

DOCKET SECTION

BEFORE THE
POSTAL RATE COMMISSION

RECEIVED

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

DOCKET NO. R97-1

**MOTION OF UNITED PARCEL SERVICE TO COMPEL
PRODUCTION OF INFORMATION AND MATERIALS REQUESTED IN
INTERROGATORIES UPS/USPS-T33-44(b)-(c), 45(e)-(h), (m)-(p), 47(e)-(h), (m)-(p),
48-50, AND 57-58 TO POSTAL SERVICE WITNESS SHARKEY**

(October 6, 1997)

United Parcel Service ("UPS") hereby moves that the Presiding Officer overrule the objections filed by the United States Postal Service ("Postal Service") to interrogatories UPS/USPS-T33-44(b)-(c), 45(e)-(h), (m)-(p), 47(e)-(h), (m)-(p), 48-50, and 57-58 (the "Interrogatories") and order the Postal Service to produce the information and materials requested in those Interrogatories.¹ The Interrogatories request information directly relevant to this proceeding and do not require the disclosure of any trade secrets, or proprietary or commercially sensitive information relating to the Postal Service's Priority Mail Processing Center ("PMPC") contract with Emery Worldwide ("Emery"). Thus, the Postal Service's objections to those Interrogatories are without merit.

1. After discussion between counsel for UPS and the Postal Service, UPS has withdrawn interrogatory UPS/USPS-T33-52(c).

Background

A brief review of the facts is necessary to provide the proper context for this dispute. On July 24 and 28, 1997, UPS filed interrogatories on the PMPC network's operations and costs. Those interrogatories were prompted in large part by widespread press reports that the Postal Service had entered into a \$1.7 billion contract with Emery for Priority Mail operations extending through the test year and beyond. In light of these public reports, UPS sought discovery intended to determine the obviously substantial test year costs of the Postal Service (not any costs of its contractor, Emery) under the contract.

On August 4, the Postal Service objected to most of those interrogatories, asserting that they called for the disclosure of protected information. Following discussions with Postal Service counsel, UPS, on August 15, found it necessary to file a motion to compel production of the information and materials requested in the interrogatories. On August 22, the Postal Service filed its opposition to the motion and requested the Presiding Officer to defer a ruling until counsel for UPS would have an opportunity to review a redacted version of the PMPC contract to be filed by the Postal Service.

The Postal Service subsequently filed (on August 28) a redacted version of the PMPC contract. See Library Reference H-235. On August 29, the Presiding Officer issued Ruling No. R97-1/12, which gave UPS until September 8 to review the redacted PMPC contract and to move to compel production of a more complete version of the contract. As the result of an agreement between counsel concerning the service

of specific interrogatories by UPS, on September 8 UPS filed a motion to extend the time for it to seek production of the PMPC contract, to give counsel for UPS and counsel for the Postal Service an opportunity to informally resolve, or at least narrow, the controversy.

As a result of its review of the redacted PMPC contract, and in an effort to avoid further motion practice, on September 11 UPS filed additional, very specific interrogatories concerning the costs of the PMPC network. Those are the interrogatories at issue here. On September 22, the Postal Service objected to most of the Interrogatories. On September 26, Emery filed a memorandum entitled "Informal Expression On Release Of Proprietary And Confidential Information" (the "Memorandum"), joining in the Postal Service's objections to the Interrogatories and suggesting additional, far more stringent protective conditions than those requested by the Postal Service.

Despite additional discussions between counsel for UPS and counsel for the Postal Service, no agreement has yet been reached. As a result, UPS remains without much of the requested information concerning the costs to the Postal Service of the PMPC network, despite the fact that cross-examination of the Postal Service's chief witness on Priority Mail (Mr. Sharkey) is just days away.

Argument

- A. The Information Requested in the Interrogatories Is Highly Relevant And Is Not Proprietary or Confidential.

As a threshold matter, UPS wishes to emphasize that it is interested only in what the Postal Service is paying to handle Priority Mail, and is not interested in any information concerning Emery's costs. There is no question that what the Postal Service will pay in the test year to process Priority Mail is directly at issue in this proceeding, and it is a red herring for the Postal Service to refuse to provide that information by claiming that it does not want to disclose Emery's proprietary business information.

