

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 AMERICAN BUSINESS MEDIA TO
TW et al./ABM-69-70
(October 15, 2004)

American Business Media hereby provides the responses to Time Warner Inc., et al.'s Interrogatories and Request for Production of Documents TW et al./ABM-69-70, filed October 4, 2004.

The interrogatories are stated verbatim and followed by the response.

Respectfully submitted,

/s/ David R. Straus

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October 15, 2004

Response of ABM to TW et al./ABM-69

TW et al./ABM-69:

The attached table, ABM116_144, is taken from an Excel spreadsheet named 1f1sg01!.xls that was provided by ABM counsel and appears to present somewhat more detailed results from the analysis performed, based on mail.dat files, of ABM publications and summarized in lines 116 through 144 of witness Bradfield's Exhibit LB-1. Lines 132-134 have been removed because, as pointed out in Bradfield's response to TW et al./ABM-T2-8, they were repetitions of line 131.

- a. Please confirm that the results in the attached table correspond to those on the fourth worksheet in the Excel file provided by ABM counsel to the complainants.
- b. Please confirm that the publication numbers in the first column correspond to the line numbers in Exhibit LB-1.
- c. Please confirm that the last column in the table gives the percent change in postage that was estimated for each publication if the rates proposed in this docket were to take effect.
- d. Please confirm that the five highest percent increases under the proposed rates are, respectively, 81%, 65%, 38%, 28% and 16%, for publication numbers 121, 128, 119, 144 and 136.
- e. Please confirm that the column labeled "sack minimum" represents the values of the parameter for minimum number of pieces per sack used in developing the presort scheme for each publication. If not confirmed, what do the numbers in this column mean?
- f. Please confirm that the value of the "sack minimum" parameter is equal to 6 for publication numbers 121, 128, 119, 144 and 136, the five publications that would experience the highest increases under the proposed rates, while it is equal to 24 for all the other publications in the table, except publication 131 for which the parameter is not specified. Please confirm also that for publications 121, 128, 119, 144 and 136 the average number of pieces per sack is shown in the table as either 13 or 14, while it ranges from 38 to 66 for all the other publications.
- g. Please provide the frequency (number of issues per year) for the 26 publications.

Response of ABM to TW et al./ABM-69

RESPONSE

- a. Without checking every number, they appear to correspond to the worksheet provided to American Business Medias counsel and by him to Time Warner.
- b. Confirmed
- c. Confirmed.
- d. Confirmed.
- e. Confirmed.
- f. Confirmed.
- g. All are issued 12 times per year, except publications 123 and 142, which are issued 6 times per year, and publication 131, which is issued 48 times per year.

Response of ABM to TW et al./ABM-69

Table ABM116 144:

Publication	Weight (lbs)	AD %	# of pieces	# of bundles	# of pallets	# of sacks	Avg. pcs per bundle	Pallet ized pieces	% pallet ized	Avg. pcs per pallet	Sacked pieces	% sacked	Avg. pcs per sack	Avg. wgt per sack	Sack mini mum	Current Postage	New Postage	% increase
116	0.21	43.04%	18,060	2,101	1	331	9	1598	8.85%	1598	16462	91.15%	50	10.4	24	\$5,022	\$5,629	12.09%
117	0.23	35.83%	35,723	3,527	4	458	10	5805	16.25%	1451	29918	83.75%	65	15.0	24	\$9,601	\$10,428	8.61%
118	0.22	50.40%	24,229	2,469	0	407	10	0	0.00%	0	24229	100.00%	60	13.1	24	\$7,228	\$7,754	7.28%
119	0.66	46.16%	29,405	4,242	20	1552	7	8507	28.93%	425	20898	71.07%	13	8.9	6	\$12,121	\$16,723	37.97%
120	0.18	51.00%	36,064	4,427	0	678	8	0	0.00%	0	36064	100.00%	53	9.6	24	\$10,340	\$11,347	9.74%
121	0.19	46.20%	29,540	3,331	0	2272	9	0	0.00%	0	29540	100.00%	13	2.5	6	\$7,799	\$14,115	80.98%
122	0.72	59.56%	102,771	13,106	130	250	8	91363	88.90%	703	11408	11.10%	46	32.9	24	\$45,794	\$47,840	4.47%
123	0.18	49.00%	22,805	3,155	0	523	7	0	0.00%	0	22805	100.00%	44	7.8	24	\$6,356	\$7,304	14.92%
124	0.48	48.06%	40,808	5,096	25	375	8	20465	50.15%	819	20343	49.85%	54	26.0	24	\$14,859	\$15,728	5.85%
125	0.17	36.94%	12,752	1,407	0	260	9	0	0.00%	0	12752	100.00%	49	8.3	24	\$3,481	\$3,925	12.75%
126	0.39	49.48%	33,774	3,620	11	404	9	9217	27.29%	838	24557	72.71%	61	23.7	24	\$11,397	\$12,073	5.93%
127	0.69	64.05%	52,012	6,045	68	297	9	38530	74.08%	567	13482	25.92%	45	31.3	24	\$22,838	\$23,980	5.00%
128	0.24	50.86%	22,948	2,587	2	1560	9	2483	10.82%	1241	20465	89.18%	13	3.1	6	\$6,614	\$10,918	65.07%
129	0.34	45.82%	32,087	3,869	10	415	8	10223	31.86%	1022	21864	68.14%	53	17.9	24	\$9,863	\$10,611	7.58%
130	0.18	28.13%	36,373	3,649	2	505	10	2910	8.00%	1455	33463	92.00%	66	11.9	24	\$9,032	\$9,917	9.80%
131	0.47	26.80%	29,357	3,466	20	328	8	15536	52.92%	777	13821	47.08%	42	19.8	?	\$8,346	\$8,748	4.82%
135	0.25	55.00%	16,345	1,774	3	215	9	6592	40.33%	2197	9753	59.67%	45	11.3	24	\$4,775	\$5,054	5.84%
136	0.52	67.00%	14,617	1,990	10	351	7	10133	69.32%	1013	4484	30.68%	13	6.6	6	\$5,434	\$6,310	16.12%
137	0.17	58.75%	28,301	3,135	1	433	9	1896	6.70%	1896	26405	93.30%	61	10.4	24	\$7,971	\$8,556	7.34%
138	0.99	41.00%	50,646	9,211	87	415	5	34951	69.01%	402	15695	30.99%	38	37.4	24	\$24,747	\$27,862	12.59%
139	0.38	47.37%	67,545	9,881	20	1065	7	18143	26.86%	907	49402	73.14%	46	17.6	24	\$22,200	\$24,630	10.95%
140	0.23	54.77%	29,942	3,337	3	502	9	3650	12.19%	1217	26292	87.81%	52	12.0	24	\$8,689	\$9,505	9.39%
141	0.44	67.63%	18,569	2,423	10	246	8	7186	38.70%	719	11383	61.30%	46	20.4	24	\$7,188	\$7,609	5.86%
142	0.39	59.00%	18,514	2,851	0	420	6	1559	8.42%	0	16955	91.58%	40	15.7	24	\$6,762	\$7,332	8.43%
143	0.27	52.20%	27,097	2,917	5	387	9	5376	19.84%	1075	21721	80.16%	56	15.2	24	\$8,168	\$8,764	7.30%
144	0.36	58.96%	56,521	6,189	31	1921	9	28933	51.19%	933	27588	48.81%	14	5.2	6	\$18,589	\$23,868	28.40%

Response of ABM to TW et al./ABM-70

TW et al./ABM-70:

The attached table, ABM1_75, is taken from an Excel spreadsheet named 1f1sg01!.xls that was provided by ABM counsel and appears to present somewhat more detailed results from the analysis performed, based on mail.dat files, of ABM publications and summarized in lines 1 through 75 of witness Bradfield's Exhibit LB-1.

- a. Please confirm that the results in the attached table correspond to those on the first worksheet in the Excel file provided by ABM counsel to the complainants.
- b. Please confirm that the publication numbers in the first column correspond to the line numbers in Exhibit LB-1.
- c. Please confirm that the sixth column in the table gives the percent change (increase or decrease) in postage that was estimated for each publication if the rates proposed in this docket were to take effect.
- d. Please confirm that the last column, labeled "sack minimum," represents the values of the parameter for minimum number of pieces per sack used in developing the presort scheme for each publication. If not confirmed, what do the numbers in this column mean?
- e. Please confirm that seven of the 75 publications, numbered as 58 and 70 through 75, would have postage increases over 20%, but that of the 68 others none would have increases higher than 13%.
- f. Please confirm that publication 58 uses a sack minimum of 6, publications 70 through 75 use a minimum of 12 and that the 68 other publications (except number 48 for which the minimum is not specified) use sack minimums of 24 pieces. Please explain if not confirmed.
- g. Please confirm that publications 58, 70, 71 and 72 are published monthly and that publications 73, 74 and 75 are published twice a month.
- h. Please confirm that publications 57 (circulation 17,000), 61 (circulation 10,800) and 65 (circulation 7000) all would experience lower postage under the proposed rates, while the 11 publications with circulation over 100,000 all would have higher postage.

