

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

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POSTAL RATE AND FEE CHANGES, 1997)

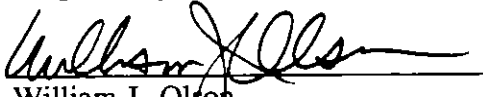
Docket No. R97-1

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

VAL-PAK DIRECT MARKETING SYSTEMS, INC.,
VAL-PAK DEALERS' ASSOCIATION, INC., AND
CAROL WRIGHT PROMOTIONS, INC
SECOND INTERROGATORIES AND
REQUESTS FOR PRODUCTION OF DOCUMENTS
TO POSTAL SERVICE WITNESS SHARON DANIEL (VP-CW/USPS-T29-5)
(September 15, 1997)

Pursuant to sections 25 and 26 of the Postal Rate Commission rules of practice, Val-Pak Direct Marketing Systems, Inc., Val-Pak Dealers' Association, Inc., and Carol Wright Promotions, Inc., d/b/a "Cox Direct," hereby submit interrogatories and document production requests. If necessary, please redirect any interrogatory and/or request to a more appropriate Postal Service witness.

Respectfully submitted,



William J. Olson

John S. Miles

Alan Woll

William J. Olson, P.C.

8180 Greensboro Drive, Suite 1070

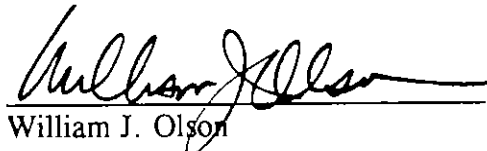
McLean, Virginia 22102-3823

(703) 356-5070

Counsel for Val-Pak Direct Marketing Systems, Inc.,
Val-Pak Dealers' Association, Inc., and
Carol Wright Promotions, Inc.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served by hand delivery or mail the foregoing document upon all participants of record in this proceeding in accordance with Section 12 of the Rules of Practice.



William J. Olson

September 15, 1997

VP-CW/USPS-T29-5.

Please refer to USPS-29C, p.6. The data in columns 2 and 10 of that exhibit are abstracted below, and the "other" unit costs have been calculated from these data.

	Volume [2]	Total "Other" Costs [10]	"Other" Unit Costs [11]
Regular	34,359,010	274,817	0.7998
ECR	32,424,240	163,433	0.5040
Total	66,783,250	438,250	0.6562

- a. Please explain fully why you computed and used (see p. 3 of USPS-29C) the average "other" unit costs for all Standard A mail (0.6562) rather than compute separately and use 0.7998 cents for the Regular rate categories and 0.5040 cents for the ECR rate categories.
- b. In your view, would it be appropriate to describe these "other" costs as non-model costs? Please explain why or why not.
- c. Please describe all major activities or functions that comprise these "other" costs. Do any of these "other" costs have MODS functions associated with them?
- d. What effort did you make to ascertain whether some of the "other" unit costs vary **in proportion to** either mail processing, delivery or transportation costs? Please explain your rationale for making an equal adjustment to the unit costs shown on p. 3 of USPS-29C, rather than a proportional adjustment.