaukee P&DC #1	WI	4	23-Jan-00
30	MW	Milwaukee P&DC #2	WI		23-Jan-00
31	CM	Washington DC P&DC	DC	1	23-Jan-00
32	GL	Chicago Central P&DC #2	IL		23-Jan-00
33	AL	Cleveland P&DC #2	OH		23-Jan-00
34	MA	Greenville P&DC	SC	1	23-Jan-00
35	NE	Boston P&DC #1	MA	4	23-Jan-00
36	NY	DVDaniels P&DC #1	NY	2	23-Jan-00
37	NE	Hartford P&DC #2	CT		23-Jan-00
38	SW	Tulsa P&DC #2	OK		23-Jan-00
39	SE	Nashville P&DC	TN	1	23-Jan-00
40	MA	Raleigh P&DC	NC	1	23-Jan-00
41	MW	St Louis P&DC #1	MO	2	23-Jan-00
42	CM	Baltimore #1	MD	2	30-Jan-00
43	PA	San Francisco P&DC #2	CA		30-Jan-00
44	WE	Las Vegas P&DC #2	NV		30-Jan-00
45	AL	Philadelphia P&DC #1	PA	2	30-Jan-00
46	NY	Kilmer P&DC	NJ	1	30-Jan-00
47	SW	Houston P&DC#1	TX	2	30-Jan-00

AFSM SEQ. #	AREA	PLANT	ST	TOTAL UNITS	START ACCEPT TEST
				175	
48	GL	South Suburban P&DC	IL	1	23-Jan-00
49	PA	Santa Ana P&DC	CA	1	23-Jan-00
50	SE	Birmingham P&DC	AL	1	23-Jan-00
51	SW	Ft Worth P&DC	TX	1	23-Jan-00
52	WE	Phoenix P&DC #1	AZ	3	23-Jan-00
53	CM	Southern MD P&DC	MD	1	23-Jan-00
54	NE	Boston P&DC #2	MA		23-Jan-00
55	NY	DVDaniels P&DC #2	NY		23-Jan-00
56	MA	Greensboro P&DC	NC	1	23-Jan-00
57	SE	Ft Lauderdale P&DC	FL	1	23-Jan-00
58	GL	Detroit P&DC #1	MI	2	23-Jan-00
59	MA	Louisville P&DC	KY	1	23-Jan-00
60	NE	Hartford P&DC #3	CT		23-Jan-00
61	MW	St Louis P&DC #2	MO		23-Jan-00
62	PA	Anaheim P&DF	CA	1	23-Jan-00
63	AL	Cincinnati P&DC #1	OH	2	23-Jan-00
64	NE	Albany P&DC	NY	1	23-Jan-00
65	NY	Queens P&DC	NY	1	23-Jan-00
66	AL	Philadelphia P&DC #2	PA		23-Jan-00
67	SW	Houston P&DC #2	TX		23-Jan-00
68	SE	Ft Myers P&DC	FL	1	23-Jan-00
69	MA	North Park Annex	NC	1	23-Jan-00
70	MW	Milwaukee P&DC #3	WI		23-Jan-00
71	MW	Milwaukee P&DC #4	WI		09-Aug-00
72	WE	Phoenix P&DC #2	AZ		23-Jan-00
73	PA	San Jose P&DC #1	CA	2	23-Jan-00
74	SW	Dallas P&DC #1	TX	2	23-Jan-00
75	NY	Westchester P&DC	NY	1	23-Jan-00
76	SE	Memphis P&DC	TN	1	23-Jan-00
77	SW	Baton Rouge P&DC	LA	1	23-Jan-00
78	CM	Baltimore #2	MD		30-Jan-00
79	NE	Boston P&DC #3	MA		30-Jan-00
80	GL	Detroit P&DC #2	MI		30-Jan-00
81	WE	Salt Lake City P&DC	UT	1	30-Jan-00
82	AL	Pittsburgh P&DC #1	PA	2	30-Jan-00
83	GL	Palatine P&DC #1	IL	2	23-Jan-00
84	AL	Cincinnati P&DC #2	OH		23-Jan-00
85	MA	Norfolk P&DC	VA	1	23-Jan-00
86	MW	Minneapolis P&DC	MN	1	23-Jan-00
87	SE	Tampa P&DC	FL	1	23-Jan-00
88	NY	Brooklyn P&DC	NY	1	23-Jan-00
89	PA	Santa Clarita P&DC #1	CA	3	23-Jan-00
90	WE	Tucson P&DC	AZ	1	23-Jan-00
91	MA	Richmond P&DC	VA	1	23-Jan-00
92	NE	Rochester	NY	1	23-Jan-00
93	NY	Morgan P&DC #1	NY	4	23-Jan-00
94	SE	Mid-Florida P&DC	FL	1	23-Jan-00

