

Article 43 Quantitative Survey

-- Data Tabulations --

prepared for

U.S. Postal Service/U.S. State Department/Postal Rate Commission

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PROPRIETARY INFORMATION

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Table 1 -- Firmographics by Mail Class

	Total	Respondent Category		
		Send First-Class Mail	Send Standard A Mail	Send Periodicals Mail
Location Characteristics				
Median Number of Company Locations	3.1	4.6	2.7	3.2
Median Number of Employees at Location	95	189	89	130
Median Number of Employees in Total	228	> 1000	206	209
Overall Mail Volumes (millions pieces per year)				
Mean First-Class Location Volume	3.4	6.5	2.6	0.8
Mean Standard A Location Volume	5.7	5.5	8.5	1.4
Mean Periodicals Location Volume	0.6	0.3	0.3	1.5
Eligible Mail Classes				
Percent of Locations with Eligible First-Class Volume	50	100	39	27
Percent of Locations with Eligible Standard A Volume	64	55	100	33
Percent of Locations with Eligible Periodicals Volume	23	7	11	100
Geographical Scope of Organization*				
Percent Local	58	39	58	62
Percent Regional	13	19	14	8
Percent National	29	42	29	30
Types of Organizations*				
Percent that are Printing/Publishing Organizations	27	14	26	50
Percent that are Other For-Profit Organizations	53	67	51	29
Percent that are Non-Profit Organizations	20	19	23	21
Foreign Operations				
Percent with Foreign Locations	18	21	17	22
Percent with Foreign Headquarters	0.4	3	0	0
(Base)	(415)	(199)	(244)	(91)

* Numbers do not sum to 100% due to rounding.

Source: Q.1-1, 1-2a, 1-2b, 1-4, 1-5, 1-6, 1-7, 2-1a

Table 2 -- Firmographics by Likelihood to Send Remail*

	Likely to Send Remail**				Not Likely to Send Remail			
	Total (Any Mail Class)	First- Class	Standard A	Periodicals	Total (No Mail Classes)	First- Class	Standard A	Periodicals
Location Characteristics								
Percent of Eligible Locations***	35	23	35	42	65	77	65	58
Median Number of Company Locations	3.6	3.7	3.3	4.3	2.6	6.4	2.3	2.2
Median Number of Employees at Location	130	118	128	546	79	228	75	45
Median Number of Employees in Total	449	728	416	> 1000	189	> 1000	180	142
Overall Mail Volumes (millions pieces per year)								
Mean First-Class Volume of Location	3.6	5.8	1.0	1.9	3.2	6.8	3.5	0.01
Mean Standard A Volume of Location	8.8	12.2	13.4	3.0	4.0	3.5	6.0	0.3
Mean Periodicals Volume of Location	0.8	0.6	0.7	1.5	0.5	0.2	0.1	1.5
Eligible Mail Classes								
Percent with Eligible First-Class Volume	52				49			
Percent with Eligible Standard A Volume	62				65			
Percent with Eligible Periodicals Volume	29				19			

(Continued)

* Numbers may not sum to 100% due to rounding or due to the inclusion of locations that send multiple mail types.

** Locations indicating at least 50% likelihood of sending remail in the indicated mail type.

*** Percent of total eligible locations that are/are not likely to send remail in the indicated mail class.

Source: Q.1-1, 1-2a, 1-2b, 1-4, 1-5, 1-6, 1-7, 2-1a

Table 2 -- Firmographics by Likelihood to Send Remail*

	Likely to Send Remail**				Not Likely to Send Remail			
	Total (Any Mail Class)	First- Class	Standard A	Periodicals	Total (No Mail Classes)	First- Class	Standard A	Periodicals
Geographical Scope of Organization								
Percent Local	51	42	47	52	61	39	64	69
Percent Regional	12	12	16	2	14	21	12	12
Percent National	38	46	38	46	25	40	24	19
Types of Organizations								
Percent that are Printing/ Publishing Organizations	26	25	21	54	28	11	29	47
Percent that are Other For-Profit Organizations	55	63	61	36	52	68	46	23
Percent that are Non-Profit Organizations	19	12	18	10	20	21	25	30
Foreign Operations								
Percent with Foreign Locations	32	36	35	42	10	16	8	8
Percent with Foreign Headquarters	0	0	0	0	1	4	0	0
(Base)	(138)	(62)	(78)	(25)	(277)	(137)	(166)	(66)

* Numbers may not sum to 100% due to rounding or due to the inclusion of locations that send multiple mail types.

