



15th December 2006

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**CONDITION 7 NOTIFICATION:
Launch of Early Extraction as a product**

Dear Derek,

In accordance with Condition 7 of the Royal Mail's licence I am writing to formally notify you, that from 2 April 2007, Royal Mail will be converting to product status, a service previously available as a bespoke; Early Extraction.

The intention is to make this existing service easier to access, by avoiding the three month notification period required of individual contracts by Condition 7.

This letter is copied to Postwatch and will be published on Royal Mail's website within four working days.

Early Extraction has been available for many years as a standard replicable solution, whereby operational process and prices are provided on a fully standardised basis. We have taken this opportunity to reassess the costing and pricing of these solutions as per Royal Mail's New Product Development process.

Product Features

The Early Extraction product will work in the same way as the current bespoke, and is being converted to product status in a similar manner to Pre-Sorted Delivery. It will allow all inward mail bound for a particular address to be identified and collated so that it can be removed early from the pipeline at the Inward Mail Centre (as opposed to the Delivery Office).

- Used to give access to mail up to 6am¹, so allowing customers to improve efficiency or access value added services such as Pre-Sorted Delivery, Mail Opening or Mail Screening,
- The extracted mail can be handled by Royal Mail (eg for services mentioned in above bullet point), passed directly to the customer (eg collected by the customer or delivered using Royal Mail's standard Timed Delivery product) or passed to any 3rd party appointed by the customer.
- A customer can have more than one extraction per day. The fee applies to each extraction.
- A customer can extract mail from more than one Mail Centre. The fee applies to each extraction.

Access

- There is no minimum volume for this service.
- Availability is subject to local Mail Centre capacity.
- The arrangement must run for at least one year initially, after which it can operate on either a quarterly or 12 monthly basis.
- Mail to be extracted must contain a full and accurate address and postcode.

Pricing

As Early Extraction is, in the main used with Pre-Sorted Delivery, a single calculator will provide prices for both products.

The calculator will be available at [Royal Mail's website](#) by the end of December 2006.

Pricing for Early Extraction will be £11k pa for a 5 day a week service or £13k pa for a 6 day a week service.

Compensation

No compensation is available with Early Extraction.

Further details of this product, including full terms and conditions, will be posted on Royal Mail's website by the end of March 2007.

¹ Access to Mail may be possible from the Delivery Office after 6am using the Early Collect product

Please note that bespoke solutions, complete with 3 month Condition 7 notification, will continue to be provided, owing to additional complexity, where 'Special Delivery' and 'Signed For' items are to be extracted. Royal Mail hopes to make these variants available as a product in the future.

Yours sincerely,

A handwritten signature in black ink that reads "M Waples". The signature is written in a cursive style with a large, stylized 'M'.

Mark Waples
Regulation & Commercial Policy Manager