AFSM SEQ. #	AREA	PLANT	ST	TOTAL UNITS	START ACCEPT TEST
				175	
95	WE	Denver P&DC #1	CO	3	23-Jan-00
96	WE	Phoenix P&DC #3	AZ		23-Jan-00
97	PA	San Jose P&DC #2	CA		23-Jan-00
98	SW	Dallas P&DC #2	TX		23-Jan-00
99	AL	Columbus P&DC #1	OH	2	23-Jan-00
100	GL	Carol Stream P&DC #1	IL	2	23-Jan-00
101	MW	Kansas City P&DC #1	MO	2	23-Jan-00
102	NE	Boston P&DC #4	MA		23-Jan-00
103	AL	Pittsburgh P&DC #2	PA		23-Jan-00
104	GL	Palatine P&DC #2	IL		11-Sep-00
105	NE	Southern Connecticut P&DC	CT	1	11-Sep-00
106	NY	Western Nassau P&DC	NY	1	11-Sep-00
107	AL	Toledo P&DC	OH	1	23-Jan-00
108	MW	St. Paul P&DC #2	MN		30-Jan-00
109	PA	Santa Clarita P&DC #2	CA		23-Jan-00
110	SE	North Metro P&DC	GA	1	23-Jan-00
111	SW	Austin P&DC #1	TX	2	23-Jan-00
112	MW	Des Moines P&DC	IA	1	23-Jan-00
113	SW	No Houston P&DC	TX	1	18-Sep-00
114	WE	Denver P&DC #2	CO		25-Sep-00
115	GL	Fox Valley P&DC	IL	1	23-Jan-00
116	NY	Morgan P&DC #2	NY		23-Jan-00
117	PA	M L Sellers P&DC #1	CA	2	23-Jan-00
118	SE	Orlando P&DC	FL	1	23-Jan-00
119	SW	El Paso P&DC	TX	1	23-Jan-00
120	AL	Columbus P&DC #2	OH		30-Jan-00
121	GL	Carol Stream P&DC #2	IL		30-Jan-00
122	MW	Kansas City P&DC #2	MO		30-Jan-00
123	AL	South Jersey P&DC	NJ	1	30-Jan-00
124	MW	Omaha P&DC	NE	1	30-Jan-00
125	NE	Providence P&DC	RI	1	23-Jan-00
126	SE	Knoxville P&DC	TN	1	30-Jan-00
127	WE	Seattle P&DC #1	WA	2	30-Jan-00
128	GL	Irving Park Rd P&DC	IL	1	30-Jan-00
129	NE	Manchester P&DC	NH	1	30-Jan-00
130	NY	West Jersey P&DC	NJ	1	30-Jan-00
131	SE	Miami P&DC	FL	1	23-Jan-00
132	PA	Santa Clarita P&DC #3	CA		30-Jan-00
133	SW	Austin P&DC#2	TX		30-Jan-00
134	WE	Tacoma P&DC	WA	1	30-Jan-00
135	AL	Delaware P&DC	DE	1	30-Jan-00
136	GL	Lansing P&DC	MI	1	30-Jan-00
137	MW	Wichita P&DC	KS	1	23-Jan-00
138	WE	Denver P&DC #3	CO		30-Jan-00
139	PA	M L Sellers P&DC #2	CA		30-Jan-00
140	PA	Oakland P&DC #1	CA	2	30-Jan-00
141	SW	North Texas P&DC #1	TX	2	30-Jan-00

