

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, 2001

Docket No. R2001-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO UPS INTERROGATORY UPS/USPS-13
(December 11, 2001)

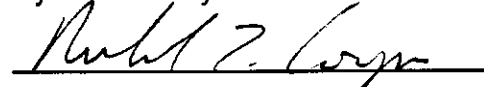
The United States Postal Service hereby provides its responses to the following interrogatory of United Parcel Service: UPS/USPS-13, filed on November 5, 2001.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:


Richard T. Cooper

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2993; Fax -5402
December 11, 2001

RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF UNITED PARCEL SERVICE

UPS/USPS-13. Refer to the Postal Service's response to Interrogatory OCA/USPS-60(c) and (d).

(a) Are the legal costs of defending the Postal Service's Priority Mail advertisements caused by the provision of Priority Mail? If not, what product or group of products caused these costs to be incurred?

(b) If the legal costs of defendant (sic) the Postal Service's Priority Mail advertisements were caused by the provision of Priority Mail, explain the discrepancy between this and the statement that there is "no appropriate accounting or economic basis for attributing these costs to Priority Mail."

(c) Has the Postal Service studied the costs of defending the Postal Service's Priority Mail advertisements? If so, has the Postal Service made the determination based on such studies not to attribute them to Priority Mail? If the Postal Service has not studied these costs, explain what is meant by "the judgement of the Postal Service."

RESPONSE:

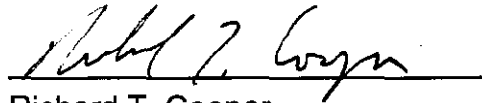
(a) Not necessarily. Please see the response to UPS/USPS-T30-8, redirected to the Postal Service.

(b) Not applicable. For a general discussion on these matters, however, please see the response to UPS/USPS-T30-8, redirected to the Postal Service.

(c) No. The exercise of judgment can be sufficient to conclude that more formal analysis (e.g., a study) is not warranted. It is the judgment of the Postal Service, given the nature of the legal services it employs, that its legal expenses are fundamentally common fixed costs and institutional in nature.

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.

A handwritten signature in cursive script, appearing to read "Richard T. Cooper", is written over a horizontal line.

Richard T. Cooper

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