



Opinion Research Corporation

July 24, 2009

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Via e-mail to: bob.smith@usps.gov

USPS 5-Day Delivery Research

Bob,

Thank you for giving Opinion Research Corporation (ORC) an opportunity to prepare a proposal to help the United States Postal Service understand the impact of the potential switch to a five day per week mail delivery. We are delighted to be able to assist the Postal Service in the process of evaluating whether to make this switch.

This document outlines our understanding of your research objectives, our recommended approach, the assumptions we have made, and the associated price and timeline for this research program.

If you have any questions or would like us to adjust any aspect of this proposal, please feel free to give us a call. We look forward to the prospect of working with you on this engagement.

Background & Objectives

The Postal Service currently delivers mail six days per week (Monday through Saturday). To reduce costs and improve its financial outlook, the USPS is considering a change to five day a week delivery (Monday through Friday). Specific elements of this plan include:

- Discontinuation of the following services on Saturdays:
 - Processing and transportation of mail
 - Delivery of mail (other than Express Mail) to street addresses
 - Pickups from collection boxes
 - Acceptance of bulk mail
- The following service components would not change:
 - Post Offices would remain open on Saturdays
 - Delivery of mail to Post Office Boxes on Saturdays



- Pickup of mail at Postal Service facilities by large remittance processors with Post Office Boxes on Saturdays
- Delivery of Express Mail seven days a week

Market research is required to determine how this change would impact consumers and businesses. Two simultaneous phases of research are being considered. The specific objectives of the research program include:

Qualitative Phase

- Develop a deep understanding of the various ways in which consumers and businesses would respond to a switch to five day a week delivery (e.g., adjust their mailing programs, switch to competitors, move to online bill payment, etc.)
- Understand why businesses and consumers would respond that way
- Assess perceptions of USPS's reasons for the change

Quantitative Phase

- Forecast the impact on USPS First-Class and Standard Mail volume for each of the first two years after the implementation of five-day delivery
- Determine what will happen to any volume lost: diversion to alternatives versus reduction in total volume

The findings from this research will be used by senior USPS staff in the preparation of materials to be provided to the Postal Regulatory Commission (PRC).

Our approach to each phase of the research is detailed below.

Quantitative Research

Data Collection Approaches

In determining the best approach for this research, we have tried to balance a number of considerations; these include the nature of sample sources available, the importance of being sure we talk to those with decision making authority, the amount of sample available, costs, and the tight timeline. Based on these considerations, ORC recommends a mixed methodology:

- *Straight telephone interviewing for National, Premier, and Preferred Accounts.* USPS's databases for these segments of accounts do not include email addresses, so recruiting will have to be via telephone. In any event, we prefer telephone screening for these segments, as it will allow us to ensure that we identify the proper decision maker in each company. Unlike the Monopoly Relaxation Study, where questionnaire called for a great deal of specific information (requiring the post-recruiting portion of the survey to be web-based), we anticipated that the questionnaire for the current study will be easy enough for respondents to complete via telephone. Once a respondent is recruited via telephone, it is



less expensive to complete their interview on the phone; this avoids the need to over-recruit to compensate for those who would not complete a web survey after being recruited. We will try to complete the interview at the time a qualified respondent is screened, but we will schedule a callback at a more convenient time if that is more convenient for the respondent.

- *Straight internet survey for small businesses and consumers.* Due to the availability of web panel sample for these audiences, this would be a very cost- and time-efficient approach for obtaining the broad, national samples required to meet the research objectives.

All telephone recruitment will be conducted from one of ORC's wholly owned telephone interviewing centers. The Postal Service is welcome to remote monitor the recruitment process. In addition, the web surveys will be hosted by ORC, offering both the capacity for the research and data security required.

To encourage participation, we will offer an incentive of \$50 to the National, Premier, and Preferred Accounts customers who complete a telephone interview; respondents can choose to keep or donate the money to one of three nationally recognized charitable organizations. We believe an incentive is required for the National Accounts because sample is limited. For the remaining organizations, we believe the incentive will be needed because they have less affinity with the Postal Service and may be less willing to cooperate. The current schedule also factored into our decision to offer an incentive. This incentive will be included in the total cost of the project. ORC will handle execution of all incentives/charitable donations.

Web respondents will be incented in the standard manner by the web panel providers.

The Postal Service will be identified as the sponsor of this research.

Sampling Plan

The total sample size will be 2,000. We recommend a stratified sampling plan, designed to represent and yield reliable data for consumers as well as each of the four commercial mailer segments. Given the small number but great importance (high volume) of National Accounts, we will include as many of them as possible; at present, our estimate is that we will reach a sample size of approximately 61 National Accounts. The remaining commercial sample size will be split evenly between Premier, Preferred, and Small Business accounts.

The sampling plan is summarized below:

- Commercial mailers: n=1,000
 - National: n=61
 - Premier: n=313
 - Preferred: n=313
 - Small business: n=313
- Consumers: n=1,000



We will randomly sample within each of these segments. The ending sample for each commercial segment should represent the distribution of industries and applications within the segment.

We considered further stratifying each business segment by use of Saturday mail delivery. However, our recommendation is to randomly sample the groups and then read differences in response by usage of USPS services on Saturdays. To allow for this view of the results, we will ask about usage by day of week in the classification section of the questionnaire.

