

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

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

INTERROGATORIES OF THE UNITED STATES POSTAL SERVICE TO
GREETING CARD ASSOCIATION WITNESS LISS
(USPS/GCA-T4-1-6)

Pursuant to Rules 25 and 26 of the Commission's Rules of Practice and Procedure, the United States Postal Service directs the following interrogatories to Greeting Card Association witness Liss: USPS/GCA-T4-1-6.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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USPS/GCA-T4-1. Please refer to page 7 of your testimony, lines 7 through 9. For the greeting card industry as a whole, please provide an estimate of the total number of greeting cards printed and distributed over the last five years for which a rectangular (standard/machinable) envelope was provided for mailing.

- a. For this type of greeting card, please provide the number of cards sold to consumers over the same time period.
- b. Have you conducted any empirical studies pertaining to consumer demand for this type of greeting card? If so, please discuss.

USPS/GCA-T4-2. Please refer to page 7 of your testimony, lines 7 through 9. For the greeting card industry as a whole, please provide an estimate of the total number of square greeting cards printed and distributed over the last five years for which a rectangular (standard/machinable) envelope was provided for mailing.

- a. For this type of greeting card, please provide the number of cards sold to consumers over the same time period.
- b. Have you conducted any empirical studies pertaining to consumer demand for this type of greeting card? If so, please discuss.

USPS/GCA-T4-3. Please refer to page 7 of your testimony, lines 7 through 9. For the greeting card industry as a whole, please provide an estimate of the total number of square greeting cards printed and distributed over the last five years for which a square envelope was provided for mailing.

- a. For this type of greeting card, please provide the number of cards sold to consumers over the same time period.
- b. Have you conducted any empirical studies pertaining to consumer demand for this type of greeting card? If so, please discuss.

USPS/GCA-T4-4. Please refer to your testimony from page 12, line 17 to page 13, line 4. If there were no surcharge to mail square greeting cards, as you propose in your testimony, is it your view that consumers would purchase more square greeting cards, as opposed to rectangular greeting cards?

- a. If this is your view, please provide an estimate of the percentage increase in the number of square greeting cards purchased by consumers in the first year after the elimination of the surcharge.
- b. If this is your view, please provide an estimate of the percentage decrease in the number of rectangular greeting cards purchased by consumers in the first year after the elimination of the surcharge.
- c. Please describe any econometric or empirical studies you have conducted regarding the cross price elasticity between square and rectangular greeting cards.

USPS/GCA-T4-5. Please refer to page 15 of your testimony, lines 11 through 16, where you state your belief that the increase in peer recognition for square greeting cards at the annual LOUIE Awards is “fueled by a consumer desire for what is new and different.”

- a. Please confirm that the judges for the 2005-2006 LOUIE awards were greeting card industry professionals, including greeting card designers, suppliers, and retail buyers. If you cannot confirm, please explain.
- b. Please explain how consumer demand for square greeting cards is reflected in the criteria for judging the LOUIE Awards, or is otherwise taken into account in the LOUIE Award judging process.

USPS/GCA-T4-6. Please refer to pages 8-12 of your testimony, where you discuss the history and importance of the square in architecture and design.

- a. Please confirm that the Roman architect and engineer Vitruvius, who is cited in your testimony, also discussed the root-two rectangle as a key basis for design. If you cannot confirm, please explain.
- b. Please confirm that the noted Renaissance architect Andrea Palladio, in The Four Books on Architecture, proposed seven designs that he considered the most beautiful and proportionate shapes for rooms, and that five of these seven shapes were rectangles, including the root-two rectangle. If you cannot confirm, please explain.
- c. Please confirm that the figure printed on page 8 of your testimony contains a rectangle, triangle, and circle, and not a square. If you cannot confirm, please explain. If the discrepancy is the result of an error in copying the figure into your testimony, please file appropriate errata.
- d. Are you aware of any econometric studies pertaining to the demand for square greeting cards or the cross price elasticity between square and rectangular greeting cards that take into account the history or symbolic significance of the square? If so, please provide a copy of any such study.