BEFORE THE

POSTAL RATE COMMISSION WASHINGTON, DC 20268-0001

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POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

DOUGLAS F. CARLSON INTERROGATORIES TO PITNEY BOWES INC. WITNESS JUDITH MARTIN (DFC/PB-T1-1-2)

May 27, 2000

Pursuant to Rules 25–27, I hereby submit interrogatories to Pitney Bowes Inc. witness Judith Martin.

The instructions contained in my interrogatories to Postal Service witness Mayo (DFC/USPS-T39-1-9) are incorporated herein by reference.

Respectfully submitted,

Dated: May 27, 2000

DOUGLAS F. CARLSON

Donela Jeurs

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon the required participants of record in accordance with section 12 of the *Rules of Practice*.

DOUGLAS F. CARLSON

May 27, 2000 Emeryville, California

DFC/PB-T1-1.

- a. Please confirm that the Postal Service has required meter customers, no matter how large or small, to replace their mechanical postage meters with electronic postage meters. If you do not confirm, please explain.
- Please provide a timeline indicating the major milestones (in terms of years or months and years) of the process of decertifying mechanical postage meters.

DFC/PB-T1-2. For purposes of this question, please focus on the postage meters at the low end of the line that are designed for customers who send small to moderate amounts of mail.

- a. Please confirm that customers whom the Postal Service required to upgrade to electronic postage meters generally pay a higher monthly fee for their electronic postage meters than they paid for their mechanical meters. For this question, please focus on customers who upgraded from a mechanical meter to an electronic meter but whose electronic meter is designed for roughly the same volume of mail as their old mechanical meter (e.g., the customer upgraded from the bottom-of-the-line mechanical meter to the bottom-of-the-line electronic meter). Also, please assume any promotional incentives to upgrade to electronic meters have now expired, and customers are paying their regular monthly fee. If you do not confirm, please explain.
- b. Please confirm that the printing supplies (e.g., printing cartridges) for some new, low-volume electronic meters create a higher printing cost per piece of mail than the printing cost associated with the old, mechanical meters.
- c. Please discuss the nature of feedback Pitney Bowes received from customers who were required to upgrade to electronic meters that cost more than their old mechanical meters.
- d. Assume that a meter customer visited the post office daily and waited in line to deposit or pick up mail. For this customer, taking a postage meter to the post office for resetting was a minor inconvenience, if it was an inconvenience at all. Please confirm that resetting an electronic postage meter is more costly to this customer than the old method of resetting the meter.
- e. Please provide the fee that Pitney Bowes customers must pay to reset their meters by telephone.
- f. Please discuss the nature of feedback that Pitney Bowes received from customers who lost the option of resetting their meter at the post office and who now must instead pay a fee for every telephone reset.