Within each commercial mailer, we will screen to identify a key decision maker / influencer (preferably one able to speak to all / most of the organization's mail applications). If the company uses both First-Class and Standard Mail, we will try to identify a person who makes/influences decisions for each class of mail. If there is such a person, that is who we will try to interview; this will allow us to obtain two sets of data points from each respondent.

For the most part, we recommend limiting the sample to one respondent per organization. The exception will be National Accounts. For organizations that use both First-Class and Standard Mail and have different decision makers for each, we will be open to obtaining two interviews – one per class. This will provide more complete information and facilitate obtaining the desired sample size for this critical segment.

ORC will purchase sample from well established, national web panel vendors for the small business and consumer segments.

It is our understanding that the Postal Service will provide lists of all National, Premier, and Preferred Accounts. ORC will select random subsets of the Premier and Preferred lists to be used as sample for this research. (We will include all National Accounts.)

We expect the National and Premier Account lists to include contact information (including individual contact names and telephone numbers). We recognize that the individual named in the list might not be the most appropriate respondent for this research. As such, we will use these names (assuming they are mail managers, liaisons or VP of Mail Operations) as a starting point.

For Preferred Accounts, ORC can send the randomly selected list of companies to the Postal Service in order to have contact information appended. However, if time does not allow for this or if we determine that limiting the sample to companies for which the Postal Service has phone numbers could bias results, ORC can arrange for phone number lookups; we are including this as an optional cost element.

The screening procedure for telephone interviews will be as follows:

- Explain that we are calling on behalf of the Postal Service and would like to discuss a potential change in service
- Collect information about the organization's mail usage by class



- Explain that we need to talk to individuals in the organization most knowledgeable about First-Class Mail and Standard Mail (if both are utilized and handled by different individuals) and identify who would make the decision or recommendation about any changes in mail usage

In some cases, particularly smaller companies, we expect the person on this initial call may be the most knowledgeable and therefore, the person to be recruited. If that is the case, we will explain what is required, ask for participation, capture and confirm an email address and send an email immediately, while on the phone.

In larger organizations, the person we speak to initially will most likely not be the person most knowledgeable. In these situations, we will ask for the name, title and phone number of the most knowledgeable decision makers / influencers for each class. We would then get transferred to one of these individuals.

After reaching the referral, we would again explain that we are calling on behalf of the Postal Service to discuss a possible change in service. We would confirm the information provided by the initial contact (volume, class of mail and decision role).

All respondents will be screened to ensure that they meet the following criteria:

- Commercial mail samples:
 - Organization uses First-Class Mail, Standard Mail, or both
 - Small business sample only: pay for postage via stamps and/or online only
 - Primary decision maker regarding mail/delivery service providers for at least one department of their organization, or part of a decision making team
- If consumer:
 - Are the male or female head of their household
 - Have sent at least one piece of mail in the past three months

We expect the incidence of qualification to be no less than:

- 90% of the National, Premier, and Preferred Accounts
- 70% for small businesses
- 90% for consumers



Questionnaire

The questionnaire will be developed by ORC, based on input from and subject to review by USPS. Preliminarily, we expect the questionnaire flow to be approximately as follows:

- Past 12 months volume (number of pieces) by class (answer for each class used for which the respondent is involved in decision making)
- Anticipate change in volume: next 12 months, following 12 months
- Read description of the planned change in service
- Likelihood to reduce amount of mail sent if service is changed (5-point scale: definitely would – definitely would not reduce)
- Ask all except those say the definitely would not reduce:
 - By what percentage would they reduce their mail usage (ask separately by class if both classes are used) – first 12 months, following 12 months
 - What would be done to compensate for reductions: switch to competitors, use online bill payment, use automatic payment from checking/credit card, etc.
- Other changes in mailing behavior anticipated if the change is made
- Classification/demographics (including days of week when mail is sent/received)

We are assuming that the total interview duration will be no more than 10 minutes. We do not anticipate any open ended questions.

Analysis

ORC will develop a spreadsheet-based report, along the lines of what we delivered for the Monopoly Relaxation Study. This report will provide input and initial calculations designed to support the Postal Service's modeling of the likely impact of a change to five-day delivery. The analysis will be conducted separately for each of the five customer segments.

Respondents in survey research often overstate how they would respond to new/revised offers. To offset this, our reporting approach will recognize this and allow for use of adjustment factors (e.g., probabilities applied based on likelihood to reduce mail usage responses). These adjustment factors can be based on experience and judgment (informed by findings from the qualitative phase).



Schedule

<i>Task</i>	<i>Start Date</i>	<i>End Date</i>
Kick-Off Meeting (telcon)	7/27/2009	
Draft questionnaire	7/28/2009	7/30/2009
Final questionnaire approval by USPS	7/31/2009	8/3/2009
Questionnaire programming/review	8/4/2009	8/7/2009
National, Premier, and Preferred sample from USPS	8/4/2009	
Data collect pilot / review / plan adjustments (if necessary)	8/10/2009	8/11/2009
Data collection	8/11/2009	8/21/2009
Draft deliverables*	8/22/2009	8/27/2009
Deliverables review by USPS	8/28/2009	8/31/2009 am
Final deliverables*	8/31/2009 pm	9/1/2009

Qualitative Research

An extensive qualitative research effort is proposed. We see the questioning process in this effort encompassing the following:

- A) An exploration of current mailing and shipping behaviors – e.g., frequency of mailing / shipping, services used and when, etc.
- B) An in-depth exploration of mailing and shipping behaviors on weekends versus weekdays.
- C) Reactions to proposed concept, including customer perceptions of the reasons for the change.
- D) An exploration of how behaviors would change.

