

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

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

Docket No. C2004-1

RESPONSES OF TIME WARNER INC. ET AL.
WITNESS JOSEPH E. SCHICK TO ABM/TW ET AL.-T4-67-69
(June 24, 2004)

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.) hereby provide the responses of witness Schick (TW et al.-T-4) to American Business Media interrogatories ABM/TW et al.-T4-67-69, filed June 10, 2004.

Each interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

s/ _____
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Response of TW et al. Witness Schick to ABM/TW et al.-T4-67

ABM/TW et al.-T4-67. Separately for each of QuadGraphics' printing plants, please provide a list of the Periodicals printed (which can be coded so that names are not revealed, if you prefer, but a single publication should carry the same code throughout the response), and for each publication so identified provide the following information (for a recent, typical issue on items (2) –(7)): (1) publication frequency (2) approximate print run at that plant, (3) approximate number of copies in the main file that are printed at that plant, (4) the number of printing locations at which it is printed (whether or not all such locations are QuadGraphics plants), (5) whether the main file at that plant is copalletized, and if so where, (6) whether the main file at that plant is comailed, and (7) whether 100% of the copies of the main file of the publication at that plant are mailed in sacks.

RESPONSE

The specific information requested regarding publication by print facility, whether the publication prints in more than one facility, and how it is split up between those facilities is proprietary. Copalletization that we provide our clients is done through our comail process. So any publications that comail would also be copalletized. The information reflects activity during the last 4 months, and the numbers have been averaged. Because of individual contracts and the way jobs are billed, much of the specific information that has been requested is not maintained in our systems.

- 1) The information is contained in the attached spreadsheet.
- 2) We can only provide the information related to mailed copies, and that is contained in the attached spreadsheet.
- 3) The information provided in the spreadsheet reflects all mailed copies. We are not able to discern between main file and supplemental mailings.
- 4) Proprietary information
- 5) The information is contained in the attached spreadsheet.
- 6) The information is contained in the attached spreadsheet.
- 7) We do not maintain that level of data, and are not able to provide.

Attachment to Response of TW et al. Witness Schick to ABM/TW et al.-T4-67

Title #	Average # of Mail Pieces per Issue	Issues per Year	Comail/Copal Main Run
1	1,708,159	52	N
2	1,624,040	12	N
3	1,593,675	52	N
4	1,592,912	52	N
5	1,575,527	6	N
6	1,541,613	6	N
7	1,449,261	6	N
8	1,109,322	6	N
9	1,053,446	10	N
10	849,883	52	N
11	802,854	10	Y
12	791,980	6	N
13	758,571	6	N
14	742,305	12	N
15	672,860	12	N
16	590,318	52	N
17	562,768	6	N
18	530,086	6	N
19	521,280	12	Y
20	517,166	52	N
21	502,536	52	N
22	485,861	8	N
23	470,050	6	N
24	445,862	11	Y
25	424,843	12	Y
26	420,052	10	Y
27	418,400	12	N
28	415,521	10	N
29	379,499	12	Y
30	379,167	12	N
31	367,522	12	N
32	367,117	12	N
33	367,017	12	N
34	359,360	6	N
35	346,172	10	Y
36	344,166	52	N
37	341,173	12	N
38	332,892	4	N
39	327,295	1	Y
40	278,000	12	N
41	271,563	12	Y
42	258,296	10	Y
43	257,785	12	Y
44	228,051	10	Y
45	210,145	52	N
46	208,897	12	N
47	203,348	26	N
48	202,261	18	Y

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Title #	Average # of Mail Pieces per Issue	Issues per Year	Comail/Copal Main Run
49	200,104	12	Y
50	199,994	12	N
51	199,834	4	N
52	199,552	12	Y
53	190,979	6	Y
54	188,855	12	N
55	188,775	12	Y
56	184,680	12	Y
57	180,027	12	Y
58	173,131	12	Y
59	165,732	12	Y
60	164,503	6	Y
61	155,641	48	N
62	154,720	6	Y
63	151,720	10	Y
64	150,900	12	Y
65	146,672	4	Y
66	141,312	6	Y
67	140,634	12	Y
68	138,238	10	Y
69	137,945	6	Y
70	134,023	12	Y
71	134,009	12	Y
72	114,997	12	Y
73	113,392	6	Y
74	111,719	12	Y
75	110,123	26	N
76	108,052	6	Y
77	105,376	6	N
78	102,443	4	Y
79	98,204	6	Y
80	96,992	6	Y
81	96,431	52	N
82	88,673	6	N
83	85,466	10	N
84	82,350	10	Y
85	81,546	11	Y
86	77,470	22	N
87	68,668	12	Y
88	68,268	10	Y
89	65,339	6	Y
90	65,256	8	N
91	63,709	6	Y
92	63,185	6	Y
93	62,943	52	N
94	62,534	12	Y
95	62,352	6	Y
96	61,892	10	Y

