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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

PRESIDING OFFICER'S  
RULING NO. R2000-1/66

UNITED STATES OF AMERICA  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

Postal Rate and Fee Changes

Docket No. R2000-1

PRESIDING OFFICER'S RULING DENYING MOTION OF  
UNITED PARCEL SERVICE TO AMEND PROTECTIVE CONDITIONS  
ADOPTED IN PRESIDING OFFICERS RULING NO. R2000-1/15

(Issued May 19, 2000)

On February 3, 2000, United Parcel Service (UPS) filed interrogatory UPS/USPS-T13-1. Among other things, it requested a copy of the final report on carrier activities developed as part of the Engineered Standards/Delivery Redesign project. The Postal Service objected that the report contains confidential information that it intends to use in future negotiations with its labor unions, and that it "may" contain facility specific or otherwise confidential business information. Objection of the United States Postal Service to UPS Interrogatories UPS./USPS-T13-1 and 2 to Witness Raymond, filed February 14, 2000, at 1. UPS filed a motion to compel on February 28, 2000. Motion of United Parcel Service to Compel Answers to Interrogatories UPS/USPS-T13-1 and 2 to Witness Raymond, February 28, 2000. The Postal Service opposed it, arguing that the report would reveal proprietary delivery processes and procedures to the Postal Service's competitors." Opposition of the United States Postal Service to UPS Motion to Compel Answers to Interrogatories UPS/USPS-T13-1 and 2 to Witness Raymond, filed March 6, 2000, at 4.

On March 15, Presiding Officer's Ruling No. R2000-1/15 granted the motion to compel, but established protective conditions for information relating to the Engineered Standards database. Among the restrictions imposed by that ruling is a prohibition on disclosure to persons who work for an entity in competition with the Postal Service and

are “involved in competitive decision-making.” That ruling also noted that the Postal Service has described the Engineered Standards database in only cursory fashion, and that disclosure under protective conditions would make it easier to evaluate the Postal Service’s claims that portions of the report may have commercial value to its competitors. Ruling 15 at 4.

On April 24, 2000, after examining the protected report (Library Reference USPS-LR-I-242, which UPS identifies as “First Standard Operating Procedures with Details for City Carriers”) (First SOP Report), UPS filed its Motion of United Parcel Service to Amend Protective Conditions Adopted in Presiding Officer’s Ruling No. R2000-1/15 Regarding Information and Materials Related to the Engineered Standards/Delivery Redesign Project (Motion). The Motion argues that while there may be grounds for withholding this information from the Postal Service’s labor unions, there are no grounds for withholding it from those involved in competitive decision making. It asserts that the city carrier work methods and time standards developed by the Raymond project cannot have commercial value to competitors in the parcel handling and delivery market because the Postal Service has no competitors of its “large-scale, routine letter delivery service.” It further argues that the First SOP has no facility-specific, mailer-specific, or otherwise competitively sensitive information, and that its descriptions of city carrier methods and work flows are of the kind that the Postal Service has already made public in prior dockets. For these reasons, UPS asks that the restriction on disclosure to individuals involved in competitive decision making vis-à-vis the Postal Service be lifted. Motion at 5.

The Postal Service responds that the First SOP contains time standards applicable to the performance of a large number of discrete materials handling functions, including the handling and delivery of parcels, and therefore is “valuable business research” that it would not make available to its competitors outside of the rate case context. It asserts that since UPS provides little or no public information about its own delivery operations, there is no way to know whether they are so different from those of the Postal Service that USPS-developed time standards for parcel delivery


would be of no value to UPS. Opposition at 2. The Postal Service also argues that UPS has not identified any need for narrowing the current scope of protection of this material, or any "legitimate litigation objective" that it would serve. Id. at 3.

I will deny UPS's motion. The SOP to which UPS seeks broader access appears to contain estimates of standard times for various parcel handling functions in considerably greater detail than do the city carrier handbooks that the Postal Service has previously disclosed. Although it does not seem likely that the contents of the First SOP would be of commercial value to UPS, it is a possibility that cannot be ruled out.

I would have required the Postal Service to make a more concrete showing of potential commercial harm if UPS had sought to narrow the set of documents that Ruling No. 15 protects. This would have had clear benefits to the litigation process, since there would have been fewer documents that would have triggered the cumbersome procedures that protection entails. UPS, however, requested that a wider class of persons be allowed access to the same set of protected documents, without explaining how this would help UPS litigate city carrier cost issues, or how it would simplify the conduct of the case. Because the potential benefits of the relief requested by UPS are few, the Postal Service's position is sustained, even though its showing of likely commercial harm is somewhat conclusory.

## RULING

The Motion of United Parcel Service to Amend Protective Conditions  
Adopted in Presiding Officer's Ruling No. R2000-1/15 Regarding Information and  
Materials Related to the Engineered Standards/Delivery Redesign Project, filed  
April 24, 2000, is denied.

  
Edward J. Gleiman  
Presiding Officer