

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

COMPLAINT OF TIME WARNER INC. et al.
CONCERNING PERIODICALS RATES

Docket No. C2004-1

**FIRST SET OF DISCOVERY REQUESTS
FROM THE NATIONAL NEWSPAPER ASSOCIATION
To TW-et al . WITNESS STRALBERG
NNA/TW et al. – T2-1- 10
(June 14, 2004)**

Pursuant to Rules 25 through 28 of the Commission's Rules of Practice, The National Newspaper Association, Inc. submits the following interrogatories to Witness Stralberg (TW et al. – T2). If witness Stralberg is unable to provide a full response, please provide a response by another witness, employee or representative of Complainants.



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FIRST SET OF DISCOVERY REQUESTS
FROM THE NATIONAL NEWSPAPER ASSOCIATION, Inc.
TO WITNESS STRALBERG
NNA/TW et al. – T2 – 1-10

NNA/TW et al T2-1 Would you expect that preparing sacks with as few as one piece would be more costly to mailers than preparing a sack with 40 pieces.

NNA/TW et al T2-2 Please describe the factors, not including indifference to costs, that you believe would motivate a mailer to prepare sacks with only one or a very few pieces.

NNA/TW et a. T2-3 Would you expect a local weekly newspaper with a mailing to MADC with as few as 50 pieces weighing fewer than 6 ounces each outside Zones 1-2 to be able to prepare that mail in any container but a sack? 100 pieces? 500 pieces? If so, please describe the container.

NNA/TW et al. T2-4 Please refer to your testimony on pages 5-6 with regard to the potential for lighter-weight pallets. When you are thinking of mailers' incentives to create more 5-digit pallets, are you thinking primarily of magazine mailers or do you have examples in mind of other types of periodicals mailers, such as newspapers, whom you would expect to take advantage of such an opportunity. Please explain your response.

NNA/TW et al T2-5 Do you consider flats sorted on FSM-1000 machines "machinable?" If not, why not?

NNA/TW et al. T2-6 Have you done any analysis on how your more cost-based rates would affect the in-county subclass? If so, please provide workpapers for any analyses you have done. If not, please explain whether you would expect the in-county subclass to be affected by the application of your analysis to the costs of that class.

NNA/TW et al T2-7 Please refer to your response to ABM/TW et al T2-2, where you suggest that the best solution to rising periodicals costs is to bypass operations. If all mailpieces capable of responding to the price signals witness Mitchell proposes respond as you and he recommend, what would effects upon rates arising from changes in cost averaging would you expect to see upon the mail that is not susceptible to such response?

NNA/TW et al T2-8 Have you done any analysis of own-price sensitivities of the mail that might have no alternative to sacks, following any increases occasioned by the rates proposed by Time Warner et al? If you have, please supply any documents or workpapers that would demonstrate your conclusions or show your work.

NNA/TW et al T2-9 Have you done any analysis of own-price sensitivities of the mail that might not be susceptible to drop shipment and that must enter in an origin far from destinations, following any increases occasioned by the rates proposed by Time Warner et al? If you have, please supply any documents or workpapers that would demonstrate your conclusions or show your work.

NNA/TW et al T2-10 Would you assume that there is a price point at which the mail described in NNA/TW et al T2-9 and T2-10 would disappear from the mailstream?