** Locations indicating at least 50% likelihood of sending remail in the indicated mail type.

Source: Q.1-1, 1-2a, 1-2b, 1-4, 1-5, 1-6, 1-7, 2-1a

**Table 3 -- Mail Characteristics
(Location-Specific Averages Among Mailers Sending Indicated Type of Mail)***

	Mail Type		
	First-Class	Standard A	Periodicals
Mail Shape (percent of total pieces)**			
Flats/Packages	15	36	N/A
Cards/Letters	85	64	N/A
Periodicals	N/A	N/A	100
Entry Discounts (percent of total pieces)**			
Volume Receiving Discount	N/A	55	52
Payment Option (percent of total pieces)			
Organization's Own Permit	37	90	92
Third Party Permit	8	7	6
Other Form of Payment	55	3	2
Mail Contents (percent of total pieces)**			
Transactional Mail	53	N/A	N/A
Advertising Mail	16	55	N/A
Catalog Mail	4	33	N/A
Other Mail	28	13	N/A

(Continued)

* Numbers do not sum to 100% due to rounding.

** N/A means "Not Applicable" or "Not Asked."

Source: Q.2-1e, 2-2a, 2-2b, 2-2c, 2-2e, 2-2f, 2-2j, 2-2k, 2-3a, 2-3b, 2-3c, 2-3d, 2-3g, 2-3k, 2-3k1, 2-4a, 2-4b, 2-4e, 2-4f, 2-4h, 2-4i

**Table 3 -- Mailing Characteristics
(Location-Specific Averages Among Mailers Sending Indicated Type of Mail)***

	Mail Type		
	First-Class	Standard A	Periodicals
Worksharing Volume (percent of total pieces)			
Non-Worksharing	16	11	9
Presorted/Non-Automation	10	14	20
Presorted and Automation	75	75	71
Printing/Production Location (percent of total pieces)			
Internal to Company	58	35	25
External to Company	42	65	75
Preparation Location (percent of total pieces)			
Internal to Company	79	61	47
External to Company	21	39	53
Primary Mail Destination (percent of locations)			
Within City Limits	13	13	13
Outside City Limits but Within State	37	27	28
Outside of State	51	60	59
Delivery Time (days from completed production to delivery)			
Average	3.6	6.7	6.2
Variability (+/-)	2.3	3.7	3.6
(Base)	(199)	(244)	(91)

* Numbers do not sum to 100% due to rounding.

Source: Q,2-1e, 2-2a, 2-2b, 2-2c, 2-2e, 2-2f, 2-2j, 2-2k, 2-3a, 2-3b, 2-3c, 2-3d, 2-3g, 2-3k, 2-3k1, 2-4a, 2-4b, 2-4e, 2-4f, 2-4h, 2-4i

**Table 4 -- Mailing Characteristics
(Among Mailers Sending Indicated Type of Mail) ***

	Likely to Send Remail**			Not Likely to Send Remail		
	First-Class	Standard A	Periodicals	First-Class	Standard A	Periodicals
Mail Shape (percent of total pieces)***						
Flats/Packages	10	28	N/A	17	46	N/A
Cards/Letters	90	72	N/A	83	54	N/A
Periodicals	N/A	N/A	100	N/A	N/A	100
Entry Discounts (percent of total pieces)						
Volume Receiving Discount	N/A	58	63	N/A	54	44
Payment Option (percent of total pieces)						
Organization's Own Permit	59	92	89	32	87	95
Third Party Permit	3	3	9	9	12	3
Other Form of Payment	38	5	2	60	1	2
Mail Contents (percent of total pieces)						
Transactional Mail	33	N/A	N/A	58	N/A	N/A
Advertising Mail	54	68	N/A	6	40	N/A
Catalog Mail	9	24	N/A	2	43	N/A
Other Mail	4	9	N/A	34	17	N/A

(Continued)

* Numbers do not sum to 100% due to rounding.

