

FAO: Derek Sibley  
Postal Services Commission  
Hercules House  
6 Hercules Road  
London  
SE1 7DB

30 April 2007

Dear Derek,

**Re – Postcomm’s Review of Royal Mail’s Price Control**

I am writing to express my views regarding Postcomm’s review of Royal Mail’s price control. I would like Postcomm to consider the following points.

1. That the price charged to customers, from whom mail is collected in bulk, should be cost reflective with regard to the lower cost of collection from these customers than from post boxes.
2. That the differential between the price of first class and standard class services should be cost reflective. It is QVC's observation that the differential between the price of Royal Mail's first and second class service is lower than for most parcel carriers and other mail operators. There is a danger that the first class service is underpriced and the standard class service overpriced relative to costs.

Regards,

Joan Donald  
Carrier Relations Manager  
QVC The Shopping Channel

On Behalf of,

Dermot Boyd  
Chief Financial Officer  
QVC The Shopping Channel  
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