

BEFORE THE
POSTAL RATE COMMISSION

Washington, D.C. 20268

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

DOCKET NO. R2000-1

ANSWERS OF FLORIDA GIFT FRUIT SHIPPERS ASSOCIATION
TO FOLLOW-UP INTERROGATORIES OF UNITED PARCEL SERVICE
WITNESS BALL UPS/FGFSA-T1-8

Maxwell W. Wells, Jr.
Maxwell W. Wells, Jr., P.A.
P. O. Box 3628
Orlando, FL 32802
Telephone 402-422-8250

Attorney for Florida Gift Fruit
Shippers Association

Dated July 17, 2000

UPS/FGFSA-T1-8. Refer to the Florida Gift Fruit Shippers Association website (<<http://www.fgfsa.com>>) section entitled "history", pages 1 and 2, a copy of which is attached hereto.

- a. Confirm that the truck program involves the expedited pickup, sorting, line haul and destination entry of gift fruit packages into a substantial number of postal sectional centers or other postal facilities throughout the country. If not confirmed, please explain.
- b. Confirm that the Association's members regard the dropshipment truck program in conjunction with the Postal Service's delivery of packages to be a valuable service. If not confirmed, please explain.
- c. Confirm that "gift fruit packages are usually given to the Post Office at an average distance of only 35 miles to the consignee's address." If not confirmed, please explain.
- d. Confirm that the Postal Service "only requires a short time period to make the final delivery" of the Association's parcels. If not confirmed, please explain.

Answer:

- a. Confirmed. For a more complete description, see pages 6-11 of my testimony, FGFSA-T1
- b. Confirmed.
- c. Confirmed. Since the Postal Service has requested more parcels at BMC facilities, rather than SCF facilities, the average distance may now be greater.
- d. Confirmed. The "short time" is a comparison of the delivery time after the drop shipping program, with the delivery time through the Postal Service for parcels entered in Florida, rather than in the destination area.



FLORIDA GIFT FRUIT SHIPPERS ASSOCIATION



FLORIDA GIFT FRUIT SHIPPERS ASSOCIATION HISTORY

We founded the Florida Gift Fruit Shippers Association in 1946 for two basic reasons: To work toward upgrading the industry as a whole; and secondly, to do something about the rising cost of transportation which was threatening to put an end to the Gift Fruit Industry.

To accomplish the first objective, we have done many of the usual things performed by associations anxious to build and uphold an industry of integrity: newsletters, workshops, district meetings and conventions. We have attempted to bring shippers together so that they can mutually address the challenges of advertising, fruit quality and inspection, as well as guaranteeing that their product will be acceptable to the customer. Every package of fruit shipped by this us is guaranteed to satisfy the customer.

To accomplish our second objective, we actually had to start a transportation business. For years, the Railway Express Agency held a virtual monopoly of our business. Soon after the inception of our organization, we began to ship by truck. After a year of trial and error, the Association bought a piece of land to construct our own terminal. This terminal has grown from a building 140 feet long to one 486 feet long. The Association owns a fleet of 48 trailers, which we use to pick up packages from members all over the State of Florida. These packages are brought to our Orlando Terminal where they are then separated by destination and processed.

At present, we have expeditious line-haul trucks stop at over 50 postal sectional centers throughout the country. This means that the citrus gift fruit packages are usually given to the Post Office at an average distance of only 35 miles to the consignee's address. Since the packages have already been weighed and postage applied at the Association's Orlando Terminal, the Post Office only requires a short time period to make the final delivery. In the past, it took 8-10 days for Railway Express to pick up and deliver a gift package. Our new expedited program now accomplishes this in half the time. Canadian buyers of Florida gift citrus are also assured rapid service with trucks sent directly to Montreal, Toronto and Vancouver. Virtually all of Canada is served through these through these three deposit points.

The Association shipped over 1.3 million packages during the '96 - '97 season. With area attractions bringing more tourists into Florida than ever before, we look for added growth in the Gift Fruit Industry and in our business with members of the Association. Approximately half of the gift fruit business comes from direct mail advertising and the balance from tourism. For the December holiday business, most members develop their own direct mail literature. An estimated forty-five million four-color brochures of this type are mailed annually. At various times of the season, shippers mail their customers citrus variety folders for Thanksgiving, Christmas, and other occasions. The Florida Department of Citrus has been most helpful in developing a direct mail program for these addition mailings. This wonderful agency provides approximately two and half million pieces of direct mail literature to our industry each year.

The transportation business makes our Association unique. Other functions are similar to those carried out by any Association. We have a three-day annual convention, educational programs, newsletters that advise members of developments affecting their business, industry programs representation before federal, state and local governing bodies mass

HISTORY

purchasing and services common to our industry. In addition, there are group programs for FGFSAs members.

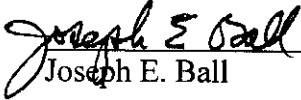
One of the things we are most proud of is that the Association has accomplished all of these objectives on its own, without outside assistance. Those in the industry are very proud of their Association and they look forward to continued growth and service enhancements.

[| Order some fruit |](#) [Member Listing |](#) [Tradeshaw |](#) [Mission / Vision Statement |](#) [History |](#)
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webmaster: donnag@fgfsa.com

DECLARATION

I, JOSEPH E. BALL, declare, under the penalties of perjury, that the matters and facts set forth in the foregoing are true and correct, to the best of my knowledge, information and belief.



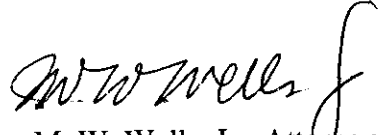
Joseph E. Ball

Dated: July 15, 2000

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing has been mailed this date to all parties of record in accordance with the Rules of Practice.

Dated this 17th day of July, 2000.


M. W. Wells, Jr., Attorney