

06 December 2010

Royal Mail Group

Mr Robert Whittaker

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Dear Mr Whittaker

Re: Freedom of Information Request

I am writing in relation to your request for information dated 17th March 2010. Royal Mail Group has been in communication with the Information Commissioner's Office about this case. The ICO has advised us to provide you with more information about our reasons for believing that the information you requested is exempt from disclosure under the terms of the FOI Act.

The requested information

You requested detailed information about the location of postboxes, as recorded in Royal Mail's Central Collections Management Database, in particular:

1. Postbox number
2. Postbox location description
3. Postcode
4. Last collection times
5. Location co-ordinates used to calculate the position of the postbox on an electronic map

Royal Mail considers the information you requested to be exempt from disclosure under two sections of the FOI Act. The first is the exemption that applies where Royal Mail intends to

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publish information in the future – section 22. The second is the exemption that applies where release would prejudice commercial interests – section 43(1) and section 43(2).

Section 22

Royal Mail considers Road/Location information recorded in the database in question to be exempt under section 22 of the Act. At the time of your request it was planned to publish information encompassing all publicly accessible collection points through an update to Royal Mail's website. This was to include Post Offices and shops with a Post Office counter, which are classified alongside postboxes as collection points and all postboxes. This would provide the website user with the "postbox location description" you requested. The Co-ordinates Data were to be used to power the tool, but would not themselves be published. Nor were the postbox number, postcode or collection times to be available on the website.

In addition to the intention to publish this information on Royal Mail's website, it was also intended to make postbox location information available through another IT-based product that will allow users to search for postboxes in a particular area by entering a location or postcode. The position of the postboxes in the search area will be displayed on a map. This will provide the user with postbox location information recorded in the collections management database. It will also provide users with information about the latest collection times for the relevant postboxes. It is therefore the case that this information about postbox location and collection times will shortly be published by Royal Mail. Royal Mail intended to publish this information at the time it received your request. The launch of this product is expected to take place in the near future.

Even though the information was not planned to be published as raw data, in the manner you requested, this does not detract from the central point that Royal Mail did intend to publish the information at the time the request was received. Royal Mail therefore intended to publish the postbox location description at the time that your request was received.

Application of section 43(1)

Royal Mail is relying on section 43(1) in relation to Co-ordinates Data. It is not relying on section 43(1) with regards to the Street & Postcode Data, or any other information requested by you.

While any member of the public can observe the location of a postbox and give, for example, the name of the street on which it is located and the last collection time as detailed on the box itself, they would not be able to give the precise geographical co-

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ordinates of the postbox (latitude, longitude, northing & easting values). The Co-ordinates Data is therefore not public knowledge, nor common knowledge in the business community.

Furthermore, the requested information is more valuable than the information taken in by someone passing by on a public highway because it is collated in one place. The fact that the requested information contains a comprehensive and definitive list of all postbox locations gives it a value that is far greater.

The Co-ordinates Data is used in the course of Royal Mail's trade with its customers. They enable us to manage the collection of the items that customers pay us to transport effectively, for example by planning collection routes. The Co-ordinates Data is therefore used for the purposes of trade.

By providing information on its website, Royal Mail planned to encourage members of the public to visit the website. Increased internet traffic enables Royal Mail to better publicise its products and services better. Those products and services are offered in a competitive marketplace. The marketing of services and products is part of trade. The Co-ordinates Data is also used in the soon to be launched IT-based product that will allow users to search for postbox locations where again it will be used for the purposes of trade.

Application of Section 43(2)

Royal Mail believes that all of the requested information is covered by this exemption. The information in question was compiled by Royal Mail over some time through the course of its operations. The information is recorded for the purposes of planning routes and supporting daily operations. In addition to this, at the time of your request, and as stated above, two products were in development which made use of the data and were commercially valuable to Royal Mail.

The release of any part of the requested information at the time of the request would have jeopardised the anticipated benefits of these products. As already stated, it was expected that the update to Royal Mail's website would mean that more members of the public would access the site and therefore provide Royal Mail with significant marketing opportunities. Having found the website useful, customers would be more likely to visit it again. At that time there were already open source websites¹ seeking to collate the location of all

¹ www.dracos.co.uk/play/locating-potboxes
www.openstreetmap.org/

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postboxes across the country and it was likely that those websites would use the requested information to supplement their data. That would make those sites more comprehensive and more useful and as a result fewer people would visit Royal Mail's website to search for the information in question.