AFSM SEQ. #	AREA	PLANT	ST	TOTAL UNITS	START ACCEPT TEST
				175	
142	GL	Grand Rapids P&DC	MI	1	30-Jan-00
143	MW	Madison P&DC	WI	1	23-Jan-00
144	WE	Seattle P&DC #2	WA		30-Jan-00
145	NE	Springfield P&DC	MA	1	30-Jan-00
146	NY	Morgan P&DC #3	NY		30-Jan-00
147	SE	West Palm Beach P&DC	FL	1	30-Jan-00
148	SW	Lafayette P&DF	LA	1	30-Jan-00
149	AL	Dayton P&DC	OH	1	23-Jan-00
150	WE	Portland P&DC #1	OR	2	30-Jan-00
151	GL	Royal Oak P&DC #1	MI	2	30-Jan-00
152	NY	Monmouth P&DC	NJ	1	30-Jan-00
153	NE	Syracuse P&DC	NY	1	23-Jan-00
154	SE	Montgomery P&DC	AL	1	23-Jan-00
155	AL	Southeastern P&DC	PA	1	23-Jan-00
156	MW	Kansas City (KS) P&DC	KS	1	23-Jan-00
157	PA	Bakersfield P&DC	CA	1	23-Jan-00
158	NY	Patterson P&DC	NJ	1	23-Jan-00
159	MW	Fargo P&DC	ND	1	23-Jan-00
160	PA	Long Beach P&DC #1	CA	2	23-Jan-00
161	NE	Brockton P&DC	MA	1	23-Jan-00
162	PA	Oakland P&DC #2	CA		30-Jan-00
163	SW	North Texas P&DC #2	TX		30-Jan-00
164	SE	Manasota P&DC	FL	1	30-Jan-00
165	WE	Reno P&DC	NV	1	30-Jan-00
166	AL	Akron P&DC	OH	1	30-Jan-00
167	AL	Lehigh Valley P&DC	PA	1	23-Jan-00
168	NY	Morgan P&DC #4	NY		30-Jan-00
169	PA	Los Angeles P&DC	CA	1	30-Jan-00
170	PA	San Bernardino P&DC	CA	1	30-Jan-00
171	SE	South Florida P&DC	FL	1	30-Jan-00
172	MW	Sioux Falls P&DF	SD		30-Jan-00
13a	PA	Sacramento P&DC	CA	1	23-Jan-00
173	WE	Portland P&DC #2	OR		30-Jan-00
174	GL	Royal Oak P&DC #2	MI		30-Jan-00
175	PA	Long Beach P&DC #2	CA		30-Jan-00
10a	MW	Springfield P&DC	MO	1	30-Jan-00
3a	SE	Chattanooga P&DC	TN	1	30-Jan-00
2a	WE	Everett P&DF	WA	1	23-Jan-00
1a	CM	Suburban MD P&DC	MD	1	30-Jan-00
S	HQ	Engineering - Simulator	VA		18-Dec-00
5a	HQ	Norman (NCED)	OK	2	23-Jan-00
4a	HQ	Norman (NCED)#2	OK		23-Jan-00
175				175	

AIR COMPRESSOR

1 UNIT ONLY 5HP 15 SCFMs

2 - 4 UNITS 20HP 75 SCFMs

5 - 10 UNITS 30HP 140 SCFMs

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

Response:

The machinability requirements of the AFSM 100 were based on the FSM 881 requirements. We have not yet evaluated the AFSM 100 for any deviations from these requirements. Testing is expected to be conducted on the first production machine.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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.

Response:

The OCR mode is not a separate mode from the BCR mode. The process occurs simultaneously.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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?

Response:

Due to problems with the manufacturer of the AFSM 100, a more rapid deployment was not possible. A shortfall in mechanized flat sorting capacity is not expected at the end of the first phase of deployment. No - the expectation is, at this time, that phase 2 will be to replace the FSM 881.

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?

Response:

There is no OCR on the FSM 1000 at this time.

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 plans to purchase additional FSM 881s?

Response:

Assuming only that the throughput is higher, then the answer is yes. This does not take into consideration read rates, jam rates, processing mode, etc. which all have an effect on sorting costs. As mentioned in my testimony, the AFSM 100s, which are more technologically advanced, are to supplement the FSM 881 capacity.

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

Response:

We do not know at this time. As mentioned in my testimony, the AFSM 100 will have processing priority based on machine availability. The percentage will depend upon sortation level (outgoing, incoming secondary), machinability characteristics, volume growth, and other similar factors.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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

Response:

Yes.

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 or 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?

Response:

We do not track the volume in operations by class. Generally speaking, the heavy volume period is tour 1 (approximately 11:00 pm through 7:00 am) for incoming secondary. The low volume of First Class flats, as a proportion of all flats, does not drive the FSM requirements. Therefore, if service standards for First Class Mail were less stringent, there would not be an expected reduction in staffing of flat operations.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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

Response:

Based on trends and where we ended at FY 99, it is estimated that 70% of non-carrier route flats will bear a barcode in FY 2000 and 75% will bear a barcode in FY 2001.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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

Response:

When a clerk performs a manual scheme sort in a delivery unit, this operation, in all likelihood, occurs in the same facility as the carriers that deliver the sorted mail. The carriers are often the first to obtain address information related to their route (e.g. new housing development). This information is continually communicated from the carriers to the clerks, particularly when mail is incorrectly sorted to a particular carrier and requires a re-sort. In the plant, this information is typically passed on through periodic scheme training.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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.

