

UPS Response to Recovering Consumer Advocacy Costs Consultation

July 2019

Background

UPS is one of the world's largest logistics companies, playing a vital role in the collection, warehouse and delivery of goods. Our UK operation includes more than 50 operating facilities, approximately 8,000 employees and a fleet of more than 2,200 vehicles. UPS provides critical national and international time sensitive delivery services for businesses.

UPS is a member of AICES (Association of International Courier and Express Services) and fully supports their response to this consultation.

Consumer Protection Condition 1

UPS welcomes the opportunity to respond to "Recovering consumer advocacy costs: Further consultation on excluding international letters and parcels from Consumer Protection Condition 1" and appreciates Ofcom taking on board our previous feedback on this issue.

UPS agrees to Ofcom's proposed amendments to Consumer Protection Condition 1 which confirms that international mail (both 'relevant letters postal services' and 'relevant parcels postal services') is excluded from the scope of the cost recovery mechanism. We agree that these amendments clarify the original policy aim of only including UK domestic services (i.e. parcels and letters conveyed between one UK address and another UK address) within the cost recovery conditions.

"Recovering postal regulation and consumer advocacy costs"

Whilst we do agree that the scope of recovering consumer advocacy costs should only relate to UK domestic services, we would, however, like to take this opportunity to reiterate previous comments that express services should never have been included in this regulation in the first place. UPS' primarily operates as a business to business service provider. Our customers, which are mainly businesses, are not the primary source of consumer advocacy costs. As a result, we strongly object in principle to being included in the scope to pay for these costs.