

**JERSEY COMPETITION REGULATORY AUTHORITY**

**INITIAL NOTICE TO REGENCY HOLDINGS LIMITED**

**CONCERNING PROPOSED MODIFICATIONS TO REGENCY HOLDING LTD'S LICENCE**

**Under Articles 19 and 24 of the Postal Services (Jersey) Law 2004**

In this Initial Notice, the Jersey Competition Regulatory Authority ('JCRA') proposes to modify, pursuant to Articles 19 and 24 of the Postal Services (Jersey) Law 2004 (the 'Law'), the Class I Postal Operator's Licence (the 'Licence') issued to Regency Holdings Ltd ("Regency") by modifying Condition 2.1, for the reasons set out below.

**Background to the Proposed Licence Modifications**

The JCRA issued the Licence to Regency under Article 15 of the Law on 24 June 2008.

Condition 2.1 of the Licence states:

*"The scope of the Licence is limited to:*

- (a) the receipt, processing and delivery of Licensed Letters to addresses in the Island of Jersey; and*
- (b) the receipt, processing and delivery of Inbound Letters to addresses in the Island of Jersey sent by Mail-Order Catalogue companies, which Inbound Letters physically accompany such Mail-Order Catalogues both at the time of receipt and delivery.*

It is proposed that Condition 2.1 of the Licence will read as follows, following the modification:

*"The scope of the Licence is limited to the receipt, processing and delivery of Licensed Letters to addresses in the Island of Jersey. For the avoidance of doubt, this Licence is non-exclusive."*

**Reasons for the Proposed Licence Modification**

On 12 April 2009, Regency requested of the JCRA that the reference to mail-order catalogue distribution be removed from its licence on the basis that the payment that Regency receives for receipt, processing and delivering of the Mail-Order Catalogues and the Letters that physically accompany such Mail-Order Catalogues is now more than £1.30. The Law states that a licence is not required where the consideration for the conveyance and delivery of the letters is the

payment of more than £1.30 (per letter). As such, the requirement to hold a licence for Letters accompanying Mail-Order Catalogues is no longer required.

The JCRA therefore proposes to remove Condition 2.1(b) of Regency's licence, along with deleting definitions contained in the licence that appear solely in Condition 2.1(b). These changes are detailed in the Annex, which is attached to this Initial Notice.

### **Grounds for the Proposed Licence Modification**

The legal grounds for this Initial Notice and the proposed modification set out herein are Article 19 (concerning licence modifications) and Article 24(1) (concerning Initial Notices) of the Law.

The JCRA has preliminarily concluded that the proposed modification is consistent with its duties listed in Article 8 of the Law. Furthermore, the proposed modification appears to further the secondary duty set out in Article 8(2)(d) of the Law, 'to impose a minimum of restrictions on persons engaged in commercial activities connected with postal services in Jersey.'

### **Date when the Proposed Modification would take effect**

The proposed licence modification will take effect on **27 August 2009**, unless the JCRA receives written representations or objections about the proposal prior to that date, in which case the effective date will be specified in any final notice issued by the JCRA under Article 24(5) of the Law.

### **Documents giving effect to the Proposed Modification**

The document that would give effect to the proposed modification is attached. The Annex sets out a copy of the licence condition before modification, as well as a copy in draft form of the licence conditions as modified. This document is also available for inspection at the JCRA's offices and on its website ([www.jcra.je](http://www.jcra.je)).

### **Period for Written Representations or Objections**

Any written representations or objections in respect of the proposed licence modification may be made by midnight on **26 August 2009** to the JCRA at:

Jersey Competition Regulatory Authority  
2<sup>nd</sup> Floor, Salisbury House,  
1-9 Union Street, St Helier  
Jersey JE2 3RF

or by email to [p.hamilton@jcra.je](mailto:p.hamilton@jcra.je) or by fax on 01534 514991.

17 July 2009

By Order of the Board of the JCRA

ANNEX

**Current text of Condition 2.1 (first sentence):**

*“The scope of the Licence is limited to:*

- (a) the receipt, processing and delivery of Licensed Letters to addresses in the Island of Jersey; and*
- (b) the receipt, processing and delivery of Inbound Letters to addresses in the Island of Jersey sent by Mail-Order Catalogue companies, which Inbound Letters physically accompany such Mail-Order Catalogues both at the time of receipt and delivery.*

*For the avoidance of doubt, this Licence is non-exclusive.”*

**Draft text of Condition 2.1 (first sentence) as modified:**

*“The scope of the Licence is limited to:*

- (a) the receipt, processing and delivery of Licensed Letters to addresses in the Island of Jersey; and*