

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

REVIEW OF NONPOSTAL SERVICES

Docket No. MC20008 - 1

THIRD DECLARATION OF RANDALL E. HOOKER IN RESPONSE TO PITNEY BOWES,
INC.'S MOTION TO COMPEL UNITED STATES POSTAL SERVICE
TO FILE A COMPLETE LIST OF NONPOSTAL SERVICES

RANDALL E. HOOKER states and declares, under penalty of perjury and upon his personal testimonial knowledge that he is in all respects competent to testify in this matter and states as follows:

1. I am the Managing Member of Pinpoint, LLC, a Washington State limited liability company located at 16541 Redmond Way, Suite 170, Redmond, Washington 98052 ("Pinpoint"). This Declaration is in response to the letters submitted to the Commission by the Chamber of Commerce of the United States of America (the "Chamber of Commerce") and the Information Technology Industry Council ("ITIC") on November 19, 2008 and November 20, 2008, respectively.

2. As stated in my previous declarations, Pinpoint LLC is the manufacturer of postage meter ink cartridges bearing the USPS brand. The USPS has no involvement in either the manufacture or sale of these products. Contrary to the assertions made in the letters from the Chamber of Commerce and ITIC, and in the various submissions from Pitney Bowes, the USPS has not entered the market for postage meter ink cartridges.

3. I have spoken directly with the individual at the Chamber of Commerce who wrote the text of their November 19 submission, over the signature of his superior, regarding the document.

4. This individual disclosed that the proceedings were brought to the Chambers' attention by Pitney Bowes, a member of the Chamber of Commerce. The outline of the letter they ultimately submitted was also provided by Pitney Bowes personnel.

5. This individual further disclosed that prior to submitting his letter he had not read my previous declarations in the proceeding. He was therefore unaware that Pinpoint, a private enterprise and member of the Chamber of Commerce, was the party at interest as it relates to the manufacturing and sales of the products being protested by Pitney Bowes.

6. His ignorance of all the facts and reliance on Pitney Bowes for the basis of his statements demonstrates the power Pitney Bowes is bringing to bear in order to stifle legitimate competition. The statements made in the Chamber of Commerce's letter, which clearly do not represent to the views of all of the members of the Chamber of Commerce, serve to once again misrepresent the almost non-existent role of the USPS in Pinpoints' business activities.

7. Similarly, the ITIC letter parallels the basic text provided by Pitney Bowes to the Chamber of Commerce. It again misrepresents the facts of the USPS' role in the market for postage meter supplies, as well as its role in Pinpoint's business functions. As the manufacturers of the products in question, with sole responsibility for development, production and sales, without any involvement by the USPS, Pinpoint protests the gross misstatements of facts made in this letter. Specifically the statements that the USPS has embarked on a "recent venture into the imaging supplies business", "the introduction of

government sponsored competition” and “it is inappropriate for the Postal Service to compete in commercial markets” misrepresent the marketplace as it functions in real life.

8. Let me be perfectly clear on these points, as Pitney Bowes, and the industry bodies making submissions at Pitney Bowes direction, have obscured the true facts. Pinpoint is the enterprise which operates in the imaging supplies business. The USPS does not manufacture postal meter supplies; Pinpoint does that. They do not sell postal meter supplies; third party vendors do that. Pinpoint’s business activities are carried on solely on our own initiative. We do so with no support or involvement by the USPS. The USPS does not “sponsor” Pinpoint’s activities or those of any other player in this market. Pinpoint is not a “recent” participant in this market, having manufactured the products in question since 2001. Contrary to the assertions made in the ITIC letter, the USPS is not a recent entry into the postal meter supplies market; the USPS does not compete in this market; nor does the USPS “sponsor competition” within the relevant market. The USPS does none of these things because it is not involved in the relevant market as a manufacturer, distributor, or seller of postage meter supplies.

9. Contrary to the assertions made by the Chamber of Commerce and ITIC, the market in postage meter supplies is anything but “vibrant and competitive”. Pinpoint and other market participants struggle to compete with Pitney Bowes and its overwhelming market dominance. Taken in whole, the propagation of text provided by Pitney Bowes to lobby groups and industry organizations and enlistment of these organizations in submitting flawed information to the Commission leads us to believe Pitney Bowes is either ignoring or actively misrepresenting the true role and function of Pinpoint and other actual market participants in order to skew the issue before the commission.

10. By its submissions to the Commission, and by its misrepresentations through industry groups, Pitney Bowes apparently seeks to misguide the Commission in such a manner that Pitney Bowes can continue to exert its dominance in the relevant market. The only reason Pitney Bowes could have for such actions is to stifle the legitimate competition currently underway between Pitney Bowes, Pinpoint, and the other long standing competitors in this market.



Randall E. Hooker
President
Pinpoint LLC
16541 Redmond Way, Suite 170
Redmond, WA 98052
Telephone: 425-442-4764
E-Mail: randyhooker@pinpointllc.com

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