

ORDER NO. 2808

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Before Commissioners:

Robert G. Taub, Acting Chairman;  
Tony Hammond, Vice Chairman;  
Mark Acton;  
Ruth Y. Goldway; and  
Nanci E. Langley

Modification of Mail Classification Schedule for  
Country Price Lists for International Mail

Docket No. MC2016-10

ORDER APPROVING MINOR CLASSIFICATION CHANGES

(Issued November 9, 2015)

I. INTRODUCTION

On October 22, 2015, the Postal Service filed a notice pursuant to 39 C.F.R. § 3020.90 concerning minor classification changes to the Country Price Lists for International Mail in Part D of the Mail Classification Schedule (MCS).<sup>1</sup> For the reasons stated below, the Commission approves the proposed changes.

II. BACKGROUND

The Postal Service proposes three MCS changes. Notice at 1. The first change creates a separate country listing for Bonaire, St. Eustatius, and Saba because of a new

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<sup>1</sup> Notice of United States Postal Service of Classification Changes, October 22, 2015 (Notice).

designated operator for those islands. *Id.* The new country listing falls within the following mail products: Single-Piece First-Class Mail International; First-Class Package International; Global Express Guaranteed; Priority Mail Express International and Priority Mail International; International Priority Airmail; and International Surface Air Lift. *Id.* The new country listing also has mailing services and price groupings for Priority Mail Express International Flat Rate Envelope and Priority Mail International Flat Rate Envelopes and Boxes that the Postal Service states are in accordance with the proposed competitive price change filed in Docket No. CP2016-9.<sup>2</sup>

The second change is a revision to the country rate group for International Priority Airmail and International Surface Air Lift for Curacao and Sint Maarten. Notice at 2. The Postal Service notes that this change is consistent with Exhibits 292.45a and 293.45a of the International Mail Manual. *Id.*

The third and final classification change replaces the country name “St. Kitts (St. Christopher) & Nevis” with “Saint Kitts & Nevis.” *Id.* The Postal service published notice of the change in the February 5, 2015, *Postal Bulletin*. *Id.*

The Postal Service intends for the proposed changes to become effective January 17, 2016. *Id.* at 1. The Postal Service states that the Notice satisfies 39 C.F.R. §§ 3020.90(a) and (b) because the changes more accurately represent the Postal Service’s current offerings, and because it was filed more than 15 days before the intended effective date. *Id.* at 2. The Postal Service asserts that the Notice complies with section 3020.90(c) because the first two changes affect only a small volume of mail, and the third only replaces a country name. *Id.* The Postal Service states that none of the three changes, therefore, constitute a material change to product descriptions of affected products. *Id.* at 2-3. Furthermore, the Postal Service states that the changes are consistent with 39 U.S.C. § 3642 because the changes do not add

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<sup>2</sup> *Id.* at 1-2. See Docket No. CP2016-9, Notice of the United States Postal Service of Changes in Rates of General Applicability for Competitive Products Established in Governors’ Decision No. 15-1, October 16, 2015.

or remove any products from product lists or transfer products between the market dominant and competitive products lists. *Id.* at 3.

On October 26, 2015, the Commission issued an order pursuant to 39 C.F.R. § 3020.91 establishing the present docket, appointing a Public Representative, and providing interested persons with the opportunity to comment.<sup>3</sup>

### III. COMMENTS

The Public Representative submitted comments on November 3, 2015.<sup>4</sup> The Commission received no other comments. The Public Representative concludes that the proposed mail classification changes comply with 39 C.F.R. §§ 3020.90-92 and do not violate other applicable sections of title 39. PR Comments at 2-3.

The Public Representative agrees with the Postal Service that the proposed changes are minor, citing Commission precedent. *Id.* at 4. The Public Representative states that the new country listing of Bonaire, St. Eustatius, and Saba updates the MCS to reflect the designation of a new postal operator for those islands. *Id.* The Public Representative notes that the second and third changes align the Mail Classification Schedule with prior *Postal Bulletin* and International Mail Manual updates. *Id.*

While the Public Representative supports approval of the changes, he notes that the new country listing for Bonaire, St. Eustatius, and Saba includes price listings currently being considered in Docket No. CP2016-9. *Id.* The Public Representative suggests that the Commission approve the classification changes contingent upon approval of the new price groups, and give the Postal Service the opportunity to amend its filing in this docket in the event that the price groups are not approved. *Id.*

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<sup>3</sup> Order No. 2781, Notice and Order Concerning Minor Classification Change, October 26, 2015.

<sup>4</sup> Public Representative Comments on Postal Service Notice of Classification Changes, November 3, 2015 (PR Comments).

#### IV. COMMISSION ANALYSIS

The Commission revised its regulations regarding requests for MCS changes or corrections in Docket No. RM2015-6.<sup>5</sup> The revised rules “distinguish[] between material changes and minor corrections to the descriptive content in the MCS.” Order No. 2543 at 2. The Postal Service filed the proposed changes pursuant to 39 C.F.R. § 3020.90, which requires the Postal Service to submit minor corrections to ensure that product descriptions accurately represent current Postal Service offerings. The notice must be filed no later than 15 days before the proposed effective date, and explain why the proposed change are not material for purposes of section 3020.80, and are consistent with any applicable provisions of title 39. Pursuant to 39 C.F.R. § 3020.92, and for the reasons stated below, the Commission approves the proposed changes.

