

Before THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

STAMPED STATIONERY AND STAMPED CARDS  
CLASSIFICATIONS

Docket No. MC2006-7

RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORIES OF DAVID B. POPKIN  
(DBP/USPS-1, 3-18)

The United States Postal Service hereby provides its responses to the following interrogatories of David B. Popkin: DBP/USPS-1 and 3-8, filed on February 23; DBP/USPS-9-17, filed on February 26; and DBP/USPS-18, filed on February 27. Based on an informal clarification of DBP/USPS-2, additional time is needed to research the matter. The response is expected to be filed within a few days.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF DAVID B. POPKIN

DBP/USPS-1 Please provide a listing of all of the Premium Stamped Stationery and Premium Stamped Cards that have been issued by the United States Postal Service since 1971. This listing should contain the following data fields as a minimum [the term package is defined at the item that was normally sold to the public and for most of the Premium Stamped Cards was 20]:

- [a] Date of Issue
- [b] Description of the Issue
- [c] Number of different designs in the sale package
- [d] Number of items in the package that was sold to the public
- [e] Public selling price for the package
- [f] Value of the postage stamp on each piece
- [g] Number of packages printed
- [h] Number of packages sold
- [i] Number of packages that were sold at the Stamp Fulfillment Services [or its predecessor] in Kansas City

RESPONSE:

Please see the chart below, which contains the data requested to the extent available.

a	b	c	d	e	f	g	h	i
Date of Issue	Description	No. of Designs	No. of Items	Selling Price	Value of Unit Postage	No. Printed	No. Sold	No. Sold SFS
<b>2006</b>								
15-Jul	Baseball Sluggers	4	20	\$9.95	24¢	30,000	10,045	6,753
20-Jul	DC Super Heroes	20	20	\$9.95	24¢	30,000	19,137	13,545
21-Apr	Disney Romance	4	20	\$9.95	24¢	30,000	9,913	6,951
4-Oct	Southern Florida Wetland	1	10	\$7.95	39¢	30,000	7,868	6,544
<b>2005</b>								
30-Jun	Disney Celebration	4	20	\$9.75	24¢	30,000	20,727	11,377
20-Aug	50s Sporty Cars	5	20	\$9.75	24¢	35,000	16,157	8,154
17-Sep	Let's Dance	4	20	\$9.75	24¢	30,000	10,917	7,003
<b>2004</b>								
4-Oct	Cloudscapes	15	20	\$9.75	23¢	45,000	30,981	15,189
23-Jun	Disney Friendship	4	20	\$9.75	23¢	68,000	36,995	16,953
21-Aug	Art of the American Indian	10	20	\$9.75	23¢	35,000	22,667	9,174
	TOTAL SOLD						185,407	101,643
<b>2003</b>								
3-Apr	Old Glory	5	20	\$9.75	23¢	50,000		
23-Oct	Holiday: Music Makers	4	20	\$9.75	23¢	50,000		
13-Jun	Southeastern Lighthouses	5	20	\$9.75	23¢	55,000		

