

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

COMPETITIVE PRODUCT PRICES
INBOUND INTERNATIONAL EXPEDITED SERVICES 2
(MC2009-10)

Docket No.
CP2010-90

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO ORDER NO. 515
(August 19, 2010)

The Postal Service hereby responds to Commission Order No. 515. In that Order, the Commission directed that the Postal Service provide its EMS Cooperative Report Cards, including performance measurements, for calendar year 2009.¹ The Postal Service is accordingly providing its quarterly report cards as well as an annual summary. These documents are furnished under seal; redacted copies are provided as attachments to this Notice. With respect to the documents filed under seal with this Response, the Postal Service hereby incorporates its Application for Non-Public Treatment, which was filed in this docket as an attachment to the Postal Service's Notice filed on August 6, 2010 with the following updates:²

In section 3, add the following:

Information contained in the EMS Report Cards includes delivery, tracking, and service performance information, which is commercially sensitive.

¹ PRC Order No. 515, Notice and Order Concerning Filing of Changes in Rates for Inbound International Expedited Services 2, Docket No. CP2010-90, Aug. 12, 2010, at 3.

² Notice of the United States Postal Service of Filing Changes in Rates Not of General Applicability and Application for Non-Public Treatment of Materials Filed Under Seal, Docket Nos. MC2009-10 and CP2010-90, August 6, 2010, at Attachment 1.

In section 4, add the following:

Competitors could use the delivery, tracking, and service performance information in the EMS Report Cards to assess the offers and representations made to customers by the Postal Service for any possible comparative vulnerabilities and to focus sales and marketing efforts on those areas, to the detriment of the Postal Service.

In section 5, add the following:

Harm: Competitors could use delivery, tracking, and service performance information in the EMS Report Cards to assess vulnerabilities and focus sales and marketing efforts to the Postal Service's detriment.

Hypothetical: The information in the EMS Report Cards is released to the public. Another expedited delivery service's employee monitors the filing of this information and passes the information along to its sales and marketing functions. The competitor then uses the delivery, tracking, and service performance information as a concrete comparison point, advertising itself to potential customers as offering performance better than the Postal Service.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
By its attorneys:

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August 19, 2010

EMS Cooperative Report Cards

Prepared by PricewaterhouseCoopers

Period

1. Quarter 2009 Aggregate Report Card

EMS Operator

United States of America

1. Delivery Performance

Indicator	Current result	Last quarterly result	Current global result
Delivery on-time	████	████	████
No delivery information	████	████	████
Items Held in Customs	████	████	████

Results based on information provided by International Postal Corporation (IPC) using systems validated by PricewaterhouseCoopers (PwC). PwC is not responsible for the data shown in the results.

2. Call Center performance

Information published in the EMS Operational Guide	Current Result
Phone number	<input checked="" type="checkbox"/>
Fax number	<input checked="" type="checkbox"/>
E-mail	<input type="checkbox"/>

Indicator	Current result	Last quarterly result	Current global result
Phone answered within 20 seconds	████	████	████
Fax answered	████	████	████
E-mail answered	████	████	████
Response on-time through Rugby System	████	████	████

Results based on measurements/test carried out by PwC.

3. Tracking

Indicator	Current result	Last quarterly result	Current global result
A over C	████	████	████
D over C	████	████	████
F over E	████	████	████
H/I over D	████	████	████
Transmission on-time	████	████	████

REDES over PREDES	████	████	████
RESCON over PRECON	████	████	████

Missing H/I events	████	████	████
No delivery zone indicator	████	████	████
No Office of Exchange Code	████	████	████
H/I before D	████	████	████
No Standard	████	████	████

Results based on information provided by IPC using systems validated by PwC. PwC is not responsible for the data shown in the results.

4. EMS Service Identification

Indicator	Current result
Presence of item barcode	Yes
EMS item identifier according to UPU Standard S10b	Yes
Presence of receptacle barcode	Yes
EMS receptacle identifier according to UPU Standard S9	Yes
Presence of EMS logo*	

Results based on information provided by IPC using systems validated by PwC. PwC is not responsible for the data shown in the results.

* Results provided by the EMS Unit using procedures validated by PwC.

5. EMS Service Information

Indicator	Current result
Provision of Written Proof of Delivery - WPOD	Yes
EMS Operational Guide update	Yes
Participation in EMS Pay-for-Performance	Yes

Results based on information provided by the EMS Unit using procedures validated by PwC.



