

BEFORE THE
POSTAL RATE COMMISSION

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

DOCKET NO. R2000-1

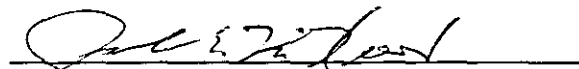
RESPONSE OF UNITED PARCEL SERVICE TO REQUEST
OF PRESIDING OFFICER DURING HEARINGS
(September 6, 2000)

Pursuant to the request of the Presiding Officer during the cross-examination of APMU witness John Haldi on August 30, 2000, United Parcel Service ("UPS") hereby provides the attached Statement of Work concerning the Report of The Colography Group, Inc. ("Colography") on Priority Mail's market share, provided pursuant to a request made to Colography by UPS.

The Statement of Work indicates that the "deliverable" was to be a table of data for calendar years 1990 to 1999. However, Colography subsequently indicated that only data for the years 1994 to 1999 were readily available from its already-existing

reports ("U.S. Expedited Traffic And Yield Analysis By Competitor And Market Segment Reports"). As a result, the deliverable was changed to data for 1994 to 1999.

Respectfully submitted,



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William J. Pinamont
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Attorneys for United Parcel Service

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Of Counsel.

July 6, 2000

TRANSMITTED VIA FAX

Mr. Ron Swistock
Market Assessment Manager
United Parcel Service
55 Glenlake Parkway
Building 1, Floor 7
Atlanta, GA 30328

Subject: Statement Of Work For The UPS Priority Mail Market Share Analysis

Mr. Swistock,

Pursuant to our recent telephone conversations, following please find The Colography Group's *Statement Of Work* covering the **UPS Priority Mail Market Share Analysis**.

The **UPS Priority Mail Market Share Analysis** simply includes annual shipments, weight and revenue for the U.S. Postal Service's Priority Mail product and the percent market share that Priority Mail is of all deferred air shipments for the years 1990 through 1999.

For the purposes of this analysis, deferred air is defined as all point-of-sale shipments that are tendered on an air bill of lading and are delivered in 2 or more business days.

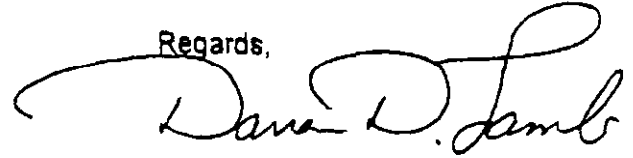
The source for the **UPS Priority Mail Market Share Analysis** is The Colography Group's **U.S. Expedited Traffic And Yield Analysis By Competitor And Market Segment Reports**. These analyses provide quarterly and annual Colography Group estimates of shipments, weight, revenue, per-pound yield, average weight per shipment and percent carrier share results for each of the leading U.S. carriers.

The deliverable for the **UPS Priority Mail Market Share Analysis** will be a datatable containing annual Priority Mail shipments, weight and revenue and the Priority Mail percent of total deferred air for calendar years 1990 to 1999.

Given our understanding of your stated needs, the not-to-exceed budget for the **UPS Priority Mail Market Share Analysis** will be \$1,000.00. The project delivery will occur no later than 5 business days from formal project approval.

Ron, I trust we have addressed all the issues you had. If you need further assistance, please do not hesitate to call. If you would like for us to proceed with the project, please sign in the space below and return to us via facsimile.

Regards,



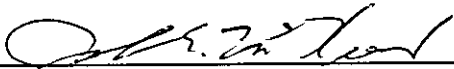
Darren D. Lamb
Consultant

Accepted By: Ron Switek

Date: 7-25-00

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.



John E. McKeever
Attorney for United Parcel Service

Dated: September 6, 2000
Philadelphia, Pa.

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