Results from the qualitative research can be used to provide further insights into the results of the quantitative research as well as to help guide possible messaging and communications strategies.

Overall Approach – Focus Groups

The Statement of Work provided general specifications for the focus groups. In developing the overall approach, we considered the following:

- Developing criteria for participant characteristics to provide the depth and quality of insights required.
- Scheduling of the groups to provide consistency of moderation as well as being able to complete the project within the specified time frame.
- Selection of facilities and locations to best meet the group requirements.
- Characteristics of the proposed moderators to match the characteristics of the group participants.

Respondent Characteristics: A total of 18 focus groups will be conducted. Each group will consist of 8 to 10 fully screened participants. To ensure an adequate show rate a minimum of 12 participants will be recruited. Note that for some of the groups (e.g., low-income, center city participants) where it is known that show rates can be low, we may recruit additional participants.



Ten groups will be conducted with consumers. Qualified participants must be the CEO of the household mail – that is, be the adult member of the household who handles the mail and has an active role in the household in regards to mailing and shipping decisions. The groups will be segmented as follows:

- Two groups with low income, center city residents. Low income is defined as a household income below \$30,000 annually.
- Four groups with moderate income participants. Moderate income is defined as household incomes between \$30,000 and \$100,000 annually. Within these groups the desire is to achieve a mix of suburban and rural households. Given the markets identified, it may be difficult to recruit residents of rural areas. We propose a solution on page 10 in our discussion of group locations.
- Two groups with high income participants. High income is defined as household incomes in excess of \$100,000 annually. Within these groups, a mix of center city and suburban dwellers will be recruited.

In all of the consumer groups, we will recruit so that mixes of genders and ages are represented. We typically cap the number of participants over the age of 60 or 65 to no more than two per group. In addition, we recommend asking some articulation questions to ensure that participants are comfortable speaking in a group situation.

Eight focus groups will be conducted with small business customers. Small businesses are defined as fewer than 100 employees. To qualify, the individual recruited must be the person at the business who routinely handles the mail and shipping processes. This could be the business owner or an office / business manager. Business customer groups will be segmented as follows:

- Two groups with businesses that ship exclusively using USPS services (Express Mail, Priority Mail, Parcel Select, Parcel Post, Media Mail). Note that these groups may be very difficult to recruit and will need to be monitored carefully. We ask that USPS help to identify which of the markets may represent a market or markets where there is a greater likelihood of finding these businesses.
- Two groups with businesses who use FedEx and/or UPS and USPS services.
- Two groups with businesses who use Standard Mail services.
- Two groups with businesses who use transactional First Class mail for billing, payments, advertising, and general communications.

Within each group, we will recruit a mix of businesses identified as USPS Preferred Accounts (list provided by client) and smaller businesses. Note that we recommend placing a cap on the number of very small businesses (e.g., a single person, the owner). In addition, we will recruit a mix of business types. We suggest considering placing a cap on the number of businesses who are not open on weekends and would not be significantly affected by this change.



All recruiting will be done by telephone. ORC requires the subcontractors we use for focus group recruiting to follow stringent screening and recruiting guidelines to ensure qualified participants for a focus group session. These guidelines include:

- Developing a screening instrument that identifies all participants not meeting the basic segmentation criteria.
- Setting quotas to ensure there is a mix of respondents with different demographic, socioeconomic, and lifestyle characteristics in each group.
- Applying strict industry qualifiers and past participation screens to exclude "professional" respondents from the groups.
- Mailing a confirmation letter with a map and detailed instructions on getting to the facility. The letter explains in more detail the purpose of the research and the importance of their attendance. Participants are encouraged to call if they have any questions or concerns.
- Rescreening and confirming participation 1 to 2 days before the group. A supervisor or experienced interviewer typically does this rescreening. This is done to verify that participants meet all screening criteria and that commitments have not arisen preventing them from attending the focus group.
- Rescreening of participants when they arrive for the focus groups. This final rescreening verifies each participant's qualifications, current physical condition, and provides information on the final mix of participants. If more participants arrive than can be seated in a group, this rescreening process is used to select the most representative mix of participants.

Group Scheduling / Facilities: We propose holding the first set of groups in Seattle the week of August 17th. We will have all proposed moderators view these groups to ensure consistency across the subsequent groups. We will use this first set of groups to refine the moderator's guide for the subsequent groups. The balance of the groups will then be held the week of August 24th, allowing delivery of a report by September 4th.

ORC proposes using Fieldwork Network's facilities. They have facilities in all four of the markets identified for this research. Using the same facility ensures consistency across the markets. In addition, they offer a discounted price. All facilities are equipped to provide digital audio in the most widely accepted formats. All facilities also offer video streaming through Focus Vision and ActiveGroup that allow individuals unable to attend the focus groups the option to view the sessions remotely through a PC. It also allows for live communication via a chat room feature, and input and feedback can be delivered instantly. We are recommending the use of this technology in Seattle, allowing the proposed moderators the opportunity to view this first set of groups and provide feedback.

