

**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

**FIRST INTERROGATORIES OF CAPITAL ONE SERVICES, INC.
TO NATIONAL NEWSPAPER ASSOCIATION
WITNESS JEFF M. DAVID (NNA-T1)**

Capital One Services, Inc (COS) hereby requests National Newspaper Association to respond fully and completely to the following interrogatories and requests for production of documents pursuant to Rules 25 and 26 of the Commission's Rules of Practice and Procedure.

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: December 26, 2002

COS/NNA-T1-1. Please refer to Appendix G, page 1 of the Postal Rate Commission's Opinion and Recommended Decision from Docket No. R2001-1 and page 3 of USPS-T-3.

- (a) Please confirm that the majority of subscriber copies of the *Livingston Parish News* are mailed at Periodicals Within-County rates. If not confirmed, please explain fully
- (b) Please confirm that the average rate (from Appendix G, page 1) for the Periodicals Within-County subclass is approximately 9.7 cents per piece, its markup over attributable costs is 0.2%, and its contribution to institutional costs is approximately .02 cents per piece. If not confirmed, please provide correct figures.
- (c) Please confirm that the average rate, markup, and unit contribution for Periodicals Within-County subclass are lower than the average rate, markup, and unit contribution for any other mail subclass. If not confirmed, please explain fully.
- (d) What is the average Periodicals Within-County rate that your company pays to mail the *Livingston Parish News*?
- (e) Please confirm that the average rate that Capital One pays to mail a First-Class Mail letter is 29.1 cents. If not confirmed, please provide the correct figure.
- (f) Please confirm that the average unit contribution of First-Class Mail letters to institutional costs is over 18 cents per piece. If not confirmed, please provide correct figures.

COS/NNA-T1-2. Please refer to page 6 of your testimony, which states, “For example, if my local bank wants to promote its credit card service with a letter to the 33,000 households in Livingston Parish, it will pay between 27.5 and 30.9 cents at the presort first-class automation rates.”

- (a) Please confirm that this local bank could also mail these letters at Standard Mail rates. If not confirmed, please explain fully.
- (b) Please confirm that this local bank could enter these letters at the destination sectional center facility. If not confirmed, please explain fully.
- (c) Please confirm that it is less costly to enter an entire local mailing at a destination sectional center facility than to enter an entire national mailing at a destination sectional center facility. If not confirmed, please explain fully.