

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

STAMPED STATIONERY AND STAMPED CARDS
CLASSIFICATIONS

Docket No. MC2006-7

RESPONSES OF POSTAL SERVICE WITNESS YEH
TO INTERROGATORIES OF DOUGLAS F. CARLSON
(DFC/USPS-T1-17, 18, 23-25)

The United States Postal Service hereby provides the responses of witness Yeh to the following interrogatories of the Douglas F. Carlson, filed on April 5, 2007: DFC/USPS-T1-17, 18, 23-25. Objections are being filed to DFC/USPS-T1-19-22.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking

Scott L. Reiter

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2999, Fax -5402
scott.l.reiter@usps.gov
April 12, 2007

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS YEH
TO INTERROGATORY OF DOUGLAS F. CARLSON

DFC/USPS-T1-17. Please identify all known factors that caused the production costs of the Garden Bouquet stamped stationery to exceed the production costs of *The Art of Disney: Friendship* stamped stationery.

RESPONSE:

Garden Bouquet PSS consists of high gloss finished thick paper, removable liner for adhesive and clear tabs for securing sides of letter sheets. It is my understanding that these characteristics incurred higher production costs for Garden Bouquet PSS. The Art of Disney: Friendship PSS consists of matte paper and water-activated glue.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS YEH
TO INTERROGATORY OF DOUGLAS F. CARLSON

DFC/USPS-T1-18. For the purpose of setting fees in this proceeding, please specify the significance, if any, that the Postal Service assigns to the cost coverage that results from the fees that the Commission approves and the Postal Service implements as a result of this proceeding.

RESPONSE:

Please see my response to OCA/USPS-T1-23 and DFC/USPS-T1-7.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS YEH
TO INTERROGATORY OF DOUGLAS F. CARLSON

DFC/USPS-T1-23. Please state the significance of the average unit retail prices that you provided in response to OCA/USPS-T1-1.

RESPONSE:

The average unit prices of the sample of commercially available products comparable to PSS and PSC reflects an average of prices that a consumer may face if he or she were to shop and compare a sample of stationery and cards in the market place that are comparable to PSS and PSC.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS YEH
TO INTERROGATORY OF DOUGLAS F. CARLSON

DFC/USPS-T1-24. Please refer to your response to OCA/USPS-T1-1, where you provided the unit retail prices of five post cards. Suppose the sales volume of items 1, 2, 3, 4, and 5 is 100 units, 50 units, 40 units, 20 units, and 10 units, respectively. For the purpose of resolving issues in this proceeding, in your opinion, what is the average retail price of these five post cards?

RESPONSE:

The average unit retail prices for the five post cards remain the same as those stated in my response to OCA/USPS-T1-1. It is my understanding and experience that the retail price to the consumer does not fluctuate with sales volume for these products.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS YEH
TO INTERROGATORY OF DOUGLAS F. CARLSON

DFC/USPS-T1-25. If the Commission approves an acceptable fee or price range for the products at issue in this proceeding, please describe the public input, if any, that the Postal Service will seek before raising the price of these products.

RESPONSE:

I am not sure what you mean by "raising the price." My understanding is that once a price is set for a particular issuance, the price will not be changed.