

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

COMPLAINT OF GAMEFLY, INC.)
)
) Docket No. C2009-1

RESPONSES OF THE UNITED STATES POSTAL SERVICE WITNESS TROY
R. SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.
(GFL/USPS-T3-1-26(a), 27-29(a)-(e), and 30-31)
(August 19, 2010)

Pursuant to Rules 26 and 27 of the Commission's Rules of Practice and
Procedure, Postal Service witness Troy R. Seanor provides his responses to the
following interrogatories from GameFly, Inc.: GFL/USPS-T3-1-26(a), 27-29(a)-
(e), and 30-31, filed on August 4, 2010.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:
Daniel J. Foucheaux, Jr.
Chief Counsel, Pricing and Product
Support

Kenneth N. Hollies
James M. Mecone

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-3083
(202) 268-6525, Fax -3084
August 19, 2010

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-1. Please produce copies of all documents that you received in connection with your work in this case.

RESPONSE:

Please see the public versions of Volume V of the transcript of the oral cross-examination of David Hodess (July 28, 2010), the Joint Statement of Undisputed and Disputed Facts (July 20, 2009), Direct Testimony of Nicholas F. Barranca on behalf of the United States Postal Service (July 7, 2010), Direct Testimony of Larry J. Belair on behalf of the United States Postal Service (July 7, 2010), and Direct Testimony of Rob Lundahl on behalf of the United States Postal Service (July 8, 2010). These documents are all available on the Postal Regulatory Commission website. Please also see the Memorandum of GameFly, Inc., Summarizing Documentary Evidence (April 12, 2010). This document is filed under seal with the Postal Regulatory Commission.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-2. Please produce copies of all documents that you reviewed in connection with your work in this case.

RESPONSE:

Please see the response to GFL/USPS-T3-1.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-3. Have you ever had a discussion with any employee of GameFly? If so, please identify the employee(s) and state the date, location and substance of the discussion.

RESPONSE:

No.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-4. During your career at the Postal Service, have you, your Area, your District, your plant, or your subordinates issued any Standard Operating Procedures (“SOPs”) governing the processing of DVD mailers? If so, please identify and produce each such SOP.

RESPONSE:

No.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-5. Please produce each SOP now in effect in the Eastern Area or the Cincinnati or Central Pennsylvania Districts that concerns the processing of Netflix DVD mailers.

RESPONSE:

I am aware of no SOPs now in effect in those areas.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-6. On page 1, lines 5-6, of USPS-T-3, you state “I am given to understand . . .” From whom did you obtain this understanding?

RESPONSE:

I obtained this understanding through discussions with Postal Service counsel.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-7. This question concerns the following statement on page 3, lines 3-6, of USPS-T-3:

Decisions regarding the culling of DVD mail depend upon factors such as volume, density, how easily the mailpiece can be identified and captured (aided by visibility and easy access), and consideration of benefits vs. costs (with time being a critical element of the latter).

(a) Please produce documents indicating that these factors are actually considered in making local, district or area decisions about culling.

(b) Please identify the metric used for each of the listed factors, explain how each of the listed factors is measured and weighted in the course of making culling decisions, and produce documents showing how the measurement and weighting work in practice.

RESPONSE:

(a) I am not aware of any documents responsive to this discovery request.

Local decisions regarding processing are made based on managers' knowledge and understanding of each local operating environment. These environments are influenced by factors such as machine and automated equipment availabilities and capabilities, staffing mailflows (including the mix of classifications and volumes), transportation availability and schedules, as well as weather and other conditions affecting processing and delivery, which can change on a daily basis, or more frequently.

(b) I am not aware of any specific metric that is used to evaluate these factors outside of the local context. I am not aware of any documents responsive to this discovery request.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-8. On page 3, line 8, of USPS-T-3, you state “as I understand . . .” From whom did you obtain this understanding?

RESPONSE:

I obtained this understanding through discussions with Postal Service counsel and Postal Service Headquarters Operations personnel.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-9. On page 3, line 17, of USPS-T-3, you state “I understand that many of the data sources we use to drive our decisions also end up being used in Commission proceedings.”

(a) From whom did you obtain this understanding?

(b) Please identify each of the data sources used by the Postal Service “derive [its] decisions about local culling decisions.” [sic]

(c) Please produce documentation showing how the data are actually compiled, weighted and considered in recent culling decisions.

RESPONSE:

(a) I obtained this understanding through discussions with Postal Service counsel and Postal Service Headquarters Operations personnel.

