

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

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POSTAL RATE AND FEE CHANGES, 2001 )

POSTAL RATE COMMISSION  
OFFICE OF THE CLERK  
Docket No. R2001-1

VAL-PAK DIRECT MARKETING SYSTEMS, INC.  
AND VAL-PAK DEALERS' ASSOCIATION, INC.  
FIRST INTERROGATORIES AND REQUESTS FOR  
PRODUCTION OF DOCUMENTS TO UNITED STATES POSTAL SERVICE  
WITNESS ROBERT L. SHAW, JR. (VP/USPS-T1-1-6)  
(October 3, 2001)

Pursuant to sections 25 and 26 of the Postal Rate Commission rules of practice, Val-Pak Direct Marketing Systems, Inc. and Val-Pak Dealers' Association, Inc. hereby submit interrogatories and document production requests. If necessary, please redirect any interrogatory and/or request to a more appropriate Postal Service witness.

Respectfully submitted,



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Counsel for:  
Val-Pak Direct Marketing Systems, Inc. and  
Val-Pak Dealers' Association, Inc.

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

October 3, 2001

**VP/USPS-T1-1.**

- a. Do In-Office Cost System (“IOCS”) tallies distinguish between Standard ECR flats that are mailed with Detached Address Labels (“DALs”) and other Standard ECR flats?
- b. Do IOCS tallies distinguish between Standard parcels that are mailed with DALs and other Standard parcels?
- c. Do IOCS tallies distinguish between Periodicals that are mailed with DALs and other Periodicals?
- d. Do IOCS tallies distinguish between Bound Printed Matter (“BPM”) pieces that are mailed with DALs and other BPM?
- e. If the answer to any of the preceding parts a, b, c, or d is affirmative, please indicate all entries in IOCS tallies where the distinction is recorded, with appropriate references to the current IOCS data collector’s handbook. If whatever you reference has not been submitted as a library reference, please do so.

**VP/USPS-T1-2.**

Can IOCS tallies be used to estimate separately the mail processing cost of Standard ECR Mail with DALs (*i.e.*, those flats or parcels — either separately or combined — that are mailed with DALs) and Standard ECR mail without DALs?

- a. If your answer to the above question is affirmative, for Base Year please provide whatever cost estimates are available (*i.e.*, for flats and parcels

separately, or for flats and parcels combined, if that is the only estimate that is available).

- b. If your answer to the above question is anything other than an unqualified affirmative, please explain what changes in the IOCS would be necessary in order to develop such cost estimates.

**VP/USPS-T1-3.**

Has the Postal Service conducted or is it aware of any special cost studies or analyses on the cost of handling mail with DALs, using either IOCS data or data gathered by any other method? If so, please identify them and provide copies of such studies as a library reference.

**VP/USPS-T1-4.**

As a hypothetical, please assume that while a carrier is still in the Destination Delivery Unit (“DDU”) the carrier accidentally drops on the floor a number of flat-shaped Standard ECR pieces that are to accompany DALs (*e.g.*, a bundle breaks accidentally). Assume further that each flat-shaped piece in the bundle is a wrap consisting of a host piece with five inserts inside the host piece. Assume also that, as a result of being dropped on the floor, many of the inserts become separated from their host pieces. Finally, assume that the carrier is the subject of an IOCS tally and at the moment of the tally the carrier was retrieving from the floor one or more letter-shaped inserts that had become separated from the host piece.

- a. Would the tally reflect that the carrier was working on letter-shaped mail or flat-shaped mail?

- b. Would the tally reflect that the carrier was handling mail accompanied by DALs?

**VP/USPS-T1-5.**

Please assume that a carrier is in the process of casing DALs accompanying Standard ECR Mail at the time the carrier is the subject of an IOCS tally.

- a. Will the tally indicate that the carrier is casing a letter-shaped piece?
- b. If not, what will the tally indicate?

**VP/USPS-T1-6.**

Please assume that a carrier, for whatever reason, is in the process of casing Standard ECR wraps that are accompanied by DALs at the time the carrier is the subject of an IOCS tally.

- a. Will the tally indicate simply that the carrier is casing a flat-shaped piece?
- b. Alternatively, will the tally indicate that the carrier is casing a flat-shaped piece that is part of a DAL mailing?
- c. Regardless of your answers to parts a and b, please explain the substance and extent of the information that the tally being handled will contain about the piece.