

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

MAIL PROCESSING NETWORK  
RATIONALIZATION SERVICE CHANGES, 2012

DOCKET No. N2012-1

**INTERROGATORIES OF THE UNITED STATES POSTAL SERVICE TO  
NATIONAL NEWSPAPER ASSOCIATION WITNESS DAVID BORDEWYK  
(USPS/NNA-T-2-1 THROUGH 15)**

Pursuant to Rules 25 through 27 of the Postal Regulatory Commission's Rules of Practice and Procedure, the Postal Service respectfully submits the following interrogatories to National Newspaper Association Witness David Bordewyk (NNA-T-2).

Respectfully submitted,

UNITED STATES POSTAL SERVICE  
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May 4, 2012

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**USPS/NNA-T2-1.** Please refer to your testimony (NNA-T-2, hereinafter “your testimony”) on page 1, lines 3 through 4. You state, “SDNA represents 11 daily newspapers and 119 weekly newspapers.”

- (A) Please confirm that the term “daily newspapers” refers to newspapers that are each published at least five days per week. If not confirmed, please explain what you mean by the term “daily newspapers.”
- (B) What percentage of the total number of daily newspapers based in South Dakota does SDNA represent?
- (C) What percentage of the total number of weekly newspapers based in South Dakota does SDNA represent?
- (D) What percentage of the total circulation of daily newspapers based in South Dakota does SDNA represent?
- (E) What percentage of the total circulation of weekly newspapers based in South Dakota does SDNA represent?

**USPS/NNA-T2-2.** Please refer to your testimony on page 1, lines 11 through 13. You state, “Because a mail processing facility in my state was one of the early closings in the Postal Service's network optimization, we have had the opportunity to see first-hand how much disruption can be caused when the mail is slowed.” Please also refer page 2, line 22, of your testimony as well as Library References USPS-LR-N2012-1/5 and USPS-LR-N2012-1/6.

- (A) Please confirm that the “mail processing facility” referenced on page 1, line 11, of your testimony is the Sectional Center Facility at Mobridge that you reference on page 2, line 22, of your testimony. If not confirmed, please identify the mail processing facility to which you referring on page 1, line 11, of your testimony.
- (B) Please refer to Library Reference USPS-LR-N2012-1/6 and please confirm that the Sectional Center Facility at Mobridge referred to on page 2, line 22, is not included among the facility consolidation opportunities that were studied in association with the service changes under review in this docket. If not confirmed, please state where in the spreadsheet “Network.Rationalization.Study.List.xls” the Sectional Center Facility at Mobridge is identified.
- (C) Please refer to Library Reference USPS-LR-N2012-1/5 and please confirm that the Sectional Center Facility at Mobridge referred to on page 2, line 22, is not included among list of “Current Active AMP Proposals” contained in USPS-LR-N2012-1/5. If not confirmed, please state where in

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the document "PAEA.Sec.302.List.PDF" the Sectional Center Facility at Mobridge is identified.

- (D) Please provide the date (month, day and year) that the Sectional Center Facility at Mobridge was closed.

**USPS/NNA-T2-3.** Please refer to your testimony on page 1, lines 19 through 26. Please provide an internet link to, or file as a library reference, copies of all reference materials (e.g., documents, records, books, reports, studies, etc.) from which the population, geographic, demographic, and economic data that appears in this portion of your testimony were derived. For each discrete figure contained in this portion of your testimony, please provide a citation to the specific page from which the figure was derived. (For example, please provide a citation to the page of the material from which the figure of "\$51,914" was derived.)

**USPS/NNA-T2-4.** Please refer to your testimony on page 2, lines 1 through 7. You state, "Perhaps most significant is that household broadband adoption rate for South Dakota is only 66 percent, according to 2011 statistics from the National Telecommunications Information Agency at the Department of Commerce. About a quarter of South Dakota households do not own a computer. The trends I have seen continue to show that while broadband use is slowly rising, significant populations lag behind the national averages quite a bit. In older, more rural states and states with significant minority populations, like South Dakota, the digital gap is pronounced." Please provide an internet link to, or file as a library reference, copies of all reference materials (e.g., documents, records, books, reports, studies, etc.) from which the data concerning broadband use and adoption that appears in this portion of your testimony were derived. For each discrete figure contained in this portion of your testimony, please provide a citation to the specific page from which the figure was derived. (For example, please provide a citation to the page of the material from which the figure of "66 percent" was derived.)

**USPS/NNA-T2-5.** Please refer to your testimony on page 2, lines 7 through 13. You state, "These numbers are confirmed by data from the Pew Center for the Internet and American life indicating that only 41 percent of adults older than 65 are using the Internet. From a third to a quarter of minority groups are not using the Internet. Pew says about one in five non-Internet users say price is one reason they do not use the Internet. Pew also says 33% percent of Americans in the median income range of South Dakotans do not have broadband access at home." Please provide an internet link to, or file as a library reference, copies of all reference materials (e.g., documents, records, books, reports, studies, etc.) from which the data concerning internet and broadband use that appears in this portion of your testimony were derived. For each discrete figure contained in this portion of your testimony, please provide a citation to the specific page from which the figure was derived. (For example, please provide a citation to the page of the material from which the figure of "33%" was derived.)

