



24 August 2004

FILE No:
DOC: D04/40729
MARS/PRISM:

Ms Margaret Arblaster  
General Manager – Transport and Prices Oversight  
Australian Competition and Consumer Commission  
GPO Box 520J  
MELBOURNE VIC 3001

Dear Ms Arblaster

I am pleased to offer this response to the ACCC Draft Price Notification for Impact Mail.

ADMA is Australia's pre-eminent marketing industry Association representing 500 of Australia's leading corporations whose business entails direct to customer communications via the channels of mail, telephone, internet/email and sms. In addition we also represent many companies who supply goods and services to the industry, many of whom are channel influences, examples of which are mail houses, advertising and creative agencies, printers etc.

The area of direct mail has always been of prime importance to our members, not only as it was the foundation stone upon which much of today direct marketing was built, but also as it has consistently proven to be a very effective advertising and promotional medium.

To facilitate discussion and interaction amongst the members on different areas, ADMA operates through industry segment councils, these includes Agency, Call Centre, Database, E-Marketing and Mail Marketing Councils. It is the work of the later that is relevant to this submