

25th August 2015

Royal Mail Wholesale

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Trial of New Access Service Option for Catalogues

Dear Customer

We are pleased to announce a forthcoming trial of "Advertising Mail Catalogue", a new service option geared to customers who sell their products and services from a catalogue or a brochure and wish to "send more for less". The trial will take place from January 2016 to March 2017.

Customers' feedback on whether we should offer this service option indicates that Royal Mail may have an opportunity to encourage more catalogue mailings if Royal Mail changes some of its price weight bands. Customers tell us that, for cost reasons, they currently restrict their catalogues to the 0-100g price limit to avoid moving into the next price bracket (101-250g). Customers suggested that if Royal Mail were to introduce a more graduated price line over 100g it would encourage them to increase the weight of their catalogues. They say that they would pay slightly more for each item, but that they would get a better commercial return from being able to promote a greater product range to their customers.

We are keen to test this catalogue service option and therefore will trial until March 2017 the introduction of five 10g price increments between 100g and 150g for both Letters and Large Letters. During the trial, we will assess whether this works for customers and encourages their commitment to larger printed catalogues. If the trial is successful we will continue to offer the service after March 2017.

Royal Mail Wholesale will make the Advertising Mail Catalogue option available to customers sending Access 1400 letter format catalogues weighing up to 150g and large letter format catalogues weighing up to 750g. There will be content rules over and above the usual rules for Advertising Mail. In order to help customers plan their catalogue production for 2016/17, please find attached a summary specification document containing illustrative prices and content eligibility examples for the Advertising Mail Catalogue option. We shall shortly be publishing a set of terms and conditions, and a presentation pack outlining these details including potential benefits.

For more information please contact your Access Account Director.

* All rates are based on 2015 tariff and are subject to change with any new tariff.

Yours sincerely,

Luna Fila

Luisa Fulci Regulated Products Director Consumer and Network Access

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