EMS Cooperative Report Cards

Prepared by PricewaterhouseCoopers

Period

2. Quarter 2009 Aggregate Report Card

EMS Operator

United States of America

1. Delivery Performance

Indicator	Current result	Last quarterly result	Current global result
Delivery on-time	████	████	████
No delivery information	████	████	████
Items Held in Customs	████	████	████

Results based on information provided by International Postal Corporation (IPC) using systems validated by PricewaterhouseCoopers (PwC). PwC is not responsible for the data shown in the results.

2. Call Center performance

Information published in the EMS Operational Guide	Current Result
Phone number	<input checked="" type="checkbox"/>
Fax number	<input checked="" type="checkbox"/>
E-mail	<input type="checkbox"/>

Indicator	Current result	Last quarterly result	Current global result
Phone answered within 20 seconds	████	████	████
Fax answered	████	████	████
E-mail answered	████	████	████
Response on-time through Rugby System	████	████	████

Results based on measurements/test carried out by PwC.

3. Tracking

Indicator	Current result	Last quarterly result	Current global result
A over C	████	████	████
D over C	████	████	████
F over E	████	████	████
H/I over D	████	████	████
Transmission on-time	████	████	████

REDES over PREDES	████	████	████
RESCON over PRECON	████	████	████

Missing H/I events	████	████	████
No delivery zone indicator	████	████	████
No Office of Exchange Code	████	████	████
H/I before D	████	████	████
No Standard	████	████	████

Results based on information provided by IPC using systems validated by PwC. PwC is not responsible for the data shown in the results.

4. EMS Service Identification

Indicator	Current result
Presence of item barcode	Yes
EMS item identifier according to UPU Standard S10b	Yes
Presence of receptacle barcode	Yes
EMS receptacle identifier according to UPU Standard S9	Yes
Presence of EMS logo*	

Results based on information provided by IPC using systems validated by PwC. PwC is not responsible for the data shown in the results.

* Results provided by the EMS Unit using procedures validated by PwC.

5. EMS Service Information

Indicator	Current result
Provision of Written Proof of Delivery - WPOD	Yes
EMS Operational Guide update	Yes
Participation in EMS Pay-for-Performance	Yes

Results based on information provided by the EMS Unit using procedures validated by PwC.



EMS Cooperative Report Cards

Prepared by PricewaterhouseCoopers

Period

3. Quarter 2009 Aggregate Report Card

EMS Operator

United States of America

1. Delivery Performance

Indicator	Current result	Last quarterly result	Current global result
Delivery on-time	████	████	████
No delivery information	████	████	████
Items Held in Customs	████	████	████

Results based on information provided by International Postal Corporation (IPC) using systems validated by PricewaterhouseCoopers (PwC). PwC is not responsible for the data shown in the results.

2. Call Center performance

Information published in the EMS Operational Guide	Current Result
Phone number	<input checked="" type="checkbox"/>
Fax number	<input checked="" type="checkbox"/>
E-mail	<input type="checkbox"/>

Indicator	Current result	Last quarterly result	Current global result
Phone answered within 20 seconds	████	████	████
Fax answered	████	████	████
E-mail answered	████	████	████
Response on-time through Rugby System	████	████	████

Results based on measurements/test carried out by PwC.

3. Tracking

Indicator	Current result	Last quarterly result	Current global result
A over C	████	████	████
D over C	████	████	████
F over E	████	████	████
H/I over D	████	████	████
Transmission on-time	████	████	████

REDES over PREDES	████	████	████
RESCON over PRECON	████	████	████

Missing H/I events	████	████	████
No delivery zone indicator	████	████	████
No Office of Exchange Code	████	████	████
H/I before D	████	████	████
No Standard	████	████	████

Results based on information provided by IPC using systems validated by PwC. PwC is not responsible for the data shown in the results.

4. EMS Service Identification

Indicator	Current result
Presence of item barcode	Yes
EMS item identifier according to UPU Standard S10b	Yes
Presence of receptacle barcode	Yes
EMS receptacle identifier according to UPU Standard S9	Yes
Presence of EMS logo*	

Results based on information provided by IPC using systems validated by PwC. PwC is not responsible for the data shown in the results.
* Results provided by the EMS Unit using procedures validated by PwC.

5. EMS Service Information

Indicator	Current result
Provision of Written Proof of Delivery - WPOD	Yes
EMS Operational Guide update	Yes
Participation in EMS Pay-for-Performance	Yes

Results based on information provided by the EMS Unit using procedures validated by PwC.



