

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

POSTAL RATE AND FEE CHANGES, 2006)

Docket No. R2006-1

VALPAK DIRECT MARKETING SYSTEMS, INC. AND
VALPAK DEALERS' ASSOCIATION, INC.
FIRST INTERROGATORIES AND REQUESTS FOR
PRODUCTION OF DOCUMENTS TO UNITED STATES POSTAL SERVICE
WITNESS DANIEL TALMO (VP/USPS-T27-1)
(June 28, 2006)

Pursuant to sections 25 and 26 of the Postal Rate Commission rules of practice, Valpak Direct Marketing Systems, Inc. and Valpak Dealers' Association, Inc. hereby submit interrogatories and document production requests. If necessary, please redirect any interrogatory and/or request to a more appropriate Postal Service witness.

Respectfully submitted,

William J. Olson
John S. Miles
Jeremiah L. Morgan
WILLIAM J. OLSON, P.C.
8180 Greensboro Drive, Suite 1070
McLean, Virginia 22102-3860
(703) 356-5070

Counsel for:
Valpak Direct Marketing Systems, Inc. and
Valpak Dealers' Association, Inc.

VP/USPS-T27-1.

Please refer to LR-L-107.xls in USPS-LR-L-107 in the instant docket and LR-K-107.xls in USPS-LR-K-107 in Docket No. R2005-1, tab 'Table 1' in both references.

- a. Please identify all factors accounting for the result that the dropship-adjusted unit mail processing cost, PRC version, of Auto Basic letters in ECR was 44.4 percent of the corresponding cost for Basic letters (non-Auto) in Docket No. R2005-1, but is 116.3 percent of the corresponding cost for Basic letters (non-Auto) in the instant docket.
- b. Please state whether you believe it is reasonable to expect that subject costs for Auto Basic letters would be higher than the corresponding costs for Basic letters (non-Auto), and discuss why.