

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

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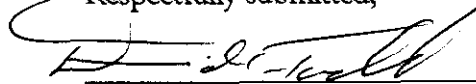
POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

FIRST SET OF INTERROGATORIES OF
MAIL ORDER ASSOCIATION OF AMERICA
TO USPS WITNESS MAYES (MOAA/USPS-T32-1-12)

Pursuant to Sections 25 and 26 of the rules of practice, the Mail Order Association of America (MOAA), submits the following interrogatories to USPS witness Mays (USPS-T-32).

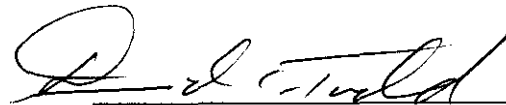
Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon the Postal Service by hand and by First-Class Mail upon all participants in this proceeding requesting such service.



David C. Todd

Date: March __, 2000

INTERROGATORIES OF MAIL ORDER ASSOCIATION OF AMERICA
TO UNITED STATES POSTAL SERVICE WITNESS MAYES

MOAA/USPS-T-32-1 Do you agree that with the exception of criteria 2 and 4 that the rate making criteria found in Section 3622 (b) apply to the rates proposed by the Postal Service; not to the amount of increase that may have been proposed? If your answer is anything other than an unqualified yes, would you please explain?

MOAA/USPS-T-32-2 On page 45 of your testimony you state that the Postal Service has given criterion 8 ECSI value some consideration in the proposed rates for bound printed matter. Would you please provide a ranking or a more objective statement as to how much consideration was given to criterion 8 in the rate levels proposed for BMP?

MOAA/USPS-T-32-3 You state that “a substantial number of books have been mailed as Bound Printed Matter.” (page 45 of your testimony). Please provide any data you or the Postal Service has about the percentage of BPM that consists of books. If no such data exists, would you please provide a quantification of the percentage of BPM consisting of books that you assume to be “substantial” in making your rate recommendations?

MOAA/USPS-T-32-4 Is it your position that the presence of a substantial amount of advertising within a particular subclass should result in only a small application of criterion 8?

MOAA/USPS-T-32-5 You state on page 19 of your testimony that the Postal Service “does not advocate a mechanistic application” of Ramsey pricing. You also state that Ramsey pricing “did not significantly effect” your pricing recommendations. Do you agree that it would be possible to give

significant effect to Ramsey pricing without applying a Ramsey pricing model in a mechanistic fashion? Do you also agree that the failure to give Ramsey pricing “significant effect” inevitably results in an excess burden upon the mailing public?

MOAA/USPS-T-32-6 In making your rate recommendations did you examine each subclass individually in comparison to all other classes and subclasses or did you also examine the relationship between all of the subclasses within a particular class?

MOAA/USPS-T-32-7 You state on page 39 of your testimony that many of the pricing factors “would indicate a cost coverage even lower than that actually proposed” for ECR. Would you please identify each factor that would indicate a lower cost coverage?

MOAA/USPS-T-32-8 You state on page 44 that the rate increase and cost coverage for BPM “ensure that potential competitors are not unfairly targeted.” Would you please identify the potential competitors to whom you refer?

MOAA/USPS-T-32-9 If you had given criterion 8 full consideration rather than “some” consideration in proposing the rates for Bound Printed Matter, what cost coverage would have been proposed?

MOAA/USPS-T-32-10 Do you regard that portion of telephone and other directories consisting solely of lists of names, i.e. without advertising messages, to be eligible for the application of criteria 8?