

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

OBJECTION OF UNITED STATES POSTAL SERVICE TO INTERROGATORY OF  
DAVID B. POPKIN – DBP/USPS-121  
(December 31, 2001)

The United States Postal Service hereby objects to interrogatory DBP/USPS-121. This interrogatory is objectionable because the requested information is irrelevant and commercially sensitive.

DBP/USPS-121 provides:

Please refer to your response to DBP/USPS-77<sup>1</sup>, subpart a as revised on December 20, 2001. [a] Please advise the proportion of mail handled by FedEx that is transported via their Memphis Hub vs. their Indianapolis Hub vs. their point-to-point aircraft from Nashua to Philadelphia to Miami and back. [b] Please provide an indication of the origin and/or destination of the mail that is transported via their Memphis Hub vs. their Indianapolis Hub vs. their point-to-point aircraft from Nashua to Philadelphia to Miami and back. [c] Short of major failure, does either Hub serve as a backup for the other? If so, provide the details.

Why Mr. Popkin believes he needs to know the proportion of mail or the origin/destination of mail transported on various routings by FedEx is not clear. It is up to the Postal Service and FedEx to determine how best to route mail under the FedEx contract. This should not concern Mr. Popkin. Likewise, the operational details of whether and how one FedEx hub or another serves as a back up is not germane to the issues in this proceeding. Furthermore, whether a piece goes back and forth on FedEx through the Memphis hub or the Indianapolis hub or on another route does not necessarily mean greater or lesser transportation costs. As witness Pickett has stated,

"Test Year FedEx network costs are treated as non-distance related in light of the fact that there is no mileage component to the rates FedEx charges for transportation service." USPS-T-17, at 3. The information requested in subparts (a) through (c) of the interrogatory is thus irrelevant.

In addition, the details of the proportion of mail traveling on various FedEx routings, the origin/destination of that mail and FedEx's use of its hubs is commercially sensitive to the Postal Service and likely also to FedEx. Postal Service competitors, knowing this information, could gain valuable information about mail flows under the FedEx contract. Presumably, FedEx competitors also might be able to gain valuable information about FedEx's mail flows if the requested information was made available.

The Postal Service thus should not be required to answer this interrogatory

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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December 31, 2001

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<sup>1</sup> Mr. Popkin's reference should be to DBP/USPS-73, not 77.

### **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.



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