

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Competitive Product List
Adding Round-Trip Mailer

Docket No. MC2013-57

Competitive Product Prices
Round-Trip Mailer (MC2013-57)

Docket No. CP2013-75

CHAIRMAN'S INFORMATION REQUEST NO. 1

(Issued December 18, 2013)

To clarify the Postal Service's Request of the United States Postal Service Under Section 3642 to Create Round-Trip Mailer Product (Request), the Postal Service is requested to provide written responses to the following questions. Answers should be provided no later than January 17, 2014. For purposes of this CHIR, the term "DVD customers" means companies such as Netflix and GameFly that rent and sell video content, some, but not all, of which is sent to customers as DVDs via the Postal Service.

1. Please provide data showing by quarter the revenue, volume, and weight of letter-shaped and flat-shaped round-trip DVD mailers ("round-trip DVD mailers"), by mail category code, for fiscal years (FY) 2003 through 2013.
2. Please provide a copy of all surveys, studies, and analyses performed by or for the Postal Service from FY 2003 to FY 2013 assessing the actual or possible impact (revenues and volumes) on the Postal Service from past or proposed changes in the rates paid by mailers for round-trip DVD mailers.
3. Please provide a copy of all surveys, studies, and analyses performed by or for the Postal Service from FY 2003 to FY 2013 assessing DVD customers' usage of alternative delivery media for round-trip DVD mailers – including but not limited to

other direct-delivery providers, streaming of DVD content over the Internet, downloading of DVD content from the Internet, and DVDs offered at kiosks or brick-and-mortar retail stores.

4. Please provide a copy of all surveys, studies, and analyses prepared by or for the Postal Service from FY 2003 to FY 2013 assessing changes in DVD customers' usage of alternative delivery media for round-trip DVD mailers— including but not limited to other direct-delivery providers, streaming of DVD content over the Internet, downloading of DVD content from the Internet, and DVDs offered at kiosks or brick-and-mortar retail stores in response to changes in the postal rates paid for round-trip DVD mailers.
5. The Request at page 3 states that the new Round-Trip Mailer product would replace the existing First-Class Mail round-trip mailer option on the market dominant product list, and that there would exist only one set of equalized rates for round-trip DVD mailers, regardless of shape.
 - a. Please state whether DVD customers eligible for the new Round-Trip Mailer product will also be able to send DVDs round-trip via First-Class Mail.
 - b. If so, does the Postal Service intend to assess the non-machinable surcharge on mailpieces that are not automation compatible?
 - c. If the answer to subpart a. is yes and the answer to subpart b. is no, please confirm that the applicable First-Class Mail rates will constrain the price of the new Round-Trip Mailer product. If not confirmed, please explain.

6. In their comments on the Postal Service's Request, Netflix and GameFly contend that they do not view alternative means of delivering video content such as Internet streaming, downloading, and distribution through kiosks to be acceptable substitutes for physical delivery for a significant portion of their offerings. GameFly and Netflix aside, please identify all DVD customers that currently or formerly used round-trip DVD mailers and now use alternative means of delivering DVDs or DVD content (including, but not limited to, other direct-delivery providers, streaming of DVD content over the Internet, downloading of DVD content from the Internet, and brick-and-mortar retail stores). For each DVD customer so identified, please provide annual round-trip DVD mail volumes for the period FY 2003 through FY 2013.

By the Chairman.

Ruth Y. Goldway