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BROTHER INTERNATIONAL CORPORATION

November 24, 2008

The Honorable Dan G. Blair
Chairman
United States Postal Regulatory Commission
901 New York Avenue, NW
Washington, DC

Re: Review of Nonpostal Services, PRC Docket No. MC2008-1

Dear Chairman Blair:

Brother International Corporation submits these comments in response to Order No. 126 as amended by Order No. 136, the Postal Regulatory Commission's (Commission) Order Granting, in part, Pitney Bowes' Motion to Compel United States Postal Service to File a Complete List of Nonpostal Services, filed October 15, 2008.

Brother International Corporation and/or its affiliates (hereinafter "Brother") collaborates with Pitney Bowes Inc. on ink jet printing technology for certain products. In order to be qualified for use in the postage metering systems, Brother's ink is subjected to significant testing and approval by the USPS. Brother is concerned that the same party that is overseeing the approval of the ink(s) used in the cartridges supplied by Brother is also profiting from an intellectual property licensing relationship with a party engaged in the sale/distribution of products that are directly competitive with those supplied by Brother. Allowing the regulator to hold commercial contracts that provide revenue to the regulator arising from the sale of products that it is responsible to oversee should not be permitted.

Brother International Corporation also believes that there are a number of licenses held by the USPS that may have an effect on product categories in which Brother competes including: inkjet and laser toner cartridges, sewing products, various labels and labeling applications, paper goods, school and office supplies, craft and accessories, and stampers and stamp pads. In most cases, the response of the USPS providing information about the licenses that it holds, failed to disclose adequate information concerning recent (2008) revenues. Moreover, in many cases, the USPS entered into the licenses very recently and therefore, the failure to provide information about 2008 revenues does not allow Brother to fully assess the potential competitive advantage that the USPS brand may provide in various product categories. Brother believes that each of the product categories are mature and the marketplace for the products is highly-competitive and is currently served by numerous private commercial manufacturers, suppliers, and distributors, of which



Brother International Corporation is one. The private sector has and will continue to meet the public need for the products. The Postal Service's influence on these markets through its licensing activities is not necessary to meet a public need. We do not believe that leveraging the USPS' brand(s) to influence competition in various markets is what Congress intended in enacting the Postal Accountability and Enhancement Act of 2006.

We appreciate the Commission's consideration of these comments.

Sincerely,

BROTHER INTERNATIONAL CORPORATION

A handwritten signature in black ink, appearing to read "Tadashi Ishiguro". The signature is fluid and cursive, with a long horizontal stroke at the end.

Tadashi Ishiguro
President

TI/bbj