

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

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**Review of Nonpostal Services**

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**Docket No. MC2008-1**

**DECLARATION OF PETER WRAGG IN SUPPORT OF PITNEY BOWES INC.'S  
MOTION TO COMPEL UNITED STATES POSTAL SERVICE TO FILE A  
COMPLETE LIST OF NONPOSTAL SERVICES**

PETER WRAGG declares as follows:

1. I am Vice President of Merchandising of Pitney Bowes Inc. (Pitney Bowes), and have been employed with Pitney Bowes since 2002. My responsibilities include Marketing, Sales, and Operations for Pitney Bowes' US Supplies business. I submit this declaration in support of Pitney Bowes' Motion to Compel the United States Postal Service to File a Complete List of Nonpostal Services.

2. In my capacity as Vice President of Merchandising, I am familiar with the postage meter supplies market. I am also familiar with the Postal Service's regulatory approval process for postage evidencing systems and the performance criteria that the Postal Service has established for the postage meter indicium.

3. The market for postage meter ink cartridges is a mature, highly-competitive market which includes private commercial manufactures, suppliers, and distributors, including many small businesses. Postage meter ink cartridge manufacturers include both original equipment manufactures (OEMs) and remanufactures. Pitney Bowes has been an active participant in the postage evidencing market for 88 years as one of several OEMs.

4. The Postal Service has established regulations governing the production and distribution of postage evidencing systems. Postal Service regulations also govern the repair, distribution, refurbishment, remanufacture, modification or destruction of any component of a postage evidencing system. The Postal Service has further established performance criteria for the postage meter indicium, including minimum fluorescence standards for the ink.

5. Pitney Bowes and other meter supply manufacturers cannot offer postage evidencing systems or system components without Postal Service regulatory approval.

6. On October 3, I learned that the Postal Service had entered the meter supplies business by offering Postal Service branded replacement postage meter cartridges as substitute products for Pitney Bowes postage meter ink cartridges. Exhibit A of this declaration includes a selection of screenshots from various websites advertising for sale Postal Service branded replacement postage meter cartridges.

7. The website screenshots included in Exhibit A make clear that the Postal Service is using a variety of commercial retail distribution channels (e.g., Costco, Address, Complete Office, Biggest Book.com), to sell Postal Service branded replacement postage meter cartridges as substitute products for Pitney Bowes postage meter ink cartridges.

8. I have reviewed the Domestic Mail Classification Schedule ([http://www.prc.gov/PRC-DOCS/library/mcs/June\\_1\\_DMCS\\_Web.pdf](http://www.prc.gov/PRC-DOCS/library/mcs/June_1_DMCS_Web.pdf)) and do not see any listing pertaining to Postal Service branded replacement meter cartridges.

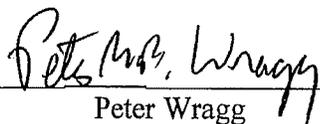
9. The Postal Service was not engaged in the business of selling Postal Service branded replacement meter cartridges as of January 1, 2006.

10. I have also reviewed the pleadings in this docket and have found no reference to the Postal Service's plans to enter into this new line of business. Nor have I found any

explanation in the pleadings to justify the Postal Service's authority to enter into this new line of business under the postal reform law or any factual allegation as to why the commercial participants in the meter supplies business cannot adequately meet the public need for postage meter cartridges.

11. The Postal Service's entry into the competitive meter supplies market with a Postal Service branded replacement meter cartridges would inflict substantial commercial harm on Pitney Bowes and other commercial participants in the meter supplies market because the commercial market participants would be forced to compete against a government entity operating in a commercial space in which the same governmental entity also exercises regulatory authority.

I, Peter Wragg declare under penalty of perjury that, to the best of my knowledge, the foregoing is true and correct. Executed in Shelton, Connecticut on October 13, 2008.

