

DOCKET SECTION

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

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Docket No. R97-1

POSTAL RATE & FEE CHANGES, 1997

OBJECTION OF TIME WARNER INC. TO POSTAL SERVICE INTERROGATORIES USPS/TW-3-33 (February 2, 1998)

Pursuant to rules 25(c) and 26(c), Time Warner Inc. (Time Warner) objects to Postal Service interrogatories USPS/TW-3-33 (filed January 22, 1998) on the grounds of relevance and burden. These interrogatories seek a sweeping and incredible amount of detail concerning the mail characteristics of every Time Warner publication for each year for the past 12 years.

Time Warner is well aware of the obligations of intervenors in Commission proceedings, having been a participant in every general rate proceeding since the passage of the Postal Reorganization Act and in many other Commission classification and rulemaking proceedings. In those past proceedings Time Warner has always responded fully to legitimate requests for the production of non-privileged information in its possession. Over the years Time Warner has also produced a vast amount of information about the mail characteristics of its publications in response to periodic Postal Service surveys of the Periodicals publication industry. But never has Time Warner been served with interrogatories so broad, so comprehensive in scope, or so marginally relevant as those served on it by the Postal Service on January 22, 1998.

The Postal Service already possesses data about mail characteristics of Periodicals (including data with respect to each Time Warner publication) that is far more extensive in scope, therefore more representative and, consequently, more probative than any data that Time Warner may be able to produce with

reference to any issue or potential issue in this case. For example, interrogatories 3-23 ask for mailing statement data that is already available to the Postal Service and which is contained in its annual billing determinant data. Interrogatories 24-33 request non-mailing statement data about types of containers used by periodicals, level of container sortation, and pieces per container, which may be relevant to the cost of handling Periodicals mail, but for which the Postal Service also possesses more representative and more probative industry data that it has obtained from publishers in the course of compiling a series of comprehensive industry surveys. An example in this docket is the "Second Class Mail Characteristics Survey" prepared by Christensen Associates, USPS-LR-H-190. In Docket No. MC95-1, Postal Service witness Byrne presented a similar survey, USPS-LR-MCR-4. In Docket No. R90-1 the Postal Service presented the results of a comprehensive survey of the mail characteristics of the Periodicals industry through USPS-LR-F-175 and USPS-LR-F- 244. And in Docket No. R87-1, Postal Service witness Acheson presented the results of a still earlier survey of periodicals mail characteristics.¹

Notwithstanding this objection, Time Warner is endeavoring to gather such information as it has available concerning the mail characteristics of its publications, in light of the Postal Service records retention requirements and Time Warner's practices of data retention in the ordinary course of business.² Thus, we will present data responsive to interrogatories 1-23 for the most recent three year period for its Time Inc. publications and, to the extent that data is available, for its Southern Progress publications. For earlier years we refer the Postal Service and the Commission to information previously supplied by Time

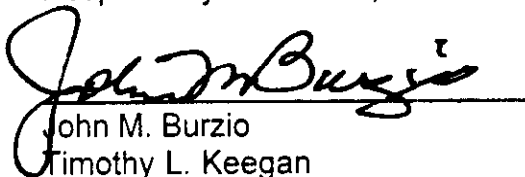
¹ See Docket No. R87-1: USPS-T-12 and Tr. 9/5836-5971.

² See DMM, E216, Section 1.3, which requires publishers to keep "records for each issue of a publication for 3 years from its issue date, except for records for any year for which postal verification is done by a USPS-authorized audit bureau."

Warner in dockets R87-1, R90-1, MC91-3, R94-1 and MC95-1.³ With respect to interrogatories 24-33, the only information available to Time Warner is recent "pallet reports" for its Time Inc. publications, and perhaps for its Southern Progress publications.⁴ We will attempt to compile pallet reports for some publications and present them in a library reference.

To the extent that Postal Service interrogatories USPS/TW-3-33 seeks information beyond that described in the preceding paragraph, we object that the questions are irrelevant, because they seek information that is already possessed by the Postal Service or that will contribute nothing of more probative value than the far more comprehensive information concerning the identical matters that is already in the possession of the Postal Service, and because it would be unduly burdensome to respond.

Respectfully submitted,


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TIME WARNER INC.

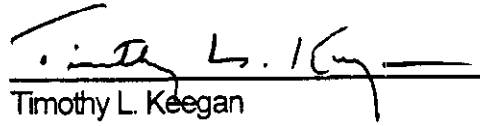
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³ See Dockets No. R87-1: Tr. 39/27549-81; R90-1: Tr. 27/12958-87, 12991-94; MC91-3: Tr. 4/1219-38; R94-1: TW LR-1; MC95-1: Tr. 29/13507-25 & TW LR-2.

⁴ These "pallet reports" consist of computer printouts that total approximately 3,750 pages for just one issue of nine of Time Inc.'s twenty-eight New York-based publications. They are maintained for only a brief period due to their voluminous nature and the high cost of record storage. It would constitute an undue burden for Time Warner to compile a library reference for every publication even for one recent issue, and such a document would have marginal relevance for the purpose of a cost-trend analysis.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document on all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.


Timothy L. Keegan

February 2, 1998