

**SECOND SET OF INTERROGATORIES
AND PRODUCTION OF DOCUMENTS
OF NATIONAL NEWSPAPER ASSOCIATION, INC.
TO TW et al. WITNESS MITCHELL
NNA/TW et al. T1-15-40**

NNA/TW et al T1-15 Assume a 3,000 circulation newspaper in a Midwestern city has 15 pieces going from a midwestern city to residents of its town who have chosen to winter in Florida. Assume that these 15 individuals live in 15 different zip codes, in three different 3 digit zones. Assume further that each of these 15 individuals have chronically complained about slow and irregular delivery to the postmaster, who has advised unless the publisher creates 15 5-digit sacks with one piece each, service will not improve.

- a. What price signal would you wish to send to this publisher?
- b. Is this the sort of publisher whom you have in mind with the analogy to your niece?
- c. If the Postal Service routinely could not achieve regular delivery with a mixed ADC bundle for this mail, will a price signal to the publisher be the appropriate economic sanction to solve an inefficiency problem?
- d. Should the publisher be punished for the Postal Service's inability to achieve reasonable service standards?

NNA/TW et al T1-16 If the Postal Service told you it intended to remove all sack sorters from its facilities and to replace a mechanized process with manual labor, would more efficient mail be created if mailers were told to prepare their mail in some other form better suited to manual sorting?

NNA/TW et al T1-17 If the Postal Service told you that periodicals in polybags routinely created jamming in automated sorting machines, would you recommend a price signal that discouraged the use of polybags?

NNA/TW et al T1-18 Have you done any analyses of the operational issues and or the cost consequences of the issues surrounding polybags and the use of automated sorting machines? If you have, please provide copies of your work.

NNA/TW et al T1-19 If the Postal Service told you that carriers required a greater amount of time to handle periodicals on 8.5 x 11 sheets than those on 5x7 sheets, would you recommend a price signal that discouraged publishers from using 8.5 x 11 sheets?

NNA/TW et al T1-20 If the Postal Service told you that greater efficiency would be achieved if all magazines dispensed with color or typography on their covers so that optical character readers could better identify and read mailing

labels, would you recommend a price signal that discouraged publishers from using attractively designed covers?

NNA/TW et al T1-21 Please refer to your footnote 16. Does all cost averaging create a “subsidy” by the units at the lower end of the average to those at the higher end?

NNA/TW et al T1-22 Please provide the citation to the location on the website, <http://www.citymag.org>, mentioned in your footnote 19 that supports your statement that “very few” regional and city magazines use the In-County rates. If the website does not provide support for your statement, please identify the sources that support your statement.

NNA/TW et al T1-23 Have you asked The Baltimore Afro-American whether it uses the in-county rates? If so, please provide the name of the official with that newspaper whom you consulted, and the dates of your conversation. Please also provide any information you collected from that newspaper on its mailing practices.

NNA/TW et al T1-24 Please identify the city magazine you cited on p. 23, lines 1 and 12.

NNA/TW et al T1-25 Have you asked the publisher of the magazine to which you referred on p. 23, lines 1 and 2, to provide mailing data for this case? If so, please provide copies of the documentation you received. If not, please describe how you learned this information.

NNA/TW et al T1-26 Does the city magazine discussed in NNA/TW et al T1-24 and 25 belong in Camp 1 or Camp 2 as described on page 24 of your testimony.

NNA/TW et al T1-27 Are you aware of any city or regional periodicals that belong in Camp 2? If so, please specify how far away the printer or printers are and why you believe the periodicals have chosen that printer or those printers?

NNA/TW et al T1-28 Please refer to your statement on p. 28 that neither In-county nor Ride-Along rates are affected by your proposal. Does that mean that you believe In-County rates would not be affected if the Commission were to adopt your proposal, or that you have not recommended different rates for In-County? Please explain your response.

NNA/TW et al T1-29 Are Outside County costing data ever used as proxies for In-County costs? If so, please explain how your proposal would affect their future use.

NNA/TW et al T1-30 If the sack charge you propose for 3-digit and 5-digit sacks sent the signal to mailers that the appropriate behavior was to combine the contents of those sacks into mixed ADC sacks and the mailers responded as you wish them to respond, would you expect the service received by those mailers to improve or deteriorate? If you expect the service to improve, please explain your response.

NNA/TW et al T1-31 If your response to NNA/TW et al T1-32 was that you would expect mail to deteriorate, how would you expect to recognize the decline in the value of that mail in your rate structure?

NNA/TW et al T1-32 If a reduced value of periodicals mail cannot be recognized in your rate structure because you have already assumed a very low cost coverage, would it be a desirable outcome for that mail to disappear from the mailstream as recipients responded to the declining value by ceasing to subscribe or request those periodicals?

NNA/TW et al T1-33 Do you believe that all periodicals publishers use computers to prepare their mail and that they will welcome rates that “appear complex?”

NNA/TW et al T1-34 Do distant subscribers have different values to publishers, depending upon their subscription price structure, the nature of their advertisers or other factors? Please explain your response.

NNA/TW et al T1-35 Please explain how you know that periodicals do not or would not “zone” their subscription rates?

NNA/TW et al T1-36 Have you examined any newspapers to determine whether “zoned” subscription rates, or any other type of charge to reflect increased mailing rates beyond local zones are being used? If so, please identify and describe the newspapers you have examined. If not, please explain why you have apparently included newspapers in your statements on p. 60 without undertaking such an examination.

NNA/TW et al T1-37 Do you consider the FSM1000 to be a mechanized or automated sorting machine, or neither? Please explain your response.

NNA/TW et al T1-38 Do you believe an AFSM100 machine is capable of sorting newspapers? Please explain your response.

NNA/TW et al T1-39 Do you believe an AFSM100 machine is used for sorting newspapers? Please explain your response.

NNA/TW et al T1-40 If you believe an AFSM100 machine is either not capable of sorting newspapers or is not actually used for sorting newspapers,

do you believe the design of the machine or the operational practice were intentionally directed away from potential use for newspaper mail? Please explain your response.