

1 entitled Growing Your Business With Advertising Mail. There
2 is a glossy package with loose leaf sheets inside that is
3 entitled Mail Brings it All Home. There is a smaller
4 package that is entitled A Short Course in Direct Mail for
5 Small Business.

6 If I may show this to the witness.

7 Is this a package that you have seen before,
8 Mr. Takis?

9 A No, it is not.

10 Q Our notice of cross-examination asked that you be
11 familiar with the Postal Service's response to
12 AAPS/USPS-T-41-3. Did you have a look at that before your
13 appearance today?

14 A I'm sorry, AAPS-T-41-3; is that correct?

15 Q Correct. It's an institutional response which
16 will be offered at the appropriate time.

17 A That's not my understanding of the response. I
18 have before me my response to AAPS/USPS-T-41-3. Part A I
19 responded to and parts B through E I redirected to the
20 Postal Service.

21 Q Correct. It's parts B through E that you were
22 asked to be familiar with.

23 A I do not have that in front of me, nor have I
24 examined that previous to today.

25 MR. KOETTING: Just to take Mr. Takis off the hook

1 here, the reason he hasn't seen that is because I didn't ask
2 him to and because I didn't ask him to is because I haven't
3 seen that piece of paper.

4 I am certainly not doubting that you might have
5 filed it but it didn't come to my attention in these days
6 prior to his taking the stand. Had we seen that, we
7 certainly would have asked him to look at the answers.

8 MS. BLAIR: Mr. Chairman, would there be any
9 objection to my providing copies of that to Mr. Takis and
10 asking him to review it? It's a one-page response.

11 COMMISSIONER HALEY: Why don't you go ahead.

12 The Chairman has returned.

13 BY MS. BLAIR:

14 Q Referring you specifically to subpart D of the
15 response, the portion of the response that was prepared by
16 the Postal Service --

17 CHAIRMAN GLEIMAN: Excuse me, Ms. Blair. Could
18 you help me out? I apologize for having had to step out of
19 the room and for missing it.. I just want to know what the
20 document is that you are citing even though someone else may
21 not have seen it. If you could just tell me if it's
22 interrogatory answer --

23 MS. BLAIR: Certainly, Mr. Chairman.

24 CHAIRMAN GLEIMAN: Whose interrogatory to whom and
25 responded to by whom, a number or something.

1 MS. BLAIR: This is the response to
2 AAPS/USPS-T-41-3. It was directed initially to the witness
3 and he responded to subpart A and then the Postal Service
4 responded to subparts B through E. This will be -- we plan
5 to identify this as an institutional response as the
6 appropriate time.

7 I have extra copies if it would be helpful to the
8 Commission to have the document in front of you.

9 CHAIRMAN GLEIMAN: I think I might be able to find
10 it. I don't know whether my colleagues have it or not. You
11 notice I hedged on whether I could use my handy dandy
12 computer to find it.

13 And which part are you going to ask him about?
14 The part that he responded to or the part that the Postal
15 Service responded to?

16 MS. BLAIR: Subpart D, initially. The part that
17 the Postal Service responded to.

18 CHAIRMAN GLEIMAN: Thank you.

19 BY MS. BLAIR:

20 Q As you understand the response to subpart D,
21 Mr. Takis, that indicates that the cost of producing this
22 package of materials was approximately just under \$200,000;
23 is that correct?

24 A That is what the Postal Service has represented,
25 that's correct.

1 Q Now, if I understand your response to
2 AAPS/USPS-T-41-2, the costs of producing this sales kit were
3 not assigned to any specific subclass; is that correct?

4 A I am not sure where you would get that out of my
5 response to the question to you at which you refer. I'm
6 sorry, did you ^{say} ~~see~~ AAPS number 2?

7 Q Yes.

8 A Okay, give me one moment to review that.

9 Q Okay.

10 A And please restate the question?

11 Q Let me see if I can come at it a different way.

12 Would you consider this to be, the costs of
13 producing this kit, to be general advertising expenditures
14 or to be within the category of general advertising
15 expenditures?

16 A I am not familiar with the category of general
17 advertising expenditures to which you refer.

18 Q I am looking at your response to T-41-2 and you
19 use the phrase there "general advertising expenditures."
20 Maybe you can explain what you had in mind?

