

ORIGINAL

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

RECEIVED
MAR 26 11 51 AM '99

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

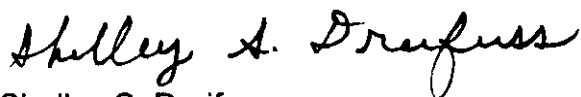
Mailing Online Service)

Docket No. MC98-1

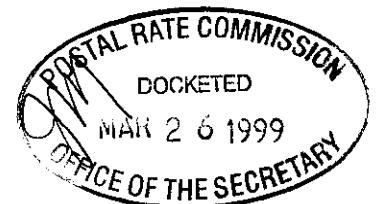
OFFICE OF THE CONSUMER ADVOCATE
NOTICE OF FILING CROSS-EXAMINATION EXHIBIT
FOR WITNESS GARVEY
(March 26, 1999)

The Office of the Consumer Advocate (OCA) hereby notifies the Postal Service, the Commission, and other participants that it intends to ask questions of witness Garvey at his March 30, 1999, appearance concerning the attached cross-examination exhibit.

Respectfully submitted,



Shelley S. Dreifuss
Attorney
Office of the Consumer Advocate



OCA-RT1-XE1: OCA Cross Examination Exhibit for Witness Garvey
 (Estimate of PostOffice Online Nationwide Advertising Budget
 for 2-Year Experimental Period)

Total population of U.S.¹ 270,253,500

<u>5 Marketing Areas involved in Mailing Online Market Test</u>	<u>Population of Statistical Area</u>
---	---------------------------------------

New York (Rand McNally Major Trading Area) ²	26,950,500
---	------------

Total New England County Metropolitan Areas ³ (Encompasses 2 marketing areas: Boston and Hartford)	11,364,700
--	------------

Philadelphia (Rand McNally Major Trading Area) ⁴	9,203,000
---	-----------

Tampa-St. Petersburg-Orlando (Rand McNally Major Trading Area) ⁵	6,256,800
---	-----------

<u>TOTAL POPULATION MARKETING AREAS</u>	<u>53,775,000</u>
---	-------------------

270,253,500/53,775,000 = 5.03 (rounds to 5)

Estimate of national advertising budget for PostOffice Online over 2-year experimental period:

5 x \$121,700⁶ per week x 104 weeks = \$63,284,000
 Advertising budget for one year = \$63,284,000/2 = \$31,642,000

¹ Rand McNally Commercial Atlas & Marketing Guide (1999 ed.) at 40. Based on January 1, 1998, population estimates.

² Id.

³ Id. at 59. (This is an overestimate of the population involved in the market test as it includes Providence, Warwick, and Pawtucket, RI, areas not participating in the market test.)

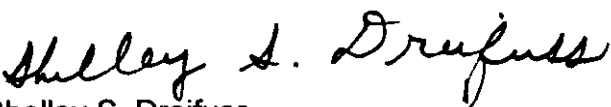
⁴ Id. at 40.

⁵ Id. at 40. (This is an overestimate of the population involved in the market test as it includes Orlando, FL, an area not participating in the market test).

⁶ The AP reports filed on March 19, 1999, cover a period of 17 weeks during which a total of \$2,068,909 was spent on PostOffice Online advertising, thus yielding a weekly average expenditure of \$121,700.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.


Shelley S. Dreifuss
Attorney

Washington, DC 20268-0001
March 26, 1999