

ORIGINAL

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

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Mailing Online Service)

Docket No. MC98-1

OFFICE OF THE CONSUMER ADVOCATE
NOTICE OF FILING OF REVISED CROSS-EXAMINATION
EXHIBIT FOR WITNESS GARVEY
(March 29, 1999)

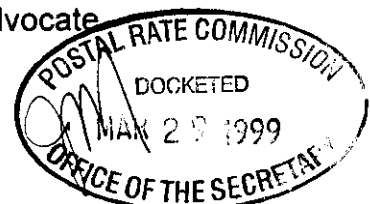
On the afternoon of March 26, 1999, counsel for the Office of the Consumer Advocate (OCA) received word from Postal Service counsel that the Advertising and Marketing cost figure for Market Test to Date, last reported in the Revised Accounting Period Data Reports on March 19, 1999, as \$2,068,909, was incorrect. According to Postal Service counsel, the correct Advertising and Marketing cost figure to date is \$4.4 million. This revision of the Advertising and Marketing cost figure necessitates a revision to an oral cross-examination exhibit for witness Garvey filed by OCA on March 26. The revised cross-examination exhibit, OCA-RT1-XE1, is attached.

Respectfully submitted,

Shelley S. Dreifuss

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)

<u>Total population of U.S.¹</u>	<u>270,253,500</u>
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<u>5 Marketing Areas involved in Mailing Online Market Test</u>	<u>Population of Statistical Area</u>
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New York (Rand McNally Major Trading Area) ²	26,950,500
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Total New England County Metropolitan Areas ³ (Encompasses 2 marketing areas: Boston and Hartford)	11,364,700
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Philadelphia (Rand McNally Major Trading Area) ⁴	9,203,000
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Tampa-St. Petersburg-Orlando (Rand McNally Major Trading Area) ⁵	6,256,800
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<u>TOTAL POPULATION MARKETING AREAS</u>	<u>53,775,000</u>
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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 \$258,824⁶ per week x 104 weeks = \$134,588,480
Advertising budget for one year = \$134,588,480/2 = \$67,294,240

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.)

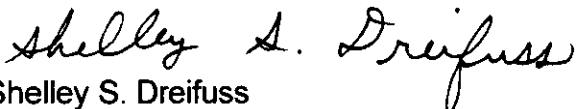
⁴ Id. at 40.

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 total advertising expenditure for the market test to date for PostOffice Online is \$4.4 million, covering a period of 17 weeks. This yields a weekly average expenditure of \$258,823.53 (rounds to \$258,824).

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 29, 1999