21 A Well, specifically what I was talking about was
22 general advertising expenditures as opposed to specific
23 advertising expenditures which would be associated with
24 particular classes of mail. Here, I am talking about in my
25 response to question number 2 from AAPS, I am talking about

1 advertising expenditures which would be to advertise many
2 different types of mail.

3 Q Do you know whether the costs of producing that
4 package that looks like a briefcase with the videotape and
5 the book and all the -- the subparts were specifically
6 assigned to any class of mail?

7 A In terms of the volume variable cost analysis?

8 Q Yes.

9 A No, I do not. I would defer to Witness
10 Alexandrovich on that discussion.

11 Q Would the materials included in that package be
12 considered a type of general advertising expenditure as you
13 use that term?

14 A Well, unfortunately, you have caught me a bit off
15 guard here because you have asked me to review a videotape
16 and unfortunately I don't have a tape machine to review it,
17 nor have I been given a chance really to read through any of
18 the promotional materials that are contained in this package
19 so I couldn't tell you -- I couldn't really purport what
20 this packet really contains unless you gave me a chance to
21 spend some time with it.

22 MS. BLAIR: I have no further questions,
23 Mr. Chairman. I wonder whether the -- just to get a sense
24 of what we have been talking about, the Commissioners might
25 like to pass the package around. I offer that as an option.

1 CHAIRMAN GLEIMAN: I'm afraid you would have to
2 supply it to all the parties in the case if you supplied it
3 to us so, unless you are prepared to do that, I think we
4 will forgo doing that. We may actually have one lying
5 around here somewhere for some other reason that we could
6 take a look at.

7 MR. BAKER: Mr. Chairman, if I might suggest that
8 counsel simply submit it as a library reference so that any
9 party who wished to see what she had been referring to
10 during this discussion could at least come to the
11 Commission's office and look at it.

12 CHAIRMAN GLEIMAN: That's a thoughtful suggestion.

13 MS. BLAIR: That's very helpful. I would so offer
14 it, Mr. Chairman.

15 CHAIRMAN GLEIMAN: If you have nothing further,
16 that brings us up to the gentleman who just offered his
17 assistance, Mr. Baker.

18 CROSS EXAMINATION

19 BY MR. BAKER:

20 Q Mr. Takis, with the introduction or your adoption
21 of several library references this morning, my
22 cross-examination including a cross-examination exhibit I
23 had proposed to offer become unnecessary, although I might
24 revisit that if for some reason those materials cease to be
25 in the record.

1 MR. BAKER: For the record, Mr. Chairman, I had
2 prepared a cross-examination exhibit that would have brought
3 into the record some pages from his workpapers which have
4 now been superseded by events earlier to which I am not
5 offering an objection.

6 BY MR. BAKER:

7 Q I have only one question which is, in your
8 workpapers, section 4-A-39, where you calculate incremental
9 load costs, you have a footnote that indicates that you had
10 found the load time equation, that the load time equation
11 that you used reference to Library Reference H-183, was from
12 the Docket R90-1 opinion and recommended decision. Are you
13 familiar with that or do I need to provide a particular page
14 cite?

15 A I think I am generally familiar with that. If I
16 can make sure I am on the same wavelength, I think, with
17 you, you are talking about the load equations themselves?

18 Q Yes, sir.

19 A yes, my understanding is that's from Docket R90-1.

20 Q Do you recall ^{from} which opinion and recommended
21 decision from that docket you took those load equations?

22 A Not at this time, no, I don't. I'm sorry.

23 Q I was wondering if that could be supplied for the
24 record at an appropriate later date?

25 MR. KOETTING: We will be happy to furnish a

1 written answer to that oral question, Mr. Baker.