1. Delivery Performance

Indicator	Current result	Last quarterly result	Current global result
Delivery on-time	████	████	████
No delivery information	████	████	████
Items Held in Customs	████	████	████

Results based on information provided by International Postal Corporation (IPC) using systems validated by PricewaterhouseCoopers (PwC). PwC is not responsible for the data shown in the results.

2. Call Center performance

Information published in the EMS Operational Guide	Current Result
Phone number	<input checked="" type="checkbox"/>
Fax number	<input checked="" type="checkbox"/>
E-mail	<input type="checkbox"/>

Indicator	Current result	Last quarterly result	Current global result
Phone answered within 20 seconds	████	████	████
Fax answered	████	████	████
E-mail answered	████	████	████
Response on-time through Rugby System	████	████	████

Results based on measurements/test carried out by PwC.

3. Tracking

Indicator	Current result	Last quarterly result	Current global result
A over C	████	████	████
D over C	████	████	████
F over E	████	████	████
H/I over D	████	████	████
Transmission on-time	████	████	████

RESDES over PREDES	████	████	████
RESCON over PRECON	████	████	████

Missing H/I events	████	████	████
No delivery zone indicator	████	████	████
No Office of Exchange Code	████	████	████
H/I before D	████	████	████
No Standard	████	████	████

Results based on information provided by IPC using systems validated by PwC. PwC is not responsible for the data shown in the results.

4. EMS Service Identification

Indicator	Current result
Presence of item barcode	Yes
EMS item identifier according to UPU Standard S10b	Yes
Presence of receptacle barcode	Yes
EMS receptacle identifier according to UPU Standard S9	Yes
Presence of EMS logo*	

Results based on information provided by IPC using systems validated by PwC. PwC is not responsible for the data shown in the results.
 * Results provided by the EMS Unit using procedures validated by PwC.

5. EMS Service Information

Indicator	Current result
Provision of Written Proof of Delivery - WPOD	Yes
EMS Operational Guide update	Yes
Participation in EMS Pay-for-Performance	Yes

Results based on information provided by the EMS Unit using procedures validated by PwC.



1. Delivery Performance

Indicator	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Annual Score
Delivery on-time	■	■	■	■	■
Delivery 1 day late	■	■	■	■	■
Delivery 2 days late	■	■	■	■	■
Delivery 3 days late	■	■	■	■	■
Delivery more than 3 days late	■	■	■	■	■
No delivery information	■	■	■	■	■
Items Held in Customs	■	■	■	■	■

2. Tracking

Indicator	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Annual Score
A over C	■	■	■	■	■
C over A	■	■	■	■	■
D over C	■	■	■	■	■
C over D	■	■	■	■	■
F over E	■	■	■	■	■
F over D	■	■	■	■	■
H/I over D	■	■	■	■	■
D over H/I	■	■	■	■	■
Transmission on-time	■	■	■	■	■

RESDS over PREDESv2	■	■	■	■	■
RESCON over PRECON	■	■	■	■	■

Missing H/I events	■	■	■	■	■
No delivery zone indicator	■	■	■	■	■
No Office of Exchange Code	■	■	■	■	■
H/I before D	■	■	■	■	■
No Standard	■	■	■	■	■

3. Call Center performance

Indicator	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Annual Score
Response on-time through Rugby	■	■	■	■	■
Phone answered within 20 seconds	■	■	■	■	■
Phone answered in between 20 seconds and 1 minute	■	■	■	■	■
Phone busy	■	■	■	■	■
Phone not answered	■	■	■	■	■
Accessibility by fax 24 hours a day	■	■	■	■	■
Response by fax within 24 hours	■	■	■	■	■
Accessibility by e-mail 24 hours a day	■	■	■	■	■
Response by e-mail within 24 hours	■	■	■	■	■

4. EMS Service Identification

Indicator	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Annual Score
Presence of item barcode	Yes	Yes	Yes	Yes	Yes
EMS item identifier according to UPU Standard S10b7	Yes	Yes	Yes	Yes	Yes
Presence of receptacle barcode	Yes	Yes	Yes	Yes	Yes
EMS receptacle identifier according to UPU Standard S9	Yes	Yes	Yes	Yes	Yes
Presence of EMS logo*					

5. EMS Service Information

Indicator	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Annual Score
Provision of Written Proof of Delivery -	Yes	Yes	Yes	Yes	Yes
EMS Operational Guide update	Yes	Yes	Yes	Yes	Yes
Participation in EMS Pay-for-Performance	Yes	Yes	Yes	Yes	Yes