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Date of Issue	Description	No. of Designs	No. of Items	Selling Price	Value of Unit Postage	No. Printed	No. Sold	No. Sold SFS
<b>2002</b>								
28-Oct	Holiday: Snowmen	4	20	\$9.75	23¢	50,000		
15-Aug	Teddy Bears	4	20	\$9.75	23¢	50,000		
<b>2001</b>								
27-Jun	Legendary Playing Fields	10	10	\$6.95	21¢	75,000		
10-Oct	Holiday: Santas	4	20	\$9.25	21¢	100,000		
1-Oct	That's All Folks	1	20	\$5.95	20¢	100,000		
<b>2000</b>								
6-Jul	Legends of Baseball	20	20	\$8.95	20¢			
12-Oct	Holiday: Deer	4	20	\$8.95	20¢			
26-Apr	Road Runner/Wilie E. Coyote	1	10	\$6.95	20¢			
10-May	Adoption	1	10	\$6.95	20¢			
14-Jun	Stars and Strips	20	20	\$8.95	20¢			
<b>1999</b>								
28-Jan	Victorian-Love	1	20	\$6.95	20¢			
16-Apr	Daffy Duck	1	20	\$6.95	20¢			
26-Aug	Trains	5	20	\$6.95	20¢			
<b>1998</b>								
16-Sep	Ballet	1	10	\$5.95	20¢			
28-Jul	Tropical Birds	4	20	\$6.95	20¢			
27-Apr	Sylvester and Tweety	1	20	\$5.95	20¢			
<b>1997</b>								
30-Sep	Classic Movie Monsters	5	20	\$5.95	20¢			
4-Feb	Love Variety	12	12	\$6.95	20¢			
<b>1996</b>								
2-Oct	Endangered Species	15	15	\$11.95	20¢			
2-May	Centennial Olympic Games	20	20	\$12.95	20¢			
<b>1995</b>								
29-Jun	Civil War	20	20	\$7.95	20¢			
1-Oct	Comic Strip Characters	20	20	\$7.95	20¢			
<b>1994</b>								
18-Oct	Legends of the West	20	20	\$7.95	19¢			

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Date of Issue	Description	No. of Designs	No. of Items	Selling Price	Value of Unit Postage	No. Printed	No. Sold	No. Sold SFS
<b>Premium Stamped Stationery</b>								
<b>2005</b>								
3-Mar	Garden Bouquet	1	12	\$14.95	37¢	30,000	10,990	5,939
<b>2004</b>								
23-Jun	Disney Friendship	4	12	\$14.95	37¢	40,000	17,037	10,718
	TOTAL SOLD						28,027	16,657

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DBP/USPS-3                      Please advise all instances where the public selling price for Premium Stamped Stationery and/or Premium Stamped Cards has changed for any single issue. Please provide the full details and the reason or reasons why the price was changed.

RESPONSE:

None. (The apparent change in price for Stamped Stationery that appeared at one point on the website was an error and has been corrected.)

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DBP/USPS-4 Please refer to the data that was provided in response to Interrogatory DBP/USPS-1 subparts g and h.

[a] Please confirm that if the entry in subpart g is greater than the entry in subpart h it would indicate packages that were printed but not sold.

[b] Please advise what use was made of the unsold packages.

[c] Please discuss how the cost of printing the unsold packages is/was factored into the cost data.

RESPONSE:

(a) Confirmed that if the number printed is greater than the number sold, it would indicate packages that were printed but not sold.

(b) As with all postage stamps, unsold PSS and PSC items are sent for destruction following their off-sale date.

(c) The printing costs are for the total items printed, regardless of whether they were eventually sold or not.

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DBP/USPS-5            Please confirm, or explain if you are unable to confirm, that there were no Premium Stamped Stationery and Premium Stamped Cards that were issued prior to 1971.

RESPONSE:

The current PSC program (which predates PSS) began in 1994, as shown in the response to DBP/USPS-1. No available information indicates the existence of any similar products prior to 1971, although it is not possible to unequivocally confirm or not confirm.

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DBP/USPS-6            Please discuss how the number of packages to be printed is determined.

RESPONSE:

The main consideration is to print sufficient quantities to distribute at least a minimum number to all retail outlets. Beyond that, quantities may be increased for issuances likely to generate additional demand.

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DBP/USPS-7            Please provide full details of any expenses that were incurred for any costs that required payment outside of the Postal Service other than the direct costs of printing and packaging of any of the Premium Stamped Stationery and Premium Stamped Cards that have been issued by the United States Postal Service since 1971. This would include, but is not limited to, payment for the use of copyrighted designs or subjects.

RESPONSE:

None.

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DBP/USPS-8 Please provide an estimate of the percentage of Premium Stamped Stationery and Premium Stamped Cards that are sold at each of the following places:

- [a] The Stamp Fulfillment Services [or its predecessor] in Kansas City
- [b] Philatelic windows
- [c] Standard retail sales window
- [d] Other locations [please specify]

RESPONSE:

The response to DBP/USPS-1 provides yearly sales figures broken down between Stamp Fulfillment Services and all other locations. There are no breakdowns for the field sales.

