**The Rt. Hon. xxxxxxxx MP**

**Position if applicable**

**House of Commons
London
SW1A 0AA**

By post and email to [email address]

[date] 2022

**Assurances Relating to the Postal Service**

Dear [first name, surname]

As a constituent and local business owner/leader I am writing to express my concern regarding Royal Mail’s request to stop delivering letters on a Saturday and the ongoing postal strike:

Royal Mail’s request to government to move to a 5-day week delivery service, reducing their obligations under the existing Universal Service Obligation (USO), would have a huge impact on our business and consumers and the greeting card industry across the country. In addition the impact of the ongoing industrial action is affecting so many, and now threatens to impact Christmas.

I share the concerns my organisation, Greeting Card Association (GCA), has raised with the government (see below).

The UK leads the world in greeting card innovation and design, we are an industry worth over £1.5bn[[1]](#footnote-1) per annual at retail. We are [Insert any further details of your own business – turnover, employees, exports]

We would be grateful if you could confirm your own position upon both matters, and of any further support you can offer.

Yours sincerely,

**[name, position in business]**



[www.gca.cards](http://www.gca.cards)

**Move to reduce a letter delivery service to just 5 days:**

The GCA’s previous conversations with Royal Mail led us to believe we held a shared understanding that the British public value their cards arriving at the weekend. In a world where Royal Mail are already moving to 7-day delivery for parcels, there are clear commercial and environmental synergies from concurrent delivery. As recently as 2020, US data found that *‘replacing joint delivery with parcel only delivery on certain days is unlikely [to be] a solution to financial challenges faced by USPS’*[[2]](#footnote-2). We can only speculate as to why now was the time Royal Mail chose to conclude differently.

Notwithstanding that: 1) In the UK, second class postal costs already stand at >35% of the value of an average card (vs 20% in the US)[[3]](#footnote-3) and, 2) Ofcom’s own research shows that a significant majority (61%) of residential customers say they value mail delivery six days a week[[4]](#footnote-4), our members were open to discussing options with Royal Mail for small premium pricing for a weekend delivery service.

Such negotiations were always on the understanding that such products would be in place before Royal Mail requested release from their existing Universal Service Obligation (USO). With Royal Mail’s cheapest parcel service starting at £2.85 (>144% of the average price of a greetings card) we believe our position is wholly reasonable and based on clear consumer protection principles, in circumstances where the public only have the option of a service offered by a monopoly provider.

***We would encourage you to continue[[5]](#footnote-5) to reject Royal Mail’s request to remove these protections without such new products being in place, whilst reiterating our own commitment to negotiate in good faith with Royal Mail to find a workable solution for the British public.***

**The ongoing impact of the current strikes:**

Quite aside from our industry’s irrecoverable losses from this year’s strikes, we fear a longer-term impact to our market, and British society more generally, if the current industrial dispute is not resolved rapidly. There appear to be two clear, and inevitable, consequences:

1. A small number of **consumers and publishers with models more able to adapt to change** may naturally turn to Amazon as the only provider able to offer any sort of equivalent delivery service this year. Whilst grateful for opportunities for customers to purchase cards, this naturally raises longer-term competition questions should a single carrier replace Royal Mail, without any sort of USO in place, particularly if that carrier already has a strong position in other consumer markets.
2. We believe **the vast majority of consumers** will view any reduction in their ability to exchange cards with loved ones as a further emotional disruption to their sense of belonging and identity. We suspect it inevitable that some may also interpret this as evidence of *‘our country going backwards’*.

We consequently believe there to be far wider societal and political benefits to resolving the current industrial dispute.

***We trust you will share our resulting view that the sum of the benefits to the nation, if all parties continue to be actively encouraged to enter productive and meaningful dialogue, extend far beyond our respective industries.***

**Matters pertinent to both issues:**

Putting Christmas and other seasonal/sending occasions to one side, there are 180,000 birthdays every day in the UK alone.  Ofcom’s research[[6]](#footnote-6), as well as our own, highlights that one of the most significant reasons card sending has persisted so well is because in the UK, with daily postal deliveries, the sender can judge reasonably accurately what day a second or first class envelope will arrive.

We strongly believe it is this uninterrupted continuity that has meant that 1) card sending in this country has never waned and 2) UK consumers continue to send more cards per capita than any other nation. It is against this context that I am grateful for the time you’ve taken listening to our concerns, and would welcome further details of any related steps you are taking such that we may reassure our membership accordingly.

Meanwhile, we would take this opportunity to open the door for wider dialogue, should there be further issues or opportunities you believe we might benefit from exploring together.

1. GCA Market Report 2021 (published Sept 22). Single cards only, figure excludes boxed and packed cards. [↑](#footnote-ref-1)
2. NDP Analytics, 2020 – Overview of USPS Delivery Models [↑](#footnote-ref-2)
3. Data from Hallmark Cards cites the US average price of a card as $2.99, with the cost of a stamp being $0.60. By Comparison, the GCA Annual Market report 2022 indicates the average UK card price £1.97 with a second class stamp being £0.68. Costs of a first class stamp are even higher at >48% of the cost of an average card. [↑](#footnote-ref-3)
4. [Review of postal users’ needs: 2020 report (ofcom.org.uk)](https://www.ofcom.org.uk/__data/assets/pdf_file/0014/208220/2020-review-of-postal-user-needs-report.pdf) [↑](#footnote-ref-4)
5. The Times: Royal Mail’s plea to end six-day deliveries rejected (18/11/22) [↑](#footnote-ref-5)
6. Not least, [Review of postal users’ needs: 2020 report (ofcom.org.uk)](https://www.ofcom.org.uk/__data/assets/pdf_file/0014/208220/2020-review-of-postal-user-needs-report.pdf) [↑](#footnote-ref-6)