** Locations indicating at least 50% likelihood of sending remail in the indicated mail type.

*** N/A means "Not Applicable" or Not Asked."

Source: Q.2-1e, 2-2a, 2-2b, 2-2c, 2-2e, 2-2f, 2-2j, 2-2k, 2-3a, 2-3b, 2-3c, 2-3d, 2-3g, 2-3k, 2-3k1, 2-4a, 2-4b, 2-4e, 2-4f, 2-4h, 2-4i

**Table 4 -- Mailing Characteristics
(Among Mailers Sending Indicated Type of Mail) ***

	Likely to Send Remail**			Not Likely to Send Remail		
	First-Class	Standard A	Periodicals	First-Class	Standard A	Periodicals
Worksharing (percent of total pieces)						
Non-Worksharing	24	1	5	13	23	11
Presorted/Non-Automation	27	14	12	5	14	26
Presorted and Automation	49	84	83	81	63	62
Printing/Production Location (percent of total pieces)						
Internal to Company	38	32	19	64	37	29
External to Company	62	68	81	36	63	71
Preparation Location (percent of total pieces)						
Internal to Company	69	59	59	81	61	38
External to Company	31	41	41	19	39	62
Primary Mail Destination (percent of locations)						
Within City Limits	10	6	7	13	16	17
Outside City Limits but Within State	34	15	5	37	33	44
Outside of State	56	79	88	49	50	38
Delivery Time (days from completed production to delivery)						
Average	3.6	7.8	7.5	3.6	6.2	5.3
Variability (+/-)	2.4	4.3	4.8	2.2	3.4	2.8
(Base)	(62)	(78)	(25)	(137)	(166)	(66)

* Numbers do not sum to 100% due to rounding.

** Locations indicating at least 50% likelihood of sending remail in the indicated mail type.

Source: Q.2-1e, 2-2a, 2-2b, 2-2c, 2-2e, 2-2f, 2-2j, 2-2k, 2-3a, 2-3b, 2-3c, 2-3d, 2-3g, 2-3k, 2-3k1, 2-4a, 2-4b, 2-4e, 2-4f, 2-4h, 2-4i

Table 5
Mailing Costs by Mail Type & Cost Component/Workstep

	First-Class Mail Flats/ Packages	First-Class Mail Cards/ Letters	Standard A Mail Flats/ Packages	Standard A Mail Cards/ Letters	Periodicals Mail
Average Mailing Cost Per Piece(\$)					
<u>Total Cost</u>	2.75	1.74	0.96	0.42	1.60
Postage Cost	1.59	0.30	0.30	0.15	0.42
Production/Preparation Cost	1.16	1.44	0.66	0.27	1.18
Production/Preparation Cost Breakdown (Percent for Each Component)*					
<u>External Costs</u>					
Printing	4 (n=28)	55 (n=43)	32 (n=76)	27 (n=67)	42 (n=39)
Other Contracting	1 (n=20)	8 (n=18)	6 (n=50)	14 (n=40)	8 (n=21)
<u>In-House Costs</u>					
Depreciation or Lease Payments	29 (n=18)	4 (n=20)	5 (n=17)	5 (n=24)	3 (n=5)
Maintenance	4 (n=27)	5 (n=34)	2 (n=26)	10 (n=36)	2 (n=15)
Personnel	22 (n=24)	12 (n=36)	23 (n=42)	15 (n=36)	20 (n=12)
Space	3 (n=14)	3 (n=23)	4 (n=20)	5 (n=19)	6 (n=6)
Consumables	35 (n=19)	7 (n=33)	19 (n=31)	6 (n=36)	11 (n=14)
Transportation to Mail Facility	1 (n=25)	3 (n=32)	3 (n=37)	14 (n=26)	5 (n=14)
Administration and Overhead	1 (n=10)	3 (n=20)	5 (n=21)	5 (n=21)	4 (n=11)
<u>Total</u>	100	100	100	100	100
Production/Preparation Cost Breakdown (Percent for Each Workstep)*					
Printing/Production/Collating	23 (n=35)	39 (n=52)	55 (n=74)	33 (n=63)	49 (n=39)
Inserting	19 (n=39)	33 (n=55)	14 (n=71)	33 (n=66)	19 (n=31)
Presorting	10 (n=46)	6 (n=57)	17 (n=63)	2 (n=61)	15 (n=29)
Barcoding	6 (n=38)	17 (n=46)	2 (n=58)	10 (n=53)	4 (n=23)
List Maintenance	3 (n=28)	4 (n=36)	2 (n=51)	12 (n=53)	4 (n=19)
Transportation	13 (n=33)	2 (n=44)	2 (n=51)	5 (n=48)	8 (n=26)
Other	26 (n=19)	0 (n=21)	7 (n=28)	6 (n=34)	1 (n=18)
<u>Total</u>	100	100	100	100	100