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DBP/USPS-9 Please describe the target market for the sale of the Premium Stamped Stationery. If it is different for the two versions that have been issued, please respond individually.

RESPONSE:

The Postal Service's issuance of Premium Stamped Stationery is intended to renew the general public's interest in using the Postal Service for personal correspondence.

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DBP/USPS-10 Please describe the target market for the sale of the Premium Stamped Cards. If there are different responses for different cards, please respond to each category of cards and indicate which cards are in each category.

RESPONSE:

The Postal Service's issuance of Premium Stamped Cards is intended to renew the general public's interest in using the Postal Service for personal correspondence.

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DBP/USPS-11      What percentage of each of the two versions of the Premium Stamped Stationery that have been sold to date does the Postal Service believe were mailed for other than philatelic purposes?

RESPONSE:

The Postal Service has no basis to determine whether or for what purpose customers mail Premium Stamped Stationery.

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DBP/USPS-12      What percentage of the various versions of the Premium Stamped Cards that have been sold to date does the Postal Service believe were mailed for other than philatelic purposes?

RESPONSE:

The Postal Service has no basis to determine whether or for what purpose customers mail Premium Stamped Cards.

RESPONSE OF THE UNITED STATES POSTAL SERVICE  
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DBP/USPS-13 Please advise why large oversize Premium Stamped Cards were recently issued [as opposed to the normal size cards]?

RESPONSE:

That format was deemed more appropriate to display the artwork than standard sized cards.

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DBP/USPS-14 Please confirm, or explain if you are unable to confirm, that the selling price for these oversize cards would fall under the proposed rate for Premium Stamped Cards.

RESPONSE:

Confirmed that, under the proposal made in this docket, the fee for each such card would be set within the range proposed for Premium Stamped Cards. The selling price for the packet would also include the value of the imprinted First-Class Mail letter rate postage, since the oversized cards do not qualify for the card rate.

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DBP/USPS-15 Please discuss the extent to which the various Premium Stamped Stationery and Premium Stamps Cards have been designed to take into account the concept of being well designed from a mail processing standpoint.

RESPONSE:

Premium Stamped Stationery and Premium Stamped Cards are designed in consultation with Postal Service Engineering.

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DBP/USPS-16 Please discuss the ease by which a recipient of each of the two versions of the Premium Stamped Stationery will be able to readily open and read the mailpiece if it has been fully sealed by the mailer.

RESPONSE:

The ease by which a recipient of any Premium Stamped Stationery will be able to readily open and read the mailpiece if it has been fully sealed by the mailer should be comparable to the ease by which a recipient of any mailpiece that has been fully sealed by the mailer.

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DBP/USPS-17 [a] Has the Postal Service declared a moratorium on the issuance of any new versions of the Premium Stamped Stationery and/or Premium Stamped Cards until this Docket has been resolved?  
[b] If not, why not?

RESPONSE:

As of now, no new Premium Stamped Stationery issuances have been planned. The Postal Service is planning new Premium Stamped Card issuances beginning in late May. In Orders No. 1475 and 1476, the Commission stated its intention not to disrupt the stamped stationery market, and therefore continued the status quo for an interim period to allow the Postal Service to file a Request. It would be illogical to conclude that the continuation of the status quo for stamped stationery ended at the filing of the Request, since that would be inconsistent with the Commission's intention not to disrupt the market pending a chance for resolution of this matter. Moreover, since the cards were not a subject of the complaint, the Commission's Orders do not explicitly apply to PSC, although the Postal Service has recognized the need for the instant docket to include both. The Postal Service is hopeful that the cooperation of the participants will allow the Commission to issue a recommended decision expeditiously.

RESPONSE OF THE UNITED STATES POSTAL SERVICE  
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DBP/USPS-18 Please provide details of any complaints or other correspondence that has been received relating to the failure of a local postal facility not recognizing the postage validity of any of the previously issued Premium Stamped Stationery or Premium Stamped Cards.

RESPONSE:

The Postal Service has not received any such complaint or correspondence.