

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

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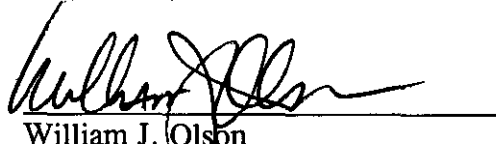
Docket No. R2001-1

POSTAL RATE AND FEE CHANGES, 2001)

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 (VP/USPS-1-3)
(November 8, 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,



William J. Olson

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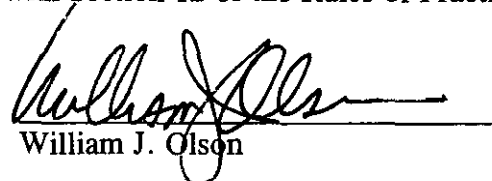
Counsel for:

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.



William J. Olson

November 8, 2001

VP/USPS-1.

Please refer to the Postal Service's response to VP/USPS-T-39-10(b), where the Postal Service describes the collation of flat pieces from multiple Detached Address Label ("DAL") mailings into trays for delivery on the same day. For purposes of responding to this interrogatory, please add the following assumptions to those in VP/USPS-T39-10: (i) each mailing has just enough DALs (specifically addressed to an individual customer or residence) to satisfy the minimum requirements necessary to qualify for the saturation rate, so that some of the stops on the route will not receive one of the pieces in each DAL mailing; (ii) many of the "omitted" stops are covered stops in the other DAL Saturation mailings; and (iii) in each mailing the number of DALs is exactly equal to the number of wraps in that mailing. To elaborate briefly, under this hypothetical, a number of the stops along the route may receive all of the different wraps being delivered that day, but some of the stops will not receive all of them. Please explain how a mounted carrier who has pre-collated all of the wraps and taken them on the route will handle delivery as the carrier proceeds from stop to stop; *e.g.*, at stops where at least one of the wraps is not to be delivered, does the carrier set aside the "omitted" wrap(s) for delivery later? If not, what procedure does the carrier follow?

VP/USPS-2.

Please refer to the Postal Service's response to VP/USPS-T39-24.

- a. In the response to part d, the Postal Service states that "[t]he DAL and host mailpiece ... are considered two pieces for costing purposes." Please indicate

specifically all instances where the DAL and host piece are considered as two pieces for costing purposes.

- b. In the response to part e (ii), the Postal Service states that “When volume exists to saturate a route, DALs facilitate the casing and delivery of **some flats and parcels.**” (Emphasis added.) Please provide examples of instances where DALs do not facilitate the casing and delivery of (some) flats and parcels.

VP/USPS-3.

Please refer to the Postal Service’s response to VP/USPS-T39-28.

- a. For DAL mailings delivered on rural routes, please provide the Postal Service’s best estimate of the share, or percentage, that have simplified addresses, and the share, or percentage that are specifically addressed to an individual customer or residence.
- b. In part b of that response, the Postal Service states that “[a]ll DAL mailings count as two mail pieces on rural routes.” For purposes of distributing rural delivery costs to letters versus flats, please explain whether DAL mailings count as (i) two flats, or (ii) one letter and one flat.
- c. In part b of that response, the Postal Service also provides the time value of DALs for sortation, depending on whether the DAL (i) is specifically addressed to a customer or (ii) uses a simplified address. Regardless of which address form is used, is the time value for sorting DALs, during the specified count period, treated as a cost of sorting letters or flats? Please explain.