

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

POSTAL RATE AND FEE CHANGES, 2006

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) Docket No. R 2006-1
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Statement of the American Bankers Association
Regarding Responses by the
Greeting Card Association to
Interrogatories from the Direct Marketing Association.
(October 30, 2006)

The American Bankers Association (“ABA”) hereby submits the following Statement and requests that it be entered into the record. The ABA tenders this statement in order to eliminate or correct any confusion regarding the volume of First Class Mail being mailed at the full single piece rate within the banking industry. The ABA is concerned that interrogatory responses submitted by Mr. James Clifton on behalf of the Greeting Card Association (“GCA”) in response to interrogatories¹ submitted by the Direct Marketing Association (“DMA”) may create confusion in this area. Out of an abundance of caution, the ABA wishes to state its position and clarify the record,

In his response to DMA/GCA-T-1-3b, filed on September 15, 2006, Mr. Clifton testified that “from the latest publicly available reliable data I have seen, a majority of the banking industry’s mail volume in First Class continues to be mailed at the full single piece rate.” At the time that Mr. Clifton tendered this testimony, he was retained by both

¹ DMA/GCA-T-1-3b.

the ABA and the GCA, a fact that could lead the Commission to infer that the ABA possibly endorsed or reviewed Mr. Clifton's testimony regarding the banking industry that he submitted on behalf of GCA.

The ABA did not review Mr. Clifton's testimony in response to the DMA interrogatories, nor does it endorse it. Indeed, the ABA respectfully submits that this testimony is inaccurate and, if left uncorrected, it would create an erroneous impression regarding postal use in the banking industry.

The data apparently relied upon by Mr. Clifton in his answer to the interrogatory answer is from a Survey that was conducted by the ABA in 2000 (the "2000 Survey").² The 2000 Survey captures data regarding patterns and volume of postal expenditures by the banking industry in 1999. The 2000 Survey shows that a "majority of the banking industry's mail volume in First Class" is *not* mailed at the full single piece rate. Rather, it shows that in 1999 only 21% of the banking industry's First Class Mail was Single Piece, and that 79% was Presort.³

The data in the 2000 Survey is reinforced by a just-completed survey by the ABA that captures data regarding patterns and volume of postal expenditures by the banking industry in 2006 (the "2006 Survey") using 2005 data. The 2006 Survey shows that only 12% of the banking industry's First Class Mail is mailed at the single piece rate, and that

² The survey is available on the ABA's website at http://www.aba.com/aba/pdf/ss_postal2000.pdf. *But see*, fn. 3.

³ In fairness to Mr. Clifton, one pie chart (figure 5) was not labeled very clearly, and relying on the chart by itself could possibly (but erroneously) lead to the conclusion that more than half of the banking industry's mail volume was mailed at the full single piece rate. The supporting data for the pie chart (pages 13 and 16) was provided in the 2000 Survey. That data clearly shows that the 79% of the banking industry's First Class mail was presort and 21% single piece. The labeling on the pie chart has been clarified.

88% is Presort. The single piece mail figures include all the industry's single piece desk and corporate mail. A copy of the new survey is also posted on the ABA's web site.⁴

Respectfully submitted,

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⁴ The survey is posted at <http://www.aba.com/NR.rdonlyres/3E6C9E0B-59BF-45FC-A089-082E0ECF51A0/44924/2006PostalOperationsSurveyReport.pdf>.