

THE POSTCODE ADDRESS FILE ADVISORY BOARD (PAB)

Minutes of meeting held at 13:00 on 18th July 2019

At Royal Mail Group offices, 185 Farringdon Rd, London, EC1A 1AA

PRESENT

Ian Beesley	Chairman
Judith Donovan	Strategic Mailing Partnership
Ian Paterson	Mail Competition Forum
Iain McKay	Improvement Service, Scotland
Paul Malyon	Experian
Charles Neilson	Mail Competition Forum
Darren McDonnell	Mail Users Association

Also in attendance

Ian Evans	AMU
Tom Foyle	AMU
Steve Rooney	AMU
Chris Hildrey	Hildrey Studio (Item 2)

Apologies

Dan Cooper	Allies Computing
Tim Drye	Direct Marketing Association
Jason Goodwin	Landmark Group
David Green	GB Group
Carolyn Valder	CACI
Paul Roberts	Secretary

1. Welcome

Chairman

The CHAIRMAN welcomed Judith Donovan as a new member of the Board and Chris Hildrey from Hildrey Studio, who would be making a presentation.

2. Proxy Addresses

Chris Hildrey

Chris Hildrey described an initiative to provide addresses to homeless people to ease their progress back into mainstream society and answered questions from the Board.

ACTION: The AMU confirmed that it stood ready to re-engage with the Proxy Address team on behalf of Royal Mail.

The CHAIRMAN thanked Mr. Hildrey for a stimulating talk on an important social issue and indicated that the Board might wish to invite him to give an update on progress in due course.

3. Matters arising

Chairman

The CHAIRMAN reported that, because of a congested agenda, a few items would be held over to the September meeting.

The AMU confirmed they would be sending through written answers to the questions on the Scottish Census Trial and about Royal Mail's project to provide the homeless with addresses.

The AMU requested any further input on the draft Business Flyer and indicated they would now be looking at how best to deploy and distribute the final text.

4. Chairman's Update

Chairman

Refreshing the PAB - Membership

The CHAIRMAN reported that the Geospatial Commission had recently announced the appointment of four new Commissioners, completing the composition of the Commission; he was in touch with the Commission about the possibility of their sending a representative to the PAB.

The CHAIRMAN also drew attention to recent advertising by PostTag which had denigrated the postcode system unfairly when the problem identified probably had more to do with out of date sat-nav information.

5. Business Data Quality - Address & Names

(PAB(19)2)

The CHAIRMAN thanked Ian Paterson for the draft specification of a study, commenting that although some responses to the draft had suggested that Royal Mail should carry out the study internally, he believed that credibility would be enhanced if it were to be seen to be independent.

Discussion focused on the objectives of the proposed project and its link to the proposed Mailmark Errors Project being discussed by Charles Neilson with John Kitchen at Royal Mail. Although there were suggestions from some quarters that business names could be dropped from PAF it was agreed that the main aim should be to look

at ways to drive up the quality of business name information available within the main PAF and within the Alias File.

Charles Neilson reported that discussions continued with mailing houses to find a volunteer to allow a sample mailing to be investigated for compliance and handling under the Mailmark arrangements.

ACTION: Board Members to provide further input and comment on the project terms of reference for a study of Business data quality by the end of July.

6. Licensing trends

AMU

The AMU presented the latest licensing data. The forecast full year 2018/19 split by category presented at the January 2019 meeting was confirmed as broadly correct.

The growth in the proportion of revenue coming from transactional licensing had continued year on year and had accelerated further in the first three months of 2019/20.

On this basis the AMU expected that 2019/20 will be the first year when transactional licensing will generate a higher proportion of total PAF revenue than user-based licensing, probably continuing to exert a small downward pressure on total PAF revenue.

7. Segmentation analysis of the SP market for PAF

AMU

The AMU presented details of the solutions provider market, which continues to generate the lion's share of licensing revenue for PAF. In 2018/19, 252 solutions providers (SPs) licensed PAF to the tune of £22m, with 94% of the income coming from the top 40 SPs, and 74% from the top 10. While there were many SPs who had been reselling PAF data for many years, there is still some fluidity within the top 40 – with 8 SPs being businesses started within the last 10 years.

The AMU had also presented data sub-dividing the SP market into four segments:

- Data Management Solutions – the larger addressing solutions based companies providing multiple cross sector solutions, and have typically been delivering PAF based solutions for many years;
- Address Capture - predominantly call centres, increasingly supporting e-Commerce;
- Geo Location – those companies using addressing data and postcodes to enhance additional geospatial information; a segment with relatively little transactional pricing;
- Sector Specific SPs – Solutions Providers specialising in providing addressing based solutions in specific vertical market sectors – such as the automotive or insurance industries.

8. Developer Licence

AMU

The AMU provided an update to a presentation last delivered 2 years ago, which looked at the use of the licence terms provided for those that take PAF sample data via poweredbypaf.com (conventionally referred to as the Developer Licence).

This licence was first introduced in 2012, and since then over 5000 users had downloaded and trialled data with around 600 organisations going on to enter into a full PAF licence either by becoming: a new Solutions Provider, End User buying through an SP, or a Direct End User contracting with the AMU.

The AMU reported that in 2018/19 licence revenue from those organisations that had at some time used this 'try before you buy' approach amounted to nearly £1m, and that cumulatively since 2012 these customers had provided £3.2m of Licence Revenue.

The AMU showed a sample of organisations that had used the Developer Licence, which indicated that it included some that were long-standing firms (such as banks) as well as the more expected start-ups. This suggested that advances in data handling and AI could be having an effect on the extent to which sophisticated organisations might switch to in-house tailor-made solutions.

9. Postcode 60th Anniversary

AMU

The AMU confirmed that various social media and internal promotion activity had been lined up to support the 60th Anniversary of the Postcode. There was some discussion of 'Smilers' stamps that had been produced for a limited run to be offered as souvenirs to those most closely associated with PAF.

10. PAF Format and Partial Addresses

Judith Donovan drew attention to two areas of potential improvement in the use of PAF: (a) how the PAF licence applies to partially addressed data; (b) whether the AMU could look into simplification by having a standardised address format, as multiple alternatives could potentially increase the risk of addressing errors.

ACTION: to be included in the September 2019 PAB agenda.

11. Nest meeting

13:00 on 26th September 2019 at the offices of CACI, Kensington Village, Avonmore Road, London, W14 8TS