

ORIGINAL

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Mailing Online Service

Docket No. MC98-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE
WITNESS ROTHSCHILD TO INTERROGATORIES OF
MAIL ADVERTISING SERVICE ASSOCIATION
(MASA/USPS-T4-6-8)

The United States Postal Service hereby provides the response of witness
Rothschild to the following interrogatories of Mail Advertising Service Association:
MASA/USPS-T4-6-8, filed on August 24, 1998.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

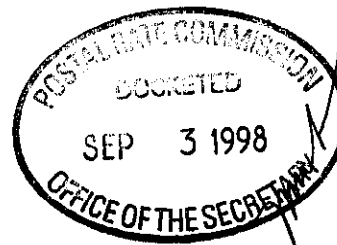
By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Scott L Reiter

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September 3, 1998



**Response of Postal Service Witness Rothschild
To MASA Interrogatories**

MASA/USPS-T4-6. Refer to witness Garvey's response to MASA/USPS-T1-5(I), in which he states that National Analysts provided the information that one third of all direct mail pieces designed using desktop computer technology" are produced in short-run quantities" (defined as consisting of mailings of less than 5000 pieces). State in detail the basis for this information. Include an identification of all information sources, market surveys, research or other sources upon which you relied or to which you referred in reaching the conclusion attributed to National Analysts by witness Garvey.

RESPONSE: The source of the information was The Rochester Institute of Technology's School of Printing, provided upon National Analysts' request.

**Response of Postal Service Witness Rothschild
To MASA Interrogatories**

MASA/USPS-T4-7. Were the participants in your survey told a price at which NetPost would be available to them in connection with questions they were asked about their likely use of the service (see e.g., Q3, 4, 11, 12)?

- a. If so, what was the price, how were they informed of the price, and where does the price appear in the questionnaire or other survey material attached to your report?
- b. If not, explain how you were able to estimate volumes for NetPost without identifying the price at which the service would be offered.

RESPONSE:

Participants in the survey were told a price at which NetPost would be available to them. They were sent a rate card along with the questionnaire that listed NetPost's price per piece, based on its physical characteristics and the sender's status as a commercial or non-profit mailer. There were two sets of rate cards, one for each set of prices being tested. These rate cards appear at the end of Attachment E in Library Reference USPS-2.

**Response of Postal Service Witness Rothschild
To MASA Interrogatories**

MASA/USPS-T4-8. Confirm that if MOL were not limited to short-run mailings (defined as less than 5000 pieces), and that mailings of greater than 5000 pieces would qualify for the service, then your market survey did not represent the full range of potential end users of MOL. If you cannot confirm, explain why in detail. If you do confirm, provide any information you have with respect to what the potential volume is from mailings greater than 5000 pieces.

RESPONSE:

We confirm that the market survey did not represent the full range of potential end users of MOL. Given that the study's purpose was to support business planning, our objective was to determine whether there was sufficient demand among NetPost's most likely users to justify its further development. The volume estimates include the volume of all mailings, including those with more than 5000 pieces, sent by mailers who typically produce mailings of less than 5000 pieces. No information was gathered about the potential volume that could be generated by mailers who typically produce mailings with greater than 5000 pieces.

DECLARATION

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

Beth B. Rothschild

Dated: 9/3/98

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.


Scott L Reiter

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