

Royal Mail



Royal Mail collects and delivers letters and packages, promotes excellence in direct mail and produces the UK's largest range of stamps and philatelic products.

Royal Mail

Royal Mail connects people in the UK like no other organisation can. Every working day we handle some 84 million items delivering to 27 million addresses throughout the country. We do this at some of the lowest prices and with some of the best quality levels in Europe.

At the heart of Royal Mail is the one-price-goes-anywhere universal postal service. This means that no matter where our customers live or where their mail is going in the UK, we charge the same price. It is a unique service that is particularly important for people in rural areas.

Last year was a period of massive, but necessary change. We established a single daily delivery of mail in our 1,400 delivery offices, introduced more efficient working into our 71 mail centres and eight regional distribution centres, and streamlined our nationwide transport network through a national distribution centre.

Now we have moved on, delivering the best quality service in ten years and still improving. But we are not complacent - we take every problem and complaint seriously. We know we've a long way to go and need to keep improving our service to customers.

The target level for First Class mail rose this spring from 92.5% to 93.0% delivered the next working day. Second Class mail has a target level of 98.5% delivered within three working days.

At the same time we continue to try to reward our people more fairly and allow them to share in our success. We've increased basic pay for our postmen and women by almost 25% since March

2002 and last year's financial performance triggered a £1,074 Share in Success payment for every eligible employee amounting to £218 million of the company's profit.

Royal Mail still faces formidable challenges. We lag behind our major rivals in automated sorting technology and need to invest up to £2 billion to continue driving up quality and be able to compete successfully. We are also developing our relationship with customers with new products and services, alongside a new sales and marketing strategy.

2004-05 was a milestone year in another critical sense. It was the last financial year in which Royal Mail had any protection from competition. From January 2006, the mail market will be fully open to rival companies. Everything Royal Mail has been doing over the last three years has been about getting ready to compete. The modernisation plan was the greatest test Royal Mail faced in decades, for our very future depended on it.

Competition in the UK's postal services provides a tremendous opportunity for everyone in the postal market and Royal Mail wants to be demonstrably the best and most trusted mail company in the world.



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