  
Peter Wragg

# EXHIBIT A



[CHECK OUT](#) | [SHOPPING LIST](#) | [ORDER BY ITEM #](#) | [ORDER STATUS](#) | [MY ACCOUNT](#) | [HELP](#) | [LOG](#)

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- ◀ office supplies | ink, toner & ribbon | postage meters
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## NEW Items - Office Supplies

<b>Refine By:</b>	
<b>Categories</b>	
NEW Items	
Office Supplies	
<b>Brand</b>	
Brother	
Casio	
Mesa Safe	
MMF	
Monarch	
Sharp	
<b>Price</b>	
less than \$100	
\$100 - \$1,000	
<b>Ink and Toner Finder</b>	
Printer Manufacturer	
<b>Color</b>	
Black Ink	

↔ next product ↔

**USP500  
Ink Cartridge  
Red**

**\$65.34**

Item # 305935

Qty: 1



**SHIPPING INFO**

**USP500 Postage Meter Cartridge - Red**

**Cartridge Specifications:**

- 1 - Ink Cartridge  
OEM: Pitney Bowes 6211  
Color: Red  
Page yield: approx. 15,000 pages<sup>1</sup>

**Machine Compatibility:**

- Pitney Bowes: DM500, DM550

\*Actual yield depends on specific use including images per printer, print settings and other factors.

**Shipping & Terms**

All prices listed are delivered prices from **Costco Business Delivery**. Product availability and pricing are subject to change without notice.

**Delivery orders under \$250, before tax, will be charge delivery fee.** Enjoy next-business-day delivery (in most areas) when you place your order by 3 p.m. Orders placed after 3 p.m. will be processed the following business day. For additional questions regarding delivery, please call (800) 788-9968.

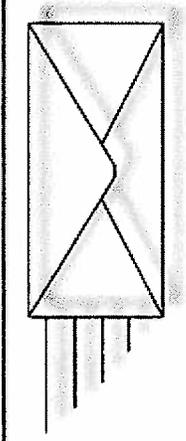
Costco.com products can be returned to any of our more than 400 Costco warehouses worldwide.

[Model UNPUSP500 / PB6211]

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come Guest,  
 Username:  Password:

Items in your Cart: 0  
 Current Subtotal: \$0.00

Registration is only required when making a purchase.

**USPS® Brand #USPE700 - 769-0 Red Ink Cartridge**



Compatible Pitney Bowes Ink Cartridge. For Pitney Bowes Machine Series: E700, E707

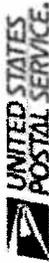
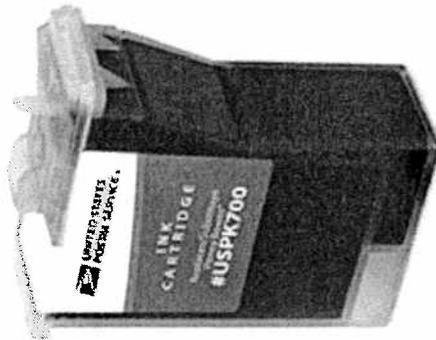
In Stock Price: Qty

### CATEGORIES

- Printer Supplies
- Printers & Accessories
- Binders & Desk Supplies
- Calendars & Planners
- File Folders
- Breakroom & Janitorial
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### OUR SHOPPING CART

Your cart is empty.



**United States Postal Service USP700 Inkjet Cartridge**  
By United States Postal Service

[View Larger Image](#) » **Product Info**  
 Item Part: UNP-USPK700  
 Add To Favorites » Mfg. Part: USPK700  
 Send To An Associate » UNSPSC: 44103105  
 More Similar Products » UPC Code: 00841992019027

**Product Pricing**

Price: **\$28.80**  
~~\$39.99~~

Qty:  [Add to Cart](#)

### Similar Products

	Innovvera® 48320 (1048320) Inkjet Cartridge, Magenta Only \$7.04 <a href="#">More Info</a> >
	Innovvera® 75WN (68775WN), 2) Inkjet Cartridge, Photo Light Magenta Only \$7.38 <a href="#">More Info</a> >
	Innovvera® 9352AN (C9352AN, 22) Inkjet Cartridge, Tri-Color Only \$13.84 <a href="#">More Info</a> >
	Innovvera® 2028A (8728AN) Remanufactured Inkjet Cartridge, Tri-Color Only \$19.04 <a href="#">More Info</a> >

### Overview Specifications

**USPK700 Inkjet Cartridge, Red**  
Enjoy clear, smudge-free impressions. Engineered for reliable operation in your postage machine. Achieve quality printing at a cost-effective price.