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**USPS/NNA-T2-6.** Please refer to your testimony on page 2, lines 15 through 16. You state that “the mail is a lifeline for our local economies and our political and civic lives.” Please identify the “local economies” that you have referenced in this portion of your testimony. Please also identify all non-postal lifelines for local economies and political and civic lives in South Dakota and discuss their relative roles and impacts on such economies and lives.

**USPS/NNA-T2-7.** Please refer to your testimony on page 2, lines 27 through 29, and page 3, lines 1 through 3. You state, “SDNA has four newspapers in the Mobridge area. To prepare for this testimony, I conducted an informal survey with the publishers of these newspapers and also asked them to survey a few of their own customers. While our survey results were informal and not intended to be statistically valid, I believe the feedback from this a small sample of affected customers provides an instructive view of the types of disruptions that occur in businesses when the mail slows down.” Please also refer to your testimony on page 3, lines 5 through 6. There you state, “All four reporting newspapers said their own businesses had been affected by delays in mailing bills and receiving payments.”

- (A) Please provide the name and location (city and 5-digit ZIP Code) of the four newspapers referenced in this portion of your testimony.
- (B) For each newspaper, please state whether the newspaper is a daily newspaper or a weekly newspaper.
- (C) Please provide all records or documents that you relied upon in support of your statement, “All four reporting newspapers said their own businesses had been affected by delays in mailing bills and receiving payments”, including any communications (e.g., e-mail messages or letters) between SDNA and each of the four newspapers.
- (D) Please define the term “delay” as you use it in your testimony. Please include in your definition an explanation of whether the term “delay” includes instances in which a newspaper was not delivered by the Postal Service in accordance with the applicable service standard.
- (E) What percentage of the total number of “bills” mailed by the four newspapers experienced delays?
- (F) With respect to the “bills,” what was the average length of the delay?
- (G) What percentage of the total number of “payments received” was affected by these delays?

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- (H) With respect to the “payments received,” what was the average length of the delay?
- (I) On what date or dates (month, day and year) did the “delays” for these newspapers begin.
- (J) Please provide all documents or records that you relied upon in support of your responses to parts (E) through (I) of this interrogatory (USPS/NNA-T2-7).

**USPS/NNA-T2-8.** Please refer to your testimony on page 3, lines 5 through 15.

- (A) Please state whether any of the mail users identified in lines 7 through 15 are among the “four reporting newspapers” identified in lines 5 through 6, and please identify those newspapers.
- (B) With respect to each of mail users identified in lines 5 through 15, is it your understanding that bills sent by those mail users and payments received by those mail users were, prior to the consolidation of the Mobridge Sectional Center Facility (SCF), being processed at that SCF? If your answer is yes with respect to any or all of the mail users identified in lines 5 through 15, please state the basis for your understanding, and include any documents or records that informed your understanding.
- (C) With respect to the delays in mail delivery/receipt alleged by each of the mail users identified in lines 5 through 15, please provide the number of delays per month for each of the the six months prior to the consolidation of the Mobridge SCF and for each of the six months after the consolidation of the Mobridge SCF.

**USPS/NNA-T2-9.** Please refer to your testimony on page 3, lines 20 through 23. You state, “The City of Timber Lake reports that it must mail water samples...within 24 hours of being drawn. The slowed mail service resulted in a first-ever violation for noncompliance with water quality rules. The City of Herreid reported a similar problem and said it had to hire a courier at public expense to comply with [the] rules.”

- (A) To whom must the City of Timber Lake transmit water samples under the “water quality rules” referenced in your testimony?
- (B) Please confirm that the speed of the mail service provided to the City of Timber Lake could not have precluded the city from mailing water samples “within 24 hours of being drawn.”
- (C) Is it your understanding that there are no other resources available to the City of Timber Lake for the transmission of water samples to the

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- appropriate location? If your answer is affirmative, please state the basis for your understanding.
- (D) Please confirm that the “rules” referenced on line 23 are the same as the “water quality rules” referenced on line 22. Also provide a citation to or a copy of the rules.
  - (E) Please state the cost expended by the City of Herreid to hire the courier referenced on line 23.
  - (F) Please state whether the City of Herreid explored whether the use of Express Mail or Priority Mail would have effected the delivery of its mail in a manner consistent with the “rules” referenced on line 23. If the use of Express Mail or Priority Mail was explored by the city, please state why neither of these options was chosen by the city.

**USPS/NNA-T2-10.** Please refer to your testimony on page 4, lines 1 through 4. You state, “Another ranch owner in Firesteel, SD, complains that everything is arriving late, from greeting cards to equipment. He said, ‘We are having to make extra trips to businesses 60 miles away to insure that we get medicine and vet supplies timely or pay a courier. The Pony Express was actually faster back in 1860 than the USPS!’”

