

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

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

Docket No. MT2016-1

CHAIRMAN'S INFORMATION REQUEST NO. 1

(Issued March 30, 2016)

To clarify the Postal Service's notice of its intent to conduct a market test of an experimental product called Global eCommerce Marketplace (GeM) Merchant filed March 16, 2016,¹ the Postal Service is requested to provide written responses to the following questions. The responses are due no later than April 6, 2016.

1. In support of its assertion that GeM Merchant will satisfy 39 U.S.C. § 3641(b)(2), the Postal Service states that “[a]t present, there are at least four companies offering similar end-to-end services[.]” Notice at 5.
 - a. Please identify the companies to which this statement refers.
 - b. Please provide the price ranges for each company's similar end-to-end services.
2. The Postal Service states that it will report on a quarterly basis GeM Merchant cost, revenue, and volume data to satisfy 39 C.F.R. § 3035.20. *Id.* at 8.
 - a. Please identify each cost element that the Postal Service will track.
 - b. For each cost element identified, please estimate the costs the Postal Service will incur each year during the market test.
 - c. Please confirm that the Postal Service will track administrative costs.

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).

5. The GeM Merchant price range summary identifies expedited and deferred price ranges for GeM Merchant. *Id.* Attachment 4.
 - a. Please confirm that the price ranges also apply to the version of the GeM Merchant model that does not feature the international buyer prepaying the estimated duties and taxes. See Notice at 4 n.3. If not confirmed, please explain how the Postal Service will calculate prices for this version of the GeM Merchant model.
 - b. Please explain the different handling and service standards for items using expedited versus deferred delivery.
 - c. Please confirm that the Postal Service will breakdown its quarterly reporting of volume based upon whether item used expedited or deferred delivery. If not confirmed, please explain why not and identify any obstacles to tracking these volumes separately.
 - d. Please confirm that the price ranges equal payment for international delivery from the GeM processing facility to the address of the international buyer plus the estimated duties and taxes. If not confirmed, please describe any other services included in the price ranges.
6. Please confirm that GeM Merchant will adjust the estimated duties and taxes to account for the shape, dimensions, weight, value, and type of mailable item.
 - a. If confirmed, please explain how GeM Merchant will adjust the estimated duties or taxes.
 - b. If not confirmed, please explain if the Postal Service or its supplier will adjust GeM Merchant's estimates of the duties and taxes for any other reason.

7. Please explain if the Postal Service intends to limit the scope of the market test with respect to the shape, dimensions, weight, value, or type of mailable item.

By the Acting Chairman.

Robert G. Taub