

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

MAIL PROCESSING NETWORK RATIONALIZATION
SERVICE CHANGES, 2011

Docket No. N2012-1

**INSTITUTIONAL RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO GREETING CARD ASSOCIATION INTERROGATORY
REDIRECTED FROM WITNESS WILLIAMS
(GCA/USPS-T1-6)**

The United States Postal Service hereby provides an institutional response to the above-identified interrogatory of the Greeting Card Association dated February 10, 2012. The interrogatory has been redirected from witness David Williams to the Postal Service for an institutional response. The interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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February 20, 2012

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GCA/USPS-T1-6

Please refer to your response to GCA/USPS-T1-2, filed on January 10, 2012. You state in the above-cited response that you have been informed that the Postal Service has not considered a market-dominant price increase “that would exclude First-Class Mail” either as an alternative to the service changes at issue here or as a deficit reduction measure. Please expand your response to cover any explicit consideration of measures which would seek increased levels of processing and delivery infrastructure funding from other classes of mail with-out necessarily excluding First-Class Mail (e.g., by altering the relative contribution levels of the various classes).

RESPONSE

The question before the Commission in this section 3661 docket is whether the proposed service changes, if implemented, would conform to the service policies of title 39, not whether the Postal Service could or should impose price increases on some or all mailers as an alternative to implementing changes in service that are being pursued to reduce operating costs. Had interrogatory GCA/USPS-T1-2 not been so narrowly tailored and explicitly excluded First-Class Mail, the response (provided by witness Williams in lieu of an objection) would have explicitly included First-Class Mail and perhaps put an end to pricing questions that are beyond the scope of this proceeding.