

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON DC 20268-0001

EXPERIMENTAL PRIORITY MAIL
FLAT-RATE BOX, 2004

Docket No. MC2004-2

REPLY BRIEF OF DAVID B. POPKIN

September 16, 2004

Respectfully submitted,

September 16, 2004

David B. Popkin, PO Box 528, Englewood, NJ 07631-0528

MC20042W

On September 9, 2004, the United States Postal Service filed their comments in support of the stipulation and agreement.¹ On pages 4 and 5 the Postal Service states, "This minimal risk is acceptable considering the experimental nature of the classification and the potential financial benefits to the Postal Service, which hopes to see additional contribution due to 1) new Priority Mail volume attracted by the flat-rate box's convenience and ease of use, and 2) revenue gains from existing Priority Mail customers who willingly pay a higher postage for the flat-rate due to its convenience." In footnote 14, the Postal Service states, "The Stipulation and Agreement addresses the potential that in some circumstances a customer may "over-pay" for the flat-rate box. See *infra* note 21 and accompanying text. This shows that the Postal Service shares the concern expressed by some parties to this proceeding."

Obviously, any additional contribution resulting from new Priority Mail volume as indicated in 1) above is to be encouraged and desirable. My concern is with 2) above. As I have indicated previously, I am concerned with the level of willingness these willing customers will be expressing. My belief is that the majority of cases of over-payment will be based on a lack of knowledge of the regulations rather than based on a belief of added convenience. This is based on what I perceive happened with the flat-rate envelope during the previous rate cycle when the flat-rate envelope did not utilize the minimum rate for the service.

¹ Comments of the United States Postal Service in Support of the Stipulation and Agreement.

If the Postal Service really "share[d] the concern expressed by some parties in this proceeding", they would have made the wording on the boxes and in their communication plan available to the participants to show how this concern would have been manifested. Their failure to do so would appear to indicate that their concern is an empty one and is only based on maximizing revenue.²

Mailers, both sophisticated and unsophisticated, must be able to make educated decisions about their use of the various services provided by the United States Postal Service, including weight/zone vs. flat-rate Priority Mail, that will be in their best interests. The Postal Service must provide sufficient information to the public so that this will be possible.

I believe that it is important that the Commission take whatever steps are necessary to ensure that the Postal Service will inform mailers of the distinction between the flat-rate and non-flat-rate boxes and their associated rates to ensure that mailers will be able to make an educated decision and not have a similar situation that existed during the previous rate cycle where the Priority Mail flat-rate envelope had a rate which was not the minimum postage rate as it had been both prior to that rate cycle and in the current rate cycle.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon the required participants of record in accordance with Rule 12.

September 16, 2004

David B. Popkin

² I believe a similar instance resulted when the Postal Service recently made the delivery results for Certified and Registered Mail available on the Internet. There was minimal publicity on this change, and as a result, I believe that many or most of the present purchasers of Return Receipt Service are doing so out of force-of-habit and lack of knowledge rather than an educated decision of an actual need for the service. Every customer who still purchases an unneeded return receipt provides the Postal Service with an additional \$1.75 in revenue [or \$1.30 with the newly established electronic service]. The Postal Service has a financial incentive not to publicize this change.