

ORDER NO. 1412

UNITED STATES OF AMERICA
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners: George Omas, Chairman;
Tony Hammond, Vice Chairman;
Dana B. Covington, Sr.; and
Ruth Y. Goldway

Complaint on Stamped Stationery

Docket No. C2004-3

ORDER CONCERNING COMPLAINT OF
DOUGLAS F. CARLSON

(July 8, 2004)

On June 24, 2004, Douglas F. Carlson (Carlson or Complainant) filed a complaint, pursuant to 39 U.S.C. § 3662, concerning stamped stationery.¹ Carlson states that, on June 23, 2004, the Postal Service issued a product it describes as “stamped stationery,” consisting of sheets of 6.25" x 14.31" paper imprinted with “*The Art Of Disney: Friendship*” postage stamps or indicia. Each pre-stamped sheet has room for a message and address; the sheet is designed to be folded, sealed, and mailed. He further states that the Postal Service is selling stamped stationery in pads of 12 for \$14.95.²

Broadly, Carlson’s Complaint has two prongs. First, he argues that stamped stationery is a postal service within the meaning of 39 U.S.C. §§ 3621, 3622, and 3623, citing, for example, its similarity to stamped envelopes, stamped cards, and aerogrammes. He also states that section 960 of the Domestic Mail Classification

¹ Douglas F. Carlson Complaint on Stamped Stationery, June 24, 2004 (Complaint).

² *Id.* at 1-2.

Schedule (DMCS) is entitled Stamped Paper, and further that the DMCS contains classifications and fees for stamped envelopes (section 961, fee schedule 961) and stamped cards (section 962 and fee schedule 962).³

Second, he contends that stamped stationery constitutes a change in the mail classification schedule and that the Postal Service was required to request a recommended decision from the Commission, pursuant to sections 3622 and 3623 of the Act, before either establishing a new classification for, or selling stamped stationery.⁴

Carlson requests that the Commission issue a recommended decision pursuant to section 3662 establishing fee and classification schedules for stamped stationery. Alternatively, he requests that, pursuant to section 3623(b), the Commission submit, on its own initiative, a recommended decision establishing a new classification for stamped stationery.⁵

It is the Commission's policy and practice "to encourage the resolution and settlement of complaints by informal procedures[.]" 39 C.F.R. § 3001.85(b). Particularly at this preliminary phase, the Complaint would appear to be well suited for resolution via informal procedures. The Complainant does not object to the product being offered. Rather, as reflected in the relief requested, he objects to the process employed by the Postal Service. The Commission urges Carlson and the Postal Service to pursue settlement efforts earnestly. To facilitate settlement, the Chairman, pursuant to rule 85, will appoint in a separate notice a coordinator of informal resolution efforts.

The Commission's rules with respect to rate and service complaints are set out in Subpart E to its Rules of Practice and Procedure. 39 C.F.R. §§ 3001.81–87. Under rule 84, the Postal Service has 30 days to file an answer to a complaint. In this instance, however, the Commission will invoke rule 85 which provides for the use of

³ *Id.* at 2-3.

⁴ *Id.* at 4; he also contends that the fee for stamped stationery is inconsistent with the Act and unduly discriminates against stamp collectors. *Id.* at 5.

⁵ *Id.* at 6.

informal procedures to resolve complaints. Consequently, the due date for the Postal Service's answer is postponed pending the outcome of the informal procedures. If those procedures fail to yield a resolution, the Commission will notify the Postal Service and the Complainant of subsequent procedural steps.⁶

While informal procedures have been invoked on prior occasions, clarification may be useful in this instance. Since no notice of proceeding has been issued pursuant to rule 17, the informal procedures need only involve the Complainant and the Postal Service assisted by the settlement coordinator.⁷ This should enhance the prospect that a negotiated settlement may be achieved. Furthermore, by invoking these procedures, it is the Commission's intent that the parties to the negotiations, including the coordinator, shall be bound to the principle, applicable to settlement conferences in proceedings, that the discussions are privileged. See 39 C.F.R. § 3001.29.

It is ordered:

1. Pursuant to 39 C.F.R. § 3001.85, the Commission will employ informal procedures in this Docket.
2. The date for filing an answer to this Complaint is suspended until further notice.

By the Commission.
(SEAL)

Steven W. Williams
Secretary

⁶ Should resolution not be achieved, the Postal Service should anticipate that its answer will be due on an accelerated schedule.

⁷ Notices of intervention, whether filed under rule 20 or rule 20a, do not lie until a proceeding has been noticed.