

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

NOTICE OF RULEMAKING

Docket No. RM2010-9

REVISED RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 1, QUESTION 2c  
(October 25, 2010)

Chairman's Information Request (CHIR) No. 1 was issued on August 13, 2010. The Postal Service filed its response on September 10, 2010, but was asked to revise its response to Questions 2a, 2c and 3. The Postal Service filed a revised response to Question 3 (under seal) on September 22, 2010, and today files updated responses to Questions 2a and 2c. The response to Question 2a contains a substantial amount of sensitive, mailer-specific data, and is being filed under seal. Attached is the Postal Service's response to Question 2c.

UNITED STATES POSTAL SERVICE

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2. Please refer to the "loyalty growth" analysis on page 3 of the Docket No. R2009-5 data collection report (filed July 26, 2010). The table shows the "average loyalty percentage" as calculated based on volume trends for winter (Jan—Mar), spring (Apr—June), and summer (July—Sept). In the spreadsheet containing individual mailer volumes (First-Class Mail Incentive—Order 299—20100504.xls), the individual tabs state in a footnote that "MSP volume data were collected for the following months: Oct—Dec. 2007, Sept. 2008—Jan. 2009, Sept. 2009—Jan. 2010."
  - a. Please provide a revised spreadsheet with Mail Service Providers (MSP) volumes for each month, consistent with the data collection plan. See Docket No. R2009-5, Order No. 299, November 16, 2009, at 19. If the required data are not available, please explain.
  - b. MSP volumes are the only volumes reported for many mailers and make up the majority of the volume of many more mailers. Please explain the rationale for the assumption that mailer volume trends for periods that exclude MSP volumes can be meaningfully applied to the fall period, which includes MSP volumes. Please include an explanation of how trends were calculated for mailers with no non-MSP volumes as well as any adjustments made to the non-MSP volumes of mailers that also sent MSP volumes.
  - c. Please provide the spreadsheet containing the calculation of the figures presented in the "loyalty growth" table (Loyalty Analysis.xls).

#### RESPONSE:

- c. See attached file "RM2010-9 CHIR 1 Q2c -- LA update.xls."