

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

Addition to the Competitive Product List  
Competitive Ancillary Services

Docket No. MC2011-23

Competitive Product Prices  
Competitive Ancillary Services (MC2011-23)  
Adult Signature Service

Docket No. CP2011-62

PUBLIC REPRESENTATIVE COMMENTS IN RESPONSE TO  
ORDER NO. 683

(Issued March 10, 2011)

In accordance with Order No. 683<sup>1</sup>, the Public Representative hereby comments on the February 24, 2011 Request of the Postal Service.<sup>2</sup> As required by 39 U.S.C. 3642 and 39 CFR § 3020.30 *et seq.*, the Postal Service's Requests seeks to add a new product to the competitive product list, Competitive Ancillary Services, and concurrently establish a new price category under that product for Adult Signature service. The filing includes the Governors' Decision authorizing the Request (Attachment A), a Statement of Supporting Justification (Attachment B), and the proposed Mail Classification Schedule language (Attachment C).

The Public Representative concludes that the Postal Service's filing is consistent with the policies of 39 U.S.C 3642, 39 CFR 3020.30 *et seq.*

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<sup>1</sup> Notice and Order Concerning Proposal to Add New Product to the Competitive Product List and Establish New Price Category, February 25, 2011 (Order No. 683).

<sup>2</sup> Request of the United States Postal Service to Establish New Competitive Ancillary Service Product and Notice of Price and Classification Changes for Adult Signature Service, February 24, 2011 (Request).

### **Adult Signature Service**

The Postal Service proposes Competitive Ancillary Services as a shell product under which a variety of competitive ancillary service price categories will be placed. Adult Signature service is the first price category to be placed within the Competitive Ancillary Services product. In the future, the Postal Service may propose to add new price categories and products to the competitive product list by filing similar requests with the Commission.

The Postal Service explains that there are two variations of Adult Signature service, Adult Signature Required and Adult Signature Restricted Delivery. At a price of \$4.75 per piece, Adult Signature Required requires the signature of anyone 21 years of age or older at the recipient address. At a price of \$4.95, Adult Signature Restricted Delivery requires the signature of the addressee only, who must be at least 21 years of age at the designated address. See Attachment A.

### **Regulatory Criteria**

Requests to add products to the competitive product list must include detailed information regarding the proposed new product. See 39 CFR 3020.31. The Postal Service also must provide a supporting justification explaining why the change is in accordance with chapter 36 of title 39 of the United States Code. See 39 CFR 3020.32(a).

As noted above, the Postal Service provided a copy of the Governors' Decision and Certification along with a copy of the applicable sections of the Mail Classification Schedule and proposed changes. The Postal Service's filings comply with 39 CFR 3020.31(b) and (f).

In its Statement of Supporting Justification, Gary C. Reblin, Vice President for Shipping Services, responds to all the required elements of 39 CFR 3020.32. Mr. Reblin maintains that approving the new product will not violate 39 U.S.C. 3633 because it will cover its attributable costs and make a positive contribution to coverage

of institutional costs. Attachment B at 1. Regarding the availability and nature of enterprises in the sector offering this product, Reblin states that similar services are widely available from well-known private firms at both published and contract prices. Reblin adds that the proposed product will likely have a minimal impact on small businesses as the Postal Service is unaware of any small businesses that could offer comparable services. *Id.* at 4.

The filing demonstrates that the Postal Service has satisfied the regulatory requirements for establishing a new competitive product.

### **Public Interest**

Public safety is at the heart of the public interest. The new service will aid in preventing a number of dangerous situations from occurring in communities around the country. Law enforcement officials, legislators, and courts are faced with the daunting task of making communities safer. Adult Signature service will assist in this effort by making it possible for individuals to use the mail to send goods while ensuring that the recipients of such goods are of the legal age to purchase the goods.

It is illegal in all 50 states for individuals under 21 years of age to purchase alcohol. It is illegal for individuals under 21 years of age to acquire handguns. However, underage individuals may circumvent laws requiring them to be 21 years of age or older by ordering goods online. While some online vendors selling goods that may only be purchased by individuals 21 years and older require proof of age, some may not. Upon delivery of an underage recipient's item, underage individuals may gain access to goods they are prohibited from having in their possession.

Adult Signature service will be available to customers who want to ensure indemnity for liability. But more importantly the new service will also assist in protecting the general public from the harms associated with underage drinking and firearms getting into the hands of minors.

In addition, residential postal customers over 21 years of age who live with children or minors and wish to have greater privacy and security for their mail may choose Adult Signature service. This option will ensure that minors within the residence do not gain access to certain items when mailed to the home.

Offering postal customers Adult Signature service is a positive step for the Postal Service. The Postal Service's proposal not only shows that it values the well-being of the public but it also shows business acumen. Currently, UPS offers Adult Signature Required as an option for delivery confirmation. The Postal Service is now one product closer to being on equal footing with at least one of its competitors.

The Public Representative respectfully submits these Comments for the Commission's consideration.

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