DOCKET SECTION

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

POSTAL RATE AND FEE CHANGES, 1997

DOCKET NO. R97-1

RESPONSES OF MAGAZINE PUBLISHERS OF AMERICA WITNESS COHEN TO INTERROGATORIES OF UNITED STATES POSTAL SERVICE (USPS/MPA-T2-20-23)

(February 13 , 1998)

Pursuant to the Commission's Rules of Practice, Magazine Publishers of America hereby submits the attached responses to interrogatories propounded by USPS to witness Cohen (USPS/MPA-T2-20-23).

Respectfully submitted,

James R. Cregan
Counsel
Magazine Publishers of America
Suite 610
1211 Connecticut Avenue, N.W.
Washington, D.C. 20036
(202) 296-7277

Magazine Publishers of America Witness Rita Cohen
Responses to Interrogatories of USPS

USPS/MPA-T2-20. Please refer to your response to USPS/MPA-T2-2, and to spreadsheet USPS2b.xls, MPA-LR-3. In your response, you state that "40 percent... of eligible item *costs [were] counted.*" *Spreadsheet* USPS2b.xls, *from which the 40 percent figure is* derived, identifies $60.364 million in "counted" item costs and $91.381 million in "uncounted" item costs.

(a) Please confirm that the $91.381 million in uncounted item costs reported in spreadsheet USPS2b.xls includes $34.57 million in costs for "uncounted" items not subject to counting, i.e., bundles, letter trays, and flat trays. If you do not confirm, please provide the figure(s) you believe to be correct. Also please provide the derivation of any such figure(s) in electronic spreadsheet format.

(b) Please confirm that excluding the $34.57 million in costs for "uncounted" not subject to counting yields 52 percent as the percentage of eligible item costs counted according to spreadsheet USPS2b.xls. If you do not confirm, please provide the figure(s) you believe to be correct. Also please provide the derivation of any such figure(s) in electronic spreadsheet format.

(c) Please confirm that both the 40 and 52 percent figures exclude the costs for items eligible for counting that were determined to contain identical mail. If you do not confirm, please explain.

(d) Please provide total direct (identical plus counted) costs for each item type eligible for counting and cost pool, in an electronic spreadsheet format comparable to spreadsheet USPS2b.xls.

Response:

(a) I would agree that the uncounted cost pool includes $34.57 million in costs for uncounted bundles, letter trays, and flat trays. I am not sure how to characterize these costs, as these types of items should presumably not lead to either counted or uncounted tallies. These items are subject to the top-piece rule, a procedure far simpler and less time-consuming than counting. Therefore their presence in the uncounted category is surprising.

(b) I confirm that $60.364 million is 51.5 percent of $117.175 million.

(c) I do not consider identical mail eligible for counting. The procedures spelled out in the IOCS data collectors Handbook (Codes-IOCS Data Entry User's Guide, F-45, Library Reference H-49) specify that one piece of identical mail be selected to complete the IOCS questionnaire. (See question 21B, Rule 6) These items should not be counted.

(d) The USPS2b.xls spreadsheet I prepared does not contain any data on identical items. My calculation was limited to a comparison of counted mixed item costs to uncounted mixed item costs. I believe the Postal Service can obtain ready access to the information requested in this interrogatory by referring to witness Degen's library reference H-277.

Magazine Publishers of America Witness Rita Cohen
Responses to Interrogatories of USPS

USPS/MPA-T2-21. Please refer to your response to USPS/MPA-T2-9. By "strict association," do you mean that 100% of the mail inside a given sack type would have to be of a single subclass? Please explain.

Response:

Not necessarily. If a given sack type could only be used for a single subclass that would certainly be a strict association. There could also be a strict association that combined specific subclasses in known and constant proportions. What I mean by strict association is that the usage of a sack type would be so predictable that a data collector could infer what was in the sack without looking inside. I believe the data clearly demonstrate that this is not the case for IOCS data collectors.

Magazine Publishers of America Witness Rita Cohen
Responses to Interrogatories of USPS

USPS/MPA-T2-22. Please refer to your responses to USPS/MPA-T2-9 and USPS/MPA-T2-10.

(a) Do you believe that an IOCS data collector can determine whether a sack contains identical mail or non-identical mail without opening the sack? Please explain.

(b) Are the reasons you give that the contents of mixed sacks may be different from the contents of identical sacks necessarily applicable to uncounted sacks, for which it is not known whether the contents are identical or non-identical mail?

(c) For items subject to the Top Piece Rule, is there any reason why an observation of a mailer-prepared item should be more likely to result in a direct tally than a Postal Service-prepared item? Please explain fully.

Response:

(a) In many cases, I believe employees will know if a sack contains identical mail or not. For example, the employee may know that a certain magazine is being unloaded into the facility and that sacks coming off the truck are likely to contain identical quantities of that magazine. However, the instructions contained in the IOCS data collectors handbook state that the data collector should open the sack and if the pieces are identical should pick a random piece on which to record data (Library Reference H-49, Question 21B, Rule 6). If the pieces in the sack are not identical, the data collector is instructed to count the contents of the sack (Rule 9).

