

Certified Mail or Registered Mail rather than Delivery Confirmation service or Signature Confirmation service.

#### Comments

The Postal Service received three comments to its proposed rule. One commenter was a third-party provider of printing, mailing, and related services to the merchandising, magazine, book, directory and financial markets. The second commenter was a software developer for certain mailing applications and electronic book publishing. The third commenter was a box and carton manufacturer.

#### Signature Confirmation Service With Standard Mail Pieces

The first commenter, who was the third-party provider, stated that his firm mails more than 150 million parcels each year for a large client base. This commenter requested the extension of the use of Signature Confirmation service to Standard Mail parcels. This commenter correctly noted that the use of Signature Confirmation service was extended on June 30, 2002, to First-Class Mail parcels but not to Standard Mail parcels. This commenter then pointed out that the physical characteristics of both First-Class Mail parcels and Standard Mail parcels are similar in regard to size, shape, and weight (First-Class Mail parcels are permitted to weigh up to 13 ounces and Standard Mail parcels are permitted to weigh up to but not including 16 ounces.)

Although using Signature Confirmation service with Standard Mail parcels would provide many shippers with a more enhanced level of service than Delivery Confirmation service, limited market research has not shown a large potential demand for this special service for these reasons:

- The comparatively high fee for the special service. Except for Priority Mail, which has no additional charge for the Delivery Confirmation electronic option, the difference between electronic option fees for the two services for other eligible classes of mail is considerable: \$1.30 for Signature Confirmation service compared with \$0.13 for Delivery Confirmation service. The Signature Confirmation fee is also high in relation to typical Standard Mail postage. If the use of Signature Confirmation service were extended to Standard Mail pieces, the electronic option would probably be the option required.

- The generally low extrinsic value of most items shipped by Standard Mail. Shippers sending valuable items tend to use classes of mail such as Priority Mail or First-Class Mail that can provide

additional benefits and permit a larger range of special service options.

From a procedural and legal perspective, the Postal Service cannot introduce the use of Signature Confirmation service with Standard Mail parcels without proceeding through a rate and classification filing with the Postal Rate Commission. Such a filing would require the collection of costing data and extensive market research that would be unreasonable to undertake outside an omnibus rate case. Even though this comment is beyond the scope of this final rule, the Postal Service appreciates the recommendation and interest in this special service and plans to have the organizations responsible for managing the Delivery Confirmation and Signature Confirmation programs consider this recommendation as future plans are developed.

#### Maintenance of Shape Specification

The software developer and the box manufacturer both commented that the proposed rule for DMM S918.1.2c and DMM S919.1.2c would provide mailers and the box manufacturing industry with the latitude of choosing materials and configurations that could produce mailing containers and mailpieces that would meet the intent of that standard.

Both commenters, however, added that a parcel, on average, must maintain a certain thickness to distinguish it from a letter-size or flat-size piece. These commenters believed that inserting such a clause or qualifier into the proposed standards would ensure that customers and shippers would adhere to the original intent of the mailing standards to limit Delivery Confirmation service and Signature Confirmation service to parcel-shaped First-Class Mail and parcel-shaped Package Services mailpieces. That intent, as correctly cited by the commenters, rests on the need to restrict the two special services to parcels in order to prevent entry of Delivery Confirmation pieces and Signature Confirmation pieces into the letter-size or flat-size mail processing streams, and thus ensure scanning of the Delivery Confirmation barcodes and the Signature Confirmation barcodes.

The Postal Service recognizes that, by adopting the current definitions of parcels as presented in DMM C050, some machinable parcels could range within the measurements defining either letter-size or flat-size mail. By creating a new minimum thickness above the current 1/4-inch minimum required for machinable parcels, the Postal Service would, however, impose a hardship on mailers already mailing small merchandise items as machinable

parcels and using Delivery Confirmation service or Signature Confirmation service for those parcels.

The Postal Service, therefore, does not plan to revise the current dimensional requirements for the parcel mail processing categories, which are understood and accepted by the mailing industry and the Postal Service. Moreover, any change to those requirements would complicate issues in mail acceptance by introducing two different thickness minimums for machinable parcels. As a consequence, the Postal Service is adding a rigidity requirement to the standards for machinable parcels that measure 3/4 inch thick or less only for the purposes of using the two special services in question as a means to prevent such pieces from collapsing into letter-size or flat-size mail.

#### Container Certification

Both the software developer and the box manufacturer strongly urged the Postal Service to develop a national process of certifying eligible mailing containers that meet the definition of a parcel for the purposes of using Delivery Confirmation service or Signature Confirmation service as described in DMM S918 and S919, respectively. Both commenters affirmed that a manufacturer can invest considerable resources in developing mailing containers that might be later rejected by Postal Service employees in some parts of the country. This rejection would also affect customers who purchase such containers and plan to use one of the two special services with either First-Class Mail or Package Services parcels.

The box and carton manufacturer conducted an informal test to determine the durability of certain prototype containers and the resultant Delivery Confirmation scan rate for those containers. The manufacturer stated that he mailed 100 empty prototype 5/8-inch-thick containers, which had been produced with two different paperboard thicknesses of clay-coated newsback paperboard. The manufacturer reported that half the containers were mailed from a business mail entry unit (BMEU) and the other half from a retail window to eight cities throughout the United States.

According to the same commenter, of the 100 mailpieces mailed, 99 received a delivery scan. In addition, the commenter claimed that 86% of the mailpieces maintained their parcel shape throughout mail processing and delivery. In addition to submitting a spreadsheet detailing the information for each mailing container, the