For the consumer groups we propose scheduling as illustrated in the following table based on the known characteristics of each market. In three of the markets – Seattle, New York, and Chicago – we propose using two different locations in each market to most effectively reach the target audiences. For example, we recommend holding the low income / center city focus group in downtown Chicago where the target audience has access to public transportation while the moderate income / suburban group would be held in Schaumburg, a suburb of Chicago. Similarly, in Seattle we propose hold some of the groups at a facility in



downtown Seattle and the others at a facility in Kirkland (east of Lake Washington). This will enable us to represent the two major metro areas in this market – both of which are quite distinct. In Atlanta, we are using a single facility that has the ability to draw effectively from the entire area.

	<i>Seattle</i>		<i>New York</i>		<i>Chicago</i>		<i>Atlanta</i>
	<i>Downtown</i>	<i>Kirkland</i>	<i>Manhattan</i>	<i>Westchester</i>	<i>Downtown</i>	<i>Schaumburg</i>	
Low Income consumers (hh incomes less than \$30,000) / center city residents					1		1
Moderate Income (hh income between \$30,000 and \$100,000) suburban		1		1		1	1
High Income (hh incomes greater than \$100,000) center city / suburban	1	1	1	1			
Business customers	1	1	1	1	1	1	2
Total (18 groups)	2	3	2	3	2	2	4

Note for the business customer groups we anticipate working closely with USPS to identify the best markets for each group type. Specifically, we will work to identify the two markets in which we have the highest likelihood of finding businesses that ship exclusively using USPS services. We then recommend the following:

- Markets 1 and 2: One group in each market with businesses who ship exclusively using USPS services and the second group with businesses who ship using USPS services as well as FedEx or UPS.
- Markets 3 and 4: One group in each market who use Standard Mail and the second with businesses who use transactional First-Class mail.

The Statement of Work does request that the low to moderate income groups should be comprised of a mix of suburban and rural areas. None of these markets represent easy markets from which to reach residents of rural areas. If USPS wants to draw from both suburban and rural areas, ORC recommends conducting two of the moderate income groups in a location such as Boise, ID. Boise also represents a much smaller market than the four identified in the Statement of Work and would provide a different perspective as well. Note that ORC operates a focus group facility in Boise which reduces the costs of the study (facility rental and travel). However, there are other markets where suburban and rural markets can be reached effectively that could also be considered.



If groups are conducted in a fifth market, we would recommend the following schedule:

	<i>Seattle</i>		<i>New York</i>		<i>Chicago</i>		<i>Atlanta</i>	<i>Boise</i>
	<i>Downtown</i>	<i>Kirkland</i>	<i>Downtown</i>	<i>Westchester</i>	<i>Downtown</i>	<i>Schaumburg</i>		
Low Income consumers (hh incomes less than \$30,000) / center city residents					1		1	
Moderate Income (hh income between \$30,000 and \$100,000) suburban	1						1	2 (suburban / rural)
High Income (hh incomes greater than \$100,000) center city / suburban	1	1	1			1		
Business customers	1	1	2		1	1	2	
Total (18 groups)	3	2	3	0	2	2	4	2

Moderating: Because of the number of groups as well as the scheduling required to meet the project timeline, we propose using three moderators. Two of the moderators – Rebecca Elmore-Yalch and Graham Hueber – are ORC staff members and have extensive experience with moderating focus groups. We have also identified Lisa Gaines McDonald to conduct three of the consumer groups. Lisa is an experienced multi-cultural moderator and we believe will be a better match for the low-income, center city groups in Atlanta and Seattle. Bios for all moderators are included in the Appendix. Scheduling of moderators is in the table below. Note if groups are held in Boise, Rebecca would moderate those.

	<i>Seattle</i>	<i>New York</i>	<i>Chicago</i>	<i>Atlanta</i>
Low Income consumers (hh incomes less than \$30,000) / center city residents			LGM (1)	LGM (1)
Moderate Income (hh income between \$30,000 and \$100,000) suburban	REY (1)	GH (1)	GH (1)	LGM (1)
High Income (hh incomes greater than \$100,000) center city / suburban	REY (2)	GH (2)		
Business customers	REY (2)	GH (2)	GH (2)	REY (2)

The moderators will work with the USPS project team to develop the final questions or topics that will be used to structure discussions within the focus groups. This focus group guide is open-ended in nature. The guide ensures that the moderator addresses all key topic items, but permits a great deal of flexibility in responses to most questions, and allows the moderator to probe for further information as necessary. As noted above, we recommend conducting the first set of groups in Seattle and then reconvening to make necessary modifications for the remainder of the groups.



Our moderators use a variety of questioning techniques to elicit a depth of response from all participants. These techniques include, but are not limited to:

- ***Straightforward Questioning*** is used to get specific answers on attitudes and/or behaviors.
- ***Written Exercises*** are used to elicit responses from individuals that group dynamics have not biased. An example of a written exercise is a card sort. This is a type of brainstorming exercise where the participants fill as many cards as they can with features and attributes that drive a specific behavior – e.g., when and how they mail / ship things. Participants, as a group, then “sort” these attributes into logical “stacks” based on commonalities or a specified criterion (i.e. level of importance). The moderator then probes for additions to each stack and the emotional “connection” to each. This provides an inclusive list of product attributes and features that drive a decision. It also can provide a qualitative measure of the importance of different attribute types. In some instances these exercises are accomplished as “homework” in advance of the groups. For example, we might ask participants to keep a daily log for a specified (e.g., one-week) period of time keeping track of how often / when they pick up / review their mail, go to the post office, etc.
- ***Projective Techniques*** go beyond simple straightforward answers to questions, providing insight into consumer decision processes, attitudes, and behaviors. Projective techniques include adjective checklist, writing obituaries, drawing, sentence completion, etc. These Projective Techniques are particularly useful at getting at both the tangible and intangible attributes / values participants are looking for / considering. Some of these projective techniques have been developed and refined specifically for use in identifying critical performance attributes. Moreover, they are very effective when looking into issues surrounding brand identity, attitudes, values, etc.

