

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

Postal Regulatory Commission
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REVIEW OF NONPOSTAL SERVICES

Docket No. MC2008-1 (Phase II)

UNITED STATES POSTAL SERVICE NOTICE OF
REVISION TO ITS RESPONSE TO QUESTION 18 OF
PRESIDING OFFICER'S INFORMATION REQUEST NO. 1
(April 22, 2009)

As noted in the Postal Service's Response to Presiding Officer's Ruling (POR) No. 5, filed today, the Postal Service has revised its response to Question 18 of Presiding Officer's Information Request (POIR) No. 1 to reflect the fact that the "Postal Service" band single CD is no longer sold on Postal Store. No other changes to this response are being made. The revised response is attached hereto.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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**UNITED STATES POSTAL SERVICE RESPONSE TO
PRESIDING OFFICER'S INFORMATION REQUEST NO. 1**

18. Bornitz indicates that the Postal Store (at USPS.com) offers some CDs and DVDs that are not within the OLRP program, and that the Postal Service plans to merge the merchandising strategy for these two channels in the future. *Id.*

- a. Please identify each similar item offered via the Postal Store that is not within the OLRP program.
- b. Please elaborate on plans to merge the merchandising strategy for the Postal Store and the OLRP program.

RESPONSE:

- a. This question omits a critical phrase from the Bornitz statement: the CDs and DVDs sold on Postal Store are not “within the OLRP program *that [she] manage[s].*” Supplemental Statement at 3 (emphasis added). Postal Store and retail lobby merchandising are managed by different functions within the Postal Service. However, all of the CDs and DVDs sold by the Postal Service, either through the Postal Store, or through its retail locations, fall within the scope of the OLRP program for regulatory purposes. The MCS language for OLRP is not limited by the channel in which the retail item is sold; instead, it covers retail merchandise sold through all Postal Store retail channels. Thus, as witness Bornitz states in her Supplemental Statement, the OLRP program as described in this proceeding “was intended to include all retail sales of merchandise through Postal Service channels, including the sale of recorded music.” *Id.* See also Order No. 154 at 49 n.11 (noting that OLRP products are sold through USPS.com).

Most of the CDs and DVDs sold on Postal Store are discussed in the statement of witness Bornitz. These are the Frank Sinatra “Nothing But the Best” CD, the “Milestones of the Civil Rights Movement” DVD, the “Ultimate Mancini” CD, the “Gospel Singers Stampfolio with CD,” the “The States” miniseries DVD, and the “Benjamin Franklin” DVD. In addition to these items identified by witness Bornitz, Postal Store also sells two CDs containing versions of the song “Take Me Out to the Ballgame,” which was issued in conjunction with the “Take Me Out to the Ball Game” commemorative stamp.

- b. A team has been established to set and manage an overall merchandising strategy for the Postal Service, across all of the Postal Service’s various retail channels. In the past, the various channels (such as retail lobby marketing and the Postal Store) operated more independently of one another.