The Postal Service's objections (and Emery's Memorandum) are based on the unfounded premise that the Interrogatories call for disclosure of Emery's proprietary business information. That simply is not so. What the Postal Service will pay under the contract does not reveal what Emery's costs are -- it only reveals what costs will be incurred by the Postal Service under the PMPC contract, which is no different from any other cost information provided by the Postal Service (e.g., information on purchased transportation costs).

Indeed, the Postal Service has already produced, in this proceeding, other contracts with outside vendors which contain information similar to that requested in the Interrogatories. For example, Library References H-249 and 250 are the WNET and TNET network contracts between the Postal Service and Evergreen International

Airlines, Inc., and Evergreen Aviation Ground Logistics Enterprises, Inc., respectively. In those contracts -- even in their redacted versions -- the Postal Service provides information concerning the prices paid by the Postal Service and estimated originating and destinating volumes for specific locations under each contract, information of the type that it now refuses to provide for the PMPC contract. See, e.g., Exhibit A (excerpts from the WNET contract, Library Reference H-249), and Exhibit B (excerpts from the TNET contract, Library Reference H-250). And Library Reference H-251, the ANET network contract between the Postal Service and Emery, reveals volumes by specific location. See Exhibit C (excerpt from Library Reference H-251).

The Postal Service cannot have it both ways -- it cannot selectively choose to produce certain information for certain contracts while at the same time withholding similar information in other contracts. By producing the same type of cost and volume information in other contracts, the Postal Service has demonstrated that the confidentiality claims it now invokes with respect to the PMPC contract are specious.²

The Interrogatories were carefully and narrowly crafted to request strictly that information relating to what the Postal Service will pay for the services provided under the PMPC contract, and to avoid requesting the disclosure of any information

2. Alternatively, there has been a waiver of any otherwise valid confidentiality claim. See, e.g., Wichita Land & Cattle Co. v. American Fed. Bank, 148 F.R.D. 456, 457 (D.D.C. 1992) ("Disclosure of otherwise-privileged materials, even where the disclosure was inadvertent, serves as a waiver of the privilege."); Chinnici v. Central DuPage Hosp. Ass'n, 136 F.R.D. 464, 465 (N.D. Ill. 1991) ("Production of some privileged documents waives the privilege as to all documents of the same subject matter.").

concerning Emery's costs, profit, or pricing strategies. Presumably, what the Postal Service is to pay under the PMPC contract is different from what Emery's costs will be in performing under that contract; the Postal Service will pay an amount equal to some unidentifiable (and unasked for) amount of Emery's costs, plus overhead, profit, and any other element Emery was able to negotiate. Thus, disclosure of what the Postal Service will pay will not in any way disclose information concerning Emery's costs or give UPS a "competitive advantage."

Moreover, not only are the Postal Service's claims of proprietary business information totally unjustified, but they are also excessive in scope and the protective conditions it requests are unnecessary. For example, the Postal Service objects to Interrogatory UPS/USPS-T33-57 as calling for proprietary information. That interrogatory merely requests that the Postal Service "provide unredacted versions of the table of contents for the PMPC contract and of the table of contents for the Statement of Work (Attachment 1 to the contract)" (emphasis added). This information was requested in place of a request for a detailed privilege log describing the redacted information, so that the Postal Service's redactions and confidentiality claims could be properly evaluated. The Postal Service's claim that such innocuous information is "proprietary information" is clearly overbroad. Significantly, the redacted versions of the WNET and TNET contracts (Library References H-249 and H-250) provide a complete table of contents.

Similarly, the Postal Service objects to Interrogatory UPS/USPS-T33-58 and seeks protective conditions for any response it might give. That interrogatory

makes the straightforward request that the Postal Service “provide that portion of the total price to be paid by the Postal Service under the PMPC contract that relates to test year (FY 1998) operations for the PMPC network.” Clearly, that request is directly relevant to this proceeding, does not require the disclosure of any information that is even conceivably “proprietary,” and does not require disclosure of any information concerning Emery’s costs or other allegedly confidential data.

