

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

**EXPERIMENTAL RATE AND SERVICE
CHANGES TO IMPLEMENT NEGOTIATED
SERVICE AGREEMENT WITH
CAPITAL ONE SERVICES, INC.**

DOCKET No. MC2002-2

**RESPONSE OF CAPITAL ONE SERVICES, INC.
WITNESS DONALD JEAN TO INTERROGATORIES OF
OFFICER OF THE CONSUMER ADVOCATE**

(OCA/COS-T1-20-22, and 23(c) and (g))

Capital One Services, Inc hereby provides the response of witness Donald Jean to the following interrogatories of Office of Consumer Advocate: OCA/COS-T1-20-23, filed on November 5, 2002.

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

Respectfully submitted

Timothy J. May
Patton Boggs LLP
2550 M Street, NW
Washington, D.C. 20037-1350
Tel: 202 457 6050
Fax: 202 457 6315
Counsel for Capital One Services, Inc.

Dated: November 13, 2002

OCA/COS-T1-20. Please refer to your response to OCA/COS-T1-2(b), where it states

“Capital One is not provided with corrected address data on mail physically returned.”

- (a) Please confirm that the sole use to Capital One of undeliverable-as-addressed (UAA) First-Class solicitation mailpieces that are physically returned mail is for purposes of removing the names on such mailpieces from your solicitation mailing list(s). If you do not confirm, please describe other actions taken with respect to physically returned solicitation pieces.
- (b) For UAA First-Class solicitation mailpieces that are physically returned, please state whether such pieces have any value. If they do have value, what is the nature of the value to Capital One?

ANSWER

- (a) Confirmed as clarified: The sole use to Capital One of UAA solicitation mailpieces that are physically returned is for purposes of updating the company solicitation databases with returned mail information.
- (b) See response to Part (a).

OCA/COS-T1-21. Please refer to your testimony at page 7, lines 3-4. Please confirm that Capital One has already developed the software code, or purchased vendor software, to automatically update its address databases within 2 business days of receiving electronic Address Change Service (ACS) information. If you do not confirm, please explain.

ANSWER

Confirmed.

OCA/COS-T1-22. Please refer to your testimony at page 7, lines 3-4, wherein you discuss the cleansing of solicitation address files.

- (a) Please explain how Capital One intends to update its solicitation address files pursuant to the proposed NSA to utilize electronic ACS information.
- (b) Is Capital One's process of cleansing its solicitation address files through the National Change of Address (NCOA) system (no more than 60 days prior to mailing) different from the process it intends to implement to utilize electronic ACS information in its marketing campaigns? Please explain all such differences, if any.
- (c) Will the process of utilizing electronic ACS information in its marketing campaigns produce a different solicitation address file as compared to cleansing its solicitation address files through the National Change of Address system no more than 60 days prior to mailing? Please explain.

ANSWER

- (a) Capital One understands that it will regularly receive electronic files of ACS information from the USPS. The company will update the relevant solicitation databases with the information from this file within two days of receipt.

OCA/COS-T1-23. Please refer to your testimony at page 7, lines 3-4, wherein you discuss the cleansing of solicitation address files.

- (c) Are solicitation address files utilized by Capital One continuously updated with new names? If so, from where do the new entries and updates originate? Please explain current practices, and explain such practices (if different) under the NSA.
- (g) What is the advantage of updating a solicitation address file within 2 business days as opposed to updating the solicitation address file 60 days prior to mailing the solicitation?

ANSWER

- (c) Solicitation files utilized by Capital One are regularly updated with new names.

New data comes from various sources, including external lists and internal prospect databases. These practices will not change under the NSA.
- (g) The advantage of utilizing two-day-old electronic ACS information is that it is typically more current than the NCOA's data, thus increasing the probability of a given mailpiece reaching the intended recipient.