

Your response

Question	Your response
<p>Question 1: Do you agree that we have identified the correct aims, supporting principles and features of the USO? Do you consider that these should continue to be respected as far as possible when assessing potential changes to the USO?</p>	<p>Yes and absolutely yes. The USO is in place to offer all consumers at all UK postal addresses with a service that enables them to communicate and be communicated with at a single standard postal rate regardless of the distance between address of sender and receiver.</p>
<p>Question 2: Do you agree with our assessment of the direction of change in postal needs of residential (including vulnerable) users and SMEs? Are there other factors relevant to their future demand which we have not considered?</p>	<p>Yes, clearly Royal Mail is losing money and must therefore introduce reform – however it needs to be mindful of the reliance that vulnerable consumers have on its services. Further that SMEs are factored into any decisions that might be made which would impact upon their trading. Notably, we conclude the impact of fewer delivery days would be negative. No one appears to have factored in the point that bulk mailings generate orders which are then delivered as parcels. There are countless competitors to Royal Mail in the parcels business – but it still has the monopoly for the letters business.</p>
<p>Question 3: Do you agree with our assessment of the bulk mail market? Are there other factors relevant to its future evolution which we have not considered?</p>	<p>No. Clearly bulk mailers (retailers, service organisations) depend upon a reliable service which will allow for mail delivery to be timed. The businesses that fulfil the demand for bulk mailings ie: DSAs, mailing houses, printers, call/contact centres, order fulfilment operations cannot squeeze all of their work into a shorter week without considerable re-engineering of their operations. There are many thousands of employment contracts based upon a 5 day working week, the shortfall in working days would severely impact employees and, indeed, render it impossible for employers to operate effectively. Further for the bulk mailers (retailers, service organisations) will suffer a reduction in response to their mailings which will likely be delivered alongside competitive material within the reduced number of delivery days. And further still, consumers are already turning away from use of the postal service due to its unreliability and cost. A reduction in delivery days will destroy their confidence in the service.</p>

Question	Your response
<p>Question 4: Are there specific events/changes that could trigger a significant change in demand for large mail users, including public services?</p>	<p>Yes, further industrial action. Further increases in costs without regard for the bulk mailer's budgetary position. Being expected to pay more for a reduced level of service. All of which will cause a further decline in volumes.</p>
<p>Question 5: Do you agree with our proposed approach to estimating the financial burden of the USO?</p>	<p>Yes, however the UK either has a fairly priced and reliable postal service or it does not. It seems that there needs to be a review of the actual operations challenges within Royal Mail that would enable it to continue to meet the USO as it stands.</p>
<p>Question 6: Do you agree with our considerations regarding the unfairness of the financial burden of the USO?</p>	<p>Yes, to a degree BUT why then would Royal Mail seeming alienate its best long term bulk mail revenue source – ie: the mailers of catalogues, brochures, direct mail who were once viewed as making a vital financial contribution to Royal Mail.</p>
<p>Question 7: Do you agree with our considerations regarding the impact of the financial burden of the USO?</p>	<p>Yes but as DCA members have pointed out to us, surely RM itself should be looking to operate with greater efficiency, update archaic working practices, in order to run more cost-effectively.</p>
<p>Question 8: Do you agree with our analysis of the different options available to change the USO and the impact of those changes on residential (including vulnerable) users, SMEs and bulk mail users? If not, please explain why and set out any option(s) which we have not considered.</p>	<p>No. The devil is in the detail. A change to the USO will impact very many consumers who rely absolutely on the mail service. If RM is permitted to reduce the frequency of mail deliveries, then the service will not be of the standard that customers are paying for. Surely, RM with more efficient working practices can continue to deliver on its obligations.</p>
<p>Question 9: Which option(s) do you consider would be most appropriate to address the challenges we have identified, while also ensuring that users' needs are adequately met?</p>	<p>On the basis that the cost of Royal Mail's inefficiencies should not become a burden for its customers, any compromise between the USO, as it stands, and any proposed dilution of the services provided, should bear a correspondingly lower cost to mailers. Failing that then RM can expect to see bulk mailing volume fall significantly which will result in fewer order parcels being sent, alongside diminishing consumer use of the service</p>

Question	Your response
Question 10: Do you have any other views about how the USO should evolve to meet users' needs?	Whilst understanding that certain European postal service providers have moved to adapt their operations in their respective countries, it would be a good idea for Ofcom to research the impacts to both bulk mailers (retailers) and to the end consumer in those countries. Perhaps further, it is time to consider opening the letters market to competitors.

Please complete this form in full and return to futurepostalUSO@ofcom.org.uk.