These interrogatories, as well as the other UPS interrogatories objected to by the Postal Service (all requesting information on the Postal Service’s costs and volumes under the contract), do not require the disclosure of any “proprietary” or confidential information, and the Postal Service’s claim of a need to protect this information is demonstrably without merit. The information is highly relevant to the test year costs of Priority Mail. Indeed, it is the best evidence of what a substantial portion of those costs will be -- better than roll-forward estimates.

Accordingly, UPS respectfully submits that the Presiding Officer should order the Postal Service to respond in full to the Interrogatories, and should produce the requested information and materials without the imposition of needless and burdensome protective conditions.

B. The Requested Protective Conditions Are Unduly Burdensome.

UPS takes exception to the abnormally stringent conditions of access proposed in the Memorandum filed by Emery. Emery’s Memorandum is based on factual inaccuracies and sweeping but unsupported statements concerning the need for

and customary nature of Emery's requested protective conditions, all based on the unfounded assertion that the Interrogatories will require the disclosure of Emery's costs and other proprietary information.³

For example, Emery claims that "Revealing this information would be tantamount to revealing Emery's costs and pricing strategies" Memorandum at 1. Emery is wrong. The PMPC contract is a negotiated deal. The information sought in the Interrogatories relates solely to the price the Postal Service pays, which (presumably) is composed of Emery's undisclosed costs plus some undisclosed profit. There is no way for UPS to determine -- nor does UPS care to determine -- what portion of the amounts requested is cost or profit, and Emery's claim that such information would give UPS some unspecified "unfair competitive advantage" is without merit.

Moreover, the protective conditions suggested by Emery would impose needless restrictions on counsel, the consultants, and the parties. In these

3. For example, at page two of its Memorandum, Emery states that the redacted PMPC contract was produced under the Freedom of Information Act. In fact, while UPS also requested the contract in a Freedom of Information Act request, the redacted contract was produced in response to UPS's discovery requests in this proceeding. See Opposition of United States Postal Service to UPS Motion to Compel Information and Materials Requested in Interrogatories UPS/USPS-T33-1(c) and 2(a)-(c) to Witness Sharkey, dated August 22, 1997, at 6. Similarly, at page five of its Memorandum, Emery states that information responsive to the Interrogatories would reveal Emery's costs and pricing strategies for a variety of geographic city-pairs and regions. In fact, the Interrogatories do not request any information by origin-destination pairs. Indeed, the Interrogatories go out of the way to purposefully and specifically state that information need be given only in the aggregate, and not for individual origin-destination pairs. See, e.g., interrogatory UPS/USPS-T33-45, requesting price and volume information "in aggregate" and "collectively (i.e., not for each origin-destination pair, but for all such pairs together)."

circumstances, where protective conditions are not even warranted, several of the restrictions suggested by Emery are simply unfathomable.

For example, among the protective conditions urged by Emery are requirements that consultants must provide detailed resumes and disclose the identity of some of their firm's clients; describe the work performed for those clients for the two years preceding this case; and describe the scope of the work they are to perform in this case. They must even disclose information concerning their spouses. Outside counsel would be required to supply a listing of, and provide an explanation for, all attorneys in the firm who, for whatever reason, cannot agree to all the representations and requirements contained in the proposed protective order even though such individuals will not have access to the requested information. These restrictions are extreme and unnecessary, and belittle the professionalism of all involved.

Despite Emery's bald assertion that these types of protective conditions are adopted "universally" by federal courts and administrative agencies, UPS contends that the conditions in the proposed protective orders are unusually and grossly excessive. Protective conditions of any type -- let alone draconian conditions such as these -- are unwarranted in these circumstances, and the Presiding Officer should not impose such needless burdens on the parties.

Conclusion

For the foregoing reasons, United Parcel Service respectfully submits that the Postal Service's objection to interrogatories UPS/USPS-T33-44(b)-(c), 45(e)-(h), (m)-(p), 47(e)-(h), (m)-(p), 48-50, and 57-58 to Postal Service witness Sharkey should be overruled, and the Postal Service should be ordered to produce the information and materials requested in those interrogatories within seven days of the Presiding Officer's order.

