

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

**Six to Five Day Street Delivery)
And Related Service Changes)**

Docket No. N2010-1

**NATIONAL NEWSPAPER ASSOCIATION
INTERROGATORIES TO POSTAL SERVICE WITNESS ELMORE-YALCH
NNA/USPS T8-1-11
(June 7, 2010)**

Pursuant to Rules 25 and 26 of the Commission's Rules of Practice, National Newspaper Association (NNA) submits interrogatories and requests for documents to United States Postal Service Witness Neri. Document requests include requests for responsive information for any record within the Postal Service's possession, whether in printed or electronic form. NNA respectfully requests that if the witness cannot respond to any interrogatory, the Postal Service will refer the question to a competent witness or provide an institutional response.

Respectfully submitted,

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NNA/USPS T8-1

In the introduction to your testimony you state:

“Five-Day Delivery (2009): Quantitative research was conducted to assist in developing forecasts of how the proposed changes would affect the volume for the following Postal Service products: Single Piece First- Class Mail, PreSort First-Class Mail, Regular Standard Mail, Nonprofit Standard Mail, Priority Mail, Express Mail, Regular Periodicals Mail, and Nonprofit Periodicals Mail.”

- a. Please confirm that this quantitative research did not include Within County Periodicals mail. If not, why not?
- b. Did the research include local newspaper Enhanced Carrier Route Presort Standard mail?
- c. Did any of the research techniques used for volume forecasts include data from local newspaper Periodicals or Enhanced Carrier Route Presort Standard Mail?

NNA/USPS T8-2

Did your research to assess how the Postal Service could “mitigate the impact of five-day delivery on consumers” (Testimony p 12) include the consumers of local newspapers? If not, why not?

NNA/USPS T8-3

The chart on Figure 1 describes two focus groups that you describe as “rural” in Seattle and Atlanta.

- a. Please explain how you defined “rural” for these groups?
- b. What geographical area in the Seattle and Atlanta areas did you use for the defined “rural” base from which to draw these participants?

NNA/USPS T8-4

On p. 14, you describe the small business focus groups. You state that the individual involved in the group must be the person primarily responsible for tasks related to that business’s mail and shipping requirements.

- a. How many of these individuals members of their businesses’ professional staffs;
- b. How many of these individuals were members of their businesses’ clerical or administrative staffs? For purposes of this question, please consider these individuals to be any staff member likely to be considered non-exempt under Fair Labor Standards Act definitions.

- c. Were any of these individuals chief executive officers or chief operating officers of their businesses, or equivalent “C” level managers:
- d. Were any of these individuals owners of their businesses;
- e. If any of the individuals were owners or “C” level managers, did you separately evaluate their responses? If so, please describe the differences between their responses and those of individuals described in parts a. and b. of this question.
- f. If the moderators were instructed to discuss “participant recommended strategies for dealing with the deficit situation, did any of the small business focus group members describe changes in compensation or benefits that their businesses had faced, as a model for the Postal Service’s solutions? If so, were these recommendations more likely from owners or “C” level managers than clerical or administrative staff?
- g. Were any of the small businesses included local newspaper companies?

NNA/USPS T8-5

Please refer to the questionnaire for the “updated Screener for New York and Atlanta.”

- a. You asked business participants whether they used direct mail for advertising, including use of shared mail programs such as ValPak.
 - i. Were you aware that users of shared mail programs do not directly pay postage, but rather pay a price for their messages to appear in a package of advertising?
 - ii. If so, were these types of mail participants included to calculate the possible effect upon lower participation in shared mail programs, as an indirect way of forecasting whether those programs would be weakened or cause companies like ValPak to change their mailing behavior? If your answer is no, please explain why these types of “mailers” were included?
 - iii. If participants advertised through newspapers traveling at Standard mail rates or any other mail rates, where they also pay a price for their messages to appear in a package of advertising, were they represented in this portion of the evaluation? If not, why not?

NNA/USPS T8-6

Please refer to the tables of Focus Group mail sender/recipient behavior for New York, Chicago, etc.

- a. It appears that virtually all of the recipients reported sending or receiving a newspaper or magazine using First-Class mail. Is that true?

- b. Do you agree that publishers generally send newspapers and magazines by Periodicals mail? If so, please interpret the reporting of use of First-Class mail for these publications by your Focus Groups.

NNA/USPS T8-7

Please refer to the description of the Postal Service's financial situation, used for in-depth business interviews, beginning on p 76.

- a. Why did the explanation of the Postal Service's situation exclude any mention of labor costs?
- b. Did respondents seem to be aware of any aspect of the Postal Service's labor costs, such as the percentage such costs contribute to overall costs, the manner in which compensation is set, the degree of control USPS has over layoffs or any other aspect of the USPS labor component?
- c. Did any respondent inquire about any of the elements in part b or this interrogatory? If so, please describe how the interviewer responded.

NNA/USPS T8-8

Please refer to p. 80 of your testimony when consumer interviewees were asked to think about the mail they receive.

- a. Please explain why newspapers were not included in the list.
- b. Please confirm that by excluding newspapers, these interviews were unlikely to detect consumer reactions to receiving newspapers after expected delivery dates.
- c. If you assume that in a 5 day delivery scheme, local newspapers with a Saturday publication date would not reach recipients on Saturday unless through Express Mail or a PO Box, did any aspect of your research gauge consumer reaction to this change?

NNA/USPS T8-9

Please refer to the penultimate paragraph on p. 80. When referring to the advertising consumers receive, why were shopper, Penny-saver or similar publications not included?

NNA/USPS T8-10

Please confirm that no research, qualitative or quantitative, was conducted under your auspices to gauge the impact of 5 day delivery upon newspaper publishers, except for two national newspapers included in the national or premier account lists. If you confirm, please explain why.

NNA/USPS T8-11

Please confirm that no research, qualitative or quantitative, was conducted under your auspices to gauge the impact of 5 day delivery upon newspaper readers, except for any incidental reactions that may have resulted from discussion of Periodicals mail that also included magazines. If you confirm, please explain why.