In addition to the moderator, ORC proposes having an “assistant moderator” attending all focus groups. The “assistant moderator” observes the focus groups from the viewing room and can act as the liaison between those observing the focus groups and the moderator. In addition, the “assistant moderator” takes comprehensive notes of what is said by focus group participants as well as key comments relevant to the findings made by observers in the back room.

Overall Approach – In-Depth Interviews

In addition to the focus groups, 20 in-depth interviews with executives of managed accounts, i.e. National and Premier Accounts. USPS will provide a contact list. The 20 in-depth interviews will be segmented such that five interviews will be conducted with each of the following types of individual responsibilities:

- Direct marketing activities of their firm,
- Billing activities or other large volume transactional First-Class Mail applications,
- Payment activities,
- Shipping and/or distribution activities.



A mix of business sectors is desired. One to two interviews will be completed with those representing each of the following industries: manufacturing/wholesalers, printing/publishing, retail, e-tailers, mail order, utilities, financial/banking, telecommunications, services, government, and mail service providers.

Interviews will be conducted by telephone by Martin Pacino, a Senior Project Manager at ORC. His bio is included in the Appendix. Like the focus group moderators, Martin will work from a prepared guide that contains a listing of the questions to ask. As with focus groups, these questions are generally open-ended in nature and he uses discretion as to when and how to probe. Note Martin will also be one of the “assistant moderators.” This will ensure that there is consistency between the focus group and executive interviews.

Reporting

Immediately following the last focus group session in each market, the moderator can lead a debriefing session with all those who attended the focus groups in that market. The debriefing session allows the moderator and the USPS project team to discuss the different perspectives on what are the salient points of the groups. These sessions are useful in guiding the development of the summary report, highlighting key findings as well as correcting misperceptions or misunderstandings of what is perceived based on a review of the actual tapes. The debriefing session typically lasts from one to two hours and begins with a brief – 15 to 30 minutes – presentation by the moderator. Each participant in the debriefing session is asked to comment on the moderator’s presentation, ask questions, and present their perspectives on the sessions and how they see themselves using the results.

All groups and in-depth interviews will be recorded using high-quality digital equipment and will then be transcribed by a professional transcription service.

Each moderator and the executive interviewer will write a debriefing report for the groups / interviews they completed. These debriefing reports will then be summarized into a final written report. These reports are generally prepared in a Word or PowerPoint format, depending on client preference, for wide distribution and use. We have found that at a minimum, useful focus group reports have the following characteristics:

- Captures the range of impressions and observations on each topic;
- Interprets impressions in the light of possible hypotheses for further testing; and
- Does not merely repeat what was said without putting it into a context, so that implications are more evident.

The report will not contain any discussion of implications or recommendations. Results will be provided at an aggregate level. In addition, key differences in results by customer segments / markets will be identified. The results of the groups are supported by representative quotes. With digital recording, these quotes can be inserted into the report and played through a media player.



Schedule

Planning and implementing the qualitative research will be a collaborative process between the ORC and USPS project teams. This collaboration is particularly important to ensure that key dates are met under the tight timeline required for this project. Total project duration is just over one month allowing time for USPS review of the Final Report and considering the Labor Day holiday.

<i>Task</i>	<i>Start Date</i>	<i>End Date</i>
Kick-Off Meeting (telcon)	7/27/2009	
Develop Final Work Plan	7/27/2009	7/28/2009
Client Reviews / Approves Work Plan	7/28/2009	7/29/2009
Develop Screeners	7/29/2009	7/30/2009
Client Reviews / Approves Screeners	7/30/2009	7/31/2009
Recruiting	8/1/2009	8/23/2009
Conduct Groups – Seattle (5 groups)*	8/18/2009	8/19/2009
Debriefing / Modify Guides as appropriate	8/20/2009	8/21/2009
Conduct Groups – New York (5 groups)*	8/24/2009	8/25/2009
Conduct Groups – Atlanta (4 groups)*	8/24/2009	8/25/2009
Conduct Groups – Chicago (4 groups)	8/26/2009	8/27/2009
Conduct In-Depth Interviews	8/18/2009	8/27/2009
Conduct Final Debriefing	8/28/2009	
Transcribe Groups / In-Depth Interviews	8/25/2009	9/2/2009
Draft Report	8/31/2009	9/3/2009
Client Reviews / Comments Draft Report	9/4/2009	9/9/2009
Final Report / All Final Deliverables	9/10/2009	9/11/2009

** All groups are scheduled over the course of two days; with one of the business groups conducted during the daytime (e.g., at lunch or before work)*

ORC Responsibilities

ORC will be responsible for components of the study and deliverables:

