Guide to Royal Mail service changes affecting Large Letters

Version 2.0



Agenda

- High level view of our Large Letter service changes
- The service definitions and prices explained
- Business Mail Large Letter service overview
- How the Large Letter service changes effect you



Royal Mail has been reviewing the services it offers to customers sending large letters

We currently offer a choice of two services:

Service	Content	Specific T&Cs requirements
Advertising Mail*	for promote the sale or use of a product for service, or to encourage contribution.	Items meet the contents definition for Advertising Mail and customers supply a seed & supporting information
Large Letter	Any Large Letter	Standard Large Letter specifications

^{*} Responsible Mail is also available

- Customers are sending a variety of items against the Large Letter format including: financial transactional mail, general business correspondence, advertising and publishing mail, ecommerce (goods fulfilment) etc
- Items with goods fulfilment content tend to be more expensive for Royal Mail to handle as
 packaging is often not compatible with sorting machines and, due to packaging inflexibility,
 items are more likely to require 'redelivery' than traditional paper based Large Letters



Price

Lowest

Highest

On 31st March we are introducing a new service for Large Letters to better reflect the mix of mail that customers send

Service	Content	Specific T&Cs requirements
Advertising Mail Large Letter*	Advertising mail where the purpose is to promote the sale or use of a product or service, or to encourage contribution to or support of a cause	Items meet the contents definition for Advertising Mail and customers supply a seed & supporting information
Business Mail Large Letter	Business mail such as financial transactions, general business correspondence, publishing and advertising mail	Items meet the definition of a Business Mail Large Letter i.e. do not contain Goods Fulfilment content (save where permitted by Royal Mail) and do not include prohibited packaging
General Large Letter	Any Large Letter	Standard Large Letter specifications

^{*} Responsible Mail is also available

- To obtain the best price for your advertising mail we recommend that you use the Advertising Mail service (subject to meeting the T&Cs for that service)
- If you can't achieve the Advertising Mail specification or need more flexibility then your advertising mail can also be sent via Business Mail large letter
- To obtain the best price for your business mail we recommend that you use the Business Mail Large Letter service (subject to meeting T&Cs for content and packaging).
- Our General Large Letter service is our most flexible service which enables you to send any type of large letter item



Price

Lowest

Highest

Business Mail Large Letters prices will sit between Advertising Mail and General Large Letter prices

National Prices for Price Plan One from 31st March 2014 for key Large Letter services

Service	Weight (up to)	Price per item (p) (based on tray prices)
1400 Advertising Mail Large Letter	100g	21.57
1400 Advertising Mail Large Letter	250g	29.80
1400 Business Mail Large Letter	100g	27.99
1400 Business Mail Large Letter	250g	36.22
1400 Large Letter	100g	31.55
1400 Large Letter	250g	40.81

(Tray prices)



Business Mail Large Letter Service Overview

- The Business Mail Large Letter service is for general business correspondence and transactional mail. The type of mail you can send as Business Mail Large Letter includes (but is not limited to) bills/invoices, statements, general correspondence, magazines, newsletters, membership cards. You can also send most advertising mail content (see document DM Content Guidelines on our website) as Business Mail
- Items sent using the Business Mail Large Letter service must be enclosed in paper envelopes, polythene wrapping or meet the unwrapped specification. Other packaging may be acceptable
- Unless stated otherwise, all of the requirements of the relevant Access Letters User Guide will apply e.g. you may handover items that are sorted to either:

Access 1400 – mailing items sorted to c. 1529 selections Access 70 – mailing items sorted to c. 86 selections

- The service price will vary according to sortation level and machineability
- Full details of the Business Mail Large Letter service are contained in the User Guide Amendment 28 and Business Mail Large Letter Schedule



Business Mail Large Letter T&Cs

 A Business Mail Large Letter is any Large Letter which is general business correspondence but which does not comprise of or contain anything which has an intrinsic or resale value (whether or not it has been paid for by the addressee or other recipient), such as:

