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

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MAILING ONLINE SERVICE)) Docket No. MC98-1	

FIRST INTERROGATORIES OF MAIL ADVERTISING SERVICE ASSOCIATION INTERNATIONAL TO USPS WITNESS PLUNKETT (MASA/USPS-T5-1-8)

In accordance with Order No. 1216 of the Postal Rate Commission, the witness is requested to provide written responses to the following interrogatories within 10 days of the date hereof. For purposes of these interrogatories, "MOL" refers to the Mailing Online Service that is the subject of these proceedings.

MASA/USPS-T5-1. Confirm that one of the bases for the assumption that long run mailings (defined for purposes of this interrogatory as mailings of 5000 pieces or more) will not be submitted using MOL is that such mailings would qualify for lower postage rates than those charged to MOL users.

MASA/USPS-T5-2. Has the Postal Service given any consideration to making a wide range of rates available to MOL customers? If so, describe any such consideration in detail.

MASA/USPS-T5-3. Describe in detail any factors that would prevent the Postal Service from charging postage to an MOU customer at the lowest rate for which the mailing would qualify if the customer had presented it to the Postal Service directly in hard copy. Assume for purposes of the question that the customer took advantage of all discounts that the mailing could have qualified for given its size, density and geographical distribution. Include in your answer any reasons of which you are aware that the Postal Service would be unlikely in the future to expand the MOL service or propose a new related service that would take advantage of this option.

MASA/USPS-T5-4. If one were to assume that the MOL program consistently generated sufficient volume that the mail presented to the Post Office by Consistently and predominantly qualified for a lower rate than is proposed in this docket, what

if anything, is to prevent the Postal Service from proposing a modification to MOL that would charge a lower rate of postage?

MASA/USPS-T5-5. Your testimony refers to the "convenience" of MOL and states that MOL "will generally allow next day entry at, or near, the point of destination, thereby providing Mailing Online customers faster delivery than they would otherwise receive" (at 16). Is it your testimony and belief that a MOL customer would be unable to achieve the same quality of service for his direct mail piece if he (i) presented the mailing in hard copy directly to the Postal service; or (ii) contracted with a lettershop to prepare and present his mailing to the Postal Service? Explain your answer in detail, including any data or source material upon which it is based.

MASA/USPS-T5-6. Is it your view (referring to your testimony at page 18, line 20-21) that it is appropriate under the criteria established by the Postal Reorganization Act to charge a low markup over Postal Service costs in order to achieve market penetration for a new product? Explain your answer fully, including any factual or legal support for it.

MASA/USPS-T5-7. Describe in detail all consideration that the Postal Service has given to the possibility that with respect to the 68% of projected MOL volume that consists of matter already being mailed, volume will be diverted from private businesses that now provide services in connection with such mailings (including, e.g., lettershops).

MASA/USPS-T5-8.

- (a) Confirm that the Postal Service will not make available to MOL customers any lists of Postal Service customers.
- (b) Confirm (referring to the testimony of Postal Service witness Wilcox) that MOL customers will receive certain list cleaning services as an incident to their use of MOL.
- (c) Describe in detail all list cleaning or similar services that MOL customers will receive with respect to their mailing lists. Include in your answer whether these services are available to other postal customers and on what terms, and whether an MOL customer will be charged separately for such services.

Respectfully submitted,

Graeme W. Bush, Esq. James Sottile, IV, Esq

CAPLIN & DRYSDALE, CHARTERED

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Counsel for Mail Advertising Service Association International

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing interrogatories were served by first class mail on the parties on the attached service list this 4th day of August 1998.

James Sottile, IV

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