2 CHAIRMAN GLEIMAN: Thank you.

3 MR. BAKER: With that, Mr. Chairman, I have no
4 more questions.

5 CHAIRMAN GLEIMAN: That brings us to United Parcel
6 Service.

7 MR. McKEEVER: Thank you, Mr. Chairman.

8 CROSS EXAMINATION

9 BY MR. McKEEVER:

10 Q Mr. Takis, could you please refer to your response
11 to Interrogatory UPS-USPS-T-41-4(d).

12 A I'm sorry, 4(d), Mr. McKeever?

13 Q 4(d) as in "David," yes.

14 A Yes, I have it here, thank you.

15 Q There you state that "In the case of Postal
16 Service advertising costs media costs for the promotion of
17 particular products are specific to those products." Do you
18 see that?

19 A I do see that. That's correct.

20 Q And therefore you conclude that with respect to
21 that type of advertising, they are part of the incremental
22 costs of each of those products?

23 A For those products and only those products that
24 are specifically broken out. The rest of that cost pool
25 which is called advertising, my understanding is it's

1 generally spread across all products.

2 Q Right, but in the case of media costs for the
3 promotion of particular products, those are specific to the
4 particular products involved, is that correct?

5 A Yes, and if you take a look at page 202 of my work
6 papers -- I'm sorry, Section 4.A.202, you can see in column 2
7 a breakout of all the advertising costs which are considered
8 in the base year to be specific to a particular subclass of
9 mail.

10 Q And I think you supply a table like that in your
11 response to Interrogatory UPS-USPS T-41-5, is that correct?

12 A That's correct, yes. In fact, it is on the last
13 page of that interrogatory response.

14 Q Right, thank you.

15 MR. McKEEVER: Mr. Chairman, I have copies of
16 three cover pages and Postal Service advertisements from
17 publications that I have marked as UPS-XE-1, 2 and 3.

18 With the Chair's permission, I would like to
19 furnish a copy of those to Mr. Takis, and I also have copies
20 for the bench and for counsel for the Postal Service.

21 BY MR. McKEEVER:

22 Q Mr. Takis, could you please take a look at the two
23 pages that are marked in the upper right-hand corner UPS-
24 XE-1, please, and let me know when you finish looking at
25 them.

1 A I'm sorry, Mr. McKeever, you handed me --

2 Q I handed you a clipped set of three separate
3 documents and I am asking you now to look at the one
4 document that is marked UPS-XE-1 in the upper right-hand
5 corner of the first page.

6 A I'm sorry. I understand. Yes.

7 Q Okay. Could you please take a look at that?

8 A Yes.

9 Q Now that is the cover page of the October 1995
10 issue of Distribution Magazine and an advertisement that
11 appeared in that issue.

12 Could you tell me if that advertisement promotes a
13 particular product, namely Parcel Post?

14 A I don't want to get into a debate here about
15 advertising, because I am not an expert in marketing or
16 advertising, but just as a layman I would say that ^{it} ~~is~~ not
17 only advertises Parcel Post but the United States Postal
18 Service as well.

19 Q Do you see any reference in that advertisement to
20 any particular product other than Parcel Post?

21 A The basis on which I made that last statement was
22 the fact that, you know, it certainly has the Eagle logo and
23 the United States Postal Service down at the bottom, and I
24 am sure that there is advertising generated as a result of
25 that.

1 Again I think that is probably the extent of my
2 marketing and advertising knowledge.

3 Q Well, Mr. Takis, let me ask my question again.

4 Do you see any reference in that advertisement to
5 any particular product other than Parcel Post?

6 A Well, I'm not sure, Mr. McKeever, because it also
7 refers to a parcel service's business kit and I am not sure
8 if that is a product or -- I know it's not a subclass but it
9 might be a product that is -- it says it is given away free
10 here. It may be sold in other arenas. I am not sure -- I
11 don't know.

12 Q Now you determined the incremental cost of the
13 Postal Service's different products, didn't you?

14 A I determined the incremental cost of specific
15 subclasses and groups of subclasses of Postal products, that
16 is correct.

17 Q And you used the term "product specific costs" as
18 a matter of fact in your testimony in interrogatory
19 responses, at least in your interrogatory responses, is that
20 correct?

21 A That is correct, but I think in the context of
22 where you are going I was referring to specific -- when I
23 used the word "product" I was referring to subclasses or
24 groups of subclasses and in fact in general throughout my
25 testimony I use those terms interchangeably.

1 Q All right. Do you see any reference in that
2 advertisement to any particular subclass of the Postal
3 Service other than Parcel Post?

