

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

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POSTAL RATE AND FEE CHANGES, 2000)

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY
Docket No. R2000-1

RESPONSE OF ASSOCIATION OF PRIORITY MAIL USERS, INC.
WITNESS JOHN HALDI TO INTERROGATORIES OF
DOUGLAS F. CARLSON (DFC/APMU-T1-1-2)
(June 21, 2000)

Association of Priority Mail Users, Inc. ("APMU") hereby provides the following responses of witness John Haldi to the following interrogatories of Douglas F. Carlson: DFC/APMU-T1-1-2, filed on June 7, 2000. Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

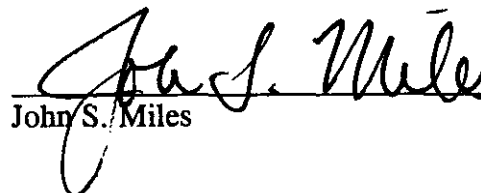


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CERTIFICATE OF SERVICE

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.



John S. Miles

June 21, 2000

DFC/APMU-T1-1.

Please refer to your testimony at page 26, line 17 to page 27, line 12.

- a. Please identify the cities in which you have observed that collection times for “competitors’ collection boxes in commercial areas of major cities typically range between 7:00 and 8:00 p.m.”
- b. Please confirm that the final collection times of FedEx and UPS collection boxes in West Coast cities such as San Francisco, Oakland, Los Angeles, and Seattle typically are not later than 5:00 PM or 5:30 PM. If you do not confirm, please explain.
- c. Please identify cities on the West Coast in which Postal Service competitors have collection boxes with final collection times typically ranging between 7:00 PM and 8:00 PM.

Response:

- a. I have observed this phenomenon in cities including New York, Washington, D.C., McLean (Virginia), Boston, Atlanta, Chicago, St. Louis, and Dallas. I would also add that in central business districts such as Manhattan, most offices stay open until 9:00 p.m. for drop-off and, for the hard-working cognoscenti, one office stays open until 10:00 p.m. Based on my personal experience, these late hours appear to be a great convenience for many customers.
- b. Confirmed.
- c. I am not aware of any such cities.

DFC/APMU-T1-2.

- a. Please confirm that the Web sites of FedEx and UPS, using a module that allows searches by address, city, or ZIP Code, provide locations and collection times of collection boxes, a map of collection-box locations, the distance from an address to particular collection boxes, and maps that allow customers to scroll in any direction to locate, on the map, other collection boxes. If you do not confirm, please explain.
- b. Please confirm that the UPS Web site also provides directions to collection boxes.
- c. Please confirm that the Postal Service Web site does not provide any of the information in (a) or (b) concerning locations of collection boxes where customers may deposit First-Class Mail or Priority Mail. If you do not confirm, please explain.
- d. Please confirm that absence of information on locations of collection boxes from the Postal Service Web site lowers the value of Priority Mail service compared both to this aspect of the value of competitors' services and to the value of Priority Mail service if collection-box information were available on the Postal Service Web site. If you do not confirm, please explain.

Response:

- a. Confirmed.
- b. Confirmed.
- c. I am not aware of any such service. Perhaps a Postal Service witness could provide a more authoritative answer.
- d. Most Postal Service clients likely know the location of, and have ready access to, collection boxes for First-Class Mail and such Priority Mail as is accepted in collection boxes, but their awareness of the critical last pick-up time, which may vary by collection box, seems far less certain. In my view, the immediate

access to information from UPS, FedEx, and other postal competitors regarding the location and the last drop-off time for nearby collection boxes (with the last pick-up time) or offices which stay open later than most post offices (with the deposit deadline), combined with the later pick-up times than are available from *Postal Service* competitors, substantially enhances the value of competitors' expedited services vis-a-vis Priority Mail. Mailers sending Priority Mail which is not metered and exceeds one pound generally (if not presented to a postal carrier at the sender's residence or place of business) must be brought to a post office counter for acceptance where the mailer may be required to provide identification (DMM D100.2.6), and therefore after the closing time of the local post office (usually 5:00 p.m.) must travel to a facility that is open later, such as a Sectional Center Facility. These are fundamental differences reflecting the fact that expedited services represent a major product line for private sector competitors, whereas for the *Postal Service* expedited services are a comparatively minor part of the total mailstream.

DECLARATION

I, John Haldi, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.


John Haldi

Dated: June 21, 2000