CATEGORIES

FILTER BY GROUP

Printer Supplies/Accessories

FILTER BY BRAND

United States Postal Service (8)

FILTER BY PRICE

Under 100 (8)

FILTER BY KEYWORD

Go

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Your cart is empty.

Brand: United States Postal Service

sort by: Group | Brand | Price | Lowest Price Highest Price

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Compare



United States Postal Service  
USPE700 Inkjet Cartridge, Red  
MFG#USPE700

\$20.40 1 Add



United States Postal Service  
USPK700 Inkjet Cartridge, Red  
MFG#USPK700

\$28.80 1 Add



United States Postal Service  
USPP700 Inkjet Cartridge, Red  
MFG#USPP700

\$42.00 1 Add



United States Postal Service  
USP300 Inkjet Cartridge, Red  
MFG#USP300

\$48.00 1 Add



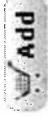
United States Postal Service  
USP400 Inkjet Cartridge, Red

\$48.00 1 Add


**MFG#USPP700**


 United States Postal Service  
 USP300 Inkjet Cartridge, Red  
**MFG#USP300**

\$48.00




 United States Postal Service  
 USP400 Inkjet Cartridge, Red  
**MFG#USP400**

\$48.00




 United States Postal Service  
 USP1000 Inkjet Cartridge, Black  
**MFG#USP1000**

\$60.00




 United States Postal Service  
 USPB700 Inkjet Cartridge, Red Ink, 2 Cartridges per Pack  
**MFG#USPB700**

