

Before The  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

**ORIGINAL** RECEIVED

AUG 14 4 50 PM '98

POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

Docket No. MC98-1

Mailing Online Service

RESPONSE OF THE UNITED STATES POSTAL SERVICE  
WITNESS GARVEY TO INTERROGATORIES OF  
OFFICE OF THE CONSUMER ADVOCATE  
(OCA/USPS-1-3 REDIRECTED FROM THE POSTAL SERVICE)

The United States Postal Service hereby provides the response to the following interrogatories of Office of the Consumer Advocate: OCA/USPS-1-3, filed on August 4, 1998, and redirected from the Postal Service.

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

  
Kenneth N. Hollies

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(202) 268-3083; Fax: -5402  
Washington, D.C. 20260-1137  
August 14, 1998



RESPONSE OF WITNESS GARVEY  
TO INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE,  
REDIRECTED FROM UNITED STATES POSTAL SERVICE  
OCA/USPS-1. The following interrogatory refers to USPS-LR-2/MC98-1, page 31, where the following statement appears: "... [T]he Postal Service provided us with an estimate of the percentage of the eligible universe who they believe would be aware of NetPost ...." Please explain how each of the five "awareness adjustment factors" was derived. Cite all sources used in developing the percentage factors and provide copies of each source not previously filed in this docket.

RESPONSE:

A great deal of discussion preceded the provision of "awareness adjustment factors" to the researchers. After consulting both in-house and outside marketing experts, it became clear that no significant body of information or knowledge exists on awareness factors for internet products and services; there is insufficient data from which to establish conservative baselines. We therefore took a best guess based upon that inferential or anecdotal knowledge we possessed at the time.

RESPONSE OF WITNESS GARVEY  
TO INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE,  
REDIRECTED FROM UNITED STATES POSTAL SERVICE  
OCA/USPS-2. The following interrogatory refers to USPS-LR-2/MC98-1, page  
31, where the following statement appears: "... [T]he Postal Service provided us  
with an estimate of the percentage of the eligible universe whom they believe  
would have compatible hardware and software platforms ...." Please explain how  
each of the five estimates for "access to compatible hardware and software  
adjustment factors" was derived. Cite all sources used in developing the factors  
and provide copies of each source not previously filed in this docket.

RESPONSE:

This estimate was provided in a telephone conference with National Analysts.

The factor was derived from establishing what constituted "compatible hardware  
and software platforms"; and then searching trade references to find reasonably  
reliable estimates of how many businesses would have access to them in each of  
the years. Specifically which sources were used is unknown at this time.

RESPONSE OF WITNESS GARVEY  
TO INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE,  
REDIRECTED FROM UNITED STATES POSTAL SERVICE  
OCA/USPS-3. The following interrogatory refers to USPS-LR-2/MC98-1, page  
32, where the following statement appears: "The actual number of businesses  
with Internet access over the next five years was supplied to us by the Postal  
Service." Please explain how each of the 5 estimates for the "Internet access  
adjustment factor" was derived. Cite all sources used in developing the factors  
and provide copies of each source not previously filed in this docket.

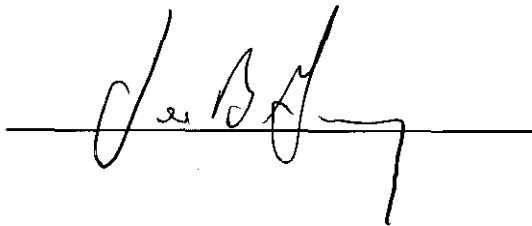
RESPONSE:

This estimate was provided in a telephone conference with National Analysts.

The factor was derived from establishing what constituted "internet access"; and  
then finding reasonably reliable estimates of how many businesses would have  
access in each of the years. Specifically which sources were used is unknown at  
this time.

## DECLARATION


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

A handwritten signature, appearing to be "Lee Garvey", is written over a horizontal line.

Dated: 8/14/98

## 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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August 14, 1998