* Among those providing cost information for the indicated cost component or task; number of respondents answering is indicated in parenthesis. Note that the number of respondents providing cost breakouts is very limited, so numbers should be treated with caution. Numbers may not sum to 100% due to rounding. Class weight and volume weight applied.

Source: Q.2-2d, 2-2g, 2-2i, 2-3f, 2-3i, 2-3j, 2-4c, 2-4g, 5-1a, 5-1b, 5-2a, 5-2b, 5-3a, 5-3b, 5-4a, 5-4b, 5-5a, 5-5b

**Table 6 -- Remail Propensities
(Among All Mailers Sending Indicated Type of Mail)**

	Mail Class		
	First-Class (%)	Standard A (%)	Periodicals (%)
Likely to Use Remail (percent of locations)*			
Within 12 months	9	14	13
Within 5 years	23	35	42
(Base)	(199)	(244)	(91)
Likely to Use Remail in Next 3-5 Years (If Restrictions Are Enforced (percent of locations))*			
Restriction 1	5	4	3
Restriction 2	10	9	17
Restriction 3	10	14	12
Restriction 4	7	5	5
Restrictions 2-4	7	5	5
(Base)**	(196)	(242)	(88)

* Among locations indicating at least 50% likelihood of sending remail in the indicated mail type.

** Bases differ due to incomplete respondent data.

Source: Q.3-1a, 3-1b, 4-1a, 4-1b, 4-1c, 4-1d, 4-2

**Table 7 -- Remail Propensities Among Likely Remailers
(Among Mailers Likely to Send Remail that Send Indicated Type of Mail)**

	Likely to Send Remail*		
	First-Class (%)	Standard A (%)	Periodicals (%)
Likely to Use Remail (percent of locations)*			
Within 12 months	41	41	31
Within 5 years	100	100	100
(Base)	(62)	(78)	(25)
Likely to Use Remail in Next 3-5 Years (If Restrictions Are Enforced (percent of locations)*			
Restriction 1	21	12	7
Restriction 2	47	27	41
Restriction 3	45	39	28
Restriction 4	33	15	12
Restrictions 2-4	34	14	11
(Base)**	(60)	(77)	(25)

* Locations indicating at least 50% likelihood of sending remail in the indicated mail type.

** Bases differ due to incomplete respondent data.

Source: Q.3-1a, 3-1b, 4-1a, 4-1b, 4-1c, 4-1d, 4-2

**Table 8 - Likely Worksharing Practices in Conjunction with Remail
(Among Mailers Likely to Send Remail that Send Indicated Type of Mail)**

	Likely to Send Remail*		
	First-Class (%)	Standard A (%)	Periodicals (%)
Likely Worksharing Practices in Conjunction with Remail (percent of locations)			
No-Worksharing	31	13	32
Presorting Only	17	15	7
Presorting and Barcoding	52	72	61
(Base)**	(61)	(77)	(25)

* Locations indicating at least 50% likelihood of sending remail in the indicated mail type.

