

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

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS CAMPBELL
TO STAMPS.COM INTERROGATORIES
(STAMPS.COM/USPS-T29-7 THROUGH 9 AND 11)

The United States Postal Service hereby provides the responses of witness Campbell to the following interrogatories of Stamps.com, which were filed on March 16, 2000: STAMPS.COM/USPS-T29-7 through 9 and 11).

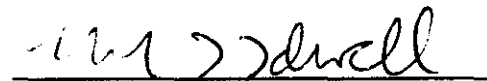
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Michael T. Tidwell

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April 7, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS CAMPBELL TO
INTERROGATORY OF STAMPS.COM**

STAMPS.COM/USPS-T29-7

Referencing a document supporting your testimony, Library Reference USPS LR-I-160, Section L, Cost Avoidance Calculation for QBRM Discount, please confirm the following statements. If you disagree with any statement, please explain why.

- (a) Your calculated savings include savings in the video capture process.
- (b) Your calculated savings include savings in the OCR process, including benefits from mail quality.
- (c) Your calculated savings do not include any savings in the production and distribution of stamps.
- (d) Your calculated savings do not include any savings in the cancellation process.
- (e) Your calculated savings do not include any savings in forwarding mail to another address or returning it to sender.

RESPONSE:

- (a) Not confirmed. My mail flow models begin after the "video capture process", or image lifting, which takes place during the facing and canceling operation. I did not include the facing and canceling operation in my models because both handwritten mail and QBRM pieces flow through the operation.
- (b) Confirmed. For purposes of this response, I assume the term "mail quality" refers to the quality of the address as it appears on the mail piece.
- (c) Confirmed. My models incorporate only mail processing costs.
- (d) Confirmed. See my response to part (a).
- (e) Confirmed.

**RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS CAMPBELL TO
INTERROGATORY OF STAMPS.COM**

STAMPS.COM/USPS-T29-8

Please provide any studies on the costs of handling, processing, forwarding and/or returning First-Class Mail necessitated by an improper address.

RESPONSE:

Please see USPS Library Reference I-192 entitled "USPS Address Deficiency Study."

**RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS CAMPBELL TO
INTERROGATORY OF STAMPS.COM**

STAMPS.COM/USPS T-29-9.

Reference your answer to Stamps.com/USPS-T29-1, wherein you state that IBI mail users may produce barcodes and indicia that postal automation equipment may have difficulty processing, or that such barcodes, indicia, and FIM markings may be printed outside the acceptable read zones for automation processing.

- (a) Does the Postal Service have an actual or estimated number for the amount or percentage of IBI First Class mail which postal automation equipment has difficulty processing, or for which a FIM code is non-existent or misplaced? If yes, please provide such figures and the studies upon which they are based.
- (b) Has the Postal Service conducted any studies, or compiled any data, on the extent to which IBI First Class mail users produce barcodes and indicia that postal automation equipment may have difficulty processing, or for which a FIM code is non-existent or misplaced? If so, please provide such information.
- (c) Is the Postal Service currently conducting any studies, or compiling any data, on the extent to which First Class IBI mail users produce barcodes and indicia that postal automation equipment may have difficulty processing, or for which a FIM code is non-existent or misplaced? If so, please describe the studies or data compilation that is being done.

RESPONSE:

- (a) I am not aware of any actual or estimated number for the amount or percentage of IBI First-Class mail which postal automation equipment has difficulty processing, or for which a FIM code is non-existent or misplaced.
- (b) I am not aware of any study, or compiled data, on what you are asking.
- (c) I am not aware of any study, or compilation of data, currently being conducted on what you are asking.

**RESPONSE OF UNITED STATES POSTAL SERVICE
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STAMPS.COM/USPS-T29-10.

Has the Postal Service conducted or sponsored any studies or estimates of the amount of IBI mail expected to be entered into the mail stream in future years? If so, please provide a copy of all such studies and estimates.

RESPONSE:

**RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS CAMPBELL TO
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STAMPS.COM/USPS-T29-11.

Reference your answer to Stamp.com/USPS-T29-1(c), wherein you state that the Postal Service "will continue to look into the issues presented above" concerning a discount for IBI mail that is comparable to the QBRM discount.

- (a) What has USPS done to date to "look into" this issue?
- (b) What specific actions does USPS contemplate taking in the future to look into this issue?

RESPONSE:

- (a) To my knowledge, the Postal Service has "looked into" an IBI discount only to the extent that witness Fronk described in his response to STAMPS.COM/USPS-T33-4.
- (b) I am not aware of any specific actions that the USPS contemplates taking in the future with respect to this issue.

DECLARATION

I, Chris F. Campbell, declare under penalty of perjury that the foregoing answers are true to the best of my knowledge, information and belief.


Chris F. Campbell

Dated: 4-7-00

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.

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

Michael T. Tidwell

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