(b) A variety of data sources are employed in making local decisions. These include such operating and statistical data systems as MODS, TACS, ODIS, MPE Watch and machine utilization reports.

(c) I am not aware of any documents responsive to this discovery request.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-10. On page 4, lines 20-22, of USPS-T-3, you state:

As such, strategic diversion of mailpieces out of the tighter AFCS window leads to overall benefits in meeting outgoing operational clearance times, while facilitating early DPS dispatch in the morning with its benefits for carriers.”

Please produce all analyses, studies and other calculations quantifying the benefit of this “strategic diversion.”

RESPONSE:

Local operating decisions are based on specific evaluation of a variety of factors that characterize each local operating environment. Local managers assess the operating requirements based on their knowledge and understanding of those environments, and in accord with a variety of data derived from operating and statistical data systems, as well as the logic of specific operating situations, and the managers’ experience in managing operations at that level. I am not aware of any formal studies quantifying this benefit that would apply outside each local context.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-11. On page 5, line 10, of USPS-T-3, is a word or phrase missing from the phrase “good clear”?

RESPONSE:

The word “good” should be omitted from the sentence.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-12. On page 6, line 1, of USPS-T-3, you state “I understand that . . .” From whom did you obtain this understanding?

RESPONSE:

I obtained this understanding through discussions with Postal Service counsel and Postal Service Headquarters Operations personnel.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-13. On page 6, line 2, of USPS-T-3, you state “I also understand that . . .” From whom did you obtain this understanding?

RESPONSE:

I obtained this understanding through discussions with Postal Service Headquarters Operations personnel.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-14. On page 6, line 12, of USPS-T-3, you state “I understand that . . .” From whom did you obtain this understanding?

RESPONSE:

I obtained this understanding through discussions with Postal Service Counsel and Postal Service Headquarters Operations personnel.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-15. On page 7, lines 4-5, of USPS-T-3, you state:

[B]ut I do understand from Headquarters operations that on average, Netflix pieces average less than 70 miles through the mail”, so most pieces are not going through more than one plant. GameFly return pieces present a different profile, averaging over 459 miles per piece through the mail from origin to the destination GameFly processing site.

(a) From whom at Headquarters Operations did you obtain this information?

(b) Please produce all written communications on which your understanding is based.

(c) Please produce the data and calculations from which 70 and 459 mile values were derived.

(d) How many piece handlings do the average pieces of Netflix and GameFly return mail receive on their return trips?

(e) Please produce data and calculations sufficient to verify your response to part (d).

RESPONSE:

(a) I obtained this information from Operations Requirements personnel.

(b) No written communications exist.

(c-e) Origin 3-digit ZIP (OZIP) to Origin PDC (OPDC): the distance from each OZIP to its OPDC (mapping via L201 Label List) was calculated by PC Miler using the 3-digit ZIP Code centroid and plant latitude and longitude. Using 201 Labeling List accounts for the instances where collection mail may not be processed at the closest processing plant.

OPDC to Destination (e.g. location of caller service address for pick-up of mail pieces): the distance from all plants to all mailer destination pick-up points was calculated by PC Miler using the destination 5-digit ZIP Code centroid and plant

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

latitude and longitude. The latitude and longitude for each mailer destination pick-up point was derived from 5-digit of the destination facility address. The facility found to be closest to each plant was used for the OZIP to destination distance.

OZIP to Destination: the distance is the weighted average of the sum of the individual OZIP to OPDC and OPDC to destination distances. The number of residential addresses in each 3-digit ZIP Code was used to weight, presuming that 3-digit ZIP Codes with higher numbers of residential addresses would be more likely to produce return disc mail pieces than 3-digit ZIP Codes with high proportions of business deliveries.

Only CONUS 3-digit ZIP Codes with representative geography were used (i.e. no offshore and no IRS ZIP Codes).

This would be difficult to calculate without knowing the density level of pieces originating in each 3-digit ZIP Code. That density, particularly for GameFly, would determine how many subsequent handlings would be required. For example, a piece returned from Maine might have an intermediate sort en route to Pittsburgh, or not, if there is enough mail generated at the Maine plant for the Pittsburgh service area.

Please see Appendix-GFL/USPS-T3-15.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-16. On page 7, lines 9-11, of USPS-T-3, you state:

Where culling of Netflix by a delivery unit or local facility is done, operations has concluded that this efficient handling makes good business sense, as it can save additional downstream processing costs.

(a) Please identify all the metrics or criteria that define good business sense.

(b) Please state the priority ordering of or weighting given to these metrics.

