

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

TRANSFER OF PARCEL POST TO THE
COMPETITIVE PRODUCT LIST

DOCKET NO. MC2012-13

INITIAL COMMENTS OF DAVID B. POPKIN

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Respectfully submitted,

PREMC201213COMMENTS

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I wish to file Comments in the above referenced Docket.

In order to transfer a product from the Market Dominant product list to the Competitive product list, the product must be competitive. While there may be many areas in which Parcel Post service will be competitive, there is one major area in which it is not. That is the ability for a small user to induct their parcel into the system. While many parcel post business users have daily UPS pick-ups, the ability of "Aunt Minnie" to utilize a service other than the Postal Service's parcel post product is greatly restricted. The number of facilities that the Postal Service has for the induction of a parcel into the system far exceeds the number of facilities that the private competitors have particularly in rural areas.

Transferring Parcel Post to the competitive product list will now allow the Postal Service to keep the compliance results of the service standards from being released. Users of the service need to know how well the Postal Service is meeting the standards.

The information provided in the response to the Chairman's Information Request No. 1 shows that the Revenue for Alaska Bypass is \$29,555,000 and the Volume is 1,261,000. Dividing these two numbers would indicate that the average revenue per

price is \$23.44. The minimum revenue for an Alaska Bypass pallet would be for a 1,000 bound pallet sent to the first or second zone of \$23.25 divided by 70 and multiplied by 1000 or a postage price of \$332.14. How can one have an average price which is only 7% of the minimum value?

The Commission should consider these points in rendering the Advisory Opinion.