4 A Not in the text of the advertisement, but again I
5 would say that the logo down at the far right-hand corner of
6 the document refers to the United States Postal Service as
7 an entity.

8 Q So you think that any advertisement of the Postal
9 Service that has the eagle and the logo "United States
10 Postal Service" is therefore not advertising for a specific
11 product but rather is institutional advertising?

12 Is that your testimony?

13 A No, not necessarily. Again, I am not an expert in
14 advertising so I wouldn't know the mindset or the purpose of
15 the person who put together this ad, whether they were
16 trying to advertise Parcel Post or First Class or the Postal
17 Service in general.

18 Q Well, you read advertisements, don't you?

19 A I try to avoid them, but yes.

20 Q Okay. Now reading this one, do you see any
21 reference to any particular Postal product or subclass other
22 than Parcel Post?

23 A I think I just answered that question before.

24 Q And I think your answer essentially was no, is
25 that correct?

1 A Again, in the text of the document that you
2 provided me in Cross-Examination Exhibit 1, I don't see any
3 reference to any other subclass or product --

4 Q Thank you. Thank you. Could you take a look at
5 the document marked UPS-XE-2, please.

6 Now that, Mr. Takis, consists of the cover page of
7 the October 10, 1995 issue of Financial World and an
8 advertisement that appeared in that issue.

9 Could you take a look at that and let me know if
10 that is not the same advertisement that appeared in
11 Distribution Magazine, UPS-XE-1?

12 A It appears to be the same, yes.

13 Q Okay. Could you take a look at UPS-XE-3, please,
14 which is the November 7, 1995 issue of Financial World, the
15 cover page and an advertisement that appeared in that issue.

16 Is that also the same advertisement?

17 A It appears to be.

18 Q Now all of those ads appeared during fiscal year
19 1996, isn't that correct, October 1, 1995 to September 30,
20 1996?

21 A I'll take your word for it that that is the postal
22 fiscal year.

23 Q Well --

24 A And then also that they appeared in those time
25 frames. But I'll grant that; yes.

1 Q Okay. Mr. Tayman identifies that as fiscal year
2 1996 in his testimony. I can supply you a reference, if
3 you'd like.

4 A That's fine.

5 Q Now that response that you referred to earlier,
6 that interrogatory response.

7 A UPS No. 5?

8 Q I believe that's right. I want to make sure I'm
9 right. Yes, that's correct. On the last page of that
10 response, am I correct that you do not identify or you
11 identify zero base year 1996 specific fixed advertising
12 costs for Parcel Post? You have no dollars in there; is
13 that right?

14 A That is correct. If I can tell you how I came or
15 how I got these numbers, I received these numbers --

16 MR. McKEEVER: Mr. Chairman, that concludes my
17 cross-examination. I have no problem with Mr. Takis
18 finishing his answer, although I think it goes beyond the
19 question. But go ahead, Mr. Takis.

20 I may move to strike it when he finishes,
21 depending.

22 CHAIRMAN GLEIMAN: You know that that's a
23 dangerous course to take, because the Commission is quite
24 reluctant to strike any testimony, but rather prefers to use
25 its judgment to give appropriate weight.

1 MR. McKEEVER: I understand, Mr. Chairman, but his
2 counsel can ask him on redirect if he chooses, so he can
3 finish his answer now rather than go through redirect.

4 CHAIRMAN GLEIMAN: Thank you for saving us some
5 time later, perhaps.

6 THE WITNESS: Shall I finish the answer?

7 CHAIRMAN GLEIMAN: Yes.

8 THE WITNESS: Thank you. It's been so long I
9 forgot the question.

10 I received these costs directly from the base year
11 volume variable cost analysis which is contained I believe
12 in Witness Alexandrovich's analysis.

13 BY MR. McKEEVER:

14 Q I understand, and they didn't show any specific
15 fixed advertising costs for Parcel Post; is that correct?
16 That's why you have zero in your interrogatory response.