** Bases lower than those shown in Table 7 due to incomplete respondent data.

Source: Q. 3-3c1

Table 9 -- Projected Remail Behaviors Among Likely Remailers

	Total (%)
Propensity to Use Remail by Mail Content Category (percent of locations)*	
Transactional Mail	16
Advertising Mail	63
Catalog Mail	45
Other Types of Mail	22
(Base)	(50)
Time-Frame in Which Remail Might be Implemented (percent of locations)**	
Within 6 months	14
Within 6 months to 1 year	48
Within 1 to 2 years	31
Over 2 years	8
(Base)***	(136)

* Among those who send eligible First-Class and/or Standard A mail and who indicated they were at least 50% likely to send remail in the future. Multiple responses allowed.

** Sums to more than 100% due to rounding.

*** Base lower than that shown in Table 2 due to incomplete respondent data.

Source: Q.3-1c, 3-3d

Table 10 – Awareness and Perceptions of Restrictions by Mail Class*

	Total** (%)	Respondent Category		
		Send First-Class Mail (%)	Send Standard A Mail (%)	Send Periodicals Mail (%)
Percent Aware of Current Remail Restrictions				
Aware of Current Restrictions	8	9	10	4
Perceived Effectiveness of Restrictions				
Restriction 1 is a Strong Deterrent	72	74	74	72
Restriction 1 is a Moderate Deterrent	22	21	21	26
Restriction 1 is an Ineffective Deterrent	5	5	5	2
Restriction 2 is a Strong Deterrent	42	38	48	42
Restriction 2 is a Moderate Deterrent	50	53	43	54
Restriction 2 is an Ineffective Deterrent	8	9	9	4
Restriction 3 is a Strong Deterrent	38	38	41	34
Restriction 3 is a Moderate Deterrent	48	44	46	49
Restriction 3 is an Ineffective Deterrent	14	18	13	18
Restriction 4 is a Strong Deterrent	47	42	54	47
Restriction 4 is a Moderate Deterrent	36	38	32	31
Restriction 4 is an Ineffective Deterrent	17	20	14	22
(Base)***	(409)	(196)	(242)	(88)

* Numbers may not sum to 100% due to rounding.

** Each mailer is counted only once in the "Total" column, regardless of how many mail types are sent. Mailers who send more than one type of mail appear in the appropriate columns for each individual mail type they send.

*** Bases lower than those shown in Table 1 due to incomplete respondent data.

Source: Q.4-3, 4-4

Table 11 -- Awareness and Perceptions of Restrictions by Likelihood to Send Remail Type*

	Likely to Send Remail***				Not Likely to Send Remail			
	Total (Any Mail Class)** (%)	First- Class (%)	Standard A (%)	Periodicals (%)	Total (No Mail Classes) (%)	First- Class (%)	Standard A (%)	Periodicals (%)
Percent Aware of Current Remail Restrictions								
Aware of Current Restrictions	10	12	13	3	7	14	8	2
Perceived Effectiveness of Restrictions								
Restriction 1 is a Strong Deterrent	69	72	71	83	74	82	75	61
Restriction 1 is a Moderate Deterrent	24	21	23	15	22	16	20	36
Restriction 1 is an Ineffective Deterrent	7	8	5	2	4	2	5	3
Restriction 2 is a Strong Deterrent	30	25	39	35	48	51	52	53
Restriction 2 is a Moderate Deterrent	60	68	53	61	44	44	39	42
Restriction 2 is an Ineffective Deterrent	10	7	8	4	8	5	9	5
Restriction 3 is a Strong Deterrent	26	32	30	13	44	43	46	45
Restriction 3 is a Moderate Deterrent	56	57	57	48	43	44	41	46
Restriction 3 is an Ineffective Deterrent	18	12	13	40	12	13	12	8
Restriction 4 is a Strong Deterrent	39	31	49	43	52	42	56	49
Restriction 4 is a Moderate Deterrent	39	48	37	19	34	44	31	31
Restriction 4 is an Ineffective Deterrent	22	22	14	37	14	13	14	20
(Base) +	(135)	(60)	(77)	(25)	(274)	(136)	(165)	(63)

* Numbers may not sum to 100% due to rounding.

** Each mailer is counted only once in the "Total" columns, regardless of how many mail types are sent. Mailers who send more than one type of mail appear in the appropriate columns for each individual mail type they send.

