

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

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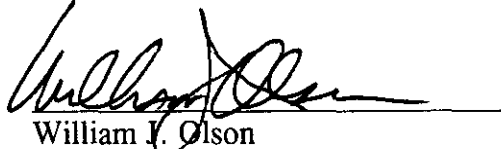
POSTAL RATE AND FEE CHANGES, 2001)

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

VAL-PAK DIRECT MARKETING SYSTEMS, INC. AND
VAL-PAK DEALERS' ASSOCIATION, INC.,
FIRST FOLLOW-UP INTERROGATORIES AND REQUESTS FOR
PRODUCTION OF DOCUMENTS
TO UNITED STATES POSTAL SERVICE (VP/USPS-13-14)
(December 4, 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 follow-up 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

John S. Miles

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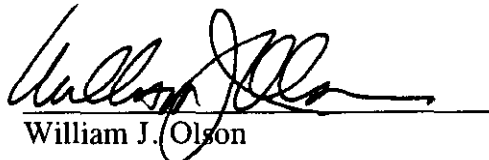
Counsel for:

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

December 4, 2001

VP/USPS-13.

The Postal Service's response to VP/USPS-8(d) states:

Any boxholder count in the rural carrier system data could represent a letter shape, a flat shape, or a parcel shape. Estimated volumes from the rural carrier cost system are utilized to produce proportions of mail in each subclass in each evaluation factor (letter, flat, boxholder, parcel). The proportions are then used to distribute volume variable costs to subclasses of cost segment 10.

- a. Please define the term "boxholder," as you use it.
- b. When distributing "volume variable costs to subclasses of cost segment 10" in Base Year 2000, how many boxholders were characterized as:
 - (i) Letters?
 - (ii) Flats?
 - (iii) Parcels?
- c. What basis was used to distribute the volume variable costs incurred by boxholders to letters, flats, and parcels within each class or subclass for cost segment 10 in Base Year 2000?

VP/USPS-14.

- a. In the Postal Service's response to VP/USPS-7(b), it states that "specifically addressed DALs are counted as letters and the unaddressed associated pieces are normally counted as boxholders, regardless of their size." Why aren't such mailpieces "counted" by shape, rather than by the nondescript designation "boxholder"?

- b. The Postal Service's response to VP/USPS-7(b) states that "[i]f the DAL has a simplified address and the associated piece is unaddressed, both pieces are counted as boxholder mail." How are (i) the letter shape of the DAL and (ii) the flat or parcel shape of the associated piece recaptured or recognized when boxholders are redesignated by shape for cost allocation purposes?
- c. Are the class and subclass of each boxholder recorded? If not, how are the costs incurred by boxholders distributed by class and subclass?