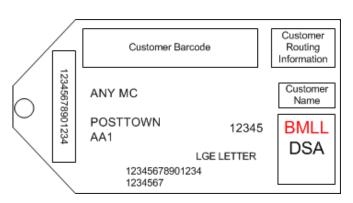
goods and articles sent in fulfilment of an order or request made to the sender, seller or supplier; gifts and unsolicited goods; collectibles; and spares and replacement parts

- Business Mail Large Letter is available for any type of packaging except for packaging commonly associated with goods fulfilment such as: padded envelopes; cardboard and any other stiff or inflexible packaging that cannot easily be manually folded
- Further guidance on what type of items qualify for Business Mail 'BM Large Letter Guidelines' will be published on the wholesale website
- New Revenue Protection checks will be introduced to ensure that the packaging is eligible
 to be sent as Business Mail Large Letter. If ineligible packaging has been used Royal Mail
 will treat this as noncompliant and will reject the items or charge you the applicable charges
 for the service specification that the items meet
- If we suspect items with goods fulfilment content have been sent as a Business Mail Large Letter we will contact you to discuss eligibility for the service



I send Business Mail Large Letters, what is changing?

- For customers who send Business Mail Large Letters very little will change
- You will need to sign the up to the new Business Mail Large Letter Schedule which will be added to your contract
- You must ensure that your Business Mail Large Letter items don't contain goods fulfilment content and ensure they are contained in the correct packing (i.e. not in padded envelopes, cardboard or any other inflexible packaging are not permitted)
- To help you with the transition to the new service there are no product code changes the product codes you currently use for your Large Letters will automatically pick up the Business Mail Large Letter rates from 31st March 2014
- Further guidance on the product codes for each of the Large Letter services is provided in the document, 'Large Letter product codes 31st March 2014'
- To benefit from Business Mail Large Letter rates you will be required to add the abbreviation <u>BMLL</u> to the Container label





I send General Large Letters, what is changing?

- You can use the current General Large Letter service to send Large Letters that have any type of content or packaging.
- We have listened to the views of our customers and as a result we will be revising the approach to how we
 will revenue protect goods fulfilment from 31st March.

We take the view that goods fulfilment may be considered differently to traditional paper based mailing items because there is a greater likelihood that a posting will contain a variety of packaging and items of varying shapes and sizes, compared to paper based Business Mail Large Letter and Advertising Mail postings. Further information about our reversion policy for goods fulfilment will be made available via your Account Director

The product codes for sending General Large Letters are changing. To send General Large Letters you
need to add new product codes to your systems and ensure your items are uploaded against the new Large
Letter (General) product codes from 31st March 2014

Further guidance on the product codes for each of the large letters services is provided in the document, 'Large Letter product codes 31st March 2014'

 Specification changes affecting only the General Large Letters (not applicable for Advertising Mail or Business Mail Large Letter services):

There is no longer a requirement to bundle items of differing sizes, shapes and packaging when they are presented in bags

The overhang for flimsy polythene items on General Large Letters will now be included as part of the item size for pricing purposes (it will not be considered for Advertising Mail and Business Mail)



Is anything else changing?

- For the purpose of meeting the minimum volume entry criteria for a single UCID (4000 items) Royal Mail will accept a combined total of Business Mail Large Letter and General Large Letter Mailing Items e.g. 3000 Business Mail and 1000 General Large Letters
- There will not be any changes made to your Advertising Mail Large Letter services and you can continue to post advertising mail in accordance with the current specification
- We are planning to develop and publish a DVD with guidelines for customers to show how our revenue protection teams check the Large Letter format dimensions
- We will publish guidelines on our website explaining in more detail what items do and don't qualify for Business Mail Large Letter
- We will be providing greater clarification in the User Guide to explain what items the 'allowable poly overhang' applies to
- There will be further developments later this year with the launch of the Mailmark Large Letter.

Please speak to your Account Director for further details

