

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Station and Branch Optimization and  
Consolidation Initiative, 2009

Docket No. N2009-1

PRESIDING OFFICER'S RULING  
DENYING MOTION TO PUBLICLY DISCLOSE FINANCE NUMBERS

(Issued September 25, 2009)

On September 3, 2009, David B. Popkin filed a motion in which he contends that the Postal Service has not justified the non-public status of finance numbers provided within library references USPS-LR-N2009-1/7 and USPS-LR-N2009-1/11.<sup>1</sup> See 39 CFR § 3007.31. Library references USPS-LR-N2009-1/7 and USPS-LR-N2009-1/11 were provided in response to Commission Information Request No. 1, July 29, 2009 (CIR No. 1), questions 15 and 16 respectively. In his Motion, Popkin cites to various instances where he alleges that the Postal Service previously has disclosed finance numbers.

CIR No. 1, question 15, sought information concerning the list of candidate stations and branches subject to review pursuant to the Station and Branch Optimization and Consolidation Initiative (Initiative). The Postal Service provided its response to this question in both a public and a non-public version of library reference USPS-LR-N2009-1/7.<sup>2</sup> Both versions provide the same information except that station and branch finance numbers are redacted in the public version.

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<sup>1</sup> David B. Popkin Motion, September 3, 2009 (Motion).

<sup>2</sup> USPS-LR-N2009-1/7, List of Postal Retail Stations and Branches that Report to EAS-24 and Above Postmasters, September 2, 2009.

CIR No. 1, question 16, sought information concerning recently closed stations and branches referenced in witness Matalik's testimony. The Postal Service provided its response to this question in both a hard copy spreadsheet<sup>3</sup> and a non-public library reference USPS-LR-N2009-1/11.<sup>4</sup> The library reference includes station and branch finance numbers, whereas the hard copy spreadsheet does not.

The Postal Service notices alerting participants to the filing of the above library references include nearly identical applications for non-public status for the treatment of the station and branch finance numbers.<sup>5</sup> See 39 CFR § 3007.21. The Postal Service explains that a finance number is an assigned 6- or 10-digit number that identifies a postal installation for processing its financial data. On its own, a finance number does not reveal anything of significance to the public. However, in combination with other data sources, it permits the coordination of information from various internal accounting systems. The Postal Service contends that financial accounting information associated with a specific facility is of a commercial nature, which under good business practice would not be publicly disclosed. As an example, the Postal Service asserts that knowledge of a facility's financial data could be used by competitors to ascertain the best locations for establishing competing businesses. The Postal Service also argues that disclosure of a facility's financial data could create a security risk. For example, the identification of facilities having large volumes of Registered Mail could subject the facilities to robbery attempts.

The Postal Service also filed a response to the Motion in which it references the reasons stated in its original applications for non-public status as justification for

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<sup>3</sup> Responses of United States Postal Service Witness Matalik to Commission Information Request No. 1 (Questions 16 and 20), August 28, 2009.

<sup>4</sup> USPS-LR-N2009-1/11, List of FY2008-08 Stations and Branches Provided in Response to Question 16 of Commission Information Request No. 1, September 2, 2009.

<sup>5</sup> Notice of the United States Postal Service of Filing of Library Reference N2009-1/7 and Application for Non-public Status, September 2, 2009; and Notice of United States Postal Service of Filing of Library Reference N2009-1/11 and Application for Non-public Status, September 2, 2009.

maintaining the non-public status of the finance numbers.<sup>6</sup> The Postal Service further states that it supports the Public Representative's response to the Motion, which is discussed below.

On September 14, 2009, the Public Representative filed a response to the Motion in support of the Postal Service's application for non-public treatment of the finance numbers.<sup>7</sup> The Public Representative contends that Popkin has not made a necessary showing of public need, nor does the Public Representative find any public interest in reviewing station and branch finance numbers. The Public Representative argues that "any possible commercial injury, however remote or diminutive, outweighs the complete lack of public interest in reviewing the financial numbers." Public Representative Response at 3-4. (Emphasis in original.)

*Analysis.* "In determining whether to publicly disclose non-public materials filed by the Postal Service, the Commission shall balance the nature and extent of the likely commercial injury identified by the Postal Service against the public interest in maintaining the financial transparency of a government entity competing in commercial markets." 39 CFR § 3007.33.

The Postal Service has explained how finance numbers act as combinations which potentially can unlock a wealth of facility-specific financial information. It presents arguments as to why this information may be valuable to its competitors, and thus, is potentially commercially sensitive. Popkin provides no argument as to why public disclosure of this information will facilitate any aspect of evaluating the Postal Service's Initiative now before the Commission. Where the sources cited by Popkin in fact

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<sup>6</sup> Response of the United States Postal Service to David Popkin Motion, September 14, 2009; and United States Postal Service Notice of Filing Errata to Response of the United States Postal Service to David Popkin Motion [Errata], September 15, 2009. The response was accompanied by Motion of the United States Postal Service for Late Acceptance of Its Response to David Popkin Motion, September 14, 2009. This motion is granted.

<sup>7</sup> Response of the Public Representative to David Popkin Motion, September 14, 2009 (Public Representative Response). The response was accompanied by Motion of the Public Representative for Late Acceptance of the Filing of Its Response to David Popkin Motion, September 14, 2009. This motion is granted.

publicly disclose finance numbers, the disclosures are for random facilities as opposed to any type of comprehensive list, which appears to limit the value of these disclosures.

Given the specific factual path that discovery has taken in this docket, the lack of a demonstrated value in public disclosure of the finance numbers, and consideration of an assertion of potential commercial harm, a goal of maintaining the financial transparency of a government entity in this instance is not well served by requiring the public dissemination of the Postal Service's internal finance numbers. The Motion is denied.

The Postal Service's applications for non-public treatment also request that the duration of such treatment be extended indefinitely. See 39 CFR § 3007.30. These requests are premature. Should the need for non-public treatment remain as the expiration of the 10-year non-public treatment approaches, the Postal Service may submit a motion to the Commission to extend at that time.

#### RULING

1. The David B. Popkin Motion, filed September 3, 2009, is denied.
2. The Motion of the United States Postal Service for Late Acceptance of Its Response to David Popkin Motion, filed September 14, 2009, is granted.
3. The Motion of the Public Representative for Late Acceptance of the Filing of Its Response to David Popkin Motion, filed September 14, 2009, is granted.

Ruth Y. Goldway  
Presiding Officer