

6 Oct 06

Jon Buckland
Regulatory Manager
Office of the Utility Regulation
Suites B1 & B2
Hirzel Court
St Peter Port
Guernsey
GY1 2NH

Dear Jon,

Guernsey Post's Bulk Mail Tariff Changes

Thank you for the opportunity to discuss the proposals for bulk mail tariff charges as detailed in the post office letter of 7 September and your letter of 13th September and document 06/15 on the web site.

On behalf of the Sigma Group I offer the following comments as part of the consultation process. I would like this submission to be kept confidential and in particular data in the attachment Appendix 1, which gives the volumes and weights of bulk mail sent by Sigma in the last quarter, as this is commercially confidential and must not be released to third parties.

In summary the view of The Sigma Group is as stated at the meeting:

- **Advanced information on prices to cover the period April 2007 to March 2010, i.e. 3 years gives stability and is very helpful**
- **The rate of price increase is higher than acceptable (as we must remain competitive with other competing jurisdictions)**
- **Forecast data sent to us is totally out of date as 4 new companies will come to Sigma in Sept /Oct 06**
- **Sigma would like to see discounts available based on volumes**
- **Europe and rest of world is becoming an increasing part of our business and bulk rates with discounts would be beneficial**

- **The lack of insurance for bulk mail is a contentious issue with our clients especially for items above £17.99**
- **The processing of recorded delivery and special items for bulk mailers needs automation this is especially important for items above the de minimus level, a market in to which we wish to expand.**

We can provide additional specific information but this is a summary of the view of The Sigma Group.

Yours sincerely,

Robert Sillars
Group CEO
The Sigma Group