RESPONSE

- a. Without checking every number, they appear to correspond to the worksheet provided to American Business Medias counsel and by him to Time Warner.
- b. Confirmed.
- c. Confirmed.

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- d. Confirmed.
- e. Confirmed.
- f. Confirmed.
- g. Confirmed.
- h. Confirmed, although please note that publications 61 and 65 are not typical for this publisher because they have concentrated, regional distribution, and publication 58, while listed as “national,” also has highly concentrated distribution (in two metropolitan markets). Also note that none of the publications with circulation in excess of 100,000 has circulation in excess of 174,000.

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Table ABM1_75:

Publi cation	Distri bution	freq	Current Annual Postage	Proposed Annual Postage	% Postage Differ ence	Approx Circ	3-Dig Count	5-Dig Count	Cr Count	Firm Count	% On pallets	Avg Pcs Per Sack	% Dest Entry	Per Issue Current Postage	Per Issue New Postage	Avg. weight	Sack mini mum
1	National	18	\$564,552	\$624,600	10.64	153,500	18,061	44,571	14,161	8,899	89	35	0.4	\$31,364	\$34,700	0.53	24
2	National	26	\$766,870	\$793,702	3.50	126,000	18,895	54,816	17,237	2,329	77	49	0.3	\$29,495	\$30,527	0.36	24
3	National	12	\$222,900	\$238,176	6.85	83,000	18,861	41,305	8,895	1,281	48	51	0.3	\$18,575	\$19,848	0.23	24
4	National	12	\$76,632	\$85,152	11.12	32,000	7,877	8,766	1,872	662	35	45	0.5	\$6,386	\$7,096	0.36	24
5	National	12	\$83,004	\$89,544	7.88	26,000	10,701	9,040	598	158	12	49	0.5	\$6,917	\$7,462	0.31	24
6	National	11	\$477,026	\$528,077	10.70	131,700	51,268	63,115	204	4,524	76	39	0.5	\$43,366	\$48,007	0.45	24
7	National	12	\$109,092	\$119,952	9.94	44,000	13,051	17,010	1,444	279	22	50	0.3	\$9,091	\$9,996	0.22	24
8	National	12	\$255,912	\$268,632	4.97	77,300	18,794	47,674	4,180	628	61	50	0.4	\$21,326	\$22,386	0.36	24
9	National	12	\$117,972	\$130,272	10.42	46,000	14,435	19,500	2,188	688	14	51	0.4	\$9,831	\$10,856	0.19	24
10	National	12	\$181,764	\$191,928	5.59	77,000	17,950	33,158	2,035	111	18	57	0.5	\$15,147	\$15,994	0.25	24
11	National	12	\$119,364	\$131,292	10.00	64,000	12,942	15,086	106	3,458	3	47	0.3	\$9,947	\$10,941	0.21	24
12	National	12	\$277,908	\$307,416	10.62	92,500	20,072	42,890	12,903	1,561	83	44	0.4	\$23,159	\$25,618	0.30	24
13	National	12	\$232,416	\$243,660	4.84	68,000	16,871	36,650	6,772	500	51	51	0.3	\$19,368	\$20,305	0.37	24
14	National	12	\$274,596	\$292,020	6.35	99,000	19,687	50,993	17,993	1,227	73	50	0.5	\$22,883	\$24,335	0.21	24
15	National	12	\$147,756	\$157,464	6.57	42,000	15,717	19,352	1,995	421	37	49	0.5	\$12,313	\$13,122	0.34	24
16	National	21	\$1,015,245	\$1,026,522	1.11	157,500	20,822	102,611	28,073	611	89	49	0.5	\$48,345	\$48,882	0.43	24
17	National	12	\$150,132	\$160,488	6.90	48,000	15,850	25,080	270	434	6	53	0.5	\$12,511	\$13,374	0.31	24
18	National	12	\$88,944	\$96,504	8.50	21,000	14,940	3,690	0	172	0	43	0.5	\$7,412	\$8,042	0.33	24
19	National	11	\$178,156	\$185,317	4.02	54,000	15,279	26,303	4,282	813	30	40	0.3	\$16,196	\$16,847	0.38	24
20	National	11	\$99,341	\$111,177	11.91	38,000	7,714	15,470	2,456	907	21	40	0.4	\$9,031	\$10,107	0.38	24
21	National	12	\$106,068	\$117,144	10.40	36,500	13,713	12,612	539	632	3	46	0.2	\$8,839	\$9,762	0.24	24
22	National	20	\$474,180	\$494,460	4.27	96,500	19,681	50,681	15,492	1,108	61	50	0.4	\$23,709	\$24,723	0.28	24
23	National	6	\$221,922	\$226,956	2.27	152,000	20,740	102,339	24,568	380	80	52	0.5	\$36,987	\$37,826	0.24	24
24	National	12	\$284,172	\$294,768	3.73	76,000	29,418	42,368	1,582	253	71	56	0.5	\$23,681	\$24,564	0.34	24
25	National	12	\$256,596	\$268,572	4.67	87,000	19,336	42,631	8,983	1,459	58	50	0.4	\$21,383	\$22,381	0.30	24
26	National	12	\$241,368	\$257,352	6.62	100,000	17,414	38,031	14,633	3,030	75	47	0.5	\$20,114	\$21,446	0.27	24
27	National	12	\$199,464	\$218,232	9.41	82,000	17,791	40,335	8,318	1,217	46	48	0.3	\$16,622	\$18,186	0.22	24
28	National	12	\$98,532	\$110,892	12.55	42,000	11,458	13,743	664	1,414	10	46	0.4	\$8,211	\$9,241	0.29	24
29	National	12	\$264,996	\$284,040	7.19	76,000	29,887	34,875	1,844	406	26	48	0.5	\$22,083	\$23,670	0.31	24

