

**BEFORE THE POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001**

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**Petition of the United States Postal Service  
Requesting Authorization to Utilize Pro  
Forma Accounting Data in Periodic Reporting**

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**Docket No. RM 2010-3**

**COMMENTS OF PITNEY BOWES INC.**

Pursuant to Order No. 321, dated October 22, 2009, Pitney Bowes Inc. (Pitney Bowes) respectfully submits these comments on the Postal Service's October 20, 2009 Petition Requesting Authorization to Utilize Pro Forma Accounting Data in Periodic Reporting (Petition). Pitney Bowes supports the Postal Service's Petition.

Under the Postal Accountability and Enhancement Act (PAEA) the Postal Service was required to pay \$5.4 billion into the Postal Service Retiree Health Benefits Fund (PSRHBF) on September 30, 2009.<sup>1</sup> Confronted with unprecedented volume declines and attendant revenue shortfalls, Congress reduced that payment by \$4 billion in the FY 2010 Continuing Resolution.<sup>2</sup> Although the bill was enacted on September 30, 2009, it was not approved until October 1, 2009, the effective date of the reduction in the required payment.

As the Postal Service notes in its Petition, generally accepted accounting principles (GAAP) would require that the expense reduction of \$4 billion dollars provided by the Continuing Resolution be accounted for in FY 2010, rather than FY 2009 as Congress plainly intended. *See* Petition at 2-3.

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<sup>1</sup> Pub. L. No. 109-435, 120 Stat. 3218 (2006).

<sup>2</sup> *See* Pub. L. No. 111-068.

Departures from GAAP should be infrequent, well-motivated, and used only to clarify and illuminate an entity's true financial position rather than obscure it. The Postal Service's Petition satisfies these conditions.

Consistent with our support of the Petition, Pitney Bowes agrees with the comments filed by the Public Representative that the Postal Service should further explain how the pro forma accounting on the income statement will flow to the balance sheet and how the reduction in expenses in FY 2009 will affect relevant cost segments, the allocation of costs between attributable and institutional, and the distribution of the attributable costs.

Subject to the foregoing comments, Pitney Bowes respectfully requests that the Commission approve the Petition as filed by the Postal Service.

Respectfully submitted,

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