

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

Postal Rate and Fee Changes, 2006) Docket No. R2006-1

**FIRST INTERROGATORIES
OF AMERICAN BUSINESS MEDIA
TO UNITED STATES POSTAL SERVICE WITNESS TANG
ABM/USPS –T35-1-8
(June 9, 2006)**

Pursuant to Rules 25, 26 and 27 of the Rules of Practice, American Business Media (ABM) hereby submits interrogatories and requests for production of documents to United States Postal Service witness Tang. ABM asks that, in responding to these requests, the Postal Service follow the guidelines set forth below. If any request is deemed burdensome or seeks information that the respondent reasonably believes is confidential, please contact the undersigned counsel for ABM to discuss possible limitations or alternative requests.

If the witness to whom these interrogatories are directed is unable to provide a complete response, please provide a response by another witness, and if no such witness is capable of providing a complete response, please submit an “institutional” response. If an “institutional” response is provided, please provide the name or names of the persons responsible for the response.

If information requested is not available in the exact format or level of detail requested, please provide responsive material in such different format or level of detail as is available.

If a privilege or confidentiality is claimed with respect to any information that is responsive to these requests, please describe the precise nature of any privilege claimed and describe information being withheld, including sufficient detail to enable a reasonable assessment of the claim of privilege or confidentiality.

If any information that would have been provided in response to these requests has been destroyed, please describe such data or documents and explain the circumstances under which they were destroyed.

Respectfully submitted,

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June 9, 2006

FIRST INTERROGATORIES OF AMERICAN BUSINESS MEDIA
TO UNITED STATES POSTAL SERVICE WITNESS TANG

ABM/USPS-T35-1. (a) Please confirm that, around the time that this case was initiated, the Postal Service prepared and distributed a chart captioned “Examples of Common Price Adjustments” that listed certain types of mail with both current and proposed postage costs on a cents per piece basis. If you cannot confirm, please explain why.

(b) Please confirm that the chart referred to in part (a) above included current and proposed cents per piece postage costs for a “weekly news magazine” weighing 6 ounces with 40% advertising, carrier route presort, SCF entry, on a 2,000 piece pallet amounting to 17.9 cents under current rates and 20 cents at the proposed rates, for an increase of 2.1 cents per copy. If you cannot confirm, please explain why.

(c) Please provide an estimate of the percentage of pieces in a main file mailing of that “weekly news magazine” that can in fact achieve carrier route sortation and SCF entry.

ABM/USPS-T35-2. (a) Please confirm that, around the time that this case was initiated, the Postal Service prepared and distributed a chart captioned “Examples of Common Price Adjustments” that listed certain types of mail with both current and proposed postage costs on a cents per piece basis. If you cannot confirm, please explain why.

(b) Please confirm that the chart referred to in part (a) above included current and proposed cents per piece postage costs for an “Opinion journal” weighing 5 ounces with 10% advertising, 3-digit presort, average zone 4 in 50-piece sacks amounting to 29.5 cents under current rates and 34 cents at the proposed rates, for an increase of 4.5 cents per copy, without any change in mailing practices. If you cannot confirm, please explain why.

(c) What size mailing, in number of pieces, is contemplated for this “Opinion journal” that can achieve only a 3-digit presort?

ABM/USPS-T35-3. (a) Please confirm that, around the time that this case was initiated, the Postal Service prepared and distributed a chart captioned “Examples of Common Price Adjustments” that listed certain types of mail with both current and proposed postage costs on a cents per piece basis. If you cannot confirm, please explain why.

(b) Please confirm that the chart referred to in part (a) above included current and proposed cents per piece postage costs for a “local newspaper” weighing 4 ounces, general entry, carrier route presort amounting to 8.5 cents per copy at

present rates and 10.5 cents per copy at proposed rates, for an increase of 2 cents per copy, without any change in mailing practices. If you cannot confirm, please explain why.

ABM/USPS-T35-4. (a) Please confirm that, around the time that this case was initiated, the Postal Service prepared and distributed a chart captioned “Shaping a More Efficient Future” that listed certain types of mail with the current and proposed postage charges in cents per piece as well as “potential modifications” to mailing practices and proposed postage assuming that those practices are implemented. If you cannot confirm, please explain why.

(b) Please confirm that the chart referred to in part (a) above included as the only example of Periodicals an 8-ounce publication, 5-digit auto, and mailed in sacks, with 40 pieces per sack. If you cannot confirm, please explain why.

(c) What advertising percentage was assumed for the mailpiece that is identified in part (b)?

(d) What size mailing, in number of pieces, is contemplated for this publication?

(e) Please confirm that the mailing characteristics of the Periodical example on the chart identified in part (a) are intended to be typical of specialized publications, such as the business-to-business publications of American Business Media members. If you cannot confirm, please explain why and identify the type of publication, if any, of which these mailing characteristics are considered to be typical.

(f) Please confirm that the postage per piece shown on the chart identified in part (a) for the Periodical identified in part (b) amounts to 33.4 cents per piece at present rates and 38.1 cents per piece at the proposed rates, for an increased of 4.7 cents per copy, without a change in mailing practices. If you cannot confirm, please explain why.

ABM/USPS-T35-5. The chart referenced in ABM/USPS-T35-4 lists as one potential modification for the periodical identified in that interrogatory “Co-palletize with another magazine (1639 per pallet).” With respect to this potential change in mailing practice:

(a) Is it the Postal Service’s position that pallets averaging 1,639 pieces can be obtained by co-palletizing the publication in the example with “another” publication, or would it take co-palletizing of more than two publications?

(b) Please provide the Postal Service’s best estimate of the cost in cents per copy to the mailer of the example publication of participation in a co-palletization program, such that the mailer is able to obtain average pallet size of around 1,600 pieces.

(c) Please confirm that the “proposed price with modification” of 36.1 cents per copy, for a mailer that co-palletizes but does not drop ship, does not include the cost to the mailer of participation in a co-palletization program. If you cannot confirm, please explain why.

ABM/USPS-T35-6. The chart referenced in ABM/USPS-T35-4 lists as one potential modification for the periodical identified in that interrogatory “As above [referring to co-palletization], but enter at DADC.” With respect to this potential change in mailing practice:

(a) Is it the Postal Service’s position that after co-palletization and efficient drop shipping, the example publication can obtain DADC entry for all or nearly all of its copies? If so, please provide the basis for that position. If not, please estimate the percentage of the copies mailed that can achieve DADC entry.

(b) Please provide the Postal Service’s best estimate of the cost in cents per copy to the mailer of the example publication of drop shipping to a DADC.

(c) Please confirm that the “proposed price with modification” of 31.2 cents per copy for a mailer that both co-palletizes and drop ships does not include the cost to the mailer of participation in a co-palletization program and drop shipping. If you cannot confirm, please explain why.

ABM/USPS-T35-7. Please confirm that, based upon charts distributed in May, 2006, by the Postal Service, the mailer of a typical news weekly will pay postage of 20 cents per copy at the proposed rates as long as it continues to drop ship as it does now but without the need to incur any co-palletization (or co-mailing) costs for its main file mailing. If you cannot confirm, please explain why.

ABM/USPS-T35-8. Please confirm that, based upon charts distributed in May, 2006, by the Postal Service, the mailer of a typical 8-ounce, 5-digit presort, sacked publication will pay postage of 31.2 cents per copy at the proposed rates, but only if it also pays the costs of a co-palletization (or co-mailing) program and the costs of drop shipping, and will pay 38.1 cents per copy if it incurs neither of these costs. If you cannot confirm, please explain why.