

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

TRANSFERRING INBOUND SURFACE PARCEL  
POST (AT UPU RATES)

DOCKET NO. MC2014-28

**RESPONSES OF THE UNITED STATES POSTAL SERVICE TO  
CHAIRMAN'S INFORMATION REQUEST NO. 1**

The United States Postal Service hereby provides its responses to Chairman's Information Request No. 1, dated July 15, 2014. Each question is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO  
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1. In Attachment C to the Request of the United States Postal Service to Transfer Inbound Surface Parcel Post (at UPU rates) to the Competitive Product List, June 25, 2014, the Postal Service proposes language to amend the Mail Classification Schedule (MCS). This language would combine the current Inbound Air Parcel Post (at UPU rates) and Inbound Surface Parcel Post (at UPU rates) products into one Inbound Parcel Post (at UPU rates) product.

Commission Staff suggests alternative MCS language for section 2310.1, Inbound Air Parcel Post (at UPU rates), Description, as shown in Attachment 1. Would Staff's amended language be acceptable to the Postal Service? If not, is there other clarifying language that would eliminate redundancies and streamline the MCS language?

**RESPONSE**

The language proposed in Attachment 1 to Chairman's Information Request No. 1 is acceptable to the Postal Service.

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2. In paragraph (e) of the Statement of Supporting Justification, the Postal Service indicates that private consolidators, freight forwarders and integrators also offer international shipping arrangements whereby they provide inbound parcel delivery services under similar conditions as Inbound Surface Parcel Post (at UPU rates). Please provide specific examples of private consolidators, freight forwarders and integrators that offer products under similar conditions, the product names, and product attributes. In addition, please specify which products include home delivery.

**RESPONSE**

As explained in the Mail Classification Schedule (MCS), foreign postal operators pay the Postal Service inward land rates for the delivery of inbound mail. As such, the portion of the service provided by the Postal Service for which it receives inward land rates consists of the domestic carriage and delivery of the parcel post pieces.

As further explained in the MCS, Inbound Surface Parcel Post is designed for the carriage of postal parcels that are eligible for transport by a non-priority (surface) network. As such, any surface network that provides domestic carriage and delivery for inbound parcels would be considered a comparable service, regardless of how the parcels travel to the United States.

Examples of entities that offer transport by a non-priority (surface) network under similar conditions include United Parcel Service (UPS) and FedEx. The UPS Ground product is typically delivered within one to five days to all 50 states and Puerto Rico, and includes home delivery.<sup>1</sup> FedEx Ground and FedEx Home Delivery products are typically delivered within one to five business days in the 48 contiguous U.S. states (and within three to seven business days to Alaska and Hawaii), and include home delivery.<sup>2</sup>

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<sup>1</sup> See <http://www.ups.com/content/us/en/shipping/time/service/ground.html>.

<sup>2</sup> See [http://www.fedex.com/us/fedex/shippingservices/package/home\\_delivery.html](http://www.fedex.com/us/fedex/shippingservices/package/home_delivery.html).

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In addition to the products identified above, the Postal Service also offers comparable services that the Commission has previously classified as competitive, namely, Inbound Air Parcel Post (at UPU rates) and bilaterally negotiated Inbound Surface Parcel Post (at non-UPU rates).<sup>3</sup>

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<sup>3</sup> See Request of the United States Postal Service to Transfer Inbound Surface Parcel Post (at UPU Rates) to the Competitive Product List, PRC Docket No. MC2014-28 (June 25, 2014), Attachment B Statement of Supporting Justification at 3-4.