

ROYAL MAIL GROUP RESPONSE TO OFCOM'S CONSULTATION ON DELIVERING SUPER-FAST BROADBAND IN THE UK

Post Office Limited, a wholly owned subsidiary of Royal Mail Group, is the operator of the network of Post Office branches. Post Office branches provide a range of essential services including HomePhone and Broadband for residential customers, posting letters, registered items and postal packets, pension and benefit payments, banking facilities and bill payments. Many of these services provide essential support for the socially excluded.

Post Office Limited HomePhone and Broadband services are supplied on a fully managed basis, meaning that although Post Office Limited owns the customer relationships with subscribers, the underlying service delivery infrastructure is provided by a third party.

Response to Proposed Ofcom Policies

Post Office Limited welcomes the opportunity to respond to Ofcom's consultation regarding delivering super-fast broadband in the United Kingdom, as we believe that our current and potential customers would benefit from the robust delivery of super-fast broadband services.

At this time, Post Office Limited has no plans to invest in infrastructure that would support the delivery of super-fast broadband. However, Post Office Limited would be extremely interested in expanding our current portfolio of telecommunications products and services to include a robust, high quality super-fast broadband product, if such a product existed and satisfied our expectations in terms of quality, price and geographic availability.

We urge Ofcom to ensure that there will be sufficient wholesale competition in the high speed broadband market to ensure that Post Office Limited and other communications providers in a similar position have a choice of suppliers, so that we in turn can offer a high grade super-fast broadband service to our customers at a competitive retail price.

Post Office Limited believes that strong competition at the wholesale level helps keep retail costs down and encourages the creation of differentiated value-added services that would benefit consumers. Without wholesale competition, access to network products and services diminishes, and communications providers such as Post Office Limited have a restricted choice of suppliers - a situation that negatively impacts on retail offerings and restricts consumer choice.

We are very concerned that if availability of super-fast broadband is not universal the digital divide between areas of high density population and rural locations will increase. Post Office Limited therefore believes that there is a need to incentivise investment in areas of low and very low population density, to ensure access to super-fast broadband for all, and would be interested in participating in further discussion with Ofcom and the telecommunications industry to ensure that sufficient incentives are established.

Should you require any further information or wish to discuss any aspect of this submission, please contact Nancy Saunders, Head of Telecoms Regulation at Post Office Limited, at nancy.saunders@postoffice.co.uk or on 020 7320 7328.

Royal Mail Group
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