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

Postal Rate and Fee Changes, 2000

Docket No. R2000-1

First Set of Interrogatories of National Newspaper Association to USPS Witness Tolley (NNA/USPS T6-1-12)

Pursuant to Section 20 of the Commission's Rules of Practice, the National Newspaper Association (NNA), hereby submits the attached interrogatories to USPS Witness Tolley (NNA/USPS T6-1-12).

Respectfully Submitted,

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QUESTIONS

Please respond in detail to the questions submitted. If you cannot answer a question because it is beyond your area of expertise, please refer it to another USPS witness who can respond.

NNA/USPS-T6-1. Do you assume that the in-county mailstream constitutes a similar mix of mail (i.e.newspapers and magazines) as the regular rate periodicals mailstream? Please explain your response.

NNA/USPS-T6-2. Do you believe the mix of mail (e.g, such as newspapers, magazines, newsletters and other products, without regard to work-sharing factors) in the periodicals mailstream has changed substantially since 1985? Please explain your response.

NNA/USPS-T6-3. Please provide any data you may have that indicates what percentage of the in-county mailstream comprises newspapers.

NNA/USPS-T6-4. Would a change in speed or reliability of mail service that occurs between a base year and a test year have an effect upon volume? Please explain your response.

NNA/USPS-T6-5. Please refer to your testimony, page 86, lines 15-17. What changes in reporting procedures caused a spike in volume totals in 1985?

NNA/USPS-T6-6. Please explain how you determined that in county volume was under-reported prior to 1985.

NNA/USPS-T6-7. Is the Household Diary Study the sole source for your statement on page 89, line 22-23 about declining newspaper circulation? If not, please provide citations to other sources.

NNA/USPS-T6-8. If you had relied upon Fiscal Year '98 within county volumes with a base year total of 923,865, would your forecast have been 896,883? If not, please provide the total and explain your response.

NNA/USPS-T6-9. If the true value of in-county volume in Fiscal Year '99 is 933, 256, at the upper limit of the 95% confidence interval, what would be your forecast of test year in-county volume? Please explain your response.

NNA/USPS-T6-10. Do you believe prepaid subscriptions to which you attribute lag time in nonprofit and regular rate periodical volumes also appears in incounty?

NNA/USPS-T6-11. Please state why you believe a periodical will attempt to recover postage increases through increases in subscription rates.

a. Would your answer be different if the periodical contained a high percentage of advertising?

b. Would your answer be different if it were distributed to readers free of charge, such as through requester mail?

NNA/USPS-T6-12. Please explain why it would not be more appropriate to assume an increase in paper costs would create an impact on smaller, lighter-weight periodicals rather than reduced numbers of subscribers or pieces in the mailstream.

Certificate of Service

I hereby certify that I have on this <u>March</u>, 2000, served the foregoing document in accordance with the Commission's Rules of Practice.

Senny Boone