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30	National	12	\$291,744	\$310,548	6.45	101,000	21,624	51,043	19,837	1,784	80	49	0.4	\$24,312	\$25,879	0.20	24
31	National	12	\$121,380	\$132,840	9.44	38,000	11,794	21,056	1,156	393	13	48	0.4	\$10,115	\$11,070	0.26	24
32	National	12	\$372,492	\$390,156	4.74	163,000	23,546	60,376	18,987	7,184	70	45	0.3	\$31,041	\$32,513	0.25	24
33	National	12	\$234,912	\$255,156	8.62	91,700	18,777	47,642	8,381	1,697	34	50	0.4	\$19,576	\$21,263	0.16	24
34	National	12	\$255,048	\$270,600	6.09	96,600	19,479	41,204	11,308	2,150	66	48	0.4	\$21,254	\$22,550	0.28	24
35	National	26	\$157,742	\$162,422	2.96	22,000	9,701	8,259	0	223	0	48	8.4	\$6,067	\$6,247	0.39	24
36	National	12	\$187,584	\$197,796	5.45	63,700	15,369	25,522	5,957	1,258	38	48	0.4	\$15,632	\$16,483	0.35	24
37	National	12	\$256,200	\$274,308	7.07	98,000	18,618	47,985	16,762	1,677	68	49	0.4	\$21,350	\$22,859	0.27	24
38	National	11	\$41,558	\$45,188	8.72	10,600	7,974	1,569	0	20	0	41	0.1	\$3,778	\$4,108	0.36	24
39	National	11	\$116,391	\$125,081	7.46	43,000	13,550	19,792	1,838	710	19	50	0.4	\$10,581	\$11,371	0.24	24
40	National	12	\$406,092	\$419,856	3.39	102,000	24,545	38,742	11,054	2,689	73	41	0.4	\$33,841	\$34,988	0.69	24
41	National	11	\$227,381	\$236,687	4.09	65,000	21,454	42,214	589	61	71	56	0.5	\$20,671	\$21,517	0.37	24
42	National	12	\$316,824	\$352,224	11.18	174,000	17,702	45,809	25,039	7,425	84	41	0.4	\$26,402	\$29,352	0.27	24
43	National	25	\$151,425	\$160,300	5.86	28,000	11,295	10,057	33	346	0	46	27.2	\$6,057	\$6,412	0.21	24
44	National	12	\$68,892	\$75,816	10.06	21,000	11,007	5,814	45	312	0	46	0.4	\$5,741	\$6,318	0.34	24
45	National	12	\$89,472	\$97,836	9.35	35,000	8,603	11,266	2,343	844	28	44	0.2	\$7,456	\$8,153	0.34	24
46	National	6	\$69,438	\$76,002	9.45	46,000	17,044	25,733	1,906	76	31	54	0.5	\$11,573	\$12,667	0.21	24
47	National	12	\$73,344	\$78,912	7.58	19,700	7,633	6,242	193	272	9	41	0.2	\$6,112	\$6,576	0.57	24
48	National	12	\$130,620	\$140,856	7.83	27,200	12,307	4,732	0	0	36	32	0.8	\$10,885	\$11,738	0.84	
49	National	51	\$212,262	\$222,564	4.87	17,600	8,133	3,154	858	96	0	29	39.3	\$4,162	\$4,364	0.29	20
50	National	266	\$563,388	\$594,244	5.48	7,000	4,455	1,844	0	0	0	38	16.7	\$2,118	\$2,234	0.20	20
51	National	12	\$320,268	\$344,520	7.57	55,000	20,956	20,099	1,329	19	66	30	0.1	\$26,689	\$28,710	1.14	20
52	National	20	\$147,640	\$164,460	11.39	18,000	13,157	2,001	405	132	27	25	0.2	\$7,382	\$8,223	0.67	20
53	National	51	\$228,990	\$242,964	6.11	16,000	9,131	2,210	914	197	0	27	32.9	\$4,490	\$4,764	0.33	20
54	National	51	\$294,168	\$312,018	6.08	26,000	12,165	5,150	0	112	13	29	26.5	\$5,768	\$6,118	0.35	20
55	National	12	\$195,348	\$211,944	8.50	37,000	28,571	3,358	563	0	45	28	0.3	\$16,279	\$17,662	0.77	20
56	National	51	\$26,673	\$27,693	3.89	2,200	869	329	0	0	0	27	47.9	\$523	\$543	0.22	20
57	National	51	\$268,668	\$249,441	(7.16)	17,000	9,556	4,298	112	7	0	36	43.4	\$5,268	\$4,891	0.55	20
58	National	12	\$135,228	\$176,484	30.51	31,300	16,569	7,110	0	0	0	31	0.7	\$11,269	\$14,707	0.73	6
59	Regional	12	\$26,256	\$27,816	5.91	8,300	1,984	5,644	288	0	69	72	0.0	\$2,188	\$2,318	0.21	24
60	Regional	12	\$28,176	\$28,836	2.35	8,700	2,959	5,202	0	1	0	80	0.0	\$2,348	\$2,403	0.22	24
61	Regional	12	\$34,692	\$34,572	(0.35)	10,800	3,696	5,766	98	5	39	145	0.6	\$2,891	\$2,881	0.31	24
62	Regional	12	\$20,412	\$20,772	1.74	6,300	2,288	3,667	0	1	0	71	0.1	\$1,701	\$1,731	0.24	24
63	Regional	12	\$39,540	\$40,500	2.42	11,600	4,899	6,206	49	2	28	78	0.0	\$3,295	\$3,375	0.23	24

