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BEFORE THE 3 33 PM '00 POSTAL RATE COMMISSION IN 29 WASHINGTON, D.C. 20268-0001 POSTAL RATE GENERALIZATION OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

RESPONSE OF PARCEL SHIPPERS ASSOCIATION WITNESS KARLS TO INTERROGATORIES OF THE UNITED STATES POSTAL SERVICE (PSA/USPS-T2-5)

Parcel Shippers Association hereby provides the responses of witness Karls to

the following interrogatories of United States Postal Service: PSA/USPS-T2-5, filed on

June 21, 2000.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

Timothy J. May PATTON BOGGS LLP 2550 M Street, NW Washington, D.C. 20037-1350 Tel. 202/457-6050 Fax: 202/457-6315

Counsel for Parcel Shippers Association

Dated: June 29, 2000

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USPS/PSA-T2-5. Please refer to your response to USPS/PSA-T2-1(c). Please explain what you mean by "one unit of each product code is measured during the receiving process. Each receiving unit requires a new measurement."

- (a) Please define the term "unit."
- (b) Please define the term "product code."

(c) Please define the term "receiving."

(d) Please explain if each and every oversize parcel was measured. If one parcel is measured out of each type of parcel, please explain the level of confidence that all parcels of each type have the same measurements. If one only one parcel of each type of parcel is measured, please explain if the average cube is a weighted average.

(e) Please explain which parcels you included in the oversize cube calculation: all parcels with measurements of length plus girth over 108 inches but not exceeding 130 inches, or parcels that definitely paid the oversize surcharge? If one method was picked over the other, please explain any differences between the two.

RESPONSE:

- a) Unit" is defined as a single product.
- b) "Product Code" as defined by Fingerhut is a 10-digit alpha/numeric code known as a stock-keeping-unit (SKU).

Example:

Product code:	41FA170010
Description:	CD/Cassette Pioneer #A880

- c) "Receiving" is defined as the process of accepting and verifying the delivery of a product code to a distribution center.
- d) There are several checkpoints in the verification of product dimensions. Our

Quality Assurance area identifies a product's dimension from a sample submitted

for pre-shipment testing. Next, our Quality Control department verifies these

dimensions upon each and every receiving at each Distribution Center. These

continuous checks ensure consistency and accuracy in our dimensions because

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our own software systems (Warehouse Management System, Cartonization, etc.) use this information to ensure warehouse efficiencies.

The average cube is a weighted average of all parcels shipped with measurements of length and girth over 108 inches but not exceeding 130 inches weighing 1-70 pounds.

 e) All parcels with measurements of length and girth over 108 inches but not exceeding 130 inches weighing 1- 70 pounds were included in the oversize cube calculation.

DECLARATION

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

(Signed)

June 29, 2000

Doc. 541085

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon the Postal Service by hand and by First-Class Mail upon all participants in this proceeding requesting such service.

mo Timothy J. May

Dated: June 29, 2000