(c) Please produce all studies, analyses, data or other information that you contend support the proposition that culling “can save additional downstream processing costs.”

(d) Please provide all studies or analyses showing that culling by a delivery unit or local facility is good business sense.

(e) Aside from studies, please provide the basis for your conclusion that culling by a delivery unit or local facility makes good business sense.

RESPONSE:

(a) Removing pieces from downstream processing reduces the number of pieces which need to be processed. Fewer pieces can reduce the amount of time needed to clear the collection operations, which helps ensure clearing the outgoing operation on time. Using less time to accomplish a task is good business sense.

(b) Priority or weighting of factors will vary from place to place based on the unique circumstances of each facility.

(c) I am not aware of any formal studies documenting this.

(d) I am not aware of any formal studies documenting this.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

(e) My years of experience in mail processing operations, as well as the logic of processing steps, as described above, lead me to conclude that utilizing options which can streamline downstream processing reflects good business sense.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-17. On page 7, lines 11-14, of USPS-T-3, you state:

In some locations, separation of Netflix mail can begin in the delivery unit. If the carriers drop the collection pieces into a unique tub or tray, this eliminates the need for any subsequent AFCS or other automated letter sortation.

(a) Of the Netflix mail that is culled before the AFCS, what percentage is culled in the delivery unit?

(b) What percentage is culled in the 010 operation but before the AFCS?

(c) Describe the flow of mail and the process by which carriers drop collection mail into a unique tray or tub.

(d) Please produce studies, analyses or other internal documents sufficient to verify your responses to parts (a) through (c).

(e) Please provide all cost studies and analysis that show that separating the mail as you describe actually saves money.

RESPONSE:

(a) I am not aware of any studies measuring this activity.

(b) I am not aware of any studies measuring this activity.

(c) Carriers may cull pieces as they retrieve outgoing mail from customer mailboxes and place them in a separate container in their vehicle. The same can happen as they empty collection boxes along their route. Upon return to the delivery unit, the containers would be consolidated before being transported to the processing facility.

(d) I am not aware of any studies measuring this activity.

(e) Local operating decisions have real and immediate consequences for each local management team, which must manage against rigorous budgetary constraints within the framework of overall financial controls and processes within

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

the Postal Service. I am not aware of any general studies measuring this activity that would apply outside of the local context.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-18. On page 7, lines 15-16, of USPS-T-3, you state: "Operations would not be doing this if it added any overall time (cost) in field operations."

(a) Do you believe that operations minimizes costs at all times in all field operations?

(b) Is cost minimization ever less important than another objective? If so, in what circumstances?

(c) Does operations depend on analysis to determine how to minimize costs?

RESPONSE:

(a) There are times when operations managers make choices to prioritize other elements than minimizing costs, based on their best judgment.

(b) An obvious example when cost minimizing may be less important than another objective is service. For example, operations may determine that it offers better customer service by ensuring that in-home dates on mailings are met.

(c) Yes, but not usually in a formal documented study. Various systems provide data which is analyzed and then used to make a decision.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-19. This question refers to page 7, lines 9-19, of USPS-T-3, where you state:

Where culling of Netflix by a delivery unit or local facility is done, operations has concluded that this efficient handling makes good business sense, as it can save additional downstream processing costs. In some locations, separation of Netflix mail can begin in the delivery unit. If the carriers drop the collection pieces into a unique tub or tray, this eliminates the need for any subsequent AFCS or other automated letter sortation. This helps overall clearance of all originating mail in the narrow processing window. Operations would not be doing this if it added any overall time (cost) in field operations. A large plant can handle somewhere between seven and twelve thousand Netflix DVDs nightly. If a good portion of this volume can be trayed the first time it is handled, the savings will compound by reducing overall handling costs and enabling the facility to achieve overall clearance time targets.

Please produce all analyses, studies, and other calculations quantifying the cost savings from culling Netflix mail.

RESPONSE:

Please see the responses to GFL/USPS-T3-16-18. I am not aware of any study measuring the cost savings that would apply generally outside of the local context.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-20. On page 10, line 13, of USPS-T-3, you state: “My understanding is that . . .” From whom did you derive this understanding?

RESPONSE:

I derived this understanding through discussions with Postal Service Headquarters Operations personnel.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-21. On page 11, line 10-17, of USPS-T-3, you state that density plays a major role in local decisions to give Netflix return pieces manual culling or not.

(a) What is the lowest density that makes culling efficient?

