

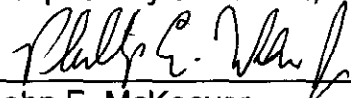
POSTAL RATE AND FEE CHANGES, 2000

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POSTAL RATE COMMISSION
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INTERROGATORIES FROM UNITED PARCEL SERVICE TO
PARCEL SHIPPERS' ASSOCIATION WITNESS ZIMMERMAN, PSA-T-1
(UPS/PSA-T1-1 through 6)
(June 9, 2000)

Pursuant to the Commission's Rules of Practice, United Parcel Service hereby
serves the following interrogatories directed to Parcel Shippers' Association Witness
Zimmerman: UPS/PSA-T1-1 through 6.

Respectfully submitted,


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INTERROGATORIES OF UNITED PARCEL SERVICE TO
PARCEL SHIPPERS' ASSOCIATION WITNESS ZIMMERMAN

UPS/PSA-T1-1. Refer to page 5 of your testimony, where you state, "in the short run only USPS is in a position to provide the competition to UPS that is essential to ensure fair prices and good service." Define the term "fair prices" as you use the term in this statement.

UPS/PSA-T1-2. Refer to pages 5-6 of your testimony, where you state that "Parcel Post rates are right now, and will be even more so, excessive and anticompetitive." Define the terms "excessive" and "anticompetitive" as you use them in this statement.

UPS/PSA-T1-3. Refer to page 9 of your testimony, where you state that the United States "is the fastest growing participant in the fastest growing freight transportation market." Define the "freight transportation market" to which you refer.

UPS/PSA-T1-4. Refer to page 10 of your testimony, where you state, "If there is to be competition in the growing ground parcel delivery market the Postal Service must grow its 10% share." Explain why the degree of competition in a market is necessarily linked to the market share of one of a number of firms that operate in that market.

UPS/PSA-T1-5. Refer to page 11 of your testimony, where you state, "A very substantial number of major parcel shippers who utilize UPS have secret contract rates that are unrelated to whatever published tariff UPS may have at any given moment." Provide all references, reports, studies, and other documents that support your claim that UPS's contract rates are "unrelated" to published tariffs.

INTERROGATORIES OF UNITED PARCEL SERVICE TO
PARCEL SHIPPERS' ASSOCIATION WITNESS ZIMMERMAN

UPS/PSA-T1-6. Refer to page 12 of your testimony, where you state that "the competitive rates that the Postal Rate Commission has recommended in the last ten years is [sic] good for consumer and competition alike."


(a) Define the term "competitive rates" as you use the term in this statement. In doing so, indicate whether rates that generate revenues below incremental costs are "competitive rates."

(b) Identify precisely the "consumer" (or consumers) for whom these "competitive" rates have been "good."

(c) Identify all consumers who do not benefit from rates that are below costs.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document by first class mail, postage prepaid, in accordance with Section 12 of the Commission's Rules of Practice.



Phillip E. Wilson, Jr.
Attorney for United Parcel Service

Dated: June 9, 2000
Philadelphia, Pa.

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