

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

COMPLAINT OF GAMEFLY, INC.

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Docket No. C2009-1

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO DISCOVERY REQUESTS OF GAMEFLY, INC.
(GFL/USPS-178-180, 183-184)
(October 14, 2009)

Pursuant to Rules 26 and 27 of the Commission's Rules of Practice and Procedure, the Postal Service hereby provides responses to the following discovery requests of GameFly, Inc.: GFL/USPS-178-180, 183-184.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:
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RESPONSE OF THE UNITED STATES POSTAL SERVICE
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GFL/USPS-178. Please confirm that the Postal Service did not develop a proportional CRA adjustment factor for any type of Single-Piece First-Class Mail Flats in Docket No. R2006-1, nor has the Postal Service subsequently developed such an adjustment factor. If not confirmed, please provide the adjustment factor, all underlying calculations, and the rationale.

RESPONSE:

Confirmed.

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GFL/USPS-179. Please confirm that the Docket No. R2006-1 USPS First-Class Mail Presort Flats cost model – e.g., the First-Class Mail model in USPS-LR-L-43 – embodies the “error in the procedure used to map First-Class Mail Automation flats pieces to rate elements” described in proposal eight filed by the Postal Service in Docket No. RM2008-2. If not confirmed, please explain fully.

RESPONSE:

Confirmed.

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GFL/USPS-180. Please confirm that the location-specific worksheets (e.g., “Palatine”) within an envelope type (i.e., FE and CD) and Scenario (i.e., 1, 2, and 3) in the return mail cost models differ only in terms of (a) the figures in columns [1] and [2] and (b) the values calculated in cells containing formulae that refer to those columns. If not confirmed, please explain all other differences fully.

RESPONSE:

Confirmed.

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GFL/USPS-183. Please provide Netflix's average scrap (i.e., DVD damage) rate for return mailpieces for each fiscal year from FY 2005 through FY 2008.

RESPONSE:

Available breakage data provided by Netflix for this timeframe can be found at GFL0001370 (an electronic copy was produced in the powerpoint slide entitled, DVD Damage—Central PA District—2009-7-16.ppt), and in the data provided in response to GFL/USPS-6 (see GFL0070500 through GFL0073067).

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GFL/USPS-184. Please refer to DVDDraftComments.doc, attached to an 8/31/2006 email from Virginia Mayes. Please provide the “net income” figures that are referred to on page 1 of the document, any subsequent revisions to these figures, and all underlying calculations and cost models.

RESPONSE:

Please refer to cell E22 of the “Summary” worksheet within the workbook entitled “Netflix Outbound.xls” attached to the email sent from Joe Henningfield to Jessica Lowrance and Mike Plunkett on 08/25/2006. For the subsequent revision, refer to cell E24 of the “Summary” worksheet within the workbook entitled “Netflix Outbound v2.xls” attached to the email sent from Joe Henningfield to Jessica Lowrance on 09/28/2006. No other revisions were generated.