

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997)
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Docket No. R97-1

SECOND SET OF INTERROGATORIES
OF MAJOR MAILERS ASSOCIATION
TO UNITED STATES POSTAL SERVICE WITNESS
SHARON DANIEL (USPS-T-29)

Major Mailers Association asks the United States Postal Service to answer the following interrogatories pursuant to Rules 25 and 26 of the Commission's Rules of Practice and Procedure. In answering these interrogatories, the witness is requested to follow the General Instructions that are set forth in the Attachment to the First Set of Interrogatories to this witness. Requests for data or documents are to be interpreted in accordance with General Instructions G and H. If the designated witness is unable to respond to any interrogatory, the Postal Service is asked to redirect the question to another Postal Service witness who can answer it.

Respectfully submitted,

MAJOR MAILERS ASSOCIATION



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August 28, 1997

**MMA INTERROGATORIES TO USPS WITNESS
(Sharon Daniel: Set Two)**

MMA/USPS-T29-2.

Please refer to USPS-29C, pages 1 and 2. In the questions below assume that the mailer does not take advantage of destination entry discounts.

(A) If a mailer sends out a First-Class Basic Automation letter weighing 1.8 ounces, please confirm that under the Postal Service's proposed rates, the postage would be 50.5 cents and the unit cost estimate for mail processing and delivery would be 9.03 cents. If you cannot confirm please explain and provide the correct postage rates and costs.

(B) If a mailer sends a First-Class Basic Automation letter weighing .9 ounces and a Standard Mail A Basic Automation letter weighing .9 ounces, please confirm that under the Postal Service's proposed rates, the total postage for both letters would be 46.4 cents (27.5 cents for First-Class and 18.9 cents for Standard Mail A and the total unit cost estimate for mail processing and delivery for both letters would be 17.8 cents ($9.03 + 8.74$). If you cannot confirm please explain and provide the correct postage rates and costs.

(C) Suppose an Automation mailer plans to send to each customer an invoice weighing .9 ounces (with envelope) and advertising matter ("inserts") weighing .9 ounces (with envelope). Suppose also that the Automation mailer has the choice of (1) combining the mailing by mailing the invoice and the advertising matter together, in a single envelope, at First-Class Basic Automation rates [the situation described in Paragraph (A)] or (2) splitting the mailing by mailing the invoice in

one envelope at First-Class Basic Automation Rates and mailing the advertising matter separately in another envelope at Standard A Basic Automation rates [the situation described in Paragraph (B)]. Do you agree that, as compared with the combined mailing of both the invoice and the advertising matter at First-Class rates, the mailer pays less postage and the Postal Service incurs greater cost if the mailer makes a split mailing? If you do not agree, please explain.

(D) Do you agree that, as compared with the combined mailing of both the invoice and the advertising matter at First-Class rates (as described in Paragraphs (A) and (C)), the Postal Service receives a lower contribution to institutional costs if the mailer makes a split mailing (as described in Paragraphs (B) and (C)). If you do not agree, please explain.

MMA/USPS-T29-3.

Please refer to USPS-29C, pages 1 and 2. In the questions below assume that the mailer does not take advantage of destination entry discounts.

(A) If a mailer sends out a First-Class 3-Digit Automation letter weighing 1.8 ounces, please confirm that under the Postal Service's proposed rates, the postage would be 49.5 cents and the unit cost estimate for mail processing and delivery would be 8.2 cents. If you cannot confirm please explain and provide the correct postage rates and costs.

(B) If a mailer sends a First-Class 3-Digit Automation letter weighing .9 ounces and a Standard Mail A 3-Digit Automation letter weighing .9 ounces, please confirm that under the Postal Service's proposed rates, the total postage for both letters would be 44.3 cents (26.5 cents for First-Class and 17.8 cents for Standard

Mail A 3-Digit Automation and the total unit cost estimate for mail processing and delivery for both letters would be 16.3 cents ($8.2 + 8.1$). If you cannot confirm please explain and provide the correct postage rates and costs.

(C) Suppose an Automation mailer plans to send to each customer an invoice weighing .9 ounces (with envelope) and advertising matter ("inserts") weighing .9 ounces (with envelope). Suppose also that the Automation mailer has the choice of (1) combining the mailing by mailing the invoice and the advertising matter together, in a single envelope, at First-Class 3-Digit Automation rates [the situation described in Paragraph (A)] or (2) splitting the mailing by mailing the invoice in one envelope at First-Class 3-Digit Automation Rates and mailing the advertising matter separately in another envelope at Standard A 3-Digit Automation rates [the situation described in Paragraph (B)]. Do you agree that, as compared with the combined mailing of both the invoice and the advertising matter at First-Class rates, the mailer pays less postage and the Postal Service incurs greater cost if the mailer makes a split mailing? If you do not agree, please explain.

(D) Do you agree that, as compared with the combined mailing of both the invoice and the advertising matter at First-Class rates (as described in Paragraphs (A) and (C)), the Postal Service receives a lower contribution to institutional costs if the mailer makes a split mailing (as described in Paragraphs (B) and (C))? If you do not agree, please explain.

MMA/USPS-T29-4.

Please refer to USPS-29C, pages 1 and 2. In the questions below assume that the mailer

does not take advantage of destination entry discounts.

(A) If a mailer sends out a First-Class 5-Digit Automation letter weighing 1.8 ounces, please confirm that under the Postal Service's proposed rates, the postage would be 47.9 cents and the unit cost estimate for mail processing and delivery would be 6.6 cents. If you cannot confirm please explain and provide the correct postage rates and costs.

(B) If a mailer sends a First-Class 5-Digit Automation letter weighing .9 ounces and a Standard Mail A 5-Digit Automation letter weighing .9 ounces, please confirm that under the Postal Service's proposed rates, the total postage for both letters would be 40.9 cents (24.9 cents for First-Class and 16.0 cents for Standard Mail A 5-Digit Automation and the total unit cost estimate for mail processing and delivery for both letters would be 13.4 cents ($6.6 + 6.8$). If you cannot confirm please explain and provide the correct postage rates and costs.

(C) Suppose an Automation mailer plans to send to each customer an invoice weighing .9 ounces (with envelope) and advertising matter ("inserts") weighing .9 ounces (with envelope). Suppose also that the Automation mailer has the choice of (1) combining the mailing by mailing the invoice and the advertising matter together, in a single envelope, at First-Class 5-Digit Automation rates [the situation described in Paragraph (A)] or (2) splitting the mailing by mailing the invoice in one envelope at First-Class 5-Digit Automation Rates and mailing the advertising matter separately in another envelope at Standard A 5-Digit Automation rates [the situation described in Paragraph (B)]. Do you agree that, as compared with the combined mailing of both the invoice and the advertising

matter at First-Class rates, the mailer pays less postage and the Postal Service incurs greater cost if the mailer makes a split mailing? If you do not agree, please explain.

(D) Do you agree that, as compared with the combined mailing of both the invoice and the advertising matter at First-Class rates (as described in Paragraphs (A) and (C)), the Postal Service receives a lower contribution to institutional costs if the mailer makes a split mailing (as described in Paragraphs (B) and (C))? If you do not agree, please explain.

**End of Set Two Interrogatories,
but please note
General Instructions For Answering)**

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document, by First-Class Mail, upon the participants in this proceeding.

August 28, 1997



Richard Littell