

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

COMPLAINT OF TIME WARNER INC. ET AL.
CONCERNING PERIODICALS RATES

Docket No. C2004-1

INTERROGATORIES OF AMERICAN BUSINESS MEDIA
TO TIME WARNER, ET AL.
ABM/TW et al.-1-8
(December 10, 2004)

Pursuant to Rule 26 of the Rules of Practice, American Business Media hereby submits interrogatories and requests for production of documents to Time Warner, et al., based upon the "Response of Time Warner, Inc., et al. to Notice of Inquiry No. 1, filed November 8, 2004.

If information requested is not available in the exact format or level of detail requested, please provide responsive material in such different format or level of detail as is available.

Respectfully submitted,

/s/ David R. Straus

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December 10, 2004

ABM/TW et al.-1

In the Response of Time Warner Inc. et al To Notice of Inquiry No. 1, Halstein Stralberg (at page 2) assumes that the 100% editorial Periodicals in witness Tang's sample have the same zone distribution as other Periodicals in their size category. Please state all of the bases for that assumption.

ABM/TW et al.-2

In the Response of Time Warner Inc. et al To Notice of Inquiry No. 1, Halstein Stralberg (at 2) calculates the average pound charge under the proposed rates on a zoned and unzoned basis and concludes that, "collectively," publications with a circulation no greater than 1,000 would pay a lower editorial pound rate if it is zoned. (a) Please provide all calculations underlying this conclusion. (b) Please state how many such publications would pay a lower editorial pound rate if zoned and how many would pay a higher editorial pound rate if zoned. (c) Please state how many such publications would pay a zoned editorial pound rate that is at least 10% higher than they would pay if the rate is flat.

ABM/TW et al.-3

In the Response of Time Warner Inc. et al To Notice of Inquiry No. 1, Halstein Stralberg (at 2) states that "[m]ost of these Periodicals have a high percent of editorial content." Please confirm that for a non-local periodical with a high percentage of editorial content, zoning the editorial pound rate will have a higher than average adverse impact.

ABM/TW et al.-4

In the Response of Time Warner Inc. et al To Notice of Inquiry No. 1, Halstein Stralberg (at 2, note 1) states that he did not compare the effect of zoning the editorial pound rate under the current rate structure, that is, without first shifting revenue recovery out of the pound rate, because "there does not appear to exist a documented alternative rate structure that uses zoned editorial pound rates but is identical to current rates in all other respects." (a) Please confirm that witness Stralberg was able to derive a flat editorial pound rate alternative to the complainants zoned editorial pound rate proposal and addressed that alternative in his rebuttal testimony. (b) Please explain why witness Stralberg was unable to develop a zoned editorial pound rate alternate to the present flat editorial pound rate design.

ABM/TW et al.-5

In the Response of Time Warner Inc. et al To Notice of Inquiry No. 1, Halstein Stralberg (at 3) states that for the "next size category," that is, 101-5,000 (see Table 1), the "average" editorial pound rate charge would be 0.67% higher with zoning. (a) Please provide all of the calculations underlying this statement. (b) Please state how many such publications would pay a lower editorial pound rate if zoned and how many would

pay a higher editorial pound rate if zoned. (b) Please state how many such publications would pay a zoned editorial pound rate that is at least 10% higher than they would pay if the rate is flat.

ABM/TW et al.-6

In the Response of Time Warner Inc. et al To Notice of Inquiry No. 1, Halstein Stralberg (at 3-4) states that many of the smallest circulation periodicals identified by witness Tang represent the outside county portion of publications that are primarily in-county. (a) Please confirm that *at least* 5,538 such publications (15,152 - 9,614) do not have any circulation at in-county rates. (b) Please confirm that the 9,614 Periodicals “identified as having some in-county as well as some outside-county volume” includes some that have a large part of their volume outside county as well some that have “only a small part of their total volume” outside county. (c) If you can, please state what percentage of the 9,614 publications have more than half of their volume in-county. (d) Please reconcile this statement with witness Tang’s response to the NOI, item 4, where she shows that only 27.4% of the publications with circulation of 1,000 or less are published weekly or more frequently, which means that at least the remaining 72.6% are not newspapers with in-county distribution.

ABM/Time Warner et al.-7

With Response of Time Warner Inc. et al To Notice of Inquiry No. 1 at 4-5, please explain why “low density” Periodicals with circulation below 1,000 would appear to be less adversely impacted under the proposed rates than “high density” periodicals with circulation below 1,000.

ABM/Time Warner et al.-8

In the Response of Time Warner Inc. et al To Notice of Inquiry No. 1, Halstein Stralberg (at 5) states that small Periodicals “would have the opportunity to avoid high sack charges simply by avoiding the excessive use of low-volume sacks. . . .” Please provide the detail of all studies done by or on behalf of the complainants before the date of the Time Warner et al. response that detail the cost savings achieved by modifying the presort parameters on specific publications from low sack minimums to higher sack minimums.