There is already an iPhone app that allows users to search for postboxes in a particular area called "Find Postboxes". This was created and designed by Elbatrop Ltd. Elbatrop Ltd charges £0.59 for downloading the app. We cannot say for certain where the information for that app comes from, but it is likely to come from a combination of information released in response to previous requests and open source websites that seek to collect postbox location data from the public. Release of Royal Mail's own information would mean that the difference between the quality of information which Royal Mail plans to release itself and information provided by others would be very limited. Royal Mail's concern is that release of any of the requested information would cause fewer people to seek to access the information from Royal Mail's products. This is because the information is likely to be used either to update the Find Postboxes app and open source websites or enable the creation of new apps. This would limit Royal Mail's opportunity to advertise its other services when providing the information to users itself.

Royal Mail intends to charge for the new IT product that is to be launched. At the time of the request Royal Mail also envisaged that the update to the branch locator tool would increase the number of visitors to its website and provide a valuable opportunity for cross-selling. It is Royal Mail's belief that the benefits to be gained from the commercial exploitation of the requested information would be significant.

Royal Mail is currently going through a period of rapid modernisation in order to ensure that it remains commercially viable as mail volumes continue to decline. Such modernisation is not subsidised by government; any government funding used to modernise the collection and delivery of mail is in the form of loans at commercial rates. In the recent update to the Hooper Report (an independent review of the postal service in the UK)², commissioned by central government, poor cash flow was identified as a key obstacle to driving through modernisation³.

² <http://www.bis.gov.uk/assets/biscore/business-sectors/docs/s/10-1143-saving-royal-mail-universal-postal-service.pdf>

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“The Group is therefore unlikely to be able to fund its modernisation programme from operating cash flow on any continuing sustainable basis, even given the Government’s existing debt facilities of £1.2bn. With the market continuing to decline, Royal Mail has to modernise faster than was originally planned.”

It is therefore the case that even relatively modest damage to Royal Mail’s revenue could have a significant effect given the nature of Royal Mail’s position.

Moreover, prejudice to commercial interest is not the same as losing money, as is reflected in the distinction drawn by the Commissioner between commercial interests and financial interests. Just as not all things that cause a public authority to lose money prejudice commercial interests, neither is it the case that all prejudice to commercial interests must involve direct monetary loss. Royal Mail has a commercial interest in encouraging people to visit its website. This is a legitimate commercial interest in itself, as well as being an interest that, if damaged, will lead indirectly to loss in revenues. Royal Mail’s position is that release of the requested information would be likely to prejudice Royal Mail’s commercial interests, and that the likelihood of such prejudice materialising is high.

Royal Mail understands that each Freedom of Information Act request should be considered in the light of the circumstances prevalent at the time it is being responded to. The application of the exemptions is very context specific. So, for example, when responding to past requests in 2009 for postbox location information at a time before Royal Mail had plans to exploit this via its website and the IT based product, Royal Mail released postbox location information. Had Royal Mail sought to withhold this information under section 43(2) at that time, we would have expected the Commissioner to rule that we had not applied the exemption correctly, as we could have given no clear idea of what damage would be caused by releasing the information.

The situation at the time of your own request had changed as by that time Royal Mail had concrete plans to use the postbox location data it held to further its commercial interests, as outlined above, and the benefits of those initiatives would be jeopardised by release of the requested information. Furthermore, this request was the first time that we had received a request for the Co-ordinates Data since it first started being collected in 2008. To date, Royal Mail has not released the Co-ordinates Data. Royal Mail has invested a significant amount in the continual updating of the Co-ordinates Data through its initiative to collect location information through PDAs used by employees.

As explained above, we cannot say for certain where the information for the Find Postboxes phone application originates from as it was not built by Royal Mail, but an analysis of the

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results it returns leads us to believe that the data that supports it is likely to come from a combination of information we have already released in response to previous requests and open source websites that seek to collect mailbox location data from the public, there are also open source websites seeking to collect information about the location of mailboxes that offer search facilities similar to the update planned to the branch finder tool at the time that your request was dealt with.

The prejudice caused by the uses to which Royal Mail's information has already been put is limited by the fact that a small amount of the information is now out of date and Royal Mail's initiatives will use current information, which is also more precise by virtue of the collection of the Co-ordinates Data. At the time the information was released and was current, Royal Mail did not have any competing products or services available or planned for launch, so no prejudice was caused at that time. However, if Royal Mail had released the information that you requested this would not be the case. Based on the evidence given above on what has been done with this information in the past, there is a very strong likelihood that near to current data including precise geographical co-ordinates would have been used to power rival products and on open source websites in direct competition with Royal Mail's initiatives.

I hope that this letter is helpful in explaining Royal Mail's position. We will continue to assist the Information Commissioner's Office with their investigation of this case.

Yours sincerely

Colin Young
Freedom of Information Manager
Freedom of Information Unit