17 A That is correct; yes.

18 MR. McKEEVER: That's all I have, Mr. Chairman.

19 CHAIRMAN GLEIMAN: Thank you again, Mr. McKeeever.

20 That brings us to followup. Is there any
21 followup?

22 Questions from the bench?

23 My colleague, Commissioner LeBlanc, has a question
24 or more.

25 COMMISSIONER LeBLANC: Two.

1 Mr. Takis, a lot of your work is based on Mr.
2 Bradley's stuff, let's call it his work papers, his et
3 cetera, et cetera.

4 THE WITNESS: That's correct. Both his volume
5 variable analysis for mail processing as well as for
6 transportation; that's correct.

7 COMMISSIONER LeBLANC: A hypothetical. What
8 happens if we don't buy Mr. Bradley's arguments?

9 THE WITNESS: In terms of, I'm sorry, in terms of
10 incremental costs?

11 COMMISSIONER LeBLANC: In terms of incremental
12 cost and roll forward into your work?

13 THE WITNESS: When you say -- I guess it's hard
14 for me to answer that question unless you tell me -- when
15 you say you don't buy it --

16 COMMISSIONER LeBLANC: In other words, if we don't
17 accept it, if we don't accept Mr. Bradley's argument, if we
18 don't accept that, then it's rolled forward into your stuff,
19 where do we go with that? I mean, these are some leaps
20 here. You've made a couple pretty good assumptions or
21 leaps, so I'm trying to put it all together here.

22 THE WITNESS: That's probably true with any of the
23 volume variability witnesses that I rely upon, and there's
24 numerous ones, that's correct. What Witness Bradley has
25 provided to me that I use in my analysis is his estimation

1 of the cost functions associated with various pools of cost
2 within mail processing labor and mail processing equipment,
3 and then also on his transportation testimony he's given me
4 very similar types of volume variability analysis of the
5 various cost components within purchase transportation
6 segments. So I use his variability analysis and his --
7 really the results of his econometric analysis to estimate
8 the marginal cost curve which I use in my incremental cost
9 analysis. That's correct.

10 COMMISSIONER LeBLANC: Would you say that your
11 roll forward procedure overestimates incremental costs?

12 THE WITNESS: I wouldn't necessarily say it
13 overestimates incremental costs, no, not necessarily.

14 COMMISSIONER LeBLANC: Is it a leap?

15 THE WITNESS: I'm sorry?

16 COMMISSIONER LeBLANC: Would it be a leap? In
17 other words, close?

18 THE WITNESS: I'm sorry, I think that my
19 methodology for estimating incremental costs in the test
20 year which I wouldn't really call a roll-forward methodology
21 because that might get it confused with what Witness
22 Patelunas does -- I call it a ratio method -- is the most
23 accurate approach possible given the other approaches that I
24 considered, yes.

25 COMMISSIONER LeBLANC: Judgmental, right, on your

1 part then in that case?

2 THE WITNESS: Yes, and I tried actually to do a
3 number of different approaches to estimating incremental
4 costs in the test year using some of the results of Witness
5 Patelunas' roll-forward models. And I quickly found it
6 generated results that didn't make a lot of sense to me and
7 made me make a lot of assumptions that I didn't feel very
8 comfortable making as an economist.

9 COMMISSIONER LeBLANC: Well, we may get to that
10 when Witness Patelunas comes but that's something else.

11 But your definition of specific costs,
12 product-specific costs, would you say might be a loose
13 definition of specific fixed than what is generally accepted
14 in economic terms?

15 THE WITNESS: The problem there is that economists
16 don't really -- or to the best of my knowledge, economists
17 don't really have a term called specific fixed, at least in
18 the literature that I am familiar with.

19 COMMISSIONER LeBLANC: An economist doesn't have a
20 definition for anything? I'm amazed. I'm amazed.

21 THE WITNESS: No, economists have definitions for
22 a lot of things.

23 The problem that I inherited in my analysis is
24 that the Postal Service and the Commission have in the past
25 applied the words "specific fix" to a number of different

1 costs that, while they may be specific, they may not
2 necessarily be fixed, as I talked about in some of my
3 interrogatory responses. In fact, some of the costs that
4 are within things that are even called specific fixed are
5 volume variable, in fact, which kind of defies logic in
6 terms of terminology.