(b) An uncounted mixed sack should not contain identical mail. The IOCS data collectors Handbook instructs data collectors to select one piece from a sack of identical mail to record information. This is a simpler and less time-consuming procedure than counting the contents of an entire sack. I believe that most uncounted sacks probably contain mixed mail which is likely different from identical mail.

(c) All top-piece rule items should result in direct tallies. For mailer prepared items, which are likely to contain identical mail, the data collector selects one piece on which to record information. For mixed items, the IOCS data collectors Handbook instructs data collectors to select the top or first piece in mixed bundles, letter trays, and flat trays and to record direct tally information about that piece.

USPS/MPA-T2-23. Please refer to your response to USPS/MPA-T2-12 part b, and to the table provided as Attachment 1 to this interrogatory.

(a) Please confirm that the table provided as Attachment 1 to this interrogatory shows a breakdown of the tally counts from spreadsheet DMA17.xls, USPS-LR-H-305, by the IOCS question 19 response. If you do not confirm, please provide the breakdown you believe to be correct.

(b) Please confirm that the breakdown of tallies by the question 19 response indicates that there are letter tallies for employees whose sampled activity is FSM operations, and flat tallies for employees whose sampled activity is LSM operations. If you do not confirm, please explain.

(c) Please confirm that the observation of letter-shape pieces at FSMs, and of flat-shape pieces at LSMs, need not indicate that employees "are not... clocked into the operation they are actually performing." If you do not confirm, please explain how such "misclocking" would affect the mix of mail observed in the employee's sampled activity from question 19.

[Attachment 1 on following page]

Attachment 1
FY96 IOCS Clerk/Mailhandler Tallies by IOCS Q19 Response and Shape
All Offices

Q19 Response	Title	Tally Count Letters/Cds	Flats	IPPs	Parcels	No Shape	Total
A	Manual						
F9211	A - Letter Case Distrib	21,395	422	57	24	11,197	33,095
F9211	B - Flat Case Distrib	116	8,601	54	133	4,884	13,788
F9211	C - Parcel Piece Distrib	63	412	517	2,090	3,418	6,500
F9211	D - Coll/Cancel MM Prep	398	118	27	29	809	1,381
F9211	E - Presort Mail Units	294	112	6	10	569	991
F9211	F - Opening Units	1,167	939	192	278	4,262	6,838
F9211	G - Pouch/Rack Units	609	1,126	569	776	4,702	7,782
F9211	H - Platform Units	407	450	67	232	5,744	6,900
F9211	I - Other Manual	2,802	1,432	215	582	11,526	16,557
	Total Manual	27,251	13,612	1,704	4,154	47,111	93,832
B	OCR	2,596	16	0	1	2,592	5,205
C	Mail Proc BCR/BCS	3,527	28	5	4	3,409	6,973
D	Delivery BCR/BCS	2,688	6	0	0	2,155	4,849
E	Carrier Sequence BCS	421	4	0	0	404	829
F	MPLSM/SPLSM	8,217	135	8	0	3,594	11,954
G	Letter Facer/Canceler	803	23	2	2	732	1,562
H	Flat Facer/Canceler	32	259	0	5	261	557
I	Sack Sorting Machine	155	251	42	161	1,356	1,965
J	Parcel Sorting Machine	28	177	305	1,269	1,992	3,771
K	Flat Sorting Machine	82	6,020	20	31	4,302	10,455
L	Small Parcel & Bundle	405	965	441	462	3,460	5,733
M	NMO Machine	31	16	4	87	222	360
N	Multislide	70	107	27	121	857	1,182
P	ACDCS	88	45	25	106	1,198	1,462
Q	Central Banding	171	50	2	7	552	782
R	Culling Machine	153	61	10	13	346	583
S	Remote Barcoding Mach	16	6	2	10	149	183
T	Transport Equipment	79	189	22	68	6,583	6,941
U	All Other	461	353	91	312	5,806	7,023
	Blank	3,266	1,525	126	338	29,414	34,669
	Grand Total	50,540	23,848	2,836	7,151	116,495	200,870

Response:

(a) I can only confirm that the tally counts in the Grand Total row of Attachment 1 are the same as those in the Grand Total row of spreadsheet DMA17.xls in USPS-LR-H-305. I cannot confirm whether or not Attachment 1 is a breakdown of the tally counts according to possible responses to IOCS question 19.

(b) Confirmed, assuming that this data accurately portrays responses to IOCS question 19.

(c) Again assuming that this data accurately portrays responses to IOCS question 19, this data may be evidence of something other than misclocking. I would note that the frequency of letter tallies at manual flats operations and flats tallies at manual letters operations in particular, is much less for the question 19 results than for witness Degen's cost pool results. Witness Stralberg discussed these results in detail in his response to interrogatory USPS/TW-T1-23, part d. These results suggest that misclocking is one explanation for the existence of such tallies in witness Degen's data base but not the only explanation. I would also note that for many of the operations it is not possible to determine the frequency of misclocking by looking at the resulting activity code since the activity code may not be specific enough to prove or disprove misclocking. The Inspection Service noted the problem of misclocking in the MODS System, particularly at allied operations, where analysis of shapes handled cannot prove the misclocking.

DECLARATION

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

Rita D. Cohen

Dated: Feb 13, 1998

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.

James R. Cregan

Washington, D.C.
February 13, 1998