Respectfully submitted,




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Of Counsel.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with section 12 of the Commission's Rules of Practice.



Albert P. Parker, II

Dated: October 6, 1997
Philadelphia, PA

PS-Form 7405

In compliance with Solicitation Number WNET 92-01, the above named offeror proposes to provide the service called for in said solicitation at the rates of compensation set out below.

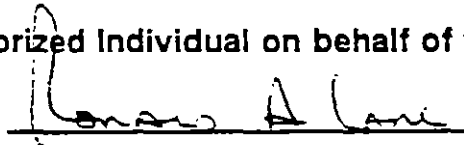
	Daily Rate	Annual Rate
Aircraft	<u>31,987</u>	<u>9,660,074</u>
Aircraft Crews	<u>6,366</u>	<u>1,922,532</u>
Aircraft Maintenance	<u>3,112</u>	<u>939,824</u>
Aviation Services	<u>2,215</u>	<u>668,930</u>
Aviation Fuel	<u>14,117</u>	<u>4,263,334</u>
Hub Operations	<u>3,306</u>	<u>998,412</u>
Outstation Operations	<u>6,885</u>	<u>2,079,279</u>
General & Administration	<u>5,446</u>	<u>1,644,692</u>
Profit	<u>1,566</u>	<u>472,932</u>
Total	<u>75,000</u>	<u>22,650,000</u>

The offeror certifies that this proposal is made in its own interest and not by it as the representative of another person or company and with full knowledge of the required conditions of service.

This proposal is made in good faith and with the intention to enter into contract to perform service if the proposal is accepted.

Name of Offeror: EVERGREEN INTERNATIONAL AIRLINES, INC.

Signature of Authorized Individual on behalf of the Offeror:



Printed name: RONALD A. LANE

Title: VICE CHAIRMAN OF THE BOARD

UNITED STATES POSTAL SERVICES

Contracting Officer: R M Maytan

Name: R.M. Maytan, General Manager

Title: Air Contracts Management Division

The offeror may propose "multi-stop" segments providing that the proposal is in keeping with the tender and delivery times listed above. If a network aircraft is utilized on a "multi-stop" segment, the Postal Service reserves the right to transport mail to the full capacity of the aircraft between origin, destination and intermediate air stop points.

8. **Aircraft Lift Capabilities** - the aircraft provided must be of sufficient capacity to be able to safely transport, at a minimum, the originating and destinating volumes for the following air stops:

<u>Air Stop</u>	<u>Originating Volume</u>	<u>Destinating Volume</u>
ABQ	1,000	2,000
DEN	11,000	12,000
LAS	3,000	2,000
LAX	14,000	23,000
PDX	6,000	7,000
PEX	9,000	9,000
SAN	2,000	1,000
SEA	11,000	13,000
OAK/SFO	30,000	24,000
SLC	13,000	7,000
Total	100,000	100,000

Note: The above figures are stated as volume of mail in pounds. Offerors should utilize a density factor of 7.0 pounds of mail per cubic foot to calculate the necessary aircraft cubic capacity.

The successful offeror will be required to carry mail up to the limit of the aircraft's lift capacity, even where such capacity exceeds that as listed above.

9. **Hub Facility** - the contractor must provide a suitable area, sufficient in size and composition, that will support both loose sack and containerized sorting which protects the mail from inclement weather, damage and theft.

The contractor must also provide office space at this facility for Postal Management.

10. **Containerization** - the contractor must transport mail in air cargo containers to the greatest extent possible. All loading and unloading of mail from and to air cargo containers will be the responsibility of the contractor except at LAX. At LAX the contractor will be required to load all originating

