

**Paul Hamilton**

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**From:** Helen Murphy  
**Sent:** 29 April 2010 08:58  
**To:** Chuck Webb  
**Cc:** Paul Hamilton  
**Subject:** FW: Class 1 Postal Operators Licences - Comments

[For your attention](#)

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**From:** Guy de Faye [mailto:guydefaye@jerseymail.co.uk]  
**Posted At:** 28 April 2010 12:53  
**Posted To:** Email - Enquiries  
**Conversation:** Class 1 Postal Operators Licences - Comments  
**Subject:** Class 1 Postal Operators Licences - Comments

For the attention of Mr Charles Webb  
Executive Director, Jersey Competition Regulatory Authority  
Reference: Granting of Class 1 Postal Operators Licences

Dear Mr Webb

I note that you are considering applications for the above licences from Citipost and HubEurope and, as indicated in your recent letter published in the Jersey Evening Post, comments on those applications may be submitted up until 30<sup>th</sup> April. I write to you now on that basis.

Whilst I do not favour the imposition of competition for the sake of competition, I have become increasingly concerned over several years at the progressively higher charges that Jersey Post has been extending across its services. The cost of posting letters on Island and to the UK seems inordinately high and, as someone who has moved residence twice in the last year, the fee of £85 for redirection of private mail seems to be an extortionate sum to pay for a minor administrative matter that actually makes postal deliveries more efficient. I realise that neither of those matters relate directly to Class 1 Licences, other than to indicate that Jersey Post almost certainly requires the stimulus of competitors before it will offer improved services at better prices. Furthermore, although I had harboured concerns over Jersey Post being able to maintain the funding of its Universal Service Obligations in the face of new competitors, I understand that the JCRA retains the ability to charge fees under the licences to contribute additional funding to Jersey Post, as necessary. This seems to be a very flexible and practical solution to that potential issue.

In respect of the current applications, I don't know the details of the services that are being offered, but a previous application does demonstrate that Citipost has registered offices at 16 Gunnery Terrace, Cornwallis Road, Royal Arsenal, London. Citipost also stated that it did not have the intention to set up premises or maintain an address in Jersey unless that was necessary. I regret to say that I don't feel that this demonstrates any particular commitment to the Island other than to make money from its inhabitants.

I feel very strongly on this matter and, I would respectfully suggest, a condition of holding a Class I Postal Operators licence should be that it is held by a locally registered company, such that all profits accrued and other relevant assets are subject to Jersey taxation. Otherwise, the ability to compete with a significant public services provider simply becomes a cash skimming activity. I would suggest that the principle outlined should be generally applied in all but exceptional circumstances.

Similarly, I would also hope that the JCRA would apply very close scrutiny to how much local employment is likely to be created by any single applicant and the application should be rated more highly, where more local jobs are created – assessed either by total number of jobs or overall value of locally paid salaries.

Thank you for your attention in this matter. I would be grateful you or your representative would notify me by return that you have received this communication.

Yours faithfully

Guy de Faye

28<sup>th</sup> April 2010

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