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Title #	Average # of Mail Pieces per Issue	Issues per Year	Comail/Copal Main Run
97	60,900	10	N
98	58,082	6	Y
99	56,785	6	Y
100	56,656	11	Y
101	56,077	6	Y
102	54,919	4	Y
103	54,152	8	N
104	54,009	12	Y
105	51,834	12	N
106	51,771	12	Y
107	50,248	6	Y
108	46,682	18	N
109	46,525	12	Y
110	45,560	26	N
111	45,233	12	Y
112	45,131	4	N
113	44,120	12	N
114	42,644	8	Y
115	41,717	8	Y
116	40,450	6	Y
117	40,207	12	Y
118	38,869	8	Y
119	38,686	6	Y
120	37,638	12	Y
121	37,572	6	Y
122	34,697	6	N
123	34,534	52	N
124	34,385	6	Y
125	32,028	9	Y
126	30,249	52	N
127	26,992	6	Y
128	26,669	6	Y
129	25,717	6	Y
130	25,614	12	Y
131	24,377	13	Y
132	23,951	12	Y
133	23,387	6	Y
134	22,736	12	N
135	22,582	13	Y
136	22,207	6	Y
137	21,755	52	N
138	18,360	4	Y
139	18,200	12	N
140	17,568	4	Y
141	16,727	6	Y
142	16,613	1	N
143	16,235	13	Y
144	15,743	12	Y

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Title #	Average # of Mail Pieces per Issue	Issues per Year	Comail/Copal Main Run
145	14,737	12	N
146	14,576	10	Y
147	14,427	6	Y
148	13,930	7	Y
149	12,731	6	Y
150	12,579	6	Y
151	12,137	12	Y
152	12,068	6	Y
153	11,976	6	Y
154	10,523	12	Y
155	10,379	12	N
156	10,007	12	Y
157	8,984	6	Y
158	8,091	6	N
159	7,946	6	Y
160	7,136	6	Y
161	5,905	6	N
162	5,735	12	N
163	5,555	12	Y
164	4,445	4	N
165	3,692	6	N
166	3,656	6	Y
167	3,285	4	Y
168	3,174	10	N
169	2,603	12	N
170	1,813	6	Y
171	1,200	1	N

Response of TW et al. Witness Schick to ABM/TW et al.-T4-68

ABM/TW et al. -T4-68. Assume that there is a publication with a mailed circulation of 120,000 copies and that it is prepared in 70 different demographic versions, ranging in size from 150 copies to 2,500 copies per version. Please discuss the practical (including paperwork) difficulties in comailing or copalletizing that publication and how you would overcome those difficulties.

RESPONSE

There are specifications and parameters built into our comailing process, just as there are specifications and parameters for everything we produce in our other production processes. Our experience shows that in most cases it is not practical to selectively bind or comail versions with less than 1500 copies. It is a production issue. The larger versions could be considered for comailing, but an analysis would have to be done to determine the overall results for all versions.

It could be practical to copalletize the packages created within each version, but that would most likely depend on what other mail was available to be included in the copalletization process. Without having more information, i.e., Mail.Dat files, it is difficult to determine what can and can't be done to any mailing (large or small).

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ABM/TW et al-T4-69. Please address the practical difficulties that would be faced by a short-run printer seeking to comail or copalletize periodicals in standard trim size, tabloid size and digest size. Please address in your response whether these sizes can be combined for purposes of comailing or copalletizing.

RESPONSE

As mentioned in my response to ABM/TW et al.-T4-68, there are specifications built into our comailing process. Some are guided by postal requirements, and some are guided by production constraints. All of the publication sizes mentioned can run on comail equipment. However, the constraint is in the packaging of different size publications. There can be some variance in trim sizes, but not to the extent of digest and standard size, or standard size and tabloids. We could create packages with all of those different sizes, but quality would suffer when strapping and shrinkwrapping were applied, as larger publications would be folded over around the other publications. I assume that these same constraints would apply to a short-run printer.

If we were able, at some point, to move forward with development of a new flats container such as a tray, tub, or log, I would think that the packaging constraint would be resolved.

Copalletization would not be affected by the trim size differential. Since all publications of the same size are packaged together, the packages can be palletized together on the same pallet, regardless of whether different packages contain publications of different sizes. It may be a little difficult to design a pattern for building the pallet, but it can be done.

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For both comailing and copalletization, current postal requirements state that mail within a package and on a pallet must be able to be processed on the same type of postal sorting equipment (i.e. – all for AFSM100 or all for FSM1000).