As the Public Representative notes, the most important consideration in determining whether a classification change is a material change or a minor change is “the degree to which the proposed alteration affects the characteristics of the product.”<sup>6</sup> The Postal Service’s proposed classification changes do not affect the characteristics of any products. In its notice of the proposed rulemaking on the MCS, the Commission explained that factors for determining whether a change is material include whether the proposed change would significantly change the user experience for the product, and whether it would significantly impact competitors offering a similar service. See Order No. 2250 at 10.

The Postal Service’s proposed changes do not significantly change the user experience for any product, or significantly impact competitors. The proposed country listing for Bonaire, Sint Eustatius, and Saba is assigned a price group identical to that

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<sup>5</sup> Docket No. RM2015-6, Order Adopting Final Rules on Changes and Corrections to the Mail Classification Schedule, June 16, 2015 (Order No. 2543).

<sup>6</sup> PR Comments at 3 (quoting Docket No. RM2015-6, Notice of Proposed Rulemaking on Changes and Corrections to the Mail Classification Schedule, November 14, 2014 (Order No. 2250)).

for the country listing of Curacao.<sup>7</sup> The three islands are currently included in the Curacao country listing,<sup>8</sup> so the new listing does not represent any change in price groupings relative to the former country listing.

The second proposed change is merely a change of the country rate group for International Priority Airmail and International Surface Air Lift service for Curacao and Sint Maarten. The changes already appear in the International Mail Manual and do not appear to significantly change user experience or impact competitors. Similarly, the name change of “St. Kitts (St. Christopher) & Nevis” to “Saint Kitts & Nevis” was noticed in the February 5, 2015, *Postal Bulletin*,<sup>9</sup> and there is no indication that the change will have a significant impact on mailers or Postal Service competitors.

The Commission finds that the Postal Service’s proposed changes are not material for the purposes of 39 C.F.R. § 3020.80-83. The Postal Service filed notice of the changes on October 22, 2015, more than 15 days before the intended effective date of January 17, 2016. Finally, the proposed changes more accurately represent the Postal Service’s current offerings.

For the foregoing reasons, the Commission approves the proposed changes. However, because the price grouping for the new country listing includes price groups for Priority Mail Express International Flat Rate Envelope and Priority Mail International Flat Rate Envelopes and Boxes, whose proposed rates are currently being reviewed in Docket No. CP2016-9, approval of the proposed changes is contingent upon the approval of those proposed rates. In the event that the Commission does not approve the rates for the applicable price groupings, the Commission will provide the Postal Service an opportunity to amend its filing in this docket.

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<sup>7</sup> See Notice at 1-2; Mail Classification Schedule (MCS) section 4000.

<sup>8</sup> See International Mail Manual, Exhibit 292.45a.

<sup>9</sup> *Postal Bulletin* No. 22408 (February 5, 2015) at 15.

V. ORDERING PARAGRAPHS

*It is ordered:*

1. The proposed classification changes are in accordance with 39 C.F.R. § 3020.90 et seq. and are not inconsistent with any applicable provisions of title 39.
2. The Mail Classification Schedule language attached below the signature line of this Order is approved subject to approval of the applicable price groupings in Docket No. CP2016-9. The proposed minor classification changes will be implemented January 17, 2016.

By the Commission.

Ruth Ann Abrams  
Acting Secretary

CHANGES TO THE MAIL CLASSIFICATION SCHEDULE

The following material represents a change to the Mail Classification Schedule. The Commission uses two main conventions when making changes to the Mail Classification Schedule. New text is underlined. Deleted text is struck through.

**Part D—Country Price Lists for International Mail**  
**4000 Country Price Lists for International Mail**

Country	Market Dominant SPFCMI <sup>1</sup>	Competitive						
		FCPIS <sup>2</sup>	International Expedited Services			PMI <sup>5</sup>	<u>PMI Flat Rate Envelopes and Boxes</u> <sup>5</sup>	IPA & ISAL <sup>6</sup>
			GXG <sup>3</sup>	PMEI <sup>4</sup>	<u>PMEI Flat Rate Envelope</u> <sup>4</sup>			

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<u>Bonaire, Sint Eustatius, and Saba</u>	<u>9</u>	<u>9</u>	<u>7</u>	<u>9</u>	<u>8</u>	<u>9</u>	<u>8</u>	<u>17</u>
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Curacao	9	9	7	9	8	9	8	<del>13</del> <u>17</u>
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<del>St.</del> <u>St. Saint Kitts (St. Christopher) &amp; Nevis</u>	9	9	7	9	8	9	8	17
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Sint Maarten	9	9	7	9	8	9	8	<del>13</del> <u>17</u>
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