- (A) Is it your understanding that mail received by this mail user were, prior to the consolidation of the Mobridge Sectional Center Facility (SCF) or other processing facility, being processed at that SCF or other processing facility? If your answer is affirmative, please state the basis for your understanding, and include any documents or records that informed your understanding. Additionally, with respect to the delays in mail receipt alleged by this mail user, please provide the number of delays per month for each of the six months prior to the consolidation and for each of the six months after the consolidation.
- (B) Please state whether it is your understanding that the assertion, “The Pony Express was actually faster back in 1860 than the USPS!” was intended to be a factual statement. If so, please provide a summary of the underlying factual basis for the statement.

**USPS/NNA-T2-11.** Please refer to your testimony on page 4, lines 15 through 19.

- (A) Please provide a complete copy of the source document or record that contains the quote that appears in this portion of your testimony.
- (B) If not apparent in the document provided in response to part (A), please provide the date the quoted statement was made.

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- (C) Are “out-of-state subscribers” considered “long distance subscribers”? If the answer is yes, does the phrase “long distance subscribers” encompass subscribers other than “out-of-state subscribers”? If the answer is yes, please describe those subscribers.
- (D) With respect to the Mobridge Tribune, what percentage of its total number of subscribers is comprised of “long distance” subscribers and what percentage is comprised of “out-of-state” subscribers?

**USPS/NNA-T2-12.** Please refer to your testimony on page 4, lines 20 through 28. You state, “A first-class mail piece costs a publisher about a dollar per copy, depending upon the distance and other characteristics in the mailing. When multiplied by many copies on a daily or weekly basis, the additional postage is significant. For a weekly paper to mail first class to even 100 readers, the postage cost would increase by nearly \$4,000 a year. These costs do not add to the quality of the news or any other valuable aspect of the newspaper from the subscriber’s standpoint. That makes it unlikely that an increase in the subscription can be enacted to cover that cost. So a publisher would be expected to absorb this increase. For many small newspapers in this challenging economy, that is an additional expense they could not bear.”

- (A) Is it your understanding that the typical subscriber to a weekly or daily newspaper would terminate or suspend his or her subscription to that paper rather than absorb a subscription price increase of any magnitude due to a publisher’s decision to mail the newspaper via First-Class Mail? Please state the basis for your understanding.
- (B) Is it your understanding that the typical “long distance” or “out-of-state” subscriber to a weekly or daily newspaper would terminate or suspend his or her subscription to that paper rather than absorb a subscription price increase of any magnitude due to a publisher’s decision to mail the newspaper via First-Class Mail? Please state the basis for your understanding.
- (C) If a publisher were to communicate to its subscribers that a subscription price increase was necessary to cover an increase in the publisher’s overhead due to the publisher’s decision to mail a newspaper via First-Class Mail, would such communication have an effect on your responses to parts (A) and/or (B) above. If your answer is affirmative, please state the effect it would have on your responses.

**USPS/NNA-T2-13.** Please refer to your testimony on page 5, lines 1 through 17.

- (A) Please provide the date (month, day and year) that the publisher began paying “an additional \$55 a week in shipping and labor costs[.]”

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- (B) By “drop-shipped locations” do you mean exceptional dispatch locations?
- (C) With respect to the “Wednesday paper,” does the “Wednesday” refer to (1) the day of publication, (2) the day the newspaper is printed, (3) the day the newspaper is presented to the Postal Service, and/or (4) the day the newspaper is expected to be delivered. If Wednesday is the day the newspaper is expected to be delivered, please provide the day that the newspaper is typically mailed.
- (D) Please describe in detail the “persistent service problems” discussed on line 13.

**USPS/NNA-T2-14.** Please refer to your testimony on page 6, lines 10 through 11. You state, “The Mobridge Tribune newspaper finds that the window between the end of its press runs and the critical entry time is too tight to be trusted.”

- (A) Please identify the person or entity providing transportation between the location where the “the end of [Mobridge Tribune’s] press runs” takes place and the place where the newspaper must be entered by the Critical Entry Time (CET).
- (B) Please state the reasons, if any, that the Mobridge Tribune cannot advance the end of its press runs to allow more time between the time its press runs end and the applicable CET.

**USPS/NNA-T2-15.** Please refer to your testimony on page 8, lines 18 through 21. You state, “The Postal Service has made some powerfully damaging decisions with respect to mail service in rural areas by deciding it is more important to stockpile mail in urban centers so that sorting machines can be run longer than it is to actually get the mail to people. USPS appears poised to make even more of these decisions.”

- (A) Please specifically identify the “damaging decisions” to which you refer in your testimony on line 18.
- (B) Please provide citations to Postal Service testimony submitted in this docket that supports your characterization that the Postal Service proposes to “stockpile mail.”
- (C) Please specifically identify the “decisions” that “USPS appears poised to make” to which you refer in your testimony on line 21.