Response:

Yes, we believe that sorting flats to DPS will reduce costs to the Postal Service given what we have learned from DPS letters. Because the method required to DPS flats has not yet been finalized, an estimate of the cost savings from a DPS program for flats has not yet been developed.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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

Response:

The method to DPS flats has not been finalized, so the value of a barcode in a DPS flats environment can not yet be determined. However, as mentioned in my testimony, given the current technological options, an 11-digit, readable barcode will have value and continue to be the most cost efficient mail.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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

Response:

We expect to begin DPS of flats in approximately five to six years given current available technology.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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

Response:

No, not at this time.

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.

Response:

The number and specific locations of the PMPCs has been addressed in the response to DFC/USPS-T34-1. The parcel sorting equipment in the PMPCs is not the same as the equipment in the BMCs. It is my understanding that the Postal Service does not specify the sorting equipment to be used in the PMPCs. From what I have been told, configurations of the Rapistan sortation equipment installed at some, but not all, sites vary with the number of induction stations ranging from 8 to 10 and the separations ranging from 147 to 455. The machines typically sort into rolling stock, pallet boxes, or sacks.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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.

Response:

The SPBS machines are located in a variety of different facilities processing a variety of different products. Processing can range from outgoing single-piece Priority that requires only 3-digit keying to incoming bundle distribution that requires 3- or 5-digit keying based a combination of the ZIP Code and the Optional Endorsement Line. In addition, bundles are often more difficult to induct than parcels with bundle breakage negatively impacting the process. Finally, the SPBS Feed Systems improve productivity as a result of more consistent and singulated mail flow to the keyer workstations. Not all of the machines have the Feed Systems due to space constraints, which contributes to the variation.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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?

Response:

Based on a study cited in Witness Yacobucci's testimony (USPS-T-25) with data collected between September and December of 1998, the average productivity of bundles sorted manually is 178 per hour. Bundles sorted in a primary breakdown typically have separations that range between 5 and 30. Bundles from 3-Digit, SCF, ADC, or mixed containers are typically sorted into 50 to 100 separations.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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

Response:

Deployment is now taking place. The projected end date is the end of the Fiscal Year 2000.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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 your description.

Response:

The remaining machines without feed systems will probably not receive them. Two major reasons for not deploying feed systems to all SPBSs are: 1) Not economic – if a site has too many sacks to dump, the savings are not there; and 2) Not enough space – the feed systems have a large footprint.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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?

Response:

There are currently no plans to deploy additional SPBS machines. We are looking to improve existing equipment and to the next generation machines. Given input from the field, I understand that there is no SPBS capacity shortfall.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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.

Response:

According to the Drop Shipment Appointment System (DSAS) and input from the BMCs, the percentage of scheduled appointments with bedloaded contents is approximately 25 percent. With the exception of a few isolated instances, the Postal Service has moved away from bedloading vehicles to other postal facilities. For example, inter- and intra-BMC transportation is now containerized as a result of modifications to mechanization systems that included the installation of container loaders.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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?

Response:

In FY 99, the time spent facing and inducting parcels on the BMC secondary parcels sorters was 814,899 hours. For the Singulate, Scan, Induction, Units (SSIUs), a full-up savings of approximately 622,044 hours for the induction function is estimated.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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.

Response:

The current deployment of 100 RCS units for loading letter and flat trays into containers will begin in May and end in November of this year. The systems will be deployed primarily in medium to large plants, but also in the BMC and AMC and network.

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.

Response:

There are no deployment plans at this time.

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

Response:

A prototype Universal Transport System will be installed at the Ft. Myers P&DC starting this June with the operational phase-in scheduled to begin this October. There are no deployment plans or schedules beyond the prototype at this time.

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.

Response:

At this time, there are no deployment plans or schedules for robotic systems for loading and unloading parcels, bundles, pallets, and sacks into and out of containers. Advanced robotics systems for these purposes are in the research and development stage.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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.

Response:

This interrogatory has been redirected to Witness Tayman (USPS-T-9).

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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

Response:

We have two options of 175 units each. The earliest we would exercise the option(s) would be the fall of 2000. One of the key factors in the decision is the performance of these 100 and the resulting cost savings to the field.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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.

Response:

Currently, our plans are to install TMS in newly constructed facilities when economically justified. It is still the goal of the Postal Service to automate more of the material handling functions related to tray staging, sorting, and movement in a majority of the existing medium to large facilities. The exact technology that will perform the TMS functions is currently being reevaluated and may or may not ultimately vary from the current configurations.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION

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.

Response:

I am informed that the proportions for FY 99 and FY 2000 year-to-date are both 91%. This proportion is not normally estimated for future years. However, I am informed that there is little reason to anticipate any significant change in the proportion by FY 2001.

DECLARATION

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

Linda A. Kingsley

Date: 2/17/00

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Susan M. Duchek

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February 17, 2000