

ORIGINAL

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

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Docket No. MC98-1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS HAMM TO INTERROGATORIES OF
THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-T6-3-8)

The United States Postal Service hereby provides responses of witness Hamm to the following interrogatories of the Office of the Consumer Advocate: OCA/USPS-T6-3-8, filed on July 31, 1998.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



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August 10, 1998

POSTAL RATE COMMISSION
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OFFICE OF THE SECRETARY

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS HAMM
TO INTERROGATORIES OF OFFICE OF THE CONSUMER ADVOCATE

OCA/USPS-T6-3. Please refer to page ii of your testimony. You state that PIA represents 15,000 printing and graphic arts businesses in the United States.

- a. Please give a ballpark estimate of the total number of such businesses in the United States, whether they are members of PIA or not.
- b. Generally, are businesses that primarily provide photocopying services among your members?

RESPONSE.

- a. 52,000.
- b. Our members are diverse. Businesses whose primary business is photocopying services are eligible to join PIA, and some have done so.

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OCA/USPS-T6-4. At page 1 of your testimony, you state that “shorter print runs” and “greater specialization in printing” are part of the digital printing revolution. Is it mainly the reduced costs of producing a shorter print run or specialized print jobs that have resulted in an increase in the number of such jobs? Please explain.

RESPONSE.

Both. Reduced job costs from printing only the amount needed, when needed, has increased the number of digital printing jobs due to reduced warehousing needs and reduced out-of-date inventory. Digital printing also allows customization and personalization in a print job which produces higher response rates.

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OCA/USPS-T6-5. At the bottom of page 1, you refer to "on demand" printing.

- a. Please explain what this means.
- b. How widespread is "on demand" printing?

RESPONSE.

- a. "On demand" printing refers to printing only when the output is needed by the customer, as opposed to printing copies of a document and storing them as inventory in a warehouse.
- b. PIA does not have specific information bearing on this question, but sees an increase in the number of PIA members that are offering "on demand" printing to customers.

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OCA/USPS-T6-6. At page 2, line 14, you state that, "The transmission of this document can be done in real time for printing and mailing." Please explain what you mean by this—if a document can be done in real time now, how was it done before?

RESPONSE.

"Real time" refers to the immediate transmission of the document/data as it is created. Non-real time could include courier and other delivery services that would add days to production.

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OCA/USPS-T6-7. Please explain what you mean at page 3, line, 1, that, "Each press has points of efficiency."

RESPONSE.

A point of efficiency refers to that point where the press is the most cost-effective per impression.

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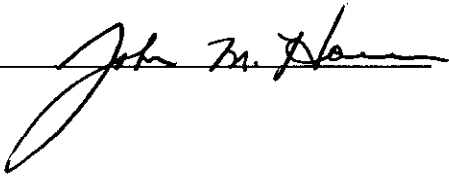
OCA/USPS-T6-8. Please define and describe a "digital printing unit" as you use that phrase at page 3 of your testimony.

RESPONSE.

A "digital printing unit" is a digital press.

DECLARATION

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



Dated: 8/10/98

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Kenneth N. Hollies

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