

25th June 2004

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Ms Tasneem Azad
Deputy Director
Competition & Regulation
Postcomm
Hercules House
6 Hercules Road
LONDON
SE1 7DB

Dear Mr Ward,

I am writing to give my views regarding the document 'POSTCOMM COMPETITIVE MARKET REVIEW'.

Generally, I believe in promoting competition, however it must be fair competition. In the case of Royal Mail (RM), I consider that it is even more essential to ensure that the competition is fair, as RM have an obligation to provide a universal service (USO) and therefore, RM must be allowed to make sufficient profit to provide a USO and invest for its future provision.

The USO is vital to our nations economy and community based culture, so RM needs to exist, but at the same time be profitable in order for it not to become a burden on the taxpayer.

I) (i) Competition so far developed appears to me to be aimed solely at giving Royal Mail competitors a slice of the action. The service offered by RM competitors so far is no better than that offered by RM and little or none of their downstream access discount appears to be being passed to customers. If competition is to be worthwhile to the customer, competitors must give a better service in the form of both price and quality, and must be available to all customers.

II) RM appear to have panicked, since competition RM have announced the removal of the 2nd daily delivery, which wouldn't be a problem if I were to receive all my mail on the 1st delivery. Since then, I get some days where I receive no mail at all (before, for as long as I can remember I would receive some mail every day), sometimes it arrives in the afternoon, neighbouring addresses sometimes get my mail and vice versa (rare before), I have had a few items go missing in the post (never before), the 1st class service is not as reliable as it used to be in my opinion and we regularly have a different postman, sometimes daily. Sometimes the postman has no uniform and looks scruffy and unprofessional. It was all much better when there was a regular postman.

III) (ix) Creating an alternative postal service would be the only real form of direct competition, but the cost of building the infrastructure to do this is prohibitive. Allowing competitors to ride on Royal Mail's back, as with downstream access is not really competition of true benefit to customers. RM already has great indirect competition in the form of Internet, fax, phone and advertising media. I too want a better postal service, but I hope you will tread carefully and not destroy it.

(IV) (xiv) Businesses in this country, especially small business rely the USO in its current form of reaching any address at an affordable price. For competition to be effective, the needs of all types of customer must be taken into account, not just the needs of large companies or profits for Royal Mail and its competitors.

(xx) Opening the market fully would simply result in competitors cherry picking the profitable parts of RM, with the basic USO causing huge losses leaving Government no alternative but to bail RM out with taxpayers money, raise postage prices substantially or remove the service. Any of which would be crippling to small businesses, the wider business community and the economy generally.

(xxii) In my view Postcomm should concentrate on insisting that Royal Mail improve its quality of service through fines and replacing senior management instead of opening doors to competitors who can offer nothing better. Customers must be your first priority.

I hope you will give my views some consideration.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'JR Yates', written in a cursive style.

Mr JR Yates