

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 UNITED STATES POSTAL SERVICE
WITNESS KINGSLEY TO INTERROGATORIES OF
THE ALLIANCE OF NONPROFIT MAILERS
(ANM/USPS-T10-41-45)

The United States Postal Service hereby provides the responses of witness Kingsley to the following interrogatories of the Alliance of Nonprofit Mailers:
ANM/USPS-T10-41-45, filed on March 16, 2000.

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



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March 30, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF ALLIANCE OF NONPROFIT MAILERS**

ANM/USPS-T10-41 Please refer to your testimony about the FSM 881 at pages 10-11.

- a. In what year were the first barcode readers ("BCRs") deployed to the FSM 881s?
- b. In what year did the Postal Service complete equipping the FSM 881s with BCRs?
- c. In what year were the first optical character readers (OCRs) deployed on the FSM 881s?

Response:

- a. 1992
- b. 1993
- c. 1998. See PostCom/USPS-T10-4.

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ANM/USPS-T10-42 Please refer to your response to ANM/USPS-T10-1.

- a. What was the average productivity of the FSM 775s (in terms of pieces per hour) during each year before 1990, when they began converting to FSM 881 s?
- b. What was the average productivity (in terms of pieces per hour) of the FSM 881s during each year before deployment and installation of the barcode readers ("BCRs")?
- c. What was the average productivity (in terms of pieces per hour) of the FSM 881s each year after deployment and installation of BCRs?
- d. What is the average productivity (in terms of pieces per hour) of FSMs during each year that they have been equipped with optical character readers (OCRs) and BCRs?

Response:

- a) The average productivity of the FSM 775s, before being converted to FSM 881s was approximately 750 Total Pieces Handled (TPH).
- b) The average productivity of the FSM 881s before installation of the BCRs was approximately 750 TPH.
- c) FY 1993-94 Separate data not available for keying and BCR.

FY 1995	(keying)	680 TPH
FY 1995	(BCR)	1047 TPH
FY 1996	(keying)	670 TPH
FY 1996	(BCR)	995 TPH
FY 1997	(keying)	630 TPH
FY 1997	(BCR)	900 TPH
FY 1998	(keying)	565 TPH
FY 1998	(BCR)	800 TPH
FY 1998	(OCR)	856 TPH (only 2 months of data in FY 1998)
- d) FY 1999 (keying) 465 TPH
FY 1999 (BCR) 720 TPH
FY 1999 (OCR/BCR) 710 TPH

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ANM/USPS-T10-43 What was the average productivity, in terms of pieces per hour, of the FSM 1000 (a) during each year before deployment and installation of barcode readers ("BCRs"), and (b) during each year following deployment and installation of BCRs?

Response:

- a) FY 1997 (keying) 534 TPH
- FY 1998 (keying) 590 TPH

- b) FY 1999 (keying) 580 TPH
- FY 1999 (BCR) 1036 TPH

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ANM/USPS-T10-44 Please refer to your response to ANM/USPS-T10-20, which indicates that (i) the maximum, sustainable throughput of the FSM 881 in manual keying mode, using a full complement of six employees, is approximately 10,000 per hour, or (sic) about 1,667 pieces per workhour; and (ii) a throughput of 14,000, or about 2,333 pieces per workhour may be possible in an ideal environment. Also refer to your response to ANM/USPS-T10-16, which indicates that average productivity in AP 5 of FY 2000 was only 575.4 pieces per workhour.

- a. What was the average productivity of FSM 881s when used in manual keying mode during AP 5 of FY 2000?
- b. What was the average productivity of FSM 881s when used in BCR mode during AP 5 of FY 2000?
- c. What was the average productivity of FSM 881s when used in OCR mode during AP 5 of FY 2000?
- d. Please provide a detailed explanation why the actual productivity of FSM 881s in all modes combined was less than 35 percent ($= 1,667/575.4$) of the maximum throughput in manual keying mode.

Response:

As information, I provided only the machine throughputs per hour in your question, not the pieces per workhour.

- a) The average productivity of FSM 881s for all keying operations during AP 5 of FY 2000 was 480 Total Pieces Handled (TPH).
- b) The FSM 881 no longer processes flat mail in BCR mode only.
- c) The average productivity of FSM 881s for all BCR/OCR operations during AP 5 of FY 2000 was 640 TPH.
- d) Throughput does not take into account the pieces not finalized, such as BCR and OCR rejects, jams, time required to make sort plan changes, mail preparation time at the machines, breaks, set up and pull down, etc. TPH productivity, pieces per workhour, takes these factors into account. The maximum throughput is also in an ideal environment which includes processing

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the "cleanest", most machinable volumes, not the mixture/variation of flats we actually must handle.

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ANM/USPS-T10-45 Please refer to your response to ANM/USPS-T10-16, which indicates that in AP 5 of FY 2000 the average productivity of FSM 881s was only 575.4 pieces per workhour, while the average productivity of FSM 1000s was 592.4 pieces per workhour.

a. Confirm that in AP 5 of FY 2000 all FSM 881s were equipped with OCRs and no FSM 1000s were equipped with OCRs. If you do not confirm, please provide the number of each FSM that were equipped with OCRs.

b. Confirm that the FSM 1000s are supposed to be used for pieces that cannot be processed on the FSM 881 (e.g., flimsies, oversized or thicker pieces, certain polybagged items) and are generally considered more difficult to handle. If you do not confirm, please explain the types of mail that are being processed on the FSM 1000.

c. Please explain in detail why the productivity on the FSM 881 is lower than the productivity on the FSM 1000.

Response:

a. Confirmed.

b. Confirmed with the qualification that some FSM 881 compatible volume also is processed on the FSM 1000s as mentioned on page 12 of my testimony.

c. Unlike the FSM 1000, a portion of the volume on the FSM 881 has to make a turn at the ends of the machine. This can cause more jams and is more restrictive on the type of piece the FSM 881 can run compared to the FSM 1000. I believe the primary reason for the higher FSM 1000 productivity is due to the FSM 881 with OCR has a higher reject percentage than the FSM 1000 without the OCR. The productivity accounts for pieces finalized or sorted, not pieces fed. The OCR rejects must be rehandled and subsequently are reflected in reduced FSM 881 productivity.

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: 3-30-2000

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.



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