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64	Regional	12	\$29,088	\$29,856	2.65	8,800	3,075	5,214	26	2	0	79	0.0	\$2,424	\$2,488	0.25	24
65	Regional	12	\$21,960	\$21,264	(3.19)	7,000	2,625	3,748	187	1	78	55	6.0	\$1,830	\$1,772	0.25	24
66	Regional	12	\$39,072	\$41,412	5.97	10,500	2,280	7,562	255	2	69	63	0.0	\$3,256	\$3,451	0.32	24
67	Regional	12	\$33,276	\$35,100	5.48	10,400	2,280	7,525	292	2	89	68	0.0	\$2,773	\$2,925	0.22	24
68	Regional	12	\$24,156	\$24,936	3.23	7,300	1,861	4,608	431	1	34	68	0.1	\$2,013	\$2,078	0.24	24
69	Regional	12	\$23,340	\$25,128	7.65	7,000	1,929	4,607	153	4	86	64	0.0	\$1,945	\$2,094	0.26	24
70	National	12	\$178,980	\$214,800	20.01	40,500	11,325	24,736	2,204	340	77	18	0.3	\$14,915	\$17,900	0.53	12
71	National	12	\$187,116	\$229,704	22.76	49,500	11,891	30,894	2,418	515	78	17	0.3	\$15,593	\$19,142	0.43	12
72	National	12	\$101,412	\$125,400	23.65	21,800	11,356	7,980	457	89	36	19	0.3	\$8,451	\$10,450	0.55	12
73	National	24	\$962,784	\$1,297,608	34.78	160,000	49,933	39,170	4,846	701	29	16	0.0	\$40,116	\$54,067	0.38	12
74	National	24	\$815,592	\$1,134,384	39.09	88,000	49,149	14,260	571	320	21	14	0.3	\$33,983	\$47,266	0.42	12
75	National	24	\$247,656	\$348,888	40.88	39,000	110,088	19,252	4,773	439	14	19	0.3	\$10,319	\$14,537	0.27	12