(b) If you answer to part (a) is some variant of “it depends on other factors,” please identify the factors and explain what minimum density thresholds for manual culling result from those factors.

(c) Please produce all studies, reports or analyses and other documents that support your position about the importance of density in manual culling decisions.

RESPONSE:

(a) Please see the responses to GFL/USPS-T3-16-20. It would be difficult to specify a particular percentage, since ten percent of one hundred pieces has different operational impacts than ten percent of ten thousand pieces.

(b) Equally important to density is visibility.

(c) I am not aware of any studies addressing this issue that would apply generally outside the local context.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

- GFL/USPS-T3-22.** On page 17, line 15, you state: “I my understand that . . .”
- (a) The phrase appears garbled. If it is, please correct it.
 - (b) From whom did you derive the referenced understanding?

RESPONSE:

- (a) The phrase should read “I understand that...”
- (b) I do not recall whether someone told me this or I read it.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-23. On page 18, lines 1-2, you state: “Generally all outgoing or originating operations in a processing facility must be complete and dispatched by 2230.” Please provide all analyses, studies, or other calculations concerning the effect of culling Netflix mail on meeting the 2230 dispatch time.

RESPONSE:

Please see the responses to GFL/USPS-T3-16-21. I am not aware of any studies measuring this effect that would apply generally outside the local context.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-24. On page 18, lines 5-9, you state:

Facilities where high density mailings can be efficiently isolated, thereby avoiding additional handling, can cut significant time off of their clearance. Even by shifting seven to ten thousand pieces of Netflix directly to dispatch can save 10-15 minutes or more from the AFCS operations and, more broadly, overall originating clearance time.

Please provide all analyses, studies, reports and similar documents that support these claims.

RESPONSE:

Machine utilization reports (national view) identify AFCS throughput per hour in Quarter 3 at 30,600 average pieces per hour. Removing seven to ten thousand pieces would reduce run time between fifteen and nineteen minutes. Quarter 3 average throughput for DBCS machines was 36,200 pieces per hour. Removing seven to ten thousand pieces to be processed would reduce run time between twelve and sixteen minutes. Please see Appendix-GFL/USPS-T3-24.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-25. On page 18, lines 21-23, of USPS-T-3, you contend that “a network of caller service pickup points comparable to what Netflix uses would also be necessary [for the Postal Service] to attain the economies [with GameFly] that the Postal Service realizes with Netflix.” Please provide any studies or analyses that support this statement.

RESPONSE:

I am not aware of any studies addressing this issue.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-26. (a) At how many caller service pickup locations does Netflix receive mail?

RESPONSE:

(a) Currently there are one hundred thirty-two pick up points for Netflix.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-27. (a) Would the culling of Netflix mail into trays be justified on the grounds of efficiency if Netflix had only 12 caller service pickup points at which it received mail?

(b) Would the culling of Netflix mail into trays be justified on the grounds of efficiency if Netflix had 20 caller service pickup points at which it received mail?

RESPONSE:

(a-b) Please see the response to GFL/USPS-T3-24, defining the positive impact on the outgoing operations from culling Netflix pieces. That benefit could still be attained regardless of the number of pickup points. However, if the number of pickup points was reduced, the Postal Service would begin to assume transportation costs which are currently avoided by the number of pickup points being used.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-28. On page 19, lines 9-12, of USPS-T-3, you state that:

So attempting to cull all DVD pieces would likely prove inefficient because it would consume considerable time (especially in the AFCS operation) in the finite processing window to extract those pieces that were missed by the delivery unit. At some point, this would interfere with the efficiency of the operation and add rather than subtract and add rather than subtract processing costs.

(a) Please produce all studies, reports and analyses that support these statements.

(b) What is the volume density at which the cross-over point described in the second quoted sentence occurs? Please produce all studies, reports and analyses on which you rely.

RESPONSE:

(a) Please see the responses to GFL/USPS-T3-16-21. My testimony is based on my experience and knowledge of operating conditions generally, as well as the logic of processing operations involving disc mail. I am not aware of any formal studies supporting these statements that would apply to every set of local conditions.

(b) Volume density would not be the only factor which would determine where there would be a negative impact on efficiency. Visibility is a factor which would also have an impact on the efficiency of trying to cull all DVDs which have not been segregated by delivery unit collection operations.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T-3-29. On page 21, line 21, you state: “Yes, as I understand the conditions specified in the letter.”