7 So, therefore, in response to UPS number 5 and
8 also UPS number 28, I tried to be a little bit more precise
9 with the definition of what I was talking about, how you can
10 classify these costs. And in UPS 28, I said that there is
11 really three kinds of costs. One is volume variable costs,
12 one is product-specific costs and the other is a residual
13 cost, an area under the marginal cost curve. That's the
14 three components of incremental costs which I defined.

15 Now, I believe that -- I think that answers your
16 question but --

17 COMMISSIONER LeBLANC: That's fine, thank you.

18 One moment.

19 Thank you very much.

20 Thank you, Mr. Chairman.

21 CHAIRMAN GLEIMAN: I have no questions for you,
22 Mr. Takis.

23 Is there any followup as a consequence of
24 questions from the Bench? Mr. Baker?

25 CROSS EXAMINATION

1 BY MR. BAKER:

2 Q Mr. Takis, to follow up on Commissioner LeBlanc's
3 question, I want to make sure I understand what would happen
4 in the situation where the Commission did not accept any of
5 the --

6 COMMISSIONER LeBLANC: I can't hear you,
7 Mr. Baker. Can you speak up?

8 BY MR. BAKER:

9 Q If the Commission did not accept any of the
10 revised volume variability analyses that have been submitted
11 in this case, to the extent those analyses or any single one
12 of them provides an input to your calculations, would one
13 want to both revise the input of volume variability for a
14 particular cost, type of cost, and also check to see whether
15 as a result of the nonacceptance of the new variability any
16 product-specific costs had been adjusted as well? Is that
17 correct, as a general proposition?

18 A Could you restate the last part of that question?

19 Q Well, if as a result of not accepting a proposed
20 new volume variability analysis and perhaps either adopting
21 a new one submitted by Intervenor or going back to what had
22 been the precedent, if a different volume variability number
23 is an input to you, it is also possible that the costs that
24 you are treating as product specific but not volume variable
25 might adjust, might change as well; is that correct?

1 A What would change in my incremental cost analysis
2 if I were to go back and adopt an alternative variability
3 and an alternative cost function in any particular cost
4 pool, the most important thing that would change would be
5 the volume variable cost analysis and the -- essentially the
6 area under the marginal cost curve as I talk about in my
7 testimony and that could have an impact on the incremental
8 cost, that's correct.

9 MR. BAKER: Thank you, Mr. Chairman.

10 CHAIRMAN GLEIMAN: Is there any further followup?

11 [No response.]

12 CHAIRMAN GLEIMAN: That brings us to redirect.

13 MR. KOETTING: Could we have about five minutes,
14 Mr. Chairman, please?

15 CHAIRMAN GLEIMAN: Certainly, Mr. Koetting.

16 [Recess.]

17 CHAIRMAN GLEIMAN: Mr. Koetting, before we take up
18 redirect, there is a little housekeeping matter in the extra
19 answer to the question that wasn't asked by Mr. McKeever of
20 UPS. Something got lost in the shuffle, so we'll give Mr.
21 McKeever an opportunity to pick backup, if you don't mind.

22 MR. MCKEEVER: Yes, Mr. Chairman. I did speak
23 with Mr. Cooper, counsel for the Postal Service, about this,
24 too, and I would like to request that two copies of each of
25 the cross examination exhibits marked UPS-XE-1, UPS-XE-2,

1 and UPS-XE-3 be transcribed into the record.

2 I am not moving that they be admitted into
3 evidence.

4 CHAIRMAN GLEIMAN: Without objection they will be
5 transcribed into the record.

6 MR. McKEEVER: Thank you. I will hand two copies
7 to the Reporter.

8 CHAIRMAN GLEIMAN: Thank you.

9 [Cross-Examination Exhibit Nos.
10 UPS-XE-1, UPS-XE-2, and UPS-XE-3
11 were received into evidence and
12 transcribed into the record.]
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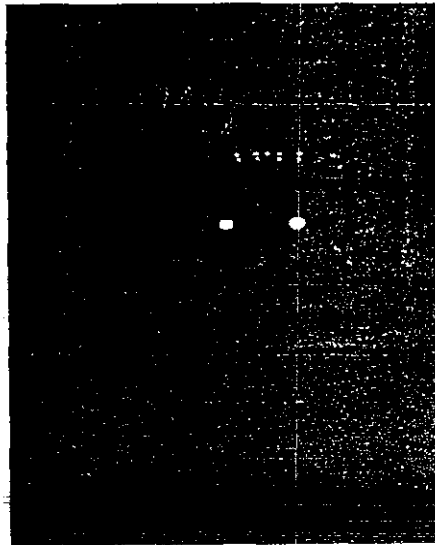
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Heal Thyself

