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BEFORE THE **May 17 4 35 PM '00**  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001  
POSTAL RATE COMMISSION  
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-225-227),  
AND REVISED RESPONSE OF WITNESS MAYO TO  
INTERROGATORY OF DAVID B. POPKIN (DBP/USPS-169) [ERRATUM]**

The United States Postal Service hereby provides the response of witness Mayo to the following interrogatories of David B. Popkin: DBP/USPS-225 to 227, filed on May 3, 2000, and redirected from the Postal Service. The Postal Service also provides the revised response of witness Mayo to interrogatory DBP/USPS-169, because the original response mischaracterized the contents of the attachments to witness Mayo's response to interrogatory DBP/USPS-69.

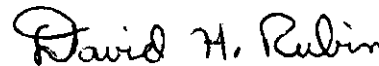
*Each interrogatory is stated verbatim and is followed by the response.*

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking



David H. Rubin

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May 17, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO  
TO INTERROGATORIES OF DAVID B. POPKIN  
REDIRECTED FROM THE POSTAL SERVICE**

**DBP/USPS-225.** Please refer to your response to DBP/USPS-169. [a] Please explain what words on the card will advise the customer that one side of the card relates to mailing of tax returns and that the other side of the card provides GENERIC information on various special services? [b] Explain why you feel mailers will not be confused by the presentation of the material of specific tax mailing information on one side and generic information of a similar nature on the reverse side.

**RESPONSE:**

- a. There are no such words on the card providing this advice. See my revised response to DBP/USPS-169, filed with this set of interrogatories.
- b. The front of the card does not present any specific tax mailing information. It simply alerts the customer that he/she might want to learn about special services in general at a time of year when they might want to use a special service. The back of the card provides basic information about four special services that, due to their similarities, often confuse customers.

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**DBP/USPS-226.** Please refer to your response to DBP/USPS-183[a]. Please provide any examples of the circumstances which would cause a delivering employee to report insured parcels to the accountable section before delivery.

**RESPONSE:**

Every delivery employee would know that numbered insured mail is accountable mail since a recipient's signature on a Form 3849 is required at the time of delivery. Of this universe of delivery employees, some portion, on their own volition, will treat all accountable mail in the same manner and report any accountable mail to the accountable mail section prior to delivery. A second possibility is that a supervisor has suggested to the delivery employees that they report their numbered insured parcels to the accountable section prior to delivery.

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**DBP/USPS-227.** Please refer to your response to DBP/USPS-186[I]. [a] Please comment on the validity of the data shown in this table since 10 of the 51 lines of data have more claims paid than articles that were sent at that given value level of insurance. [b] Please confirm that 11.1% of the parcels insured for \$2001-\$2100 resulted in claims for loss or damage. [c] Please confirm that 8.9% of the parcels insured for \$3001-\$3100 resulted in claims for loss or damage. [d] Please confirm that 4.8% of the parcels insured for \$1101-\$1200 resulted in claims for loss or damage.

**RESPONSE:**

- a. The comparison in the table is to the claims processed during the year to the transactions for the year. For transactions from an earlier period (such as the prior fiscal year), the claims may not be adjudicated until the year on the indemnity analysis. Also, the claims amount includes the applicable fee and the postage refunds. Therefore it would exceed the "declared value" of the parcel. This can push the item from one value level into a higher value level. Note that the claims volume tends to be higher than expected for the value levels \$100 above those value levels with a high number of transactions. For example, it appears that some claims from the 145,117 transactions for the "up to \$1000" level have been counted in the "up to \$1100" level.
- b. I can confirm that 88 is 11.1 percent of 796. See my response to (a) above, where I discuss how an item from one value level can be pushed into a higher value level.
- c. I can confirm that 26 is 8.9 percent of 293. See my response to (a) above, where I discuss how an item from one value level can be pushed into a higher value level.

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**DBP/USPS-227 (CONTINUED).**

- d. Not confirmed. I can confirm that 99 is 0.4 percent of 24,704. See my response to (a) above, where I discuss how an item from one value level can be pushed into a higher value level.

REVISED  
May 17, 2000

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**DBP/USPS-169.** Please refer to your response to DBP/USPS-69. [a] Please explain why these mailings encourage the use of Certificates of Mailing for tax returns sent to IRS when the tax laws specifically state that they will not be accepted by IRS? [b] Was this researched prior to making the claim on the mailing? [c] If not, why not? [d] Please explain why these mailings encourage the use of Insured Mail for tax returns sent to IRS when tax returns are First-Class Mail and not merchandise and therefore may not be insured.

**RESPONSE:**

a-d. I assume you are referring to the first two attachments to my response to DBP/USPS-69.

*While each mailing has been reproduced on one sheet, it is actually the back and front of a card. The front suggests that customers should learn about special services before April 15, and shows a picture of a tax return. The back provides information about four possible special services that a customer might consider when they are thinking about special services, such as at tax time, and says these services might provide customers with peace of mind. The mailing does not make any recommendations about what a customer should use for sending tax returns. It simply presents basic information about special services to customers.*

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: May 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  
David H. Rubin

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Washington, D.C. 20260-1137  
May 17, 2000