

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF STAMPS.COM REDIRECTED FROM WITNESS FRONK
(STAMPS.COM/USPS-T33-6)

The United States Postal Service hereby provides its response to the following interrogatory: STAMPS.COM/USPS-T33-6 (filed on March 3, 2000). The interrogatory has been redirected from witness Fronk to the Postal Service for response.

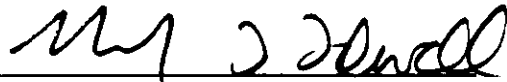
The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Michael T. Tidwell

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March 17, 2000

RESPONSE OF U.S. POSTAL SERVICE
TO INTERROGATORIES OF STAMPS.COM
REDIRECTED FROM WITNESS FRONK

STAMPS.COM/USPS T-33-6.

- (a) Are the primary users of QBRM accounts business entities?
- (b) Are there a substantial number of non-business users of QBRM accounts?
- (c) Are there any studies on what types of entities (e.g., businesses, consumers) use QBRM accounts? If so, please produce them.

RESPONSE:

- (a) – (c) The Postal Service does not maintain studies that classify QBRM accounts by type of entity. The Permit System, which includes BRM permit holders, maintains records by permit and customer name, but does not categorize customers by type. While not customer-based data, the Postal Service notes that the attached table (from USPS LR-H-179, Docket No. R97-1) does provide volume share data by industry for all types of BRM, including QBRM.

Nevertheless, based on a general understanding of Qualified Business Reply Mail customers, it appears that the primary users of QBRM accounts are business entities, with a substantial number of QBRM accounts also maintained by not-for-profit entities such as fundraising organizations and government institutions. In terms of consumers or households, while it would be possible for them to maintain a QBRM account, it appears highly unlikely that they would find it cost-effective or practical.

Attachment to
BRM Practices Survey -- Christensen Associates

Stamps.com JUSYS-T-33-6

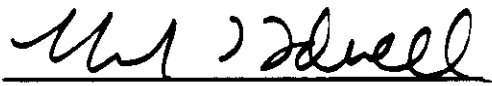
Table 7: Industries Which Represent the Largest Share of Facilities' BRM Volume
(Postage Due #5)

Industry	Percent of Volume
Banking and Finance	17%
Insurance	6%
Medical	5%
Education	2%
Publishing	5%
Retail	7%
Manufacturing	2%
Government	4%
Computers	2%
Tourism	0%
Marketing	1%
General Services	6%
Utilities	1%
Trucking	0%
Oil	0%
Other/Unknown*	19%
No response given	22%
	100%

*Industry was characterized as 'unknown' when it could not be determined from the company name provided.

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.

A handwritten signature in black ink, appearing to read "Michael T. Tidwell", written over a horizontal line.

Michael T. Tidwell

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