

Before The
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

Rate and Service Changes to Implement)
Baseline Negotiated Service Agreement)
with Bookspan)

Docket No. MC2005-3

OFFICE OF CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS MICHAEL K. PLUNKETT (OCA/USPS-T1-8-13)
(August 10, 2005)

Pursuant to Rules 25 through 28 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories OCA/USPS-T2-1-5 dated July 27, 2005, are hereby incorporated by reference.

Respectfully submitted,

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OCA/USPS-T1-8. Is there a requirement in the NSA that Bookspan convert a specific number of New Membership Standard Flat-size mailings to New Membership Standard letter-size mailings? If your answer is “yes,” please explain in detail and identify the required conversions by number and year, and provide a citation to the portion of the Agreement that contains the requirement.

OCA/USPS-T1-9. Is there a requirement in the proposed DMCS language that Bookspan convert a specific number of New Membership Standard Flat-size mailings to New Membership Standard letter-size mailings? If your answer is “yes,” please explain in detail, identify the required conversions by number and year, and provide a citation to the DMCS provision that contains the requirement.

OCA/USPS-T1-10. Please turn to the “Request of the United States Postal Service for a Recommended Decision on Classifications and Rates to Implement a Baseline Negotiated Service Agreement with Bookspan,” Docket No. MC2005-3, July 14, 2005. Attachment A, 620.11 states, “Such pieces may be sent by Bookspan, by entities in which Bookspan holds controlling shares, or by their vendors on their behalf.”

- a. Please provide a list of entities in which Bookspan holds controlling shares. For each such entity, describe the organization, lines of business, functions, and markets in which it operates.
- b. Does this provision also include entities in which Bookspan might hold controlling shares in the future? If so, discuss the types of entities in which Bookspan is considering obtaining a controlling interest. Include in your discussion, the organization, lines of business, functions, and markets of such entities.

- c. Please explain what party or parties own and/or control Bookspan.
- d. Please provide a list of the entities that constitute “their vendors on their behalf.”
For each such vendor, please describe the organization, lines of business, functions, and markets. What is the antecedent of “their”?

OCA/USPS-T1-11. Please turn to the “Request of the United States Postal Service for a Recommended Decision on Classifications and Rates to Implement a Baseline Negotiated Service Agreement with Bookspan,” Docket No. MC2005-3, July 14, 2005. Attachment A, 620.25 sets a solicitation volume cap of 150,000,000.

- a. Why is there a volume cap at 150,000,000 pieces?
- b. Is it not likely that pieces in excess of 150,000,000 are more likely to be new mail than is the case for pieces sent substantially before the mailing of piece number 150,000,000?

OCA/USPS-T1-12. Please turn to the “Request of the United States Postal Service for a Recommended Decision on Classifications and Rates to Implement a Baseline Negotiated Service Agreement with Bookspan,” Docket No. MC2005-3, July 14, 2005. Attachment A, 620.22, contains a “Volume Commitment Adjustment Mechanism.”

- a. Would this adjustment procedure apply to entities acquired by Bookspan? If not, why not?
- b. Would this adjustment procedure apply to mailings conducted under the provisions of 620.11; that is, mailings conducted by entities in which Bookspan holds controlling shares, by vendors, or in conjunction with strategic business alliances? If not, why not?

OCA/USPS-T1-13. Please turn to the “Request of the United States Postal Service for a Recommended Decision on Classifications and Rates to Implement a Baseline Negotiated Service Agreement with Bookspan,” Docket No. MC2005-3, July 14, 2005. Attachment A, 620.11 states, “Such letters may include promotions of Bookspan’s strategic business alliances.”

- a. Please provide a list of entities referenced as Bookspan’s strategic business alliances.
- b. If you can not provide a list, please explain and also provide guidance on the types of entities envisioned in terms of organization, lines of business, functions, and markets.
- c. Assuming that Bookspan is owned and/or could be owned by another corporation and/or group of corporations, could Bookspan develop strategic business alliances under the provisions of 620.11? If not, why not?
- d. In addition to current strategic business alliances, is there the possibility of the development of future strategic alliances and, if so, please describe the types, purposes, and potential transactions of such alliances.