

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  
PITNEY BOWES INC. WITNESS BUC (PB-T-3)  
(USPS/PB-T3-19-20)

Pursuant to Rules 25 and 26 of the Commission's Rules of Practice and Procedure, the United States Postal Service directs the above-referenced follow-up interrogatories to Pitney Bowes, Inc. witness Lawrence Buc (USPS-T-3).

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

---

Elizabeth A. Reed

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-3179 Fax -6187  
October 11, 2006

**USPS/PB-T3-19.** Please refer to your response to USPS/PB-T3-4, where you state that your proposed discount would apply to all shapes of single-piece First-Class Mail.

(a) Please confirm that your proposed discount applies only to the first ounce. If you cannot confirm, please explain.

(b) Please confirm that, under the Postal Service's proposed rates in this docket, and with your proposed postage evidencing discounts, the following values would be shown as postage paid on the face of each piece. If you cannot confirm, please explain fully:

- (1) 41.9 cents for a one-ounce letter;
- (2) 61.9 cents for a one-ounce flat;
- (3) 99.9 cents for a one-ounce parcel.

**USPS/PB-T3-20.** Please refer to your response to USPS/PB-T3-8(c), where you stated that you did not research the cost to customers under your proposal. That interrogatory also asked, in part, to estimate "any recurring annual costs or fees paid to Pitney Bowes associated with the customer's use" of a Pitney Bowes postage meter or PC Postage device. However, your response did not address the estimated costs or fees that would be paid from Pitney Bowes' perspective. If you cannot answer any of the following subparts, please redirect them to Pitney Bowes for an institutional response.

(a) In your view, would your proposed postage evidencing discount affect customers' decisions to purchase or lease postage meters or PC Postage devices? Please explain fully.

- (b) Have you, or Pitney Bowes, estimated how the proposed discount would quantitatively affect customers' purchases or leases of postage meters or PC Postage devices? If so, please provide the estimates and the data that the estimates are based on.
- (c) Please provide (or estimate, if accurate figures are unavailable) Pitney Bowes' share of the postage meter and PC Postage device markets.
- (d) Please estimate the projected increase in revenue to Pitney Bowes based on your proposed 0.1 cent postage evidencing discount.
- (e) Please estimate the projected increase in revenue to Pitney Bowes based on a postage evidencing discount of:
- (1) 1.0 cents (as proposed by Pitney Bowes<sup>1</sup> in Docket No. R2000-1);
  - (2) 2.0 cents;
  - (3) 3.0 cents;
  - (4) 4.0 cents (as proposed by E-Stamp and Stamps.com<sup>2</sup> in Docket No. R2000-1).

---

<sup>1</sup> See Docket No. R2000-1, Tr. 26/29/13893 at 9-10.

<sup>2</sup> See Docket No. R2000-1, Tr. 29/13651 at 3-7; Docket No. R2000-1, Tr. 23/10482 at 5-9.