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7R COMMUNICATIONS

The Honorable Dan Blair
Chairman
Postal Regulatory Commission
901 New York Avenue, NW, Suite 200
Washington, DC 20268-0001

re: Docket No. R2009-3

Dear Chairman Blair,

I am writing to express my personal support and that of 7R Communications LLC for the USPS' proposed "summer sale" for standard mail per Docket R2009-3. Although we anticipate that our company, our licensees, our end customers, as well as the public, will benefit from the "summer sale" through the stimulation of standard mail letters (and flats), we more importantly believe that additional US jobs will be preserved during an otherwise traditional slow period for the US mailing industry.

Having spent nearly 25 years in the paper, printing and converting industries for most of my professional life, I am enthusiastic that the USPS is proposing an initiative that will help stimulate summer postal volumes. The Institute for Postal Studies documented in a 2008 Economics Jobs Study (www.emafoundation.org/page/22375/index.v3page) that 8.3 million jobs and $1.2 trillion in revenue are associated with the mailing industry. From my professional experience, I can attest to the significant seasonality in servicing the mailing industry during the slower summer months. Any stimulation, even limited to the top 3,000 or so standard mail permit holders accounting for 70%+ of standard mail volume, will help support jobs, a significant point given massive job losses suffered by the American people over the past six months.

I hope the Postal Regulatory Commission will allow for the fact that a considerable number of catalogers - with the uncertainty of passage of this proposal - have already made their paper, print, and delivery commitments for July, so the results may fail to meet original expectations. The USPS, as a fixed cost business, should be praised for trying a new program to stimulate revenue during its under-utilized months; however, we wish the proposal had been for two years rather than one year so that the mailing industry as a whole could more securely plan, and therefore execute, incremental mailings.

I also wish to praise the USPS and the Postal Regulatory Commission for considering proposals that allow the USPS to gain experience using its pricing flexibility under PAEA. Hopefully, this will lead to your consideration of other USPS proposals to stimulate additional classes of mail that might deliver even more revenue with a lower percentage discount (see Addendum on page 2).

Again, 7R Communications endorses this first step by the USPS as proposed and urges the Commission to approve the Summer Sale as submitted. We appreciate the inclusion of this letter in the public record for Docket No. R2009-3.

I welcome the opportunity to address any questions or comments you may have.

Sincerely,

Brook Spaulding
Principal and Chief Technology Officer

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ADDENDUM: We encourage the USPS to consider and propose to the Postal Regulatory Commission in the near future, a 0.5 ounce rate for first class mail (and standard mail) for the following benefits:

• *Make "offline" mail more affordable compared to "online" mail as a means of retrieving former customers who have migrated to email, and as a means of driving a new generation of customers to the mail stream medium with the use of innovative designs (make mail relevant and fun … how about a viral offline campaign?).*

• *Upgrade existing customers from postcards to envelopes. We do not envision cannibalization of existing customers whose pieces are closer to 1.0 ounce weight limit unless they dramatically change their offerings.*

• *Promote sustainability by encouraging a more efficient use of paper while lowering USPS fuel and maintenance costs.*

Note: a lighter weight category shouldn't translate to flimsier pieces of mail. Our company, 7R Communications (www.7rcommunications.com), for example, licenses to the printing and converter communities its USPS approved 7R Convertible Mailer which embeds a reply post card, business card, message and coupon all into a single outbound #10 envelope weighing under 0.3 ounces … it can even be stuffed with an insert and remain under 0.4 ounces. The business reply card represents another revenue opportunity for the USPS.

Bottom line: a lighter weight category for 1st class (and standard mail) would encourage innovation and drive new customers to the mail stream for the traditional benefits of security, privacy, and confidentiality while adding the new benefits of fun, personalization, and environmental stewardship. Although this is not the proposal before the Postal Regulatory Commission at this time, I warmly welcome your thoughts on this matter either publicly or in confidence on how to move the USPS towards its consideration.

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