Overall Program

- Initial meeting by telephone to discuss study goals and issues
- Weekly progress reports via email
- Additional telephone conference calls to discuss progress and any issues as they arise
- Project management

Qualitative Phase

- Screener and discussion guide development
- Recruitment for focus groups and in-depth interviews
- Moderation of focus groups



- Conducting in-depth interviews
- Incentives
- Facility rental and refreshments for focus groups
- Audio tapes of focus groups
- Transcripts of focus group sessions and in-depth interviews
- Written report (draft and final)
- Telephone number look-ups for Preferred Accounts

Quantitative Phase

- Written study design, including methodology and sampling plan, to obtain the required information and meet objectives
- Sample purchase for small business and consumer samples
- Sample selection from USPS lists of National, Premier, and Preferred Accounts
- Telephone number look-ups for Preferred Accounts (if necessary – priced as an option)
- Questionnaire development
- Pretest of questionnaire and recruitment process
- Hosting of web survey (small business and consumer)
- Telephone interviewing (National, Premier, and Preferred Accounts)
- Tabulation of data
- Methodology report
- Volume estimation spreadsheets
- Electronic copy of raw data and tabulations
- Respondent incentives

USPS Responsibilities

ORC's philosophy is to work closely with our clients throughout the entire research process to keep you informed of the progress of the project and to ensure that we clearly understand your issues and concerns. In our experience, an open line of communication is key to a successful outcome. More specifically, we would like your assistance in performing the following tasks:

- Conducting a kick-off meeting with the ORC staff to review background information, research objectives, expected outcomes, discussion guide and survey topics, and to finalize the schedule and roles of USPS and ORC staff. We anticipate that the kick-off meetings will be by teleconference.
- Providing lists of all National, Premier, and Preferred Accounts.
- Providing initial input, feedback, and final approval on the methodology/sampling plan, discuss guides, questionnaire, and reports to ensure that all business issues are properly addressed.



ORC Project Staffing

We will devote a strong team of research and consulting professional to this program, to ensure that the Postal Service’s needs and expectations are met / exceeded. Several key members of the team successfully completed the Monopoly Relaxation Study, including Neil Wolch and Lisa Brunning. Bios for all key team members are included as an Appendix.

<i>Person</i>	<i>Role</i>
Jeff Resnick , President	USPS relationship manager
Neil Wolch* VP & Director of Decision Sciences	Engagement director; quantitative phase design, analysis and reporting
Rebecca Elmore-Yalch Senior Vice President	Design and oversight of qualitative phase; moderation and reporting of focus groups; expert witness
Lisa Brunning* , Senior Research Manager	Project Manager, Assist with Design, Analysis and Reporting
Graham Hueber , Senior Project Manager	Moderation and reporting of qualitative phase
Martin Pacino , Senior Project Manager	In-depth interviews of managed account customers, assistance with moderating
Christopher Commini* , Project Manager	Day-to-Day Project Management
Ken Anderton* , Group Director, Survey Computing	Survey Computing
Rick Salapong* , Manager, Survey Programming	Survey Programming
Ricardo Ramos* , Group Director, Project Operations	Data Collection

** Was a key member of the team that successfully completed the recent Monopoly Relaxation Study*



Project Fees

<i>Task</i>	<i>Cost</i>
Qualitative	[REDACTED]
Quantitative	[REDACTED]
Total	[REDACTED]
Options:	
Telephone Lookup Preferred Account	[REDACTED]
Testimony – Preparation	[REDACTED]
Testimony – In-Person	[REDACTED]
Testimony rates exclusive of travel – travel will be billed at cost	

Bob, we greatly appreciate the opportunity to share our thoughts on this study. We would be happy to answer any questions or provide new pricing if specifications are further defined/revised. We can be reached at the numbers below – we have provided two contacts to ensure that you can reach one of us.

Best Regards,

Neil Wolch
Vice President, Director of Decision Science
847-378-2244
neil.wolch@opinionresearch.com

Rebecca Elmore-Yalch
Senior Vice President
208.364.0171, ext. 62008
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APPENDIX – STAFF BIOGRAPHIES

NEIL WOLCH

VICE PRESIDENT/DIRECTOR

Decision Sciences

Neil Wolch joined Opinion Research Corporation (ORC) in 1999. In his role as Vice President/Director of Decision Science, Neil manages custom marketing research studies for a diverse assortment of clients. In addition, Neil manages the company's Decision Science Group and serves as a resource for other ORC client service personnel by consulting on research design and advanced analyses.

Neil currently works extensively with consumer product and services firms. He is a valued member of his clients' research teams, providing extensive consultation on research design and presentations focused on marketing implications. Neil also oversees all phases of the research process. Typical studies conducted include habits & practices, concept tests, product tests, awareness & usage, and customer satisfaction.

Neil has extensive experience on the supplier/consulting side of the business, focusing on custom, quantitative research. He has developed research plans, provided analytic insights and made strategic recommendations for major corporations in several industries. Before joining ORC, he was the Vice President of Client Service for a large research company. In that role, he oversaw all research design and analysis for that company's Midwest office. Neil began his career at Kraft Foods, where he conducted research for several corporate-level marketing programs. These efforts included guiding the development and evaluation of ethnic marketing efforts, national sales promotions and a new corporate image advertising campaign.