\$60.00

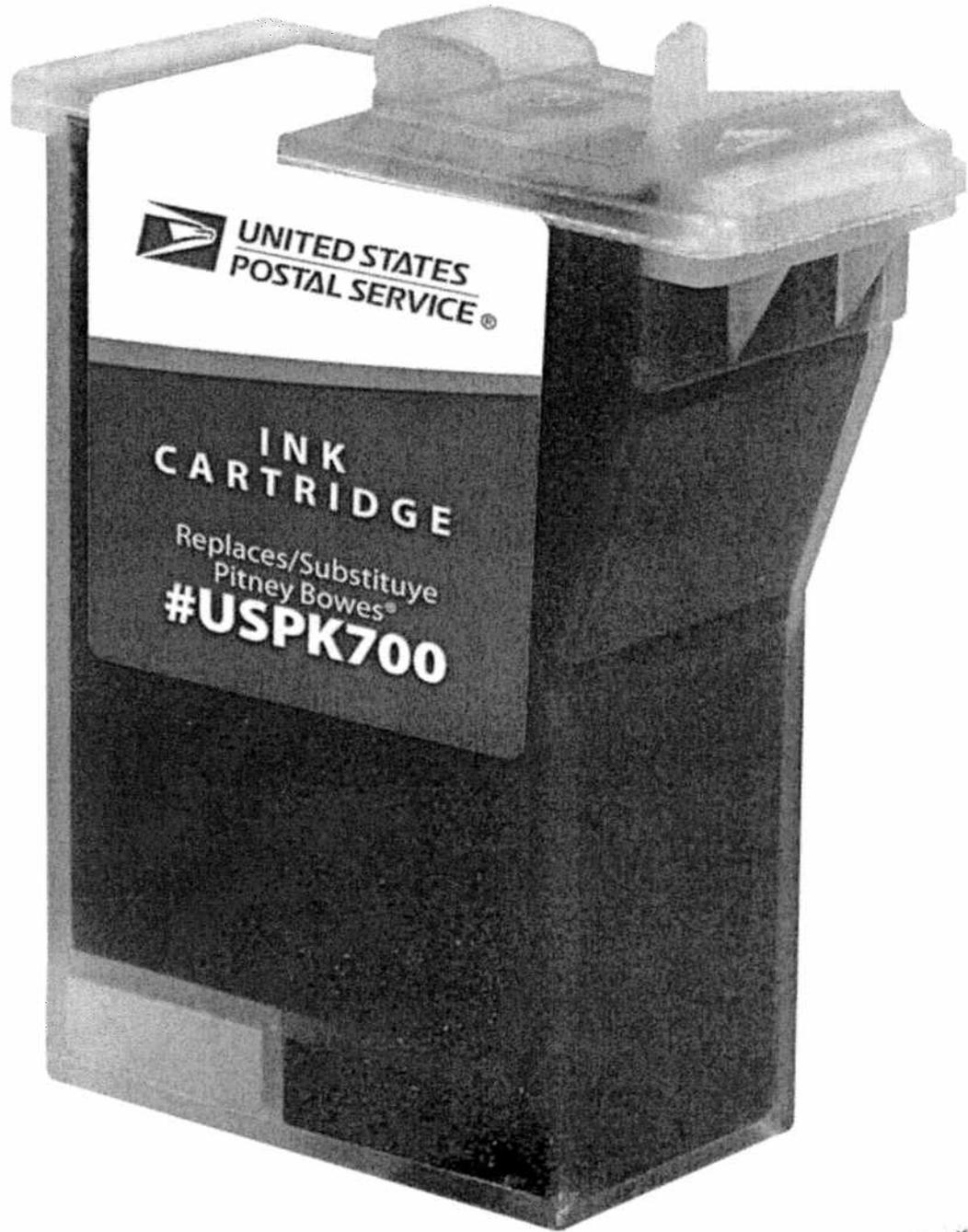



 United States Postal Service  
 USP500 Inkjet Cartridge, Red  
**MFG#USP500**

\$72.00



Compare



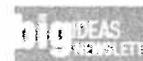
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**UNITED STATES POSTAL SERVICE  
USPK700 Inkjet Cartridge, Red**

- Clear, smudge-free impressions.
- Engineered for reliable operation in your postage machine.

\$39.99/EA UNPUSPK700



**UNITED STATES POSTAL SERVICE  
USPE700 Inkjet Cartridge, Red**

- Superior quality at an economical price.
- Standard USPS fluorescent red ink provides high quality meter markings.

\$34.99/EA UNPUSPE700



**UNITED STATES POSTAL SERVICE  
USPP700 Inkjet Cartridge, Red**

- Economical.
- Resistance to smudging and bleeding.

\$54.99/EA UNPUSPP700



**UNITED STATES POSTAL SERVICE  
USPB700 Inkjet Cartridge, Red Ink, 2 Cartridges per Pack**

- Cost-effective alternative.
- Red ink is formulated for efficiency in your machine.

\$84.99/PK UNPUSPB700



**UNITED STATES POSTAL SERVICE  
USP300 Inkjet Cartridge, Red**

- Cost-effective alternative to increasing OEM prices.
- Red ink is formulated for durable smear-resistant results.

\$74.99/EA UNPUSP300



**UNITED STATES POSTAL SERVICE  
USP1000 Inkjet Cartridge, Black**

- Economical.
- Resistance to smudging and bleeding.

\$64.99/EA UNPUSP1000



**UNITED STATES POSTAL SERVICE  
USP400 Inkjet Cartridge, Red**

- Quality printing at a cost-effective price.
- Smudge- and smear-resistant.

\$74.99/EA UNPUSP400



**UNITED STATES POSTAL SERVICE  
USP500 Inkjet Cartridge, Red**

- Clear, smudge-free metering.
- Ink meets USPS requirements for fluorescence.

\$79.99/EA UNPUSP500



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**Brand Name**

United States Postal Service

**List Price:**

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