

Before The  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

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Postal Rate and Fee Changes

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Docket No. R2000-1

OPPOSITION OF THE UNITED STATES POSTAL SERVICE  
TO UPS MOTION TO AMEND PROTECTIVE CONDITIONS  
ADOPTED IN PRESIDING OFFICER'S RULING NO. R2000-1/15  
(May 1, 2000)

The United States Postal Service hereby opposes the motion of the United Parcel Service (filed April 24, 2000) to modify, that is, weaken, the protective conditions established in Presiding Officer's Ruling No. R2000-1/15. The protective conditions established in that ruling are similar to protective conditions applied elsewhere in this proceeding, and no compelling need has been shown to tamper with them.

In the case of Ruling 15, the protective conditions were applied to Library Reference USPS-LR-I-242, which contains reports of standard operating procedures for city delivery carriers developed as part of the Engineered Standards study conducted by witness Raymond. UPS now argues that the only legitimate reason for restricting access and use of these reports is that the reports were developed in anticipated potential collective bargaining, and that the protective conditions should be narrowed to reflect that purportedly narrow range of sensitivity. The Postal Service respectfully disagrees.

It must be noted at the outset that these standard operating procedures do not represent actual, current Postal Service procedures, but represent potential

improvements to those procedures which may or may not be implemented in the future. It should thus be recognized that these reports have very little to do with the actual and projected city carrier costs at issue in this proceeding. It should also be apparent that this confidential commercial workproduct, concerning time standards applicable to the performance of a large number of discrete materials handling functions, is valuable business research that, under sound business practice, no commercial entity would make available to its competitors. This is especially true when the competitor is engaged in the handling and delivery of parcels, one of the areas covered by the reports.

While counsel for UPS asserts that there is not a close enough similarity between the operations of UPS and the Postal Service to warrant concern regarding the potential value of the requested information to UPS, the fact remains that there has not been a shred of evidence or information produced in this proceeding that would support the UPS contention, and, given the pattern of rate cases past, there is unlikely to be any way to test this important question. For example, UPS has produced no information regarding the manner in which UPS may have conducted similar research on time standards, the use of time standards in UPS parcel handling and delivery operations, and the like. If UPS had made such information available for scrutiny by the Postal Service or others, its claim that the divergence in operations methods between the two competitors renders such research commercially valueless would have more substance.

As it is, there is no basis upon which the Commission can discount the potential harm to the Postal Service that could result from provision of this research to those

involved in the competitive decision making of the Postal Service's competitors. Furthermore, UPS has not established any compelling need to weaken the protective conditions that have been used elsewhere in this proceeding, or any legitimate litigation objective that would be frustrated under the conditions now in place. Given this state of affairs, the only fair and prudent course for the Commission to take is to maintain the existing conditions so as to reduce the potential for harm. Such a refusal to needlessly invite competitive harm would be consistent with the Commission's prior rejections of UPS attempts to water down the Commission's standard protective conditions. See Docket No. C99-1, Order No. 1287 (March 1, 2000) at 4-6.

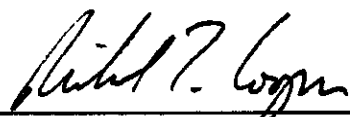
The UPS motion should be denied.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

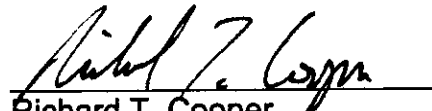
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May 1, 2000

**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.

  
Richard T. Cooper

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May 1, 2000