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

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POSTAL RARE COMM. SSIGN
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO
TO INTERROGATORIES OF DAVID B. POPKIN
REDIRECTED FROM THE POSTAL SERVICE
(DBP/USPS-1, 2, 12, AND 15)

The United States Postal Service hereby provides the responses of witness Mayo to the following interrogatories of David B. Popkin: DBP/USPS-1, 2, 12, and 15, filed on March 03, 2000, and redirected from the Postal Service.

Each 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

David H. Rubin

475 L'Enfant Plaza West, SW Washington, DC 20260-1137 (202)268-2986; Fax -6187 March 17, 2000

DBP/USPS-1. With respect to the July 1999 version PS Form 3800, Certified Mail Receipt, [a] Confirm that the article number has changed from one letter and nine digits in previous forms to twenty digits in the present form. [b] Confirm that either the customer is expected to show this number on the Return Receipt form when that service is utilized or the number must be entered by the acceptance employee. [c] Confirm that it will take a longer time to enter a 20-digit number that [sic] a 10-character number. [d] Do you feel that the doubling of the article number's size will add, subtract. or be neutral with respect to the value of this service to the customer and explain your answer? [e] Confirm that the numbers on a group of the previous forms ran in numerical order while the new forms do not since they appear to change by 3 in the next to the last digit and the final digit appears to be a check digit. [f] Confirm that some mailers previously have been able to utilize some manual/automated system for entering the article number, such as a numbering machine or rubber stamp, and the new numbering system will not allow for this convenience. [g] Do you feel that the change to non-consecutive numbers will add, subtract, or be neutral with respect to the value of this service to the customer and explain your answer? [h] What percentage of Certified Mail articles also utilize Return Receipt service? [i] Confirm that the USPS window clerk will take a longer time to enter a 20-digit number than a 10-character number both on the Return Receipt, if necessary, and also on the manually generated delivery receipt, if necessary. [j] Why was it necessary to double the size of the article number? [k] Was any thought given to having a small peel off label on the receipt that could be removed and placed on the Return Receipt card to indicate the article number? [I] Was that suggestion made to the Postal Service in comments that were filed in the Postal Service's request for comments with respect to the introduction of these new forms? [m] If so, why was it not adopted? [n] Confirm that transcribing a 20digit number to a Return Receipt and/or manual delivery receipt will be likely to double the chance for an error as compared to a 10-character number. [o] Explain and discuss any subparts you are not able to confirm.

#### RESPONSE:

- a. Confirmed. See my response to DFC/USPS-T39-38(a&b).
- b. See my response to DFC/USPS-T39-38(c).

### **DBP/USPS-1 (CONTINUED)**

- c. See my response to DFC/USPS-T39-38(d).
- d. Increased article number size will add value of service in many ways. First, the twenty-digit number enables the electronic data capture of delivery information and recipient signatures. Second, retrieval of delivery information will be faster and more reliable. Also, grouping numbers by fours may reduce the risk of transcription errors. Additionally, large volume customers printing their own labels no longer have to be assigned number ranges. They create their own article numbers following their Dun & Bradstreet's Data Universal Numbering System (DUNS) number. Finally, labels that cannot be scanned for delivery will be detected and corrected by knowing the printer/producer of the faulty labels.
- e. The numbers on the new twenty-digit postal barcoded labels run in numeric sequence, but the last digit is a barcode check digit and is not part of the article number sequence. Some early labels printed in December were out of sequence, but that has since been corrected in current printing. Customers and vendors have already begun reprogramming their automated counting systems to allow for the check digit.

### **DBP/USPS-1 (CONTINUED)**

- f. Not confirmed. I have no knowledge of mailers using a numbering machine or rubber stamp for certified mail numbers and furthermore have no knowledge of how the efficiency of these systems would be affected. If certified mail users were using these types of systems, they could always design their own forms and put in numbers issued in blocks.
- g. The Postal Service has not changed to non-sequenced numbers. See my response to (e) above.
- h: See page 41 of my testimony.
- i. See my response to DFC/USPS-T39-38(d) which applies to those circumstances in which a return receipt is requested and when a delivery notice is used.
- j. The longer number is required to standardize the Product Tracking System (PTS) database for all special services, so that all special service items can be uniquely identified. Customer-produced labels and forms must have two digits for a service code, nine digits for the DUNS number, eight digits for the serial number and one check digit. Postal-and customer-produced numbers must all be the same number of digits in the PTS. Also, see my response to part (d) above.