1 b. Hub Arrival/Departure Profile

<i>Arrival</i>						
ARRV	ROUTING	A/C	VOLUME	PIECES	A/C STAGE	A/C CAT
0109	JFK-IND	727-200	39691	2835	III	II
0115	BUF-CLE-IND	727-100	16695	1193		II
0126	ORD-IND	727-100	24864	1776		II
0133	RIC-BWI-IND	727-100	26786	1913		II
0135	MCI-STL-IND	727-100	23495	1678		II
0139	PHL-PIT-IND	727-100	23295	1664		II
0144	GRR-DTW-IND	727-100	15936	1138		II
0156	BOS-BDL-IND	727-200	36008	2572	III	II
0158	TPA-JAX-IND	727-100	25892	1849		II
0218	SAT-DFW-IND	727-100	28577	2041		II
0230	SJU-MIA-IND	727-200	32747	2339		II
0239	CLT-ATL-IND	727-100	29642	2117		II
0245	MSP-IND	727-100	22186	1585	III	II
0250	SEA-IND	727-100	8908	636	III	II
0301	MSY-IAH-IND	727-100	15845	1132		II
0304	SAN-PHX-IND	727-100	16673	1191	III	II
0306	DEN-IND	727-100	19940	1424	III	II
0308	SFO-IND	727-100	16633	1188	III	II
0310	LAX-IND	727-200	24536	1753	III	II
	IND	Surface	32131	2295		
			480480	34320		

All Times are Local

<i>Departure</i>						
DEPT	ROUTING	A/C	VOLUME	PIECES	A/C STAGE	A/C CAT
0340	IND-JAX-TPA	727-100	23502	1679		II
0342	IND-MIA-SJU	727-200	27224	1945		II
0348	IND-BDL-BOS	727-200	29656	2118	III	II
0352	IND-JFK	727-200	39228	2802	III	II
0358	IND-IAH-MSY	727-100	17215	1230		II
0400	IND-DFW-SAT	727-100	29657	2118		II
0402	IND-DEN	727-100	15294	1092	III	II
0404	IND-ATL-CLT	727-100	23335	1667		II
0406	IND-MSP	727-100	17434	1245	III	II
0409	IND-PHX-SAN	727-100	15924	1137	III	II
0412	IND-BWI-RIC	727-100	26354	1882		II
0415	IND-CLE-BUF	727-100	17296	1235		II
0418	IND-PIT-PHL	727-100	26807	1915		II
0421	IND-STL-MCI	727-100	20280	1449		II
0423	IND-LAX	727-200	31933	2281	III	II
0425	IND-ORD	727-100	24199	1729		II
0430	IND-DTW-GRR	727-100	15223	1087		II
0435	IND-SEA	727-100	21175	1513	III	II
0440	IND-SFO	727-100	24496	1750	III	II
	IND	Surface	34248	2446		
			480480	34320		

All Times are Local

EXHIBIT B

ESTIMATED POUNDS/PIECES TO AND FROM THE HUB

(INBOUND POUNDS/PIECES TO HUB)

(OUTBOUND POUNDS/PIECES FROM HUB)

