

DOCKET SECTION

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

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POSTAL RATE AND FEE CHANGES, 1997

)
) Docket No. R97-1
)

**RESPONSE OF
DOW JONES & COMPANY, INC. TO
INTERROGATORIES AND REQUEST FOR
PRODUCTION OF DOCUMENTS OF
UNITED STATES POSTAL SERVICE
(USPS/DJ-35)
(February 23, 1998)**

Pursuant to Rules 25 and 26 of the Commission's Rules of Practice, Dow Jones & Company, Inc. ("Dow Jones") hereby replies to the interrogatories and request for production of documents posed by the United States Postal Service (USPS/DJ-35) on February 9, 1998.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,



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February 23, 1998

Attorneys for Dow Jones & Company, Inc.

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OF UNITED STATES POSTAL SERVICE**

USPS/DJ-35. In response to USPS/DJ-25-30, Dow Jones & Company, Inc. indicates it does not use pallets, sacks or trays in preparing its publications for mailing.

a. Please describe generally how its mailings are prepared and how that preparation has changed for each of the last ten years.

b. Please indicate, by year, the changes in make-up such as changes in average bundle size, changes in containerization, and the average number of bundles and pieces per container.

c. Please indicate in percentage terms, what savings, if any, Dow Jones & Company, Inc. has experienced in its mail preparation costs due to changes in the make-up of its mailings.

d. Even if a percentage cannot be calculated for such savings, as requested in subpart (c) above, please indicate whether or not Dow Jones & Company, Inc. have experienced savings.

RESPONSE:

a. Mailings of The Wall Street Journal and Barron's are processed through automated mailing equipment which bundles copies in quantities of six or more based on the level of sortation. The bundles are then strapped and wrapped in plastic for delivery to entry post offices. For many entries, bundles are containerized based on volume.

The basic preparation process has not changed during the last ten years. Beginning in 1994, as the result of the installation of post-press equipment, Dow Jones was able to significantly improve the number of copies of The Wall Street Journal and Barron's qualifying for carrier presort rates. Over the same ten year period, an increasing percentage of bundled copies have been containerized. See response to USPS/DJ-35(b).

b. Dow Jones does not have any information from this period for the average number of bundles and pieces per container.

Information is available for average bundle size and percentage of mail copies containerized for some of the indicated years. This information is derived from a single one-day snapshot during each applicable year.

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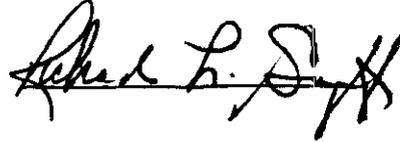
<u>Year</u>	<u>Avg. Bundle Size</u>	<u>% Containerized</u>
1987	24.0	Not Available
1988	24.1	45.8%
1989	24.6	47.7%
1990	24.4	49.6%
1991	23.7	51.1%
1992	23.6	53.2%
1993	22.9	59.0%
1994	20.8	60.0%
1995	20.2	Not Available
1996	17.9	Not Available
1997	Not Available	Not Available

c. Dow Jones did not experience any savings in mail preparation costs due to changes in the make-up of its mailings during the past ten years. To the contrary, Dow Jones has experienced additional mail preparation costs. Dow Jones has invested significant funds in automated equipment, software and additional labor in order to qualify additional copies for carrier-sort discounted periodical rates.

d. See response to USPS/DJ-35(c).

DECLARATION

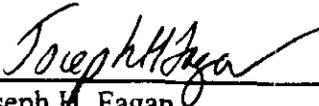
I, RICHARD L. GRAFF, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information and belief.

A handwritten signature in black ink, appearing to read "Richard L. Graff". The signature is written in a cursive style with a horizontal line drawn through the middle of the letters.

Dated: FEBRUARY 23, 1998

CERTIFICATE OF SERVICE

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



Joseph M. Fagan

Dated: February 23, 1998