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

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Postal Rate and Fee Changes, 2000

Docket No. R2000-1 POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

## NEWSPAPER ASSOCIATION OF AMERICA INTERROGATORIES TO SATURATION MAIL COALITION WITNESS ROGER MERRIMAN (NAA/SMC-T2-1-10) June 16, 2000

The Newspaper Association of America hereby submits the attached interrogatories to the Saturation Mail Coalition witness Roger Merriman (NAA/SMC-T2-1-10) and respectfully requests a timely and full response under oath.

Respectfully submitted.

**NEWSPAPER ASSOCIATION OF AMERICA** 

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#### **CERTIFICATE OF SERVICE**

Bv:

I hereby certify that I have this date served the instant document on all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

June 16, 2000

William B. Baker

# NEWSPAPER ASSOCIATION OF AMERICA INTERROGATORIES TO SATURATION MAIL COALITION WITNESS ROGER MERRIMAN (NAA/SMC-T2-1-10)

NAA/SMC-T2-1. Please refer to page 1, lines 5-6, where you state that the Farmer and Rancher Exchange is distributed in South Dakota, Nebraska, Wyoming, North Dakota, and Montana. Please also refer to lines 16-17, of your testimony, where you state that excludes the larger metropolitan areas of South Dakota, where "consumers may not be tied into the agrarian economy and advertisers have a range of media choices to reach their consumers."

- a. Does the Farmer and Rancher Exchange also exclude the "larger metropolitan areas" of Nebraska, Wyoming, North Dakota, and Montana?
- b. Are you aware that, according to the web site for state press associations (accessible at <a href="http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http://www.naa.org/hotlinks/searchResult.asp?category=5&name=Press+Associations&City=1&State=1>">http
- c. Excluding newspapers in the larger cities in that region—Sioux Falls, Rapid City, Cheyenne, Casper, Billings, Great Falls, Missoula, Fargo, Grand Forks, Bismarck, Minot, Omaha, and Lincoln—at least 526 newspapers serve the needs of the rural citizens in the rural areas of these five western states. Do you agree that these approximately 526 rural newspapers provide the same type of advertising information to their readers that your *Exchange* does, plus additional editorial information
- d. Do you agree that these newspapers give consumers a "range of media choices" in these rural areas?
- e. Please refer to page 7 of your testimony, where you state that *The Exchange* is the only shared mail option for insert advertisers to reach farm and ranch households in parts of five state areas. Is it your testimony that none of those 526 newspapers have shared mail programs or shopper programs that provide mail options for insert advertisers?

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NAA/SMC-T2-2. With respect to The Exchange,

- a. How many individuals are on the staff of *The Exchange*?
- b. How many of the individuals on the staff of *The Exchange* are reporters or editors serving the needs or rural America?
- c. What percentage of the space in your paper is devoted to news and other editorial matter of interests to rural America.
- d. Does your advertising revenue cross-subsidize the news and editorial activities of your paper?

NAA/SMC-T2-3. You suggest that free shoppers have left the postal system to go to private carriers and raise the specter of many more poised to change to private delivery if saturation ECR postal rates are not lowered. Please provide all evidence you have to support this claim, including specific names and dates of shoppers leaving the postal system for private delivery.

NAA/SMC-T2-4. Please refer to page 4, lines 8-9 of your testimony. Please explain what you mean when you say that postal rates for saturation distribution of your paper have remained "reasonable" over the past five years.

NAA/SMC-T2-5. Please refer to page 4, lines 8-9 of your testimony. Please explain what you mean when you say that postal rates for saturation distribution of your paper have remained "stable" over the past five years.

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NAA/SMC-T2-6. Please look at page 5 of your testimony. You say that you verified audit shows an 86% readership (or .86 readers per copy) and that this number is off the charts for subscription papers and periodicals. Are you aware that the average readership of a newspaper is 2.148 readers per copy?

NAA/SMC-T2-7. Have you reduced the rates that you charge advertisers, as the ECR pound rate has declined since 1995 in real, inflation-adjusted terms?

NAA/SMC-T2-8. Please describe the basis by which you charge for insert advertising in your shared mail program. In particular, do you charge on a piece per thousand basis, or by some other means?

NAA/SMC-T2-9. Please state your understanding of the extent to which other saturation mailers price advertising on the same basis that you do. Please also provide the basis for your understanding.

NAA/SMC-T2-10. Do your mailings qualify for destination entry discounts? If so, please state what proportion of your mailings are entered at which level. If not, please explain why not.