

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

COMPLAINT OF TIME WARNER INC. ET AL.
CONCERNING PERIODICALS RATES

Docket No. C2004-1

OBJECTION OF TIME WARNER INC. ET AL.
TO INTERROGATORY ABM/TW ET AL.-T1-91 TO WITNESS MITCHELL
(June 7, 2004)

Pursuant to section 26(c) of the rules of practice, Time Warner Inc., Condé Nast Publications, a Division of Advance Magazine Publishers Inc., Newsweek, Inc., The Reader's Digest Association, Inc., and TV Guide Magazine Group, Inc. (collectively, "Time Warner Inc. et al." or "Complainants") hereby object to interrogatory ABM/TW et al.-T1-91 to witness Mitchell, filed May 28, 2004, on the grounds that the interrogatory is not "reasonably calculated to lead to admissible evidence" within the meaning of section 26(a) of the rules of practice.

The interrogatory states the following question:

"ABM/TW et al.-T1-91 (a) Do you agree with the manner in which the Commission treats the Alaska air costs? (b) If so, why? (c) If not, why not?"

The issue that has arisen in previous dockets relating to Alaska air costs concerns the Commission's treatment of certain intra-Alaska air transportation costs as "institutional, although they are recognized as being volume variable in nature." PRC Op. R97-1, May 11, 1998, ¶ 3397 (p. 220).

Section 26(a) allows discovery of "information which appears reasonably calculated to lead to admissible evidence." Complainants have raised no issue in this docket that pertains to the Commission's choice of methodology in classifying

costs as attributable and institutional. Moreover, it is the position of the Complainants that the existing rates and the evidence and methodologies on which those rates were adopted in Docket No. R2001-1 must be treated as legally binding precedent in this docket with respect to all issues that are not part of the basis on which the Commission's jurisdiction under section 3662 of the Act (39 U.S.C. § 3662) has been invoked. The question posed in ABM/TW et al.-T1-91 therefore falls outside the scope of the issues properly before the Commission in this docket and does not appear "reasonably calculated to lead to admissible evidence."

Respectfully submitted,

s/ _____
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