

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

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

Docket No. N2010-1

**RESPONSES OF NATIONAL NEWSPAPER ASSOCIATION WITNESS MAX HEATH,
TO SECOND SET OF USPS INTERROGATORIES
USPS/NNA T1-17 to T1-21
(August 25, 2010)**

National Newspaper Association hereby provides the responses of its witness Max Heath, NNA T1 to USPS/NNA T1-17 to T1-21, submitted on August 11, 2010. The interrogatories are restated verbatim. The response follows each interrogatory.

Respectfully submitted,

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USPS/NNA-T1-17

(a) Please identify all representatives and members of NNA who were invited to attend and participate in online webinars in February and March 2010 in which the service changes under review in this docket were discussed by representatives of the USPS Five-Day team.

(b) Please confirm that participants in the webinar were requested to and did ask questions and provide input about the five-day operational concept

RESPONSE:

(a) I do not recall getting any invitations to attend online webinars relative to service changes under review in this docket in February and March 2010. I have no knowledge of whether members or other representatives were invited or attended.

(b) I have no knowledge of any such requests.

USPS/NNA-T1-18

(a) Please provide the number of NNA members who publish newspapers that are only delivered on Saturdays.

NNA does not tabulate days of publication. My information is from my direct experience with some newspapers that have chosen to comment in this proceeding.

(b) For each such newspaper, state whether the Postal Service and/or an alternative (non-postal) delivery service provider currently is used for delivery. If the Postal Service and an alternative service provider are used, please provide for calendar year 2009, the percentage of newspapers that were delivered on Saturday by the Postal Service and the percentage delivered by the alternative service provider.

RESPONSE:

NNA does not collect this information.

USPS/NNA-T1-19

Please refer to page 12, lines 13 -14 of your testimony where you state that readers of newspapers are accustomed to finding them in a receptacle. Is the receptacle to which you refer the reader's mailbox in every instance? If not, please explain.

RESPONSE:

The receptacle in question is the mailbox, as my testimony intends to represent newspapers who mail, and who have Saturday issues, whether daily or non-daily, and have no other receptacle present into which to deliver if they have to convert to alternate contract carrier delivery systems. If USPS now allows Sunday papers to be delivered to mailboxes, logically the same should be allowed if USPS discontinues delivery on other days.

USPS/NNA-T1-20

- (a) Identify each NNA member that employs alternative (non-postal) service providers to deliver newspapers to street addresses?
- (b) For the most recent calendar or fiscal year, provide the average unit price they paid for such alternate delivery
- (c) Do any such alternative delivery services deliver the newspaper by:
 - (i) Placing the newspaper in a receptacle not located on the same post or pillar that supports a mail box?
 - (ii) Placing the newspaper in a separate receptacle located on the same post or pillar that supports a mail box?
 - (iii) Dropping or throwing newspaper on the recipients' driveway or elsewhere on the recipient's property?
- (d) Where non-postal alternatives are available, please list and explain all reasons why NNA members prefer postal delivery?

RESPONSE:

NNA does not collect this degree of detail on delivery information from its members. NNA has a small staff that is unable to conduct regular research on delivery methods. When I express my opinion on these matters it is from my personal experience with NNA members' practices from my contact with them as NNA's postal consultant, through teaching seminars and my ever growing mail-delivery trouble-shooting hotline, but I have no clerical staff and am attempting to enjoy partial retirement, so I do not keep records that could be used to respond to such a request. I can state from experience that most of our small daily newspapers use non-postal service providers, and I believe we have 200-300 of those members. Some weekly newspapers also do so.

(b) Prices are generally cheaper with youth carriers in towns where home density allows delivery to houses close together, such as 5-10 cent range. An exact average is impossible to provide as the universe is unknown. As previously stated, motor-route delivery in more rural areas ranges from 15-30 cents, depending on route density and ever-fluctuating gas prices which can alter contract prices.

(c)(i) Probably, but fairly rare in my expert opinion. I have dealt extensively with home delivery issues as well as postal issues.

(ii) Yes, more commonly. Some commercial mail receptacles provide both a mailbox and tube space, but they are nowhere predominant.

USPS/NNA-T1-20
(response continued)

(iii) Unfortunately (in my opinion), yes. Porch delivery is harder to obtain from carriers and generally costs more time, and thus greater fee payments. Driveway or yard delivery is subject to damage. This is why newspapers (and I as a consultant) prefer postal delivery.

(d) From the tone of this entire question, it is tempting to guess that USPS is eager to prove that there are alternatives to USPS and that newspapers should use them and leave USPS delivery. It is disappointing to reach such a conclusion at a time when newspapers do want postal delivery because, as has been explained, cost-per-piece within-county is cheaper than motor routes due to gas prices, and USPS needs customers. As I explained before, if the Within County mail turns to these alternatives, the Outside County and ECR mail will leave with it. Where local postal officials are cooperative and want our business (far from universal), we find that delivery quality on Periodicals newspapers and their Standard ECRS shoppers, both most often DDU-entered, carrier-route sorted, and walk-sequenced, allowing third bundles where feasible, receive timely and accurate delivery. This results in fewer delivery errors, fewer wet or damaged papers, and fewer complaints to customer service reps, and less costs in redeliveries of missed papers. I have great respect for the Postal Service's carrier force, and will be sorry to see our industry moving to setting up greater competition for the Postal Service. Today, use of the mails is a win-win, but the threat of no Saturday delivery, and the public statement by PMG Potter that other days might have to be cut later, my lifelong support and personal marketing of USPS now comes off as defense of an unreliable "partner."

USPS/NNA-T1-21

Please refer to pages 5-7 of your testimony where you state that the elimination of Saturday postal street delivery will force publishers of small newspapers to seek delivery via alternative (non-postal) delivery services. On average, please provide the unit price that such newspapers expect to or anticipate having to pay for such delivery.

RESPONSE:

See my response to USPS/NNA T1-20