

POSTAL SERVICES COMMISSION

DECISION STATEMENT

GRANT OF LICENCE TO SPEEDMAIL INTERNATIONAL LIMITED AND MODIFICATION OF INTERIM LICENCE

Summary

On 1 December 2003, the Postal Services Commission ("Postcomm") issued two consultation notices, on the proposed grant of a licence to Speedmail International Limited ("Speedmail"), and on the proposed modification of Speedmail's existing interim licence. Representations on the grant of the licence and the modification of the interim licence were requested by 31 December 2003. One representation was received, which supported the grant of the licence and made no comment on the modification. Postcomm has decided to grant the licence to Speedmail and to modify the interim licence.

Background

In May 2002, Postcomm published its decision on its market opening strategy. This described Postcomm's approach to introducing competition into the postal market over the four years from 1 January 2003, with the underlying aim of achieving full liberalisation by April 2007 through a phased transition plan.

A standard licence was published in December 2002 ("Licences under the Postal Services Act 2000: a further defined activity of tracked business-to-business services").

On 1 December 2003 Postcomm issued a consultation notice on the proposal to grant a standard licence to Speedmail under Section 11 of the Postal Services Act 2000 ("the Act"). This sought views on Postcomm's proposal to grant this licence. Under the terms of the statutory notice, representations regarding the draft licence were requested by 31 December 2003.

The licence was for the following services:

- Conveyance of letters which originate from a single user at one address and which are mailings of 4000 items or more.
- Consolidation of mailings for conveyance to Royal Mail Group plc and subsequent conveyance by Royal Mail Group plc.
- Conveyance of tracked business-to-business mail.

In the event of the licence being granted, Speedmail would be authorised by it to convey as bulk mailings many of the letters that could at the time of the application be conveyed under the interim licence as "publications sector letters". The Commission considers it undesirable for the conveyance of letters to be authorised simultaneously by more than one licence. It proposed that the interim licence be modified accordingly, to remove references to such letters.

Postcomm received one response to the consultation, from Postwatch, which supported the issue of the licence and made no comment on the proposed modification to the interim licence.

Postcomm is satisfied that the grant of the licence to Speedmail and the modification of the interim licence is a proper exercise of its functions under the Act.

Contact details at Postcomm

If you have any questions about the grant of the licence or the modification of the interim licence, please contact Claire Mehegan at:

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13 January 2004