*** Locations indicating at least 50% likelihood of sending remail in the indicated mail type.

+ Bases lower than those shown in Table 2 due to incomplete respondent data.

Source: Q.4-3, 4-4

Table 12 -- Awareness and Perceptions of Restrictions by Business Location Employee Size*

	Total (%)	Business Location Employee Size		
		1-99 (%)	100-499 (%)	500+ (%)
Perceived Effectiveness of Restrictions is 50% or Greater				
Restriction 1 is a Strong Deterrent	72	71	71	77
Restriction 1 is a Moderate Deterrent	22	22	24	22
Restriction 1 is an Ineffective Deterrent	5	7	5	2
Restriction 2 is a Strong Deterrent	42	40	43	44
Restriction 2 is a Moderate Deterrent	50	51	51	47
Restriction 2 is an Ineffective Deterrent	8	9	6	9
Restriction 3 is a Strong Deterrent	38	38	41	35
Restriction 3 is a Moderate Deterrent	48	50	48	42
Restriction 3 is an Ineffective Deterrent	14	12	11	22
Restriction 4 is a Strong Deterrent	47	48	42	51
Restriction 4 is a Moderate Deterrent	36	34	41	33
Restriction 4 is an Ineffective Deterrent	17	18	17	16
Percent Aware of Current Remail Restrictions				
Aware of Current Restrictions	8	5	5	16
(Base)**	(409)	(228)	(110)	(71)

* Rows may not sum or average due to the presence of multiple-class mailers and/or non-responses.

** Bases lower than those shown in Table 1 due to incomplete respondent data.

Source: Q.4-3, 4-4

Table 13 -- Awareness and Perceptions of Restrictions by Business Type *

	Total (%)	Business Type		
		Publisher/ Printer (%)	Other For- Profit (%)	Non-Profit (%)
Perceived Effectiveness of Restrictions is 50% or Greater				
Restriction 1 is a Strong Deterrent	72	73	75	63
Restriction 1 is a Moderate Deterrent	22	21	19	31
Restriction 1 is an Ineffective Deterrent	5	4	6	6
Restriction 2 is a Strong Deterrent	42	48	42	32
Restriction 2 is a Moderate Deterrent	50	48	50	52
Restriction 2 is an Ineffective Deterrent	8	4	8	15
Restriction 3 is a Strong Deterrent	38	42	39	31
Restriction 3 is a Moderate Deterrent	48	41	49	52
Restriction 3 is an Ineffective Deterrent	14	17	12	17
Restriction 4 is a Strong Deterrent	47	50	46	45
Restriction 4 is a Moderate Deterrent	36	29	38	37
Restriction 4 is an Ineffective Deterrent	17	21	15	18
Percent Aware of Current Remail Restrictions				
Aware of Current Restrictions	8	8	3	19
(Base)**	(409)	(109)	(212)	(88)

* Rows may not sum or average due to the presence of multiple-class mailers and/or non-responses.

** Bases lower than those shown in Table 1 due to incomplete respondent data.

Source: Q.4-3, 4-4

Table 14 -- Average Expected Delivery Times for Remail

	Average Number of Days	Variability in Days
Expected Time from Completed Production to Delivery (with Air Point of Entry into U.S.)		
Air Entry at Any Major U.S. City Airport	5.7	2.7
Air Entry Only at New York, Miami, San Francisco, Chicago, Dallas, or Los Angeles	5.7	2.9
Air Entry Only at New York, Miami, or San Francisco	6.0	3.0
Expected Time from Completed Production to Delivery (with Surface Point of Entry into U.S.)		
Surface Entry (Truck) to Seattle, Detroit, Buffalo, or Minneapolis (From Canada Only)	7.7	3.6
Surface Entry (Truck) to Houston, Phoenix, or Los Angeles (From Mexico Only)	8.0	3.7
Surface Entry (Ship) into New York or Oakland	10.2	4.4
Expected Time to Ship Remail from U.S. to Foreign Country		
Incremental Days	7.2	3.9
(Base)	(415)	(415)

Source: Q.3-3a