BEFORE THE POSTAL RATE COMMISSION

POSTAL RATE AND FEE CHANGES, 2001 :

DOCKET NO. R2001-1

INTERROGATORIES OF UNITED PARCEL SERVICE TO UNITED STATES POSTAL SERVICE WITNESS KAY (UPS/USPS-T21-10 through 11) (November 15, 2001)

Pursuant to the Commission's Rules of Practice, United Parcel Service hereby

files and serves the following interrogatories directed to United States Postal Service

Witness Kay: UPS/USPS-T21-10 through 11.

Respectfully submitted,

Millig E. Willow h

John E. McKeever Phillip E. Wilson, Jr. Laura A. Biancke Attorneys for United Parcel Service

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UPS/USPS-T21-10. Refer to the copies of screens found at the Postal Service's Internet site www.planesforpackages.com, attached as Exhibit A to this interrogatory.

(a) For the Base Year in this docket:

(i) Is the cost of this website and its content included in advertising

costs?

(ii) What portion of the cost of this website and its content is attributed to Priority Mail?

(iii) What portion of the cost of this website and its content is attributed to Express Mail?

(iv) What portion of the cost of this website and its content is attributed to Global Express Guaranteed Service?

(v) What portion of the cost of this website and its content is attributed to Global Express Mail?

(vi) What portion of the cost of sponsoring the United States Postal Service Pro Cycling Team is attributed to specific products and services? To what products or services is that cost attributed, and in what amounts?

(b) For the Test Year in this Docket:

(i) Is the cost of this website and its content included in advertising costs?

(ii) What portion of the cost of this website and its content is attributed to Priority Mail?

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(iii) What portion of the cost of this website and its content is attributed to Express Mail?

(iv) What portion of the cost of this website and its content is attributed to Global Express Guaranteed Service?

(v) What portion of the cost of this website and its content is attributed to Global Express Mail?

(vi) What portion of the cost of sponsoring the United States Postal Service's Pro Cycling Team is attributed to specific products and services? To what products or services is that cost attributed, and in what amounts?

(c) Define the meaning of the phrase "dedicated for packages" as it is used in these materials.

(i) For what types of packages are these airplanes "dedicated"?

(ii) Of the packages carried on these airplanes in the Base Year, what portion are Priority Mail? Express Mail?

(iii) Of the packages carried on these airplanes in the Test Year, what portion are Priority Mail? Express Mail?

(d) Define the term "more reliable delivery."

(i) How will delivery be made "more reliable"?

(ii) For what services will delivery be made "more reliable" and to what

extent?

(iii) When does the Postal Service expect to see these improvements?

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UPS/USPS-T21-11. Refer to the publication "cargo facts UPDATE," Volume 21, Number 11B, November 8, 2001, attached as Exhibit A to this interrogatory.

(a) On page 1, it is reported that "The U.S. Postal Service will award AIRBORNE, BAX GLOBAL, and DHL small (by comparison) Priority and Express Mail system contracts for tonnage not currently included in the USPS/Federal Express joint venture."

(i) Are these costs included in the Postal Service's filing in this

docket?

(ii) What will be the additional costs to Express Mail and Priority Mail as a result of these contracts?

(b) The paragraph goes on to state that the Postal Service may also establish a separate "truck and air system based in the Ohio River Valley."

(i) Does the Postal Service plan to establish a truck and air system based in the Ohio River Valley?

(ii) If so:

a. Are the costs of this system included in the Postal Service's filing in this docket?

b. What classes or subclasses of mail will be carried in this system, and in what proportion?

c. What will be the additional costs to Express Mail and Priority Mail as a result of these contracts?

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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.

Millig E. Willow h

Phillip E. Wilson, Jr. Attorney for United Parcel Service

Dated: November 15, 2001 Philadelphia, PA

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