AIRCRAFT TYPE	ORIGIN CITY	INBOUND POUNDS/PIECES TO HUB				OUTBOUND POUNDS/PIECES FROM HUB										
		POUNDS TO HUB	POUNDS TO INTER-MEDIATE	TOTAL LOADED	INTER-MEDIATE CITY	POUNDS LOADED	TOTAL POUNDS TO HUB	TOTAL PIECES TO HUB	INTER-MEDIATE CITY	TOTAL PIECES FROM HUB	TOTAL POUNDS FROM HUB	TOTAL UNLOADED	FINAL DEST	UNLOADED FROM HUB	FROM INTER-MEDIATE	TOTAL UNLOADED
727/200	BOS	21258	34	21292	BDL	14750	36008	2572	BDL	2118	29656	13122	BOS	16534	1044	17570
727/100	BUF	6976	84	7060	CLE	9719	16695	1192	CLE	1235	17296	8564	BUF	8732	457	9109
727/100	CLT	10452	219	10671	ATL	19190	29642	2117	ATL	1667	23335	16812	CLT	6523	1245	7760
727/100	DEN	19940	0	19940			19940	1424	DEN	1092	15294			15294	0	15294
727/100	GRA	2650	747	3397	DTW	13286	15936	1138	DTW	1087	15223	11703	GRR	3520	0	3520
727/200	JFK	39691	0	39691			39691	2835	JFK	2802	39228			39228	0	39228
727/200	LAX	24536	0	24536			24536	1753	LAX	2281	31933			31933	0	31933
727/100	MCI	12466	701	13167	STL	11029	23495	1678	STL	1449	20280	9451	HCI	10829	381	11210
727/100	HSP	22186	0	22186			22186	1585	HSP	1245	17434			17434	0	17434
727/100	MSY	6011	916	6927	IAH	9834	15845	1132	IAH	1230	17215	11197	MSY	6018	287	6305
727/100	ORD	24864	0	24864			24864	1776	ORD	1729	24199			24199	0	24199
727/100	PHL	17296	363	17659	PIT	5999	23295	1664	PIT	1915	26807	9289	PHL	17518	979	18497
727/100	RIC	4219	601	4820	BWI	22567	26786	1913	BWI	1882	26354	21706	RIC	4648	583	5231
727/100	SAH	8272	422	8694	PHX	8401	16673	1191	PHX	1137	15924	8609	SAH	7315	593	7908
727/100	SAT	8189	460	8649	DFW	20388	28577	2041	DFW	2118	29657	21332	SAT	8325	229	8554
727/100	SEA	8908	0	8908			8908	636	SEA	1513	21175			21175	0	21175
727/100	SFO	16633	0	16633			16633	1188	SFO	1750	24496			24496	0	24496
727/200	SJU	19023	2227	21250	HIA	13724	32747	2339	HIA	1945	27224	16302	SJU	10922	12416	23330
727/100	TPA	15689	37	15726	JAX	10203	25892	1849	JAX	1679	23502	9026	TPA	14476	139	14615
		TOTAL TO THE HUB VIA AIR					448349	32029			31874	446232	TOTAL FROM THE HUB VIA AIR			
SURFACE	IND	TOTAL TO THE HUB VIA SURFACE					32131	2295		IND	2446	34248	TOTAL FROM THE HUB VIA SURFACE			
		GRAND TOTAL TO THE HUB					480480	34320			34320	480480	GRAND TOTAL FROM THE HUB			

Exhibit I. DAILY AVERAGE VOLUME

Section M. EXHIBITS

The volumes in this exhibit are estimates only. Actual volumes may be expected to fluctuate from day to day, and the actual average volume may differ from these estimates. The contractor is responsible to carry up to the capacity of the aircraft.

REVISED 9/16/92

SOLICITATION NUMBER: TNET-93-01

In compliance with Solicitation No. TNET-93-01, the above named offeror proposes to provide the service called for in said solicitation, at the rates of compensation set out below.

Total Terminal Handling Price For One Year:

Personnel	\$ <u>5,362,177</u>
Leased Equipment	\$ <u>0</u>
Owned Equipment	\$ <u>475,612</u> *
Maintenance	\$ <u>403,473</u>
Utilities	\$ <u>531,080</u>
Supplies	\$ <u>280,127</u>
Insurance	\$ <u>74,431</u>
Other	\$ <u>469,500</u>
General & Administrative	\$ <u>1,209,617</u>
Profit	\$ <u>1,270,337</u>
Offeror's Proposed Total Price	\$ <u>10,076,354</u>

This information is taken directly from the supporting cost sheets, PS Forms 7405A and 7405B, which follow. Supporting lists are attached separately.

* Owned Equipment has been revised to reflect deletion of carpet and phone installation.

AIR TERMINAL HANDLING CONTRACTOR COST SUMMARY SHEET

OFFEROR EVERGREEN AVIATION GROUND LOGISTICS ENTERPRISES

VARIATIONS IN BASE CASE COST PROPOSAL

1. Base Case Daily Volume: 450,000 pounds

Additional Cost per thousand pounds to handle daily volume between 450,000 pounds and 600,000 pounds.

Cost per 1,000 pounds: \$15.43 (450-500K), \$20.51 (500.1-600K)

Cost items included in the cost per 1,000 pounds other than the cost of additional labor:

For daily volume (pounds) over 500,000, additional equipment will be required up to: 2 Belt Loaders, 3 Cargo Tugs, 1 Container Loader.

2. Base Case Daily Volumes of More or Less than 450,000 Pounds

Numbers of Workers and Total Annual Cost for Base Case Daily Volumes Greater or Less than 450,000 Pounds.

