

Before the
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Market Test of Experimental Product-
Global eCommerce Marketplace (GeM)
Non-Published Rates

Docket No. MT2016-1

PUBLIC REPRESENTATIVE MOTION
TO REQUEST ISSUANCE OF INFORMATION REQUEST

(March 29, 2016)

On March 16, 2016, the Postal Service filed a notice that it intends to conduct a test of an experimental competitive product.¹ The Public Representative moves for the Commission to issue an information request for the purpose of generating sufficient information to evaluate the proposed market test. The proposed questions follow:

1. Please describe any shape, dimensional, or weight requirements imposed on mailable items utilizing the proposed service.
2. Please explain if (and how) the price of the proposed service is adjusted to account for differences in the shape, dimensional, or weight characteristics of the mailable item.
3. Please explain the differences in the services being provided under expedited service pricing versus deferred service pricing.

¹ Notice of the United States Postal Service of Market Test of Experimental Product-Global eCommerce Marketplace (GeM) Merchant Solution and Notice of Filing Gem Merchant Model Contract and Application for Non-Public Treatment of Materials Filed Under Seal, March 16, 2016 (Notice).

4. Please confirm that the price ranges appearing at Notice, Attachment 4 include payment to the Postal Service for the following services (if not please explain):
 - a. delivery of the mailable item from the Postal Service's GeM facility to the mailable item's final destination;
 - b. payment of duty fees;
 - c. payment of tax fees; and
 - d. other services (please describe, if applicable).
5. Page 4, footnote 3, of the Notice states: "[t]he Postal Service may also offer the GeM Merchant model with estimation of duties and taxes to be paid by the end consumer but without prepayment of such estimated duties and taxes at the time of purchase." If the end customer directly pays the duties and taxes, are the price ranges appearing at Notice, Attachment 4 still applicable? If they are not applicable, what are the applicable price ranges?
6. The following questions concern the method of delivery from the Postal Service's GeM facility to the final destination.
 - a. Please describe the method of delivery (air, ground, etc.) from the Postal Service's GeM facility to the final destination.
 - b. Does the customer select the method of delivery, or are all deliveries under the market test handled in the same manor?
 - c. Is an existing international mail product utilized for delivery (and if so what product), or is the Postal Service providing a custom delivery service for the market test?
 - d. If the Postal Service is utilizing a customized delivery method for the market test, what is the most similar Postal Service delivery product to the customized service?

7. What are the delivery service standards (days to delivery) for the deferred and non-deferred services?
8. Please provide separate estimates for the recurring and non-recurring costs that the Postal Service expects to incur during the market test. Also, quantify and describe each recurring and non-recurring cost element. For example, recurring costs may include administrative costs, support personnel costs, mailing costs, duties, taxes, etc. Non-recurring costs may include system development costs, infrastructure costs (software, hardware, package handling equipment), etc.
9. The Postal Service asserts it conducted an operations test of the GeM model. Notice at 2 n.2. Please describe the operations test and any information obtained that may further inform the Commission about the proposed service.
10. The Model Contract provides some indication concerning who bears the risk of under or over estimating duties and taxes. Has the Postal Service undertaken an analysis of this risk? If an analysis has been undertaken, please either file a copy of the analysis, or provide a summary of its results.
11. Are duty and tax payments dependent upon a mailable items value, weight, physical size, or item actually being shipped? If duties and taxes are dependent upon these items, how does the Postal Service adjust the price of the service to account for these variables?
12. Please refer to page 2 of the Notice, which states: “[t]his would constitute a novel service not currently offered by the Postal Service to the public, but now available from a host of other suppliers in the marketplace.” Please identify the other suppliers offering a service similar to the Postal Service’s proposed service, and compare and contrast the other similar services with the Postal Service’s proposed service.

Respectfully submitted,

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