

**BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20068-0001**

Postal Rate and Fee Changes, 2006

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Docket No. R2006-1

**NOTICE OF ERRATUM TO TESTIMONY OF NATIONAL NEWSPAPER
ASSOCIATION WITNESS HEATH
(NNA-T-1)**

NNA hereby provides notice of an erratum to the testimony of NNA Witness Max Heath, NNA-T-1 and provides a corrected page for the testimony.

The error occurred on page 9, line 3, of witness Heath's testimony where an incorrect citation to the Domestic Mail Manual appears. The corrected sentence now reads:
"Under DMM 707.7.6, that lapsed subscriber can be carried at Within County rates for six months."

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that I have filed the foregoing document online in accordance with the Commission's Rules of Practice.

Tonda F. Rush
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October 2, 2006

- A newspaper is permitted to continue to mail to a subscriber for a certain period after a subscription lapses, while the publisher attempts to market various offers to entice a renewal. Under DMM 707.7.6, that lapsed subscriber can be carried at Within County rates for six months. At the conclusion of six months, the subscriber may remain on the list so long as the paid circulation eligibility is not violated, but must be mailed at Outside County rates. The data collector or the editor would have no way of checking the subscription term, and so likely would tally such a copy as Within County.
- Advertisers may, for their own marketing reasons, choose to purchase copies for their own customers. Under DMM 707.7.3, these copies are required to travel at the outside County postage rate as well, but would appear to IOCS, again, as a Within County periodical.

All of these circumstances could combine, in an environment where small errors loom large, to cause a tally to be wrongly marked. I believe the Postal Service has made an admirable effort to improve identification problems in the subclass. It has not taken the Commission's suggestion of requiring a mark on the copy. That is fortunate for the industry, because it would be nearly impossible for the industry to comply in a high speed press run with marking copies such as those I described above.

The lesson in this exercise is that the unique legal characteristics of this subclass make a proper measurement system extremely difficult to improve without adding significant cost to the Postal Service and, therefore, to the mail.

Accepting witness Siwek's sound reasoning for pooling IOCS tallies is, I believe, a good route for the Commission to take. It would greatly improve the