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

ORIGINAL

Mailing Online Service

Docket No. MC982152 Pil 198

NEWSPAPER ASSOCIATION OF AMERICA INTERROGATORIES TO UNITED STATES POSTAL SERVICE WITNESS MICHAEL K. PLUNKETT (NAA/USPS-T5-1-4) August 7, 1998

The Newspaper Association of America hereby submits the attached interrogatories to United States Postal Service witness Michael K. Plunkett (USPS-T-5) and respectfully requests a timely and full response under oath.

Respectfully submitted,

NEWSPAPER ASSOCIATION OF AMERICA

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CERTIFICATE OF SERVICE

By:

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

August 7, 1998

William B. Baker

NEWSPAPER ASSOCIATION OF AMERICA INTERROGATORIES TO UNITED STATES POSTAL SERVICE WITNESS MICHAEL K. PLUNKETT (NAA/USPS-T5-1-4)

NAA/USPS-T5-1. Please refer to pages 2 to 3 and Exhibit 5E of your testimony. Will the printer contracts provide for differing unit costs depending upon the volume of pieces to be printed?

NAA/USPS-T5-2. Please refer to pages 2 to 3 and Exhibit 5E of your testimony. Assume that a prospective mailer indicates to the Postal Service that it would like to use the Mailing Online Service, but only if it could obtain a lower unit charge from the printer than available under the existing contracts. How would such a situation be handled? In your answer, please discuss whether the Postal Service would renegotiate the printer contract and on what terms.

NAA/USPS-T5-3. Please refer to interrogatory NAA/USPS-T5-2. If the Postal Service renegotiated the printer contract, would it do so on a "per job" basis that makes arrangements for particular jobs only, or would it renegotiate the entire contract on a "going forward" basis by which the same rate would be available to all mailers regardless of the job?

NEWSPAPER ASSOCIATION OF AMERICA INTERROGATORIES TO UNITED STATES POSTAL SERVICE WITNESS MICHAEL K. PLUNKETT (NAA/USPS-T5-1-4)

NAA/USPS-T5-4. This question refers to your proposed markup of the actual printer costs.

- a. Please confirm that a constant percentage markup cause the sender of a mailing that uses more costly paper to make a larger unit contribution than the sender of a mailing that uses less costly paper. If you cannot confirm, please explain why not.
- b. Did you consider marking up the actual printer costs by a constant unit contribution per piece rather than a percentage markup? If yes, why did you reject this option? If not, why not?