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

RECEIVED AUG 20 2 33 PH 197 POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

THE AMERICAN BUSINESS PRESS' FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS DIRECTED TO USPS WITNESS BERNSTEIN (ABP/USPS-T-31-1-6)

Pursuant to Sections 25 and 26 of the Commission's Rules of Practice, the American

Business Press hereby submits the attached interrogatories and requests for production of

documents to USPS Witness Bernstein (ABP/USPS-T-31-1-6). If the designated witness is

unable to respond to any interrogatory, we request a response by some other qualified witness.

Respectfully submitted,

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Counsel for the American Business Press

August 20, 1997

FIRST INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS OF AMERICAN BUSINESS PRESS (ABP) TO USPS WITNESS PETER BERNSTEIN (USPS-T-31) ABP/USPS-T-31-1-6

ABP/USPS-T-31-1

You state at page 2 that your purpose is to present prices that achieve the dual goals of satisfying the break even requirement and minimizing the "burden on mailers" based on Ramsey pricing.

[a] That is a description of your testimony. What is your understanding of the "purpose" of your testimony as part of the overall Postal Service presentation in this case? In other words, in your view, how does this testimony support the rate increase request filed?

[b] What were your instructions from the Postal Service prior to the preparation of this testimony?

ABP/USPS-T-31-2

You show at page 4 that if Ramsey pricing were implemented, the average postage for periodicals would increase from 22.56 cents to 47.24 cents, or by 109%.

[a] Confirm that but for the fact that rates for preferred subclasses of periodicals are tied to the regular rate, this increase would have been even greater. By how much?

[b] Given the increase for periodicals under Ramsey pricing, please explain how its implementation would minimize the burden on periodical mailers.

[c] If your answer is that the burden on periodical mailers would not be minimized, explain on what mailers the burden would be minimized.

ABP/USPS-T-31-3

Do you agree that if Ramsey pricing were to be implemented as you propose it, there would be fewer periodicals mailed than there would be if the rates proposed by the Postal Service are implemented? How many fewer?

ABP/USPS-T-31-4

Do you agree that if Ramsey pricing were implemented as you propose it, there would be more advertising mail than if the rates proposed by the Postal Service are implemented? How much more?

ABP/USPS-T-31-5

You state at page 62 that "large amounts" of additional revenues could be raised from periodical mailers with "very little social loss." Please define "social loss" as you have used that term and describe the small amount of loss that would in your opinion be experienced.

ABP/USPS-T-31-6

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Your colleague, Professor Tolley, describes the trend toward growth in specialty magazines. Assume that there would be fewer such magazines if periodical postage rates doubled. Would this factor enter into your calculation of social loss? Explain.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing documents in

accordance with Section 12 of the Commission's Rules of Practice.

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David R. Straus Stephen M. Feldman

Dated: August 20, 1997