

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

EXPERIMENTAL PERIODICALS  
CO-PALLETIZATION DROPSHIP DISCOUNTS FOR  
HIGH EDITORIAL PUBLICATIONS, 2004

Docket No. MC2004-1

RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS ALTAF H. TAUFIQUE TO INTERROGATORIES OF  
TIME WARNER, INC. (TW/USPS-T1-23-24)

The United States Postal Service hereby files the responses of witness Altaf H. Taufique to the following interrogatories of Time Warner, Inc.:

TW/USPS-T1-23-24, filed on April 9, 2004.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

/s/ \_\_\_\_\_  
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April 19, 2004

RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS ALTAF H. TAUFIQUE TO INTERROGATORY OF TIME WARNER, INC.

**TW/USPS-T1-23.** Please refer to your response to interrogatory ABM/USPS-T1-21. Please explain the use of the term “Transfer Hub” in USPS terminology and its application to Periodicals mail. In particular, please answer the following.

- a. Do the “Transfer Hubs” you refer to function as such only for Periodicals, or do they perform similar functions for other mail classes? If so, which other classes?
- b. How many Transfer Hubs for Periodicals mail are there currently?
- c. How many of the current Periodicals Transfer Hubs are: (1) a BMC; (2) an ASF; (3) an annex to a BMC or ASF; or (4) another type of facility adjacent to a BMC or ASF?
- d. How many of the current Periodicals Transfer Hubs are also designated as a Periodicals ADC?
- e. How many of the current Periodicals Transfer Hubs do at this time accept entry by mailers of at least some Periodicals mail?
- f. Please provide a list of the current Periodicals Transfer Hubs.
- g. How many BMC/ASF’s do currently accept entry of at least some outgoing Periodicals mail, either at the BMC/ASF itself or through an adjacent (Annex) facility?
- h. How many BMC/ASF’s do currently accept entry of at least some incoming Periodicals mail, either at the BMC/ASF itself or through an adjacent (Annex) facility?

**RESPONSE:**

The term “transfer hub” as used in the Postal Service response to interrogatory ABM/USPS-T1-21 refers to no specific group of Postal Service facilities designated as “Transfer Hubs”. Rather, it is used in a general manner, for responding to the question posed, to describe facilities that are part of the Postal Service’s internal logistics network for moving Periodicals mail from one part of the country to another. In the past, the Postal Service had an internal list of “Transfer Hubs” that it shared with Periodicals mailers from time to time. These were primarily BMCs and SCFs used as transfer points for palletized Periodicals mail. However, although some people may still use the outdated terminology to describe facilities where Periodicals containers are

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“transferred”, the term “Transfer Hub” is obsolete and no longer used as an official Postal Service designation within the logistics network. In fact, there are no DMM references to transfer hubs under any standards that pertain to drop shipment.

a. Please see the above response regarding the reference to “transfer hubs” in the Postal Service response to interrogatory ABM/USPS-T1-21. The facility referred to in Van Nuys, CA is essentially a truck terminal for the transfer of containers used for Periodicals, as well as other classes of mail that rely upon surface transportation (e.g., Standard Mail, Package Services, some First-Class Mail). Such surface transportation hubs are not designed for interactions involving customers.

b-f. Please see part (a) above

g. All ASFs are also designated as ADCs/SCFs and, as such, are designed and staffed to accept some outgoing Periodicals mail. Origin-entry outgoing Periodicals mailings are not accepted at BMCs.

h. All ASFs are also designated as ADCs/SCFs and, as such, are designed and staffed to accept incoming Periodicals mail. For mailer “convenience”, 17 BMCs accept incoming (non-working) pallets of dropshipped Periodicals.

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**TW/USPS-T1-24.** TW/USPS-T1-24 Please refer to your response to interrogatory ABM/USPS-T1-20.

- a. At which physical location should a mailer dropship Periodicals pallets destined for ADC LOS ANGELES CA 900 in order to qualify for dropship discounts?
- b. At which physical location should a mailer dropship Periodicals pallets destined for ADC TWIN VALLEY CA 90197 in order to qualify for dropship discounts?
- c. At which physical location should a mailer dropship Periodicals pallets destined for ADC SEQUOIA CA 90198 in order to qualify for dropship discounts?

**RESPONSE:**

- a. My understanding is that pallets destined for ADC LOS ANGELES 900 (includes mail destined for ZIP Codes 900 and 901) should be entered at the Los Angeles General Mail Center, 7001 S Central Avenue, Los Angeles, CA, 90052 to be eligible for the DADC dropshipped discounts. This mail would also qualify for the DSCF discount because SCF LOS ANGELES 900 also includes mail destined for ZIP Codes 900 and 901.
- b. My understanding is that pallets destined for ADC TWIN VALLEY CA 90197 (includes mail destined for ZIP Codes 902-908, 910-918) should be entered at the Los Angeles General Mail Center, 7001 S Central Avenue, Los Angeles, CA, 90052 to be eligible for the DADC dropshipped discounts.
- c. My understanding is that pallets destined for ADC SEQUOIA CA 90198 (includes mail destined for ZIP Codes 922-928, 930-935) should be entered at the Los Angeles General Mail Center, 7001 S Central Avenue, Los Angeles, CA, 90052 to be eligible for the DADC dropshipped discounts.

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

David H. Rubin

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