Neil earned a Master of Marketing Research degree from the prestigious program at the University of Georgia in 1985. This program included an internship in the advanced analytics/multivariate statistics group at one of the leading research suppliers. Neil's undergraduate degree is in Psychology (cum laude) from the University of Illinois. He has also completed the Burke Institute Seminars in Multivariate Statistics and Customer Satisfaction Research.

Rebecca Elmore-Yalch

Senior Vice President

Ms. Yalch has been with ORC since its 2007 acquisition of Northwest Research Group, which she founded in 1985. She brings more than 25 years of marketing research and strategic planning expertise to her role as Senior Vice President with oversight of ORC offices in the Pacific Northwest. A respected leader in public policy research, most notably in the transportation field, Ms. Yalch served as Principal Investigator on two Transportation Research Board projects prior to joining ORC. She has also developed and implemented strategic research and public policy studies for transportation agencies nationwide, including the Chicago Transit Authority's ongoing program for customer satisfaction measurement, Oregon Department of Transportation's Mobility Survey, and the Federal Highway Administration's 2005 Traveler Opinion and Perception (TOP) Survey.



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Ms. Yalch's work has run the gamut of complex quantitative and qualitative projects, including the development of innovative research solutions such as ORC's CSMPactor™, CityMARKS™, and SoundStats™. She is one of the founding members of the Puget Sound Research Forum, now one of the largest marketing organizations in the Seattle area. Prior to Northwest Research Group's acquisition by ORC, Ms. Yalch was named Woman Business Owner of the Year in the Boise Area and recognized by the Southern Idaho Chapter of the National Association of Women Business Owners (NAWBO).

Rebecca holds a Bachelor's Degree in Journalism and Mass Communications with a concentration in advertising management from the University of Minnesota and a Master's of Business Administration with a concentration in marketing and statistics from the University of Washington. Rebecca also holds an expert level Professional Researcher Certification (PRC) from the Market Research Association.

LISA BRUNNING
SENIOR PROJECT MANAGER
Customer Strategies

Ms. Brunning has been employed by Opinion Research Corporation since April, 2000. She is currently serving as a Program Manager on various ad-hoc projects.

A sample of engagements that Ms. Brunning has led includes:

- A complex customer satisfaction and loyalty study regarding service engagements conducted across six countries for a major high tech company.
- An on-going customer satisfaction and loyalty tracking study regarding computer hardware products across various geographies for a major high tech company.
- An on-going internet and telephone study measuring satisfaction with expatriate services offered by financial services firm at various points in their relocation assignment.

Prior to working with Opinion Research Corporation, Ms. Brunning was employed by a full-service Market Research Company where she gained project management and analytical experience. During her six-year tenure she served as both Research Associate and Research Manager. Her scope of experience includes project management and coordination of many different research projects utilizing telephone, internet and focus group methodologies. Ms. Brunning has experience in a variety of industries including high tech, healthcare, automotive, consumer products, and financial services.

Ms. Brunning holds a Master of Business Administration Degree from Oakland University and a Bachelor of Arts Degree in Marketing from Michigan State University.



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CHRISTOPHER M. COMMINI

PROJECT MANAGER

Customer Strategies

Mr. Commini has been employed by Opinion Research Corporation since 1996. Mr. Commini serves as a Project Manager on domestic and international ad-hoc and continuous projects, serving multiple industries.

Mr. Commini's scope of experience includes project management and coordination of multiple research projects utilizing telephone, mail, and Internet. Mr. Commini's marketing research experience is in various industries including government, high tech, financial services, healthcare, and utilities.

Mr. Commini has experience with program design and launch, questionnaire development, project and fieldwork management, as well as report writing and analysis. Mr. Commini has worked on projects focusing on customer satisfaction and tracking and brand identification and awareness.

Mr. Commini received a Word Processing Specialist Certificate with honors from Cittone Institute and is currently pursuing an Associate's Degree in Business Administration from Northampton Community College.

GRAHAM HUEBER

Senior Project Manager

Caravan

Graham Hueber, Senior Project Manager, Director CNN Polls. Prior to joining Opinion Research Corporation, Mr. Hueber was VP, Director of Research for Ketchum, a global Public Relations Agency headquartered in New York. In 12 years with Ketchum he designed, commissioned, analyzed and presented the findings of more than a thousand qualitative and quantitative studies, many of which were conducted by CARAVAN.

An experienced focus group moderator, Graham has managed projects that were global as well as domestic and that employed a wide range of methodologies – telephone, online, mail as well as focus groups and depth interviews. The surveys he designed interviewed consumers, business and medical professionals, government executives and employees about consumer products, nutritional supplements, foods, corporate reputation, business to business issues, technology, employee and internal communications issues, healthcare and a wide range of medical conditions.

In his current role at Opinion Research Corporation, Graham serves as the main point of contact for Opinion Research Corporation's PR Plus product, as a senior project manager in the CARAVAN Services division and as Director of CNN Polls conducted by Opinion Research Corporation.



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MARTIN PACINO

Senior Project Manager

Marty has extensive experience in research and consulting for customer, brand and employee related initiatives. After attaining a BA in Social Science from Chapman University, Martin began an extended tenure as a Research Analyst/Consultant for The Gallup Organization, one of the youngest in company history. Over the next five years Mr. Pacino conducted dozens of research endeavors with some of America's most recognizable organizations. Specializing in project management, he was charged with directing every step of the research process from planning and execution to consulting at every level of the client's organizational structure, receiving constant accolades, both internal and external, for his consistent delivery above and beyond expectations.

