

DOCKET SECTION

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

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POSTAL RATE AND FEE CHANGES, 1997

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY
Docket No. R97-1

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS SMITH
TO INTERROGATORY OF ADVERTISING MAIL MARKETING ASSOCIATION
(AMMA/USPS-T45-3)**

The United States Postal Service hereby files the response of witness Marc Smith to the following interrogatory of Advertising Mail Marketing Association, filed November 14, 1997: AMMA/USPS-T45-3.

The 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



Michael T. Tidwell

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November 25 1997

RESPONSE OF U. S. POSTAL SERVICE WITNESS SMITH TO
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AMMA/USPS-ST-45-3

The following questions refer to the responses to AMMA/USPS-T-45-1b and 1c.

- a. Please define capacity and productivity and distinguish between the two as used in your responses.
- b. Please explain why the productivities of DBCS and CSBCS presented USPS-T-29 Appendix I page 43 of 43, appear to have the opposite ordering than the capacity ordering in LR-H-128 page II-2 footnote 2. (i.e., DBCS Productivity < CSBCS Productivity by one to 2.3 while DBCS Capacity > CSBCS Capacity by 3 to one)?

Response:

- a. Capacity for DBCS and CSBCS as discussed previously in my response which you cite, refers to the maximum feasible volume of letters which can be delivery point sequenced in a day. In the engineering studies of CSBCS requirements, the maximum feasible daily volume of delivery point sequenced letters of a DBCS was determined to be three times that of a CSBCS for the reasons described in my previous response.

Labor Productivity for the DBCS and CSBCS is the average volume of pieces sorted per labor hour.

- b. The opposite ordering for capacity and labor productivity occurs due to the differences in these measures as indicated in part a. One of the differences is that volumes are measured differently. Labor productivity is based on the volume of pieces sorted, while capacity is based on the volume of delivery point sequenced pieces. These two can differ since

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delivery point sequencing requires more than one sortation on both the DBCS and CSBCS. Another difference is that capacity is measured in "volumes" per day, while productivity is measured in volumes per labor hour.

DECLARATION

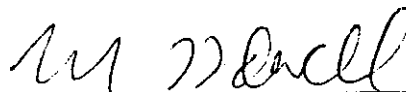
I, Marc A. Smith, hereby declare, under penalty of perjury, that the foregoing Docket No. R97-1 interrogatory responses are true to the best of my knowledge, information, and belief.

11/24/97
Date

Marc A. Smith
Marc A. Smith

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

A handwritten signature in black ink, appearing to read "M. Tidwell", written over a horizontal line.

Michael T. Tidwell

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