

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Competitive Product Prices
Priority Mail Contract 28 (MC2011-2)
Negotiated Service Agreement

Docket No. CP2011-4

CHAIRMAN'S INFORMATION REQUEST NO. 1
AND NOTICE OF FILING OF QUESTION UNDER SEAL

(Issued October 15, 2010)

The Postal Service is requested to provide written responses to the following questions. To assist in the completion of the record, the answers should be provided on or before October 22, 2010.

1. Please see Attachment A, filed under seal.
2. Please confirm that Priority Mail advertising is directed at all Priority Mail shippers (retail and non-retail shippers). See, e.g.:
 - a. Priority Mail tool commercial:
<http://www.youtube.com/watch?v=jLEPt9I7SNE>;
 - b. Priority Mail toy store commercial:
<http://www.youtube.com/watch?v=n9c71wRqW94>;
 - c. Priority Mail business seminar commercial:
<http://www.youtube.com/watch?v=RDEOCh29DXU>;
 - d. Priority Mail holiday commercial:
http://www.youtube.com/watch?v=fZhjMxM_Giw; and
 - e. Priority Mail clown commercial:
<http://www.youtube.com/watch?v=oKGKB5bc9DU>.

If not confirmed, please explain.

3. Please confirm that in previous Priority Mail contracts the “Advertising (Retail Campaign)” function was not a specific cost adjustment category, and therefore included in “Other Costs” (See, e.g., Docket No. CP2010-9, File: ContractAnalysisPrio_Public_FlatParcel.xls). Please reconcile the different treatment of previous Priority Mail contracts that did not include a potential cost adjustment for “Advertising (Retail Campaign)” with the instant contract that includes a potential cost adjustment for “Advertising (Retail Campaign)”.
4. Please provide spreadsheets showing the development of the allocation of Priority Mail advertising costs (Cost Segment 16.3.5) among:
 - a. Retail Priority Mail and non-retail Priority Mail; and
 - b. NSA Priority Mail and non-NSA Priority Mail.

By the Chairman.

Ruth Y. Goldway