

DOCKET SECTION

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Postal Rate and Fee Changes, 1997

Docket No. R97-1

ANSWERS OF ASSOCIATION OF ALTERNATE POSTAL SYSTEMS
TO INTERROGATORIES OF VAL PAK/CAROL WRIGHT
TO AAPS WITNESS BRADSTREET
VP-CW/AAPS-T1-1-3
(February 4, 1998)

The Association of Alternate Postal Systems hereby responds to interrogatories VP-CW/AAPS-T1-1-3 to witness Bradstreet.

Respectfully submitted,

Bonnie S. Blair

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Bonnie S. Blair
Attorney for Association of
Alternate Postal Systems

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document on all participants of record in this proceeding in accordance with Section 12 of the Rules of Practice.

February 4, 1998

Bonnie S. Blair

Bonnie S. Blair

RESPONSE OF AAPS WITNESS BRADSTR4EET TO INTERROGATORIES VP-CW/AAPS-T1-1-3

VP-CW/AAPS-T1-1

Please see your testimony at page 16, lines 2-5, where you state that the Postal Service's "cost computations are not trustworthy." In view of your statement at page 4, line 10, that your testimony is not technical, why should the Commission believe your statement that the Postal Service's cost computations are not trustworthy?

Answer

I think I have presented some non-technical reasons. You may want to refer to USPS/AAPS-T1-18 for a non-technical example.

RESPONSE OF AAPS WITNESS BRADSTREET TO INTERROGATORIES VP-CW/AAPS-T1-1-3

VP-CW/AAPS-T1-2

Please see your testimony at page 22, lines 18-20, where you state that "not only is the USPS not allowed to lower rates for the purpose of hurting fair competition, it is clearly instructed to consider the impact of 'increases' to avoid hurting competitors."

- a. Is it your testimony that the Postal Service may not propose competitive rates, in order to ensure competitors can charge more for their services?
- b. Is it your testimony that any rate change that cause a Postal Service competitor to lose business to the Postal Service violates the statute, because the Postal Service has not avoided hurting competitors?
- c. Is it your testimony that the Postal Service must raise its rates when its competitors raise their rates, in order to avoid hurting competitors?

Answer

- a. No
- b. No
- c. That would be nice, but no.

RESPONSE OF AAPS WITNESS BRADSTREET TO INTERROGATORIES VP-CW/AAPS-T1-1-3

VP-CW/AAPS-T1-3

- a. What percentage of your customers demand day-certain delivery?
- b. What percentage of your customers receive day-certain delivery?
- c. What percentage of your volume comes with a demand for day-certain delivery?
- d. What percentage of your volume receives day-certain delivery?

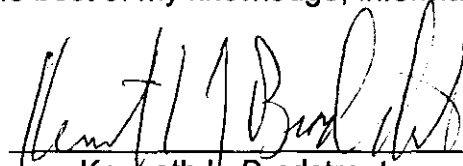
Answer

I assume that the questions refer to APS as opposed to AAPS. Most APS customers are interested in a time range. APS offers a weekly delivery beginning late Saturday afternoon, with a mid-night deadline. Most customers who use our regular weekly delivery are happy with the timing, or I assume they would go elsewhere for delivery services. APS also does special deliveries at other times in the week as contracted. Special deliveries are usually time-sensitive and are more expensive, as the cost is usually borne by a single customer or very few customers. Special deliveries account for about 3% of our volume. Concerning the regular weekend deliveries:

- a. Some customers are satisfied with a 24 hour window (estimated 25%). Some need a narrower time-span such as an 8 hour window (estimated 50%). Some indicate no real preference (25%).
- b. I believe that all of our customers receive delivery within a satisfactory time-frame.
- c. Estimated 75%
- d. Estimated 75%

DECLARATION

I, Kenneth L. Bradstreet, declare under penalty of perjury that the foregoing answers are true and correct to the best of my knowledge, information, and belief.


Kenneth L. Bradstreet

2/2/98

Date