# Simplification of Wholesale Products

Removal of Responsible Mail Product Codes

We want to hear your views

# We want to hear your views on our proposed withdrawal of Responsible Mail

It's very important to Royal Mail to get feedback from customers on new initiatives, product development opportunities and changes to existing products.

I'd like to invite you to provide feedback on our proposed withdrawal of the Responsible Mail product, currently planned to take effect from 4<sup>th</sup> January 2022, and to be notified no later than 25<sup>th</sup> June 2021.

#### Summary

We recognise that environmental concerns can be a barrier to brands using mail, and Royal Mail have published details of our aim to be a net zero carbon emission business by 2050. We have already:

- Achieved our 2021 target 4 years early of reducing absolute carbon emissions by 20%
- Diverted 99% of waste from landfill (against a 95% target)
- Implemented 295 fully electric delivery and collection vehicles at the end of 2019/20

The existing Responsible / Sustainable Mail product was developed to reward best practice in mail production. The product's sustainable credentials were developed over a decade ago and do not fully reflect current environmental practices across the mail industry. We have seen the majority of Advertising Mail customers migrate to the Intermediate Level Responsible Mail option over the years and the specification has become the general standard for Direct Mail. We therefore believe that the time is right to realign the specification and product architecture to 2021.

We see value for the Direct Mail market to align with wider industry ambition, such as the Advertising Association Ad Net Zero initiative.

We are also updating our environmental guidance for materials and recyclability for Advertising Mail products, and introducing guidance for Business Mail and Subscription Mail products, for Letters and Large Letters, to enable posting customers to produce mail in the most sustainable way. These have historically been an integral part of the product specification, and we plan to simply provide guidance to customers, rather than mandate.

We have also shared with customers an initial view with regards to offsetting the carbon consumption associated with mail production and distribution, and are reflecting on options for the best way forward.

Royal Mail plc

#### Simplifying the Product Portfolio and Updated Environmental Guidance

We are keen to simplify our product portfolio to make it easier for the mail supply chain and posting customers. The withdrawal of Responsible Mail supports this through reducing the number of product codes by 128.

Customers currently using the Responsible Entry or Intermediate options would, from January 2022, use the current Advertising Mail product codes, and adopt the new Advertising Mail environmental guidance if they wanted to minimise the carbon impact of their mailing.



https://wrap.org.uk/

We have worked with WRAP and other industry experts to develop our new environmental guidance to take into account the latest advice regarding mail pack materials and recyclability. WRAP (Waste & Resources Action Programme) is a charity, working with governments, businesses and citizens around the globe to create a world in which resources are used sustainably.

#### Minimising the impact of change

We recognise that the withdrawal of Responsible Mail removes our current lowest priced Advertising Mail price point and that this may be an initial area of concern for customers for the 2022 letters tariff.

We will reviewing pricing implications as part of our normal tariff round, which will be communicated as usual in October, and can commit to minimising the price impact of the removal of the Responsible Mail product into our Advertising Mail price consideration for January 2022.

We also understand that customers will need a clear migration path to use the current Advertising Mail product codes from January 2022. In Annex 1 of this document we have shown examples of the migration options which we hope you find useful.

#### **Customer Questions**

- 1. Does our proposal to withdraw Responsible Mail seem a reasonable approach to support environmental objectives, given our comments regarding pricing, our provision of updated guidance for materials and recyclability and the potential for a carbon offsetting scheme? Please provide supporting information.
- 2. Does our proposal to simplify the product portfolios by the withdrawal of Responsible Mail in January 2022 provide sufficient time for you to make any changes that will be required? Please provide supporting information.
- 3. Would the withdrawal of Responsible Mail in January 2022 pose any operational or systems challenges for you, and if so what support would you need from Royal Mail to overcome them?
- Please provide any other comments in relation to the withdrawal of Responsible Mail in January 2022

#### Responses

Flexible feedback options

We would welcome your response and feedback via any of the following:

- 1. A meeting with your Account Director
- 2. A written response sent to <a href="mailto:shaun.roberts@royalmail.com">shaun.roberts@royalmail.com</a>
- 3. A combination of a 121 meeting with your Account Director and a written response

Written responses to be submitted by 5pm on 21st May 2021.

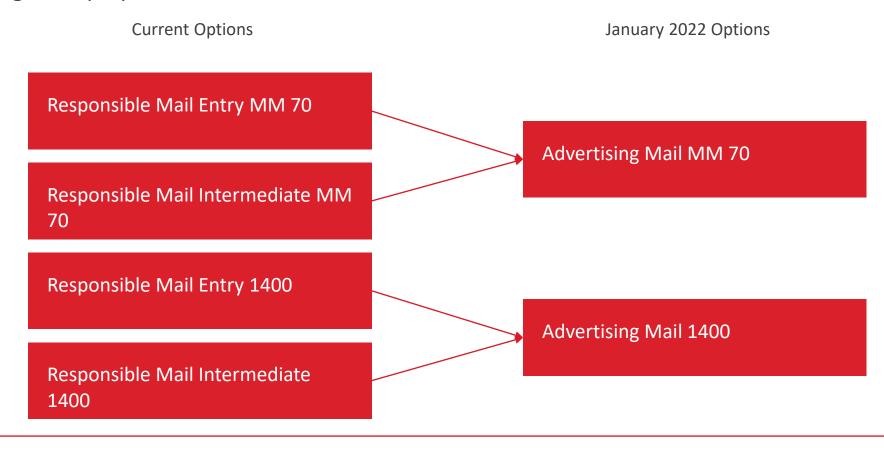
Your Account Director will be in-touch to support your preferred option.

## **Timescales**

Dates	Activity
3 <sup>rd</sup> May 2021 – 21 <sup>st</sup> May 2021	Customers respond with feedback either in writing or via 121s with Account Directors.
Week Commencing 24th May	Royal Mail reviews customer feedback.
Weeks commencing 31 <sup>st</sup> May and 7 <sup>th</sup> June	Royal Mail addresses any specific customer concerns on a 121 basis.
Week commencing 14th June	Customer response issued.
By 25 <sup>th</sup> June 2021	Royal Mail notifies decision to provide 190 days notice for 4 <sup>th</sup> January 2022.

## Annex 1 – Product Migration Indication

The table below shows examples of the current Responsible Mail product and equivalent Advertising Mail product for migration purposes.



Royal Mail plc