

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

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**RATE AND SERVICE CHANGES TO  
IMPLEMENT BASELINE NEGOTIATED  
SERVICE AGREEMENT WITH BOOKSPAN**

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**DOCKET NO. MC2005-3**

**RESPONSE OF WITNESS EPP TO INTERROGATORIES OF THE OFFICE OF  
THE CONSUMER ADVOCATE  
(OCA/BOOKSPAN-T2-11(a) and (c) AND OCA/BOOKSPAN-T2-12)**

**(September 21, 2005)**

Bookspan hereby provides the response of Witness Epp to Office of the Consumer Advocate interrogatory OCA/BOOKSPAN-T2-11(a) and (c) and OCA/BOOKSPAN-T2-12, filed September 6, 2005. Each interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

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RESPONSE OF BOOKSPAN WITNESS EPP TO INTERROGATORIES OF THE  
OFFICE OF THE CONSUMER ADVOCATE

**OCA/BOOKSPAN-T2-11.** Please refer to your response to OCA/BOOKSPAN-T2-3(c), where it states that “there are no plans and no budget to conduct telemarketing.”

- a. Please confirm that for the company’s 2005 and 2006 fiscal years there has been a significant reduction in Bookspan’s total marketing budget as compared to fiscal year 2004 because of the elimination of funds for telemarketing. If you do not confirm, please explain.
- c. For Bookspan’s fiscal years 2004 and 2005, please provide the total amount of the marketing budget actually spent, and the amounts spent for solicitation mail, telemarketing, and the other marketing channels.

Response:

- a. See the response to OCA/Bookspan-T2-11(b).
- c. We assume the term "marketing budget" is used here to describe the amount spent to solicit New Members. Bookspan actually spent or is expected to spend about what it has budgeted for the periods indicated. See the response to OCA/Bookspan-T2-11(b).

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- OCA/BOOKSPAN-T2-12.** Please refer to your response to OCA/BOOKSPAN-T2-4.
- a. For the Test Year Before Rates, please provide Bookspan's total marketing budget, and the budgeted amounts for solicitation mail, telemarketing, and the other marketing channels,
    - i. Assuming current rates for Standard Mail remain in effect; and,
    - ii. Assuming the 5.4 rate increase for Standard Mail proposed in Docket No. R2005-1 is implemented;
  - b. For the Test Year After Rates, please provide Bookspan's total marketing budget, and the budgeted amounts for solicitation mail, telemarketing, and the other marketing channels,
    - i. Assuming current rates for Standard Mail remain in effect, and the Commission recommends the Bookspan NSA as proposed;
    - ii. Assuming the 5.4 rate increase for Standard Mail proposed in Docket No. R2005-1 is implemented, and the Commission recommends the Bookspan NSA as proposed.

Response:

- (a-b). See the response to OCA/Bookspan T2-11(b). While general plans can be discussed in relation to Postal Service fiscal years (as the response to OCA/BOOKSPAN-T2-4 shows), Bookspan does not develop budgets based on the Postal Service's fiscal year, and has not performed this analysis.