Base Case Daily Volume (Pounds)	Total Number of Workers Required	Total Annual Cost & Profit (\$)
500,000	<u>291</u>	<u>10,317,434</u>
475,000	<u>279</u>	<u>10,199,395</u>
450,000	(Same as Proposed in PS 7405A)	
425,000	<u>271</u>	<u>10,003,754</u>
400,000	<u>264</u>	<u>9,926,154</u>

D. OPERATION DESCRIPTION

6. PERFORMANCE STANDARDS

a. SCHEDULE ADHERENCE

The ATHC agrees to adhere to the arrival and departure schedules established by the Postal Service. (see ATHC HUB ARRIVAL/DEPARTURE PROFILE below) (Part III, Sec. I, 1b,1c and Part IV, Sec. M, Exhibit 3).

ATHC HUB ARRIVAL/DEPARTURE PROFILE

ARRV	ROUTING	A/C	Arrival		A/C STAGE	A/C CAT
			VOLUME	PIECES		
0109	JFK-IND	727-200	39691	2835	III	II
0115	BUF-CLE-IND	727-100	16695	1193		II
1026	ORD-IND	727-100	24864	1776		II
0133	RIC-BWI-IND	727-100	26786	1913		II
0135	MCI-STL-IND	727-100	23495	1678		II
0139	PHL-PIT-IND	727-100	23295	1664		II
0144	GRR-DTW-IND	727-100	15936	1138		II
0156	BOS-BDL-IND	727-200	36008	2572	III	II
0158	TPA-JAX-IND	727-100	25892	1849		II
0218	SAT-DFW-IND	727-100	28577	2041		II
0230	SJU-MIA-IND	727-200	32747	2339		II
0239	CLT-ATL-IND	727-100	29642	2117		II
0245	MSP-IND	727-100	22186	1585	III	II
0250	SEA-IND	727-100	8908	636	III	II
0301	MSY-IAH-IND	727-100	15845	1132		II
0304	SAN-PHX-IND	727-100	16673	1191	III	II
0306	DEN-IND	727-100	19940	1424	III	II
0308	SFO-IND	727-100	16633	1188	III	II
0310	LAX-IND	727-200	24536	1753	III	II
	IND	Surface	32131	2295		
			480480	34320		

(All times are local)

Departure

DEPT	ROUTING	A/C	VOLUME	PIECES	A/C STAGE	A/C CAT
0340	IND-JAX-TPA	727-100	23502	1679		II
0342	IND-MIA-SJU	727-200	27224	1945		II
0348	IND-BDL-BOS	727-200	29656	2118	III	II
0352	IND-JFK	727-200	39228	2802	III	II
0358	IND-IAH-MSY	727-100	17215	1230		II
0400	IND-DFW-SAT	727-100	29657	2118		II
0402	IND-DEN	727-100	15294	1092	III	II
0404	IND-ATL-CLT	727-100	23335	1667		II
0406	IND-MSP	727-100	17434	1245	III	II
0409	IND-PHX-SAN	727-100	15924	1137	III	II
0412	IND-BWI-RIC	727-100	26354	1882		II
0415	IND-CLE-BUF	727-100	17296	1235		II
0418	IND-PIT-PHL	727-100	26807	1915		II
0421	IND-STL-MCI	727-100	20280	1449		II
0423	IND-LAX	727-200	31933	2281	III	II
0425	IND-ORD	727-100	24199	1729		II
0430	IND-DTW-GRR	727-100	15223	1087		II
0435	IND-SEA	727-100	21175	1513	III	II
0440	IND-SFO	727-100	24496	1750	III	II
	IND	Surface	34248	2446		
			480480	34320		

(All times are local)

ATHC SURFACE TRANSPORTATION PROFILE

HCR	ORIGIN/DESTINATION	ARRIVE HUB	LEAVE HUB	EQUIPMENT
45317	Dayton, OH AMF DAY	0115	0400	22'
40316	Louisville, KY AMF SDF	0115	0350	45'
PVS	Indianapolis, IN AMF IND	0130	0200	45-48'
46020	Columbus, OH AMF CMH	0130	0350	48'
450PU	Cincinnati, OH AMF CVG	0200	0350	48'
PVS	Indianapolis, IN AMF IND	0200	0240	45-48'
PVS	Indianapolis, IN AMF IND	0230	0330	45-48'
PVS	Indianapolis, IN AMF IND	0300	0350	45-48'

