

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

COMPLAINT ON BOUND PRINTED MATTER

Docket No. C2008-2

**ADDENDUM TO STATEMENT OF POSITION
OF THE UNITED STATES POSTAL SERVICE**
(March 20, 2008)

The United States Postal Service hereby provides an addendum to its Statement of Position, as it indicated it would do pending expected action by the Governors of the Postal Service.¹ The Postal Service today gave notice to the Commission, in accordance with 39 C.F.R. §§ 3020.90 and 3020.91, of a change in classification established by the Governors, effective May 12, 2008.² The change amends the product description for Bound Printed Matter service to require that Bound Printed Matter mailers maintain a permit account. With this change, the last sentence of the general product description for Bound Printed Matter Flats and Bound Printed Matter Parcels will read: "An annual mailing permit fee is required for Bound Printed Matter Flats and Bound Printed Matter Parcels." Currently, that requirement applies to destination-entry pieces, which constitute almost all Bound Printed Matter volume.³

As a result of the change, there will be no acceptance of Bound Printed Matter pieces at retail under any circumstance. This change will have the effect of making the complaint moot. There will be no basis to argue that the Postal Service lacks authority

¹ Statement of Position of the United States Postal Service at 4-5 (March 7, 2008).

² Docket No. MC2008-2, Notice of the United States Postal Service of Classification Change (March 20, 2008).

³ *Id.*, Attachment; Statement of Position at 1; Docket No. R2006-1, Tr. 18C/5851.

not to offer Bound Printed Matter service at retail.⁴ There will be no basis to allege disparate treatment of customers at retail, based on whether they are aware of Bound Printed Matter service.⁵ Bound Printed Matter service will be continue to be offered as a commercial service, consistent with its history and character, as explained in the Postal Service's Statement of Position.⁶ Bound Printed Matter service will continue to be available to any customer who maintains a permit account and enters Bound Printed Matter pieces in accordance with applicable postal regulations. Media Mail service and other several other postal services remain available to retail customers who mail Bound Printed Matter material.

The change noticed today addresses the Commission's concern, expressed in its Opinion in Docket No. R2006-1, that a classification change would be needed to support a change in the retail availability of Bound Printed Matter service.⁷ The change also follows up on the Governors' statement in their Decision in that Docket that the appropriateness of further classification changes in the future would be considered.⁸

In light of this change, it is the further position of the Postal Service that the complaint does not raise substantial or material issues of fact or law, as required by 39 U.S.C. § 3662(b)(1)(A)(i) for proceedings to begin. Moreover, it remains the Postal Service's position that the relief requested—that the Commission order the Postal Service to offer Bound Printed Matter service at retail windows⁹—is inappropriate,

⁴ Douglas F. Carlson Complaint on Bound Printed Matter (January 3, 2008), at 4, ¶ 20.

⁵ Complaint at 4, ¶ 21.

⁶ Statement of Position at 1-3.

⁷ PRC Op., R2006-1, at 391-92; see Statement of Position at 4.

⁸ Governors' Decision on Docket No. R2006-1, at 19 (March 19, 2007); see *id.*

⁹ Complaint at 5, ¶ 26.

particularly in light of the classification change. For these reasons, the Commission should dismiss the complaint in accordance with § 3662(b)(1)(A)(ii).

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
March 20, 2008