

DOCKET SECTION

BEFORE THE
POSTAL RATE COMMISSION
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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

DOCKET NO. R97-1

OBJECTIONS OF MAGAZINE PUBLISHERS OF AMERICA TO POSTAL SERVICE INTERROGATORIES USPS/MPA-3-33 AND USPS/MPA-T1-3-33

February 2, 1998

Pursuant to rules 25(c) and 26(c) (39 CFR 3001.25(c), 3001.26(c)) the Magazine Publishers of America (MPA) objects to Postal Service interrogatories USPS/MPA-3-33 and USPS/MPA-T1-3-33 (filed on January 22, 1998) on the grounds of undue burden and relevance. These interrogatories ask MPA and The Meredith Corporation Publishing Group (Meredith), an MPA member, to produce, in minute detail, vast amounts of information about the mailing characteristics of individual publications.

In this Docket witnesses for Periodicals mailers have stressed the failure of the Postal Service -- despite repeated urgings by the Commission, the General Accounting Office, and mailers -- to study and address the truly staggering increases in mail processing costs for Periodicals produced and reported by Postal Service data systems and methodologies. Its service of the January 22 interrogatories appears to indicate that, at long last, the Postal Service has decided to commence such a study. Unfortunately, interrogatories 3-33 suggest that responsibility for gathering data for the study has been delegated to the Postal Service's Law Department, and that the scope of the study will be limited to whatever data Periodicals parties can provide in the limited period for discovery under the

Commission's rules in the remaining days of this case.

Initially, MPA notes that the information sought in interrogatories 3-33 is not within the custody and control of MPA nor is it available to MPA. Further, even if individual MPA members have such information, MPA has no legal right to obtain that information from its members.

Ironically, most of the information sought is already maintained by the Postal Service itself in forms that would be far more useful to the Postal Service if it truly wants to understand the mailing practices of the Periodicals industry. As the Commission noted earlier in this case, "participants in postal rate cases are largely dependent on Postal Service data for developing direct and rebuttal presentations" PRC Order No. 1201 (November 4, 1997) at 15. Further, "the Service is the repository for the vast majority of data *relevant* to rate case issues." *Id* at 12 (emphasis added).

USPS/MPA-3-23 and USPS/MPA-T1-3-23:

Interrogatories USPS/MPA-3-23 seek data pertaining to mailing characteristics of each of the approximately 800 publications published by MPA's approximately 200 member companies. Interrogatories USPS/MPA-T1-3-33 seek the same information for each publication published by Meredith. As is evident from witness Little's testimony, Meredith is an MPA member. MPA-T1-1 at 1. In the case of Meredith, the Postal Service is asking for the same information twice.

The Postal Service, however, already has in its possession far more complete and representative, and therefore relevant, information. Mailers provide the information sought in interrogatories 3-23 by the Postal Service on mailing statements. The Postal Service then compiles information from these mailing statements to produce "billing determinants." The Postal Service provided these billing determinants in this proceeding in the form of a library reference. *Billing Determinants, Fiscal Year 1996*, USPS-LR-H-145. This billing determinant data is information on the Periodicals industry as a whole. The Postal Service compiles it annually, and routinely submits it as library references in Commission proceedings. Billing determinants are far more complete and representative and therefore more probative than any data the Postal Service might conceivably obtain as a result of

the blunderbuss blast of interrogatories it has scattered among participants from the Periodicals industry and their witnesses. Yet the Postal Service proposes to burden MPA, Meredith and other participants with the task of providing whatever similar information they can.

USPS/MPA-24-33 and USPS/MPA-T1-24-33:

These interrogatories seek information about items (pallets, sacks, trays, and bundles) used by MPA members including Meredith, pieces per item, and average weight per item. This information is not collected on mailing statements. While it may be related to the cost of mail processing, the Postal Service collects and possesses data which is more complete and representative and therefore more probative than that which it seeks through this discovery process.

The Postal Service has industry data obtained from Periodicals publishers that it has gathered through a series of industry surveys. These surveys have been filed as library references in Commission proceedings including this one. *Second Class Mail Characteristics Survey*, USPS-LR-H-190 (Docket No. R97-1); see also, USPS-LR-MCR-4 (Docket No. MC95-1); USPS-LR-F-175, 244 (Docket No. R90-1); USPS-T-12 and Tr. 9/5836-5971 (Docket No. R87-1). The Postal Service proposes to burden participants with the task of providing whatever similar information they can.

Nevertheless, and notwithstanding these objections, MPA and Meredith are mindful of their obligations as participants in this proceeding. They will provide such information as they have within their custody and control that can be produced without undue burden.


For MPA itself, this information will consist of the aggregate results to date of a confidential survey of its members, the "1997 MPA Postal Profile." MPA will also provide record references to the results of the confidential surveys which it provided in conjunction with proceedings in Dockets R90-1 and MC95-1. MPA members participated in the "1997 Postal Profile" on the condition that information they provided would be kept strictly confidential. Accordingly, MPA cannot disclose individual publication data, but MPA will provide complete aggregate data.

For Meredith, with respect to interrogatories 3-23, information will pertain only to calendar years 1994-1997. Records for periods prior to that simply do not exist. Meredith

has advised counsel that thus far compilation of even this amount of data has required several person-days. With respect to interrogatories 24-33, the information identified thus far is very limited and applies to the main file of two publications for calendar year 1997. In totality, these Postal Service demands are overwhelming to the point of impossibility, for a variety of reasons. Information on co-mailed titles is simply unavailable; records are maintained for periods as short as three months; and such data as does exist is in extremely raw form at various printing plants throughout the country and could only be compiled with monumental effort.

MPA looks forward to working with the Postal Service in the carefully planned, comprehensive joint study of the Periodicals mail processing cost issue which will commence later this year. It is our hope that these unfortunate and objectionable discovery demands will have been forgotten by then.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.


James R. Cregan

Washington, D.C.
February 2, 1998