### **DBP/USPS-1 (CONTINUED)**

- k. See my response to DFC/USPS-T39-38(f-g).
- I. Yes.
- m. See my response to DFC/USPS-T39-38(f-g).
- n. Not confirmed. I do not know the odds for error in transcribing numbers, but grouping number by fours on the new labels may make transcription errors less likely.
- o. See responses above.

DBP/USPS-2. In addition to the new barcoded Certified Mail receipt, please provide the following information for any of the other accountable mail services that have/are introduced/ing a new form: [1] Name of Service [2] Number of characters utilized on the old form for the article number [3] Number of characters utilized on the new form for the article number [4] Whether the article numbers will run in consecutive order in a group of forms [5] A listing of all instances where this number has to be transcribed to another form – list the form(s) and whether the transcription is made by the customer, USPS employee, or could be made by either [6] The percentage of return receipts utilized for that service [7] Whether the receipt and article number label are a single form, such as with Certified mail, or whether they are separate forms, such as with the present Registered Mail forms.

#### **RESPONSE:**

[1] – [4]:

USPS Labels Certified Mail	<u>Digits Old Form</u> 1alpha, 9 num.	Digits New Form 20 num.	Consecutive # yes
Insured Mail	1alpha, 9 num.	20 num.	yes
Registered Mail Return Receipt	1alpha, 9 num.	4 alpha, 9 num	yes
for Merchandise	1alpha, 9 num.	20 num.	yes
Customer Printed	Digits Old Form	Digits New Form	Consecutive #
Certified Mail	1alpha, 9 numeric	20 numeric	yes
Insured Mail	1alpha, 9 numeric	20 numeric	yes
Registered Mail Return Receipt	1alpha, 9 numeric	20 numeric	yes
for Merchandise	1alpha, 9 numeric	20 numeric	yes

### **DBP/USPS-2 CONTINUED**

[5]:

Service Transcribed to 3849

Certified Mail
Insured Mail
Registered Mail
Seturn Receipt for Merchandise
by carrier if redelivery needed by carrier if redelivery needed by carrier if redelivery needed by carrier if redelivery needed

Service Transcribed to 3811

Certified Mail

Insured Mail

Registered Mail

by customer or clerk if return receipt requested by customer or clerk if return receipt requested by customer or clerk if return receipt requested

[6] The percentage of return receipts for certified mail, insured mail, registered mail, and return receipt for merchandise can be calculated using the volumes in WP-24 in LR-I-168.

[7]:

<u>Service</u>	<u>Separate</u>
Certified Mail	no
Insured Mail	no
Registered Mail	yes
Return Receipt for Merchandise	no

DBP/USPS-12. [a] Confirm, or explain if you are unable to do so, that there are two main reasons why customers utilize the Registered Mail service, namely, first by providing a more secure protection of their mail to ensure that it will not be lost in transit and second, to obtain indemnity in the event of loss. [b] Provide any other reasons why a customer would utilize Registered Mail (as opposed to Certified Mail or Insured Mail).

#### **RESPONSE:**

- a. Not confirmed. I feel the main reason customers use registered mail is for the security in acceptance, processing and delivery procedures. I feel that obtaining indemnity in the event of loss or damage is a secondary reason, and actually would not be applicable to those customers with articles valued above \$25,000 (for the portion over \$25,000) or articles of no monetary value.
- b. When compared to insurance, customers may currently choose to use registered mail for items valued over \$700 up to \$5,000 as the registered mail fee is lower than the insurance fee.

DBP/USPS-15. [a] Confirm that Insured Mail does not receive any special security from the time that the mail is accepted until it arrives at the delivery office, namely, it is transported in a similar manner to the same type of mail without insurance. [b] Confirm that mail insured for \$50 or less does not receive any special security at the delivery office. [c] Confirm that it will not be possible to determine, with absolute certainty, the amount of insurance that has been purchased [any value from \$50.01 to \$5000] by examination of the article [d] Explain and discuss any subparts you are not able to confirm.

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#### **RESPONSE:**

- a. Confirmed.
- b. Confirmed.
- c. Not confirmed. If examination of the article includes weighing the mailpiece the postage can be subtracted from the total amount paid to arrive at the fee paid.
  Knowledge of the fee paid for insurance would give you the value level for which the package was insured.
- d. See response to part (c) above.

### **DECLARATION**

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

Susan W Mayo

Dated: March 17, 2000

### **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.

David H. Rubin

475 L'Enfant Plaza West, SW Washington, DC 20260-1137 March 17, 2000