Postal Regulatory Commission
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BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Market Test of Experimental Product—
Customized Delivery Docket No. MT2014-1

PUBLIC REPRESENTATIVE MOTION
FOR ISSUANCE OF INFORMATION REQUEST

(September 30, 2014)

Pursuant to 39 C.F.R. §§ 3001.21(a) and 3007.3(c), the Public Representative requests that an Information Request be issued to obtain clarification from the Postal Service concerning several aspects of the Customized Delivery market test. The proposed questions seek additional information necessary to allow the Commission and participants to evaluate whether the proposal meets the applicable statutory requirements of 39 U.S.C. § 3641.

Proposed Questions

1. 39 U.S.C. § 3641(e) allows the Commission to limit the amount of revenue that can be collected from a particular geographic market to prevent market disruption.
   a. The Postal Service explains that it has conducted operational testing of Customized Delivery for 38 ZIP Codes.[1] Please provide the 38 ZIP Codes.
   b. As part of the market test, the Postal Service seeks to expand Customized Delivery "to additional major metropolitan markets across the nation." Notice at 3. Please provide the Postal Service's plans for

[1] Notice of the United States Postal Service of Market Test of Experimental Product—Customized Delivery, September 23, 2014, at 3 (Notice).

expansion of Customized Delivery, including: (i) any additional ZIP Codes where the Postal Service has decided to test Customized Delivery; (ii) how the Postal Service will select additional major metropolitan areas for expansion; and (iii) the criteria the Postal Service will use to assess whether expansion into a particular area would cause market disruption.

2. The Postal Service states that Customized Delivery prices would not create market disruption because "[t]he prices offered by competitors for grocery delivery typically fall within the price range that the Postal Service intends to test." Notice at 5.
   a. Please provide examples of the prices offered by competitors for grocery delivery in the ZIP Codes provided in response to Question 1(a) and (b)(i).
   b. Please provide examples of the prices for "delivery of groceries and other prepackaged goods by small courier services and delivery firms" in the ZIP Codes provided in response to Question 1(a) and (b)(i). *See id.*
   c. Please provide any other support for the Postal Service's statement that "[t]he introduction or continued offering of the product will not create an unfair or otherwise inappropriate competitive advantage for the Postal Service or any mailer, particularly in regard to small business concerns." *Id.* at 4.

3. The Postal Service requests an exemption from the $10 million revenue limitation. Please explain how Customized Delivery is "not likely to result in unfair or otherwise inappropriate competition." 39 U.S.C. § 3641(e)(2)(C).

4. The Postal Service states that it "has taken steps to ensure that anticipated revenues will not exceed $50,000,000 in any year (Section 3641(e)(2)), by providing some qualifying criteria and limitations to technical and logistics capability for participating retailers." Notice at 7. Please describe the "qualifying criteria and limitations to technical and logistics capability for

participating retailers" intended to ensure that the Postal Service will not exceed $50 million in revenues in any year.

Respectfully Submitted,

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