

UNITED STATES OF AMERICA  
POSTAL RATE COMMISSION  
WASHINGTON, DC 20268-0001

Complaint of Time Warner Inc., et al.  
Concerning Periodicals Rates

Docket No. C2004-1

RESPONSE OF NATIONAL NEWSPAPER ASSOCIATION  
TO NOTICE OF INQUIRY NO. 1  
CONCERNING PERIODICALS DATA  
(December 1, 2004)

National Newspaper Association (NNA) responds herein to the Commission's Notice of Inquiry No. 1 with respect to data available in association files on its member newspapers.

NNA does not require its members to submit information about mail preparation or piece characteristics. It does require members to report their circulation and publishing frequency. The sources of its data are indicated in each response provided.

1. What is the mean and median circulation of publications?

RESPONSE:

The mean circulation of NNA members is estimated at about 6,200.

The median circulation of NNA members is estimated at just under 5,000.

Source: Estimated by NNA Executive Director Brian Steffens from data reported annually by members.

2. What is the distribution into the following circulation categories:

- a. 15,000-10,001
- b. 10,000-5,001
- c. 5,000-1001
- d. 1000 or under

RESPONSE:

- a. 200
- b. 440
- c. 1,060
- d. 140

Source: Provided by Steffens from annual member data.

In addition, NNA maintains some data on non-member newspapers. The following is an estimate for each of these circulation strata for all newspapers.

- a. 650
- b. 1,430
- c. 3,445
- d. 455

Source: The source for this information is a survey provided for NNA in 1991 by Belden Associates.

3. What percent is nonprofit?

RESPONSE: No more than 1-2%. NNA does not ask members to provide this information.

4. What percent is weekly or more frequent?

RESPONSE:

98%

Source: Steffens from member data

5. What percent contains more than 10 percent advertising matter?

RESPONSE:

Estimated: close to 100%, possibly excepting the few nonprofit newspapers, such as church newspapers.

Source: Steffens, estimating from personal observation

6. Volume distribution by processing category (i.e., letters, flats, automation flats, irregular parcels.)

RESPONSE:

Percentage that are flats: 100%; percentage that are automation flats: Precise numbers are unknown. Witness Heath estimates, based upon observations from his own industry consulting and data from within his own newspaper group, that about 50% of newspapers are bar-coded and UFSM 1000 eligible. He notes that the Postal Service does not consider most newspapers to be eligible for processing on the AFSM-100 and that despite NNA's work on eligibility requirements for this machine, USPS continues to process bar-coded newspapers on UFSM-1000 or manually.

Source: NNA Postal Committee Chairman Max Heath, who is a witness in this case—NNA-1.

7. What is the distribution of pieces by presort category?

RESPONSE: NNA does not collect these data. However, NNA's 1999 study of within county mail volume indicated that the percentages of newspapers delivered by within county subclass mail were as follows:

Weekly Newspapers

Under 1000 circulation	48.92%
1000 to 3000	35.42%
3000 to 5000	30.55%
5000 to 20000	28.56%

NNA inquired in that study what percentage of total circulation is outside county. Results indicated that newspapers distributing 100,000 copies annually (e.g, a 2,000 circulation newspaper mailing once a week would have 102,000 copies) used outside county distribution for nearly 40% of their circulation. Copies of this study are provided as a NNA Library Reference (NNA LR-2) for reference. The pertinent data are at pages 10 and 11.

Presort categories presumably are higher in the carrier route and 5-digit categories for distributions that are outside county, but within a newspaper's primary retail market. Outside that market, most copies would be in the 3 digit and basic categories.

Sources: Heath and "Findings from the National Newspaper Association In-County Mail Survey, a Report Prepared for the National Newspaper Association by Project Performance Corporation" December, 1999.

8. What is the distribution of pieces by weight?

RESPONSE: NNA does not collect these data from members, but it is believed the typical range would be 4 to 8 ounces.

Source: Heath

9. What is the distribution of pieces by zone?

RESPONSE: NNA does not collect these data from members. Witness Heath believes, based upon his consulting work and observations within his own newspaper group that the outside county distribution breaks down roughly as follows:

- 2-5% DDU outside county (but higher for newspapers with primary distributions near a county line)
- 60-70% Zones 1-2

5-8% Zones 3-6  
1-3% Zones 7-9

Source: Heath

10. What is the distribution of pieces by container type?

RESPONSE: NNA does not collect these data from members, but notes that since sacks were the only officially approved container for members' typical mailings, sacks are presumed to be the container for all mailings. Some exceptions, such as those noted by witness Crews, have been reported episodically. The Postal Service has recently announced that Destination Delivery Unit mail now is officially permitted to be entered in bundles, without any other containerization.

Source: Heath, USPS Postal Bulletin issue of September 30, 2004