- (a) Please explain why you added the qualifying words after “Yes.”
- (b) Please identify each of the conditions specified in the letter from Andrew German to David Levy dated May 17, 2010, regarding the processing of GameFly DVD mail whose meaning was not clear to you from the text of the letter itself.
- (c) What aspects of the letter did you ask to have clarified?
- (d) What clarifications did you receive that are reflected in your current understanding of the letter?
- (e) From whom did you receive the clarifications?

RESPONSE:

- (a) My statement merely reflects the fact that I did not author the letter. I have no reason to believe that the letter communicates any message other than its plain meaning.
- (b) None.
- (c) None.
- (d) None.
- (e) Not Applicable.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T-3-30. On page 21, lines 25-26, you state: “Yes, as I understand the conditions and how those relate to efficient mail flow.”

(a) Please explain why you considered it necessary to add the qualifying words after “Yes.”

(b) Please explain your understanding of the conditions established in the reference [sic] letter, with particular emphasis on the conditions whose meaning the text of the letter leave ambiguous.

(c) Please identify each of the conditions established in the referenced letter whose meaning was not clear to you from the text of the letter itself.

(d) What aspects of that part of the letter did you ask to have clarified?

(e) What clarifications did you receive that are reflected in your current understanding of that part of the letter?

(f) From whom did you receive the clarifications?

RESPONSE:

(a) Please see the response to GFL/USPS-T3-29(a).

(b) I understand the conditions contained in the letter to be those listed below.

- GameFly’s use of a mail piece with a unique color
- GameFly’s use a mail piece qualifying for the one-ounce First-Class Mail Letter rate
- GameFly’s receipt of delivery via caller service at approximately one hundred thirty locations
- GameFly’s entry of outbound mail and pickup of inbound pieces in a way that total one-way distance in the mail drops to approximately the same distance as attained by other DVD mail pieces

I do not believe there is any condition whose meaning is ambiguous.

However, it is my understanding that the letter invites GameFly to discuss with the Postal Service any ambiguities related to the conditions in the letter or GameFly’s disagreement with a particular condition.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

- (c) None.
- (d) None.
- (e) None.
- (f) Not Applicable.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TROY R.
SEANOR TO DISCOVERY REQUESTS OF GAMEFLY, INC.

GFL/USPS-T3-31. The words “jam,” “jams” or “jammed” appear six time [sic] in your testimony (USPS-T-3).

(a) At what rate do Netflix’s inbound mailpieces jam Postal Service mail processing equipment?

(b) Please produce all data, studies and analyses on the propensity of Netflix’s inbound mailpieces to jam Postal Service mail processing equipment.

RESPONSE:

(a-b) I am not aware of any studies measuring jam rates for Netflix mail.

APPENDIX-GFL/USPS-T3-24

Machine Utilization Report

PRODUCTION: MIRS v 3.0.25.P3

FY: 2010 MODS Date: 04/01/2010 - 06/30/2010

NATIONAL

Machine Type	Machines Available	Machines Utilized	Run Time	Run Time Thruput	Wall Clock Time	Wall Clock Thruput	Fed
AFCs	985	984**	166,303.14	30,929	394,599.79	13,035	5,143,653,037
Others	985	984	166,303.14	30,929	394,599.79	13,035	5,143,653,037
	985	984**	166303.14	30,929	394,599.79	13,035	5,143,653,037

* The machine was only online for a portion of the date range selected (the number of machines decreased).

** The machine was only utilized for a portion of the date range selected or machines without data are not displayed.

***Areas/Districts/Plants that do not contain machine data are not displayed.

NATIONAL DATE RANGE: 04/01/2010 - 06/30/2010, Machine Type: AFCs

Machine Utilization Report

PRODUCTION: MIRS v 3.0.25.P3

FY: 2010 MODS Date: 04/01/2010 - 06/30/2010

NATIONAL

Machine Type	Machines Available	Machines Utilized	Run Time	Run Time Thruput	Wall Clock Time	Wall Clock Thruput	Fed
DBCS	4,837	4,837**	1,820,500.62	36,198	2,759,697.22	23,879	65,898,620,001
DBCS Machines	4,837	4,837	1,820,500.62	36,198	2,759,697.22	23,879	65,898,620,001
	4,837	4,837**	1820500.62	36,198	2,759,697.22	23,879	65,898,620,001

* The machine was only online for a portion of the date range selected (the number of machines decreased).

** The machine was only utilized for a portion of the date range selected or machines without data are not displayed.

***Areas/Districts/Plants that do not contain machine data are not displayed.

NATIONAL DATE RANGE: 04/01/2010 - 06/30/2010, Machine Type: , DBCS