

BEFORE THE
POSTAL RATE COMMISSION

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COMPLAINT ON POST E.S.C.)
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DOCKET NO. C99-1

MOTION FOR INTERVENTION
BY COALITION AGAINST UNFAIR USPS COMPETITION
(October 27, 1998)

Pursuant to 5 U.S.C. § 554; 39 U.S.C. § 3662; 39 C.F.R. § 3001.21 and 3001.81 et seq., the Coalition Against Unfair USPS Competition hereby moves to intervene in the above captioned complaint. Its Motion for Intervention is based on the following grounds:

Name and Address of Intervenor

1. Intervenor is the Coalition Against Unfair USPS Competition ("CAUUC"). CAUUC's address is Arlington Courthouse Plaza II, 2300 Clarendon Blvd., Suite 1010, Arlington, VA 22201.

Basis for Intervention

2. CAUUC is a coalition of franchise organizations and a trade association engaged in the mail, parcel, and business support industry. The members of CAUUC include the Associated Mail & Parcel Centers, Mail Boxes Etc., Pak Mail, Parcel Plus, PostalAnnex+, and PostNet and the stores owned by individual entrepreneurs associated with the above named organizations. CAUUC and its members engage

daily in the sale of postal products and competitive private delivery products in stores located in every state in the Union. There are approximately 10,000 stores in the industry represented by CAUUC. Previously, CAUUC has filed a complaint before the Commission, Complaint of CAUUC, C96-1, and has participated in a formal rate making and classification proceeding concerning packaging before the Commission, specifically Provisional Packaging Service MC97-5.

3. CAUUC and its members have a great interest in the outcome of this proceeding and integrity of the rate making and classification process. As demonstrated in the packaging complaint and rate cases, the Postal Service has begun a process by which it offers new postal services to the public at postal facilities without first requesting a recommended decision from the Commission. This was found by the Commission in the packaging complaint to be in violation of the Postal Reorganization Act and, as a result, the Postal Service suspended its Pack and Send service and submitted a proposed packaging service to the Commission for formal rate making. USPS Notice of Decision of the Board of Governors, C96-1, April 17, 1997 and Request by USPS for a Recommended Decision, MC97-5, July 29, 1997. The recommended decision on this case is currently pending before the Postal Service Board of Governors for action. Recommended Decision, MC97-5, March 31, 1998.

4. Recently, the Postal Service has begun a new service, "Post Electronic Courier Service ("Post E.C.") which it describes as a "fast inexpensive document delivery" which it states is an alternative to overnight and courier services. Many

members of CAUUC sell overnight and courier services to the general public and this service will directly compete with that sale of overnight and courier services. The Postal Service further offers this on a 30 day “free trial” basis. Complaint, Exhibit A.

5. This service is a new postal service subject to the rate making and classification authority of the Postal Reorganization Act 39 U.S.C. § 3622 and 3623. The Postal Service cannot offer this new postal service (including on a “free trial” basis) without first submitting a rate and classification case to the Commission for a recommended decision under the Act.

6. By failing to so submit, the Postal Service is endangering the entire rate making and classification process and is in direct violation of the Postal Reorganization Act. This violation is a direct threat to the members of CAUUC which sell postal products and products of competing private competitors to the general public. It is critical that the Postal Reorganization Act rate making and classification process be followed. In its previous complaint MC 97-1, CAUUC showed specifically that it and its members were both interested parties and could be harmed by the violation of the rate making process. The same harm and interest can be found in this case.

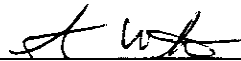
7. The CAUUC is critically interested in the outcome of this case. If the Postal Service continues to offer postal services in violation of the rate making requirements of the Postal Reorganization Act, it is inevitable that the structure of the Act will be undermined. The critical need that no cross-subsidy between classes of mail

will be violated, and the Postal Service will attempt to offer more and more products without complying with the Act. Many of these product will compete directly with the members of CAUUC just as this service and the proposed packaging service does.

a. As vendors of the products of the Postal Service and its competitors, CAUUC and its members wish to formally intervene in this proceeding. CAUUC is directly interested in the outcome of this case and in the integrity of the rate making and classification process.

WHEREFORE, CAUUC respectfully requests the Commission to grant this Motion For Intervention.

Respectfully submitted



Steve&W Silver
Attorneys for Coalition Against Unfair USPS
Competition

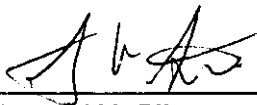
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CERTIFICATE OF SERVICE

I hereby certify that on this date I have caused to be served the foregoing document by first class mail, postage prepaid, in accordance with Section 12 of the Rules of Practice.

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