

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

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POSTAL RATE AND FEE CHANGES, 1997)
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Docket No. R97-1

THE DIRECT MARKETING ASSOCIATION, INC.'S FIRST SET OF
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS DIRECTED
TO USPS WITNESS SCHENK (DMA/USPS-T27-1-3)

Pursuant to Sections 25 and 26 of the Commission's Rules of Practice, the Direct Marketing Association, Inc. hereby submits the attached first set of interrogatories and requests for production of documents to USPS witness Schenk (DMA/USPS-T27-1-3). If the designated witness is unable to respond to this interrogatory, we request a response by some other qualified witness.

Respectfully submitted,



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September 15, 1997

DMA/USPS-T27-1. Please refer to page 2, line 18 through page 3, line 3 of your direct testimony.

- a. Please confirm that all BRMAS-qualified BRM is prebarcoded.
- b.
 - i) What percentage of Base Year non-BRMAS prebarcoded First-Class Mail is processed on automated operations?
 - ii) What is the average cost for a First-Class Mail automated incoming secondary sort?
- c.
 - i) What percentage of Base Year non-BRMAS prebarcoded First-Class Mail is manually sorted?
 - ii) What is the average cost for a First-Class Mail manual incoming secondary sort?
- d.
 - i) What percentage of Base Year non-BRMAS prebarcoded First-Class Mail is sorted mechanically?
 - ii) What is the average cost for a First-Class Mail mechanical incoming secondary sort?

DMA/USPS-T27-2. Please refer to Exhibit USPS-27C.

- a. Please confirm that the marginal processing and Postage Due Unit cost per piece for BRMAS-qualified BRM that is counted and rated in the BRMAS operation is 1.04 cents.
- b. Please confirm that BRMAS-qualified BRM that is counted and rated in the BRMAS operation avoids the 2.31 cent cost for an incoming secondary sort for automation compatible First-Class Mail pieces.
- c. Please confirm that the marginal cost for BRMAS-qualified BRM that is counted and rated in the BRMAS operation is less than the cost for similar prebarcoded First-Class Mail that is not BRMAS-qualified.

DMA/USPS-T27-3. Please refer to page 12, line 14 through page 13, line 1 of your direct testimony.

- a. Please confirm that, according to the BRM Practices Survey, 14.24 percent of all BRMAS-qualified BRM is counted and rated in the BRMAS operation. If not confirmed, please explain fully.
- b. Is the 14.24 percent of BRMAS-qualified BRM that is counted and rated in the BRMAS operation different

(with respect to any cost-causing characteristics) than the 85.76 percent of BRMAS-qualified BRM that is not counted in the BRMAS operation?

- c. Are characteristics of the bulk mailers whose BRMAS-qualified BRM is counted and rated in the BRMAS operation different than the characteristics of mailers whose BRMAS-qualified BRM is not counted and rated in the BRMAS operation?

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with Rule 12 (section 3001.12) of the Postal Rate Commission's Rules of Practice and Procedure and Rule 3 of the Commission's Special Rules of Practice in this proceeding.



Michael D. Bergman

September 15, 1997