

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

PITNEY BOWES INC. OBJECTION TO INTERROGATORY OF  
DOUGLAS F. CARLSON DIRECTED TO PITNEY BOWES  
WITNESS MARTIN  
(DFC/PB-T1-2)

All of the subparts of this of this interrogatory call for information that is neither relevant to the issues in this proceeding nor reasonably calculated to lead to relevant evidence.

The sole issue raised by Pitney Bowes is whether the Commission should recommend a worksharing-related discount to reflect the transaction costs that the Postal Service avoids when mailers of single-piece First-Class mail use metering technology, rather than postage stamps, to evidence the payment of postage. This Commission has articulated the appropriate statutory basis for justifying worksharing-related discounts on a number of occasions, most recently in Docket R97-1. The standard, the Commission explained,

"is intended to limit the incentive to workshare to the amount that worksharing actually saves the Postal Service, all else being equal."

Recommended Opinion in Docket R97-1 at IV-94.


DFC/PB-T1-2 is entirely unrelated to the costs that the Postal Service "actually saves" when postage is evidenced using metering technology with remote reset capabilities. Rather, the question elicits information as to (i) the "monthly fee" and the "fee . . . customers must pay to reset" their meters (subpart (a) and (e)); (ii) the cost of "printing supplies" associated with electronic meters (subpart (b)); (iii) the nature of customer "feedback" with respect to the phase-out of mechanical meters and from customers "who lost the option of resetting their meter at the post office" (subpart (c) and (f)); and (iv) whether resetting an electronic postage meter is more costly to customers who visit the post office "daily" than the "old method" of taking the meter to the post office(subpart (d)).

On their face, these inquiries relate to, and only to, costs incurred by a mailer using metering technology and the convenience resulting from the use of metering technology. The inquiry does not even seek to compare such customer costs with the cost incurred by a mailer who uses stamps; rather it focuses on a cost (and convenience) comparison of two types of meters -- those with remote reset capability and those without. In any case, costs incurred by mailers in the performance of worksharing activities are not taken into account by the Commission in the determination of whether a discount is warranted or the magnitude of such discount. Nor is the question of mailer reaction -- "feedback" -- to the decertification of mechanical meters relevant to the issues in this case. None of the information sought can possibly lead to subsequent discovery of relevant information: there is no nexus between the costs and convenience a

customer may derive from the use or non-use of metering technology and the Postal Service's costs resulting from that use or non-use.

Further, some of the information -- e.g., monthly fees and resetting fees -- is commercially sensitive and could only be disclosed subject to protective conditions. It is, however, unnecessary to address this issue given the fact that the information sought by all parts of DFC/PB-T1-2 is beyond the bounds of permissible discovery.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "I. D. Volner", with a long horizontal flourish extending to the left.

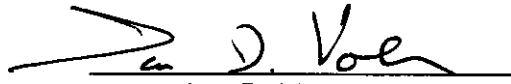
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Counsel for Pitney Bowes Inc.

Dated: June 13, 2000

## CERTIFICATION

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding having requested service of discovery documents in accordance with Section 12 of the rules of practice.

  
Ian D. Volner