After five years of service with The Gallup Organization, Martin accepted a post constructing an in-house research department with one of his clients, New Century Financial. Focusing on driving real business outcomes through research and consulting endeavors Mr. Pacino helped New Century Financial manage its brand, customer experience and employee engagement as they grew to be the second largest sub-prime mortgage lender in the country with an average monthly revenue of approximately five billion dollars.

With the collapse of the sub-prime industry, Mr. Pacino elected to go in an entirely new direction and relocated to Pusan, South Korea where he spent three years teaching English to elementary and middle school students and studying the Korean language and culture. He is a recent member of the ORC family and is excited to be back conducting meaningful projects to forward the business objectives of his client.

Marty is a trained depth interviewer and has conducted group and depth interviews with employees and customers. Most recently Marty conducted focus groups for Seattle Public Utilities to gain an understanding of homeowners' awareness and attitudes toward choosing plants that can thrive without excessive watering, pesticides or fertilizers.

Marty earned his BA in Social Sciences from Chapman University.



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LISA GAINES MCDONALD

Research Explorers

Lisa Gaines McDonald has over 25 years of research, marketing and strategic planning experience. She conducts over 100 focus groups a year through her company Research Explorers. She provides astute observations on the African-American, consumer, social marketing health and teen markets through focus groups and other qualitative research tools. Corporations who have utilized her knowledge and insights include: Sears, Pfizer, GMC, Johns Hopkins Medical Center , Toyota , Volkswagen, Ford, University of Chicago , State Farm Bank, Country Wide, Bank of America, Garfield Park Conservatory, United Health Group, Unilever, Procter and Gamble, Wal-Mart and McDonald's. Ad agencies and research firms include: Burrell, E. Morris Communications, Ogilvy & Mather, Carol H. Williams Advertising, TNS Market Development, Aeffect, KRC Research, Lieberman Worldwide, and others.

Prior to moderating she worked fifteen years in both consumer and health care marketing for such notable companies as General Mills, Inc., The University of Minnesota Hospital and Clinic, Avery Label, Eli Lilly and Company, and TomTec Imaging Systems, Inc. This diverse experience has helped her to design and conduct insightful and actionable research.

Lisa has a Masters of Business Administration from The University of North Carolina, Kenan-Flagler School of Business and is constantly enhancing her professional skills.

Professionally, she is involved with Marketing Research Association, Qualitative Research Consultants Association, Inc. (Co-chair, Chicago Chapter), Arts and Business Council of Chicago, Chicago Minority Business Development Council, Leadership Illinois, Operation Push Trade Bureau, and the Creative Problem Solving Institute.

KEN ANDERTON

GROUP DIRECTOR

Survey Computing Group

Mr. Anderton manages the Survey Computing team responsible for processing all non-traditional data processing and reporting at ORC. This covers systems to manage complex survey programs, delivering progress information and data to ORC staff and clients in an immediate and transparent way, and providing high quality high volume reports.

Specific projects include developing ORC's Project Portal and creating the processing system for a major 40 study customer satisfaction program with daily sample, quota setting, and report delivery.

Mr. Anderton has been with the Opinion Research USA for 4 years. Prior to joining the US team, Mr. Anderton was the director of the Survey Computing division in the UK – based in London. He developed the web survey system, the employee and customer satisfaction process and reporting system, and a data management system that holds government training and welfare records for over 10 million people.



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Originally Mr. Anderton was a Transport Planning Specialist working in local government and then a computer bureau. Market Research related work included primary data collection, advanced data modeling, software and policy development.

Ken has a BSc in Civil Engineering from Nottingham University.

RICK SALAPONG

MANAGER, SURVEY PROGRAMMING

Technology Services

Rick Salapong is responsible for CATI and online data collection at Opinion Research Corporation. This covers overseeing all programming activities and the design and implementation of supporting and strategic systems as it applies to data collection.

Prior to his employment with ORC, Rick has worked as the Director of Information Systems for a successful dot com company where he provided strategic leadership in the development of their award winning website. During 20 years of work in Information Technology, Rick has managed every aspect of information technology from networks to application development.

Rick holds a B.S. in Management of Information Systems from Saint Joseph's University in Pennsylvania.

RICARDO RAMOS

GROUP DIRECTOR

Project Operations Group

Mr. Ramos runs the Operations Group responsible for managing projects through the various phases of Data Collection. These phases include planning, executing and closing Web and Call center projects within the organization. Leading the Operations Group, Mr. Ramos acts as a liaison between the research group and other operation's units including programming, sampling and data processing. Prior to joining Opinion Research, Mr. Ramos worked for Macro International as an operations manager. In this role, Mr. Ramos was responsible of managing call center operations in the US Group.

Throughout his tenure at Opinion Research, Mr. Ramos has been engaged in the following:

- Supervised day to day activities at a central telephone facility.
- Forecasted volume of work to develop hiring and training strategies for central telephone facilities.
- Managed projects at a Global Scale across the US, Europe and Asia offices.
- Created standard operating procedures for various endeavors within the organization.
- Implemented corrective actions to improve quality programs in data collection centers.
- Created a project archive system to store relevant data for completed projects.
- Led a team of project coordinators to ensure projects are delivered on time within existing resources.

Ricardo has a BS in Operations Management & Management Information Systems from the University of Arizona.