HCR= Highway Contract Route

PVS= Postal Vehicle Service

ESTIMATED POUNDS/PIECES TO AND FROM THE HUB

(INBOUND POUNDS/PIECES TO HUB)									(OUTBOUND POUNDS/PIECES FROM HUB)								
AIRCRAFT TYPE	ORIGIN CITY	POUNDS TO HUB	POUNDS TO INTER-MEDIATE	TOTAL LOADED	INTER-MEDIATE CITY	POUNDS LOADED	TOTAL POUNDS TO HUB	TOTAL PIECES TO HUB	INTER-MEDIATE CITY	TOTAL PIECES FROM HUB	TOTAL POUNDS FROM HUB	TOTAL UNLOADED	FINAL DEST	UNLOADED FROM HUB	FROM INTER-MEDIATE	TOTAL UNLOADED	
727/200	BOS	21258	34	21292	BOL	14750	36008	2572	BOL	2118	29656	13122	BOS	16534	1044	17578	
727/100	BUF	6976	84	7060	CLE	9719	16695	1192	CLE	1235	17296	8564	BUF	8732	457	9189	
727/100	CLT	10452	219	10671	ATL	19190	29642	2117	ATL	1667	23335	16812	CLT	6523	1245	7768	
727/100	DEN	19940	0	19940			19940	1424	DEN	1092	15294			15294	0	15294	
727/100	GRR	2650	747	3397	DTW	13286	15936	1138	DTW	1087	15223	11703	GRR	3520	0	3520	
727/200	JFK	39691	0	39691			39691	2835	JFK	2802	39228			39228	0	39228	
727/200	LAX	24536	0	24536			24536	1733	LAX	2281	31933			31933	0	31933	
727/100	MCI	12466	701	13167	STL	11029	23495	1678	STL	1449	20280	9451	MCI	10829	381	11210	
727/100	MSP	22186	0	22186			22186	1585	MSP	1245	17434			17434	0	17434	
727/100	MSY	6011	916	6927	IAH	9834	15845	1132	IAH	1230	17215	11197	MSY	6018	287	6305	
727/100	ORD	24864	0	24864			24864	1774	ORD	1729	24199			24199	0	24199	
727/100	PHL	17296	363	17659	PIT	5999	23295	1664	PIT	1915	26807	9289	PHL	17518	979	18497	
727/100	RIC	4219	601	4820	BWI	22547	26786	1913	BWI	1882	26354	21706	RIC	4648	583	5231	
727/100	SAN	8272	422	8694	PHX	8401	16673	1191	PHX	1137	15924	8609	SAN	7315	593	7908	
727/100	SAT	8189	460	8649	DFW	20388	28577	2041	DFW	2118	29657	21332	SAT	8325	229	8554	
727/100	SEA	8908	0	8908			8908	636	SEA	1513	21175			21175	0	21175	
727/100	SFO	16633	0	16633			16633	1188	SFO	1750	24496			24496	0	24496	
727/200	SJU	19023	2227	21250	MIA	13724	32747	2339	MIA	1945	27224	16302	SJU	10922	12416	23338	
727/100	TPA	15689	37	15726	JAX	10203	25892	1849	JAX	1679	23502	9026	TPA	14476	139	14615	
TOTAL TO THE HUB VIA AIR							448349	32025	TOTAL FROM THE HUB VIA AIR								
SURFACE		IND	TOTAL TO THE HUB VIA SURFACE				32131	2295	IND		2446	34248	TOTAL FROM THE HUB VIA SURFACE				
GRAND TOTAL TO THE HUB							480480	34320	GRAND TOTAL FROM THE HUB								

EXHIBIT C

Don M Exhibits

1. Daily Average Volume

The volumes in this exhibit are estimates only. Actual volumes may be expected to fluctuate from day to day, and the actual average volume may differ from these estimates. The contractor is responsible to carry up capacity of the aircraft.