

13<sup>th</sup> May 2010

**Royal Mail Group**

Mr Ganesh Sittampalam

Email: request-30669-66169bcd@whatdotheyknow.com

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Royal Mail Sheffield  
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Sheffield  
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www.royalmail.com

Dear Mr Sittampalam

**Re: Freedom of Information Act - Request for Internal Review**

I am writing in response to your email dated 13<sup>th</sup> April 2010 in which you requested a review of Royal Mail Group's response to your request for information dated 12<sup>th</sup> March 2010. Royal Mail Group's internal review panel has reviewed this request in line with our obligations under the Freedom of Information Act and I am writing to inform you of its decision. You requested the following information:

*"For either the town of St Neots or the PE19 postal area, whichever is most convenient, please could you provide a list of all current agreements you have to deliver unaddressed mail?"*

*"For each such agreement, please list the following:*

- 1) Name of company or organisation the mail is from*
- 2) Schedule of delivery (e.g. once per week, once on the 30th April, etc)*
- 3) Expiry date of agreement*
- 4) Scope of delivery, if not the entire area"*

In our reply dated 13<sup>th</sup> April 2010, we confirmed that Royal Mail does hold information relevant to your request. In your request you referred to "current agreements"; we identified all Door to Door deliveries scheduled for delivery in the PE19 postal district in the month from the w/c Monday 8 March. This information includes the customer name, postcode area, district and sector, the 'drop' or delivery date and the contract end date. This information was withheld under section 43(2) of the Freedom of Information Act on the

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basis that disclosure would provide Royal Mail's competitors with details of its current levels of business and its customers and therefore be likely to prejudice the commercial interests of Royal Mail.

After reviewing your request the internal review panel decided that the information was correctly withheld. However, after considering published guidance from the Information Commissioner's Office (ICO), the review panel determined that the information in question is exempt under section 43(1) of the Freedom of Information Act. Under section 43(1) Information is exempt information if it constitutes a trade secret.

The ICO guidance on this exemption sets out the following questions to be asked when determining whether information is a trade secret:

1. Is the information used for the purpose of trade?
2. Is it obvious from the nature of the information or, if not, has the owner made it clear that he or she considers releasing the information would cause them harm or be advantageous to their rivals?
3. Is the information already known?
4. How easy would it be for competitors to discover or reproduce the information themselves?

The information in question is clearly held for the purposes of trade in relation to Royal Mail's Door to Door service for unaddressed mail. The information would obviously be advantageous to Royal Mail's rivals and is not known outside of Royal Mail. Further it would not be possible for competitors to discover the information without accessing Royal Mail's own business information. The internal review panel therefore decided that 43(1) does apply to the requested information.

Where the information requested constitutes a trade secret, there is no need to consider the harm its release may cause. However, in the event that section 43(1) was found to not apply, Royal Mail remains of the opinion that section 43(2) would be engaged. Disclosure of business information which is advantageous to Royal Mail's competitors would clearly be likely to prejudice the commercial interests of Royal Mail.

Section 43 is subject to the 'Public Interest Test' and the internal review panel also considered whether, despite the application of the exemption; there is an overriding public interest in providing this information. When considering the public interest in this information, the panel took into account the points raised in your email dated 13<sup>th</sup> April 2010.

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You suggested that Royal Mail occupies a uniquely privileged position in the direct mail market:

*"You argue that Royal Mail should be able to "compete fairly in an open market". But Royal Mail occupies an uniquely privileged position in the Door-to-Door advertising market, by virtue of being the monopoly mail provider; the incremental costs of delivering junk mail are much lower than for any other provider as the costs of visiting every house are already covered or mostly covered by normal mail items. There is thus a strong public interest in opening up information about the details of the impact your service has on competitors who lack this subsidy."*

The Direct Mail market is highly competitive and Royal Mail faces competition from other companies as well as other forms of advertising. All of Royal Mail rivals have their own delivery networks and infrastructures which enable them to deliver unaddressed mail or provide competing forms of advertising and Royal Mail only delivers around 25% of the total volume of unaddressed mail items in the United Kingdom. It is not correct that the costs of delivering unaddressed mail is covered, or mostly covered, by other types of mail. Royal Mail is reliant on revenue from Direct Mail to supplement the decline in mail volumes. Further, the requested information would not allow any comparison of Royal Mail and its rivals in the direct mail market – the information would reveal only details of Royal Mail's business and its customers. Royal Mail is not of the view therefore, that disclosure of this information would in any way promote fair competition.

You also stated that the information was requested in order to make an informed decision as to whether or not to opt out of receiving Door to Door mail items:

*"In addition you mention the ability to be able to opt-out of the delivery of junk mail. It was precisely to be able to make an informed decision as to whether to opt out or not that I made this request, and thus your belief that "the requested information would [not] further inform the public" is simply wrong."*

Royal Mail recognises that not everyone wishes to receive unaddressed mail and for this reason it provides customers with an opt-out service for unaddressed mail. As stated above, Royal Mail only delivers about 25% of the total volume of unaddressed mail items in the United Kingdom. Royal Mail informs all households who express an interest in the opt out service of this and that opting out of Royal Mail Door to Door deliveries will not necessarily reduce direct mail by a significant amount due to the other carriers in the market place.

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Opting out from Royal Mail Door to Door stops all unaddressed items from being delivered by Royal Mail. In choosing whether to opt out, customers can of course consider the volume and type of unaddressed mail that has been delivered to their household. Royal Mail does not believe that providing details of its current and future business and customers would significantly inform a customer's choice.

In line with ICO guidance, the internal review panel considered whether access to this information would:

- further the understanding of, and participation in the debate of issues of the day;
- facilitate the accountability and transparency of public authorities for decisions taken by them;
- facilitate accountability and transparency in the spending of public money;
- allow individuals to understand decisions made by public authorities affecting their lives and, in some cases, assist individuals in challenging those decisions;
- bring to light information affecting public safety.

The information in question does not relate to public spending, decision making or public safety. The information related only to commercial information about Royal Mail's business and customers who have paid for Royal Mail services. Royal Mail is of the view that disclosure of this specific information would not significantly inform or benefit anyone other than by informing Royal Mail's competitors.

Royal Mail believes that there is significant public interest in protecting the commercial interests of Royal Mail group as a publicly owned company. As stated above, Royal Mail relies on the revenue that it receives from unaddressed mail and it would not be in the public interest to give competitors an unfair advantage in this market. Royal Mail considers that there is strong public interest in protecting the commercial interests of Royal Mail in order to safeguard the provision of universal mail services.

Overall Royal Mail does not consider that the public interest in accessing this information outweighs the public interest in maintaining the exemption, and therefore believes that the information should be withheld.

I am sorry that your request cannot be met but hope that this suitably explains our reasons for withholding the information in question. In the event that you are not satisfied with this reply, you also have a right to appeal to the Information Commissioner who can be contacted at the following address:

Information Commissioner's Office

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Wycliffe House  
Water Lane  
Wilmslow  
Cheshire  
SK9 5AF  
Telephone: 01625 545 700  
[www.informationcommissioner.gov.uk](http://www.informationcommissioner.gov.uk)

Yours sincerely

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