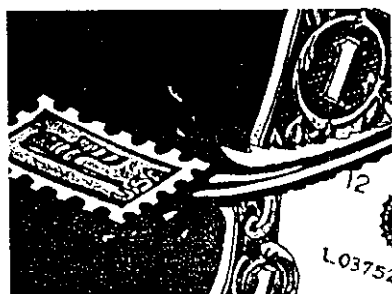
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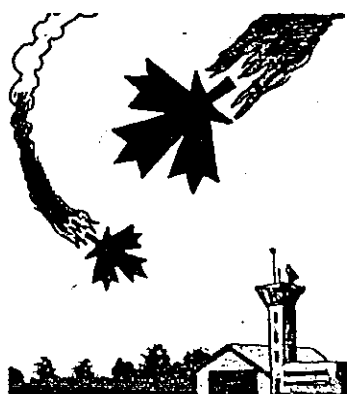
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1 CHAIRMAN GLEIMAN: Mr. Koetting.

2 MR. KOETTING: Thank you, Mr. Chairman.

3 REDIRECT EXAMINATION

4 BY MR. KOETTING:

5 Q Mr. Takis, with regard to those UPS cross
6 examination exhibits that were just ordered to be
7 transcribed, where do you begin your analysis of Fiscal Year
8 1996 incremental costs?

9 A I start generally with the accrued costs in the
10 various pools.

11 Q Are you familiar personally with the process by
12 which the costs the Postal Service spends through whatever
13 means, an advertising agency or whatever, to have
14 advertisements placed? Are you familiar with that process,
15 how those decisions are made or when those costs are
16 accrued?

17 A No, neither how they are made nor how they are
18 accrued.

19 Q Do you have any basis to know whether or not the
20 cost for these particular advertisements that Mr. McKeever
21 showed you in the cross examination exhibit were accrued in
22 any particular fiscal year?

23 A No, I do not.

24 Q Lastly, with regard to each of those cross
25 examination exhibits has a reference to a free Parcel

1 Service Business Kit that any interested reader could
2 inquire and receive.

3 Do you have any basis to know whether or not the
4 information in that Parcel Service's Business Kit is or is
5 not limited to Parcel Post?

6 A No, I do not.

7 MR. KOETTING: That completes our redirect
8 examination.

9 CHAIRMAN GLEIMAN: Is there any recross? Mr.
10 McKeever.

11 RECROSS EXAMINATION

12 BY MR. McKEEVER:

13 Q But Mr. Takis, it is the case --

14 MR. McKEEVER: Well, never mind, Mr. Chairman, I
15 think I asked it and it was answered earlier.

16 CHAIRMAN GLEIMAN: Well, it appears Mr. Takis is
17 in the same boat as most people in the Postal Service when
18 it comes to making -- knowing how decisions are made and
19 when costs are accrued, judging from what transpired last
20 year with some cost overruns in the advertising area.

21 Be that as it may, Mr. Takis, I want to thank you.

22 We appreciate your appearance here today and your
23 contributions to the record, and if there is nothing
24 further, you are excused.

25 [Witness excused.]

1 CHAIRMAN GLEIMAN: That concludes today's hearing.

2 We will reconvene tomorrow morning, Friday, the
3 17th of October, to receive testimony from Postal Service's
4 witnesses Taufique, Kaneer, Bernstein, Baron and Harahush.

5 Did I get the names right? If not, please tell me
6 later on so that I get them right tomorrow.

7 Everybody have a nice afternoon.

8 [Whereupon, at 3:14 p.m., the hearing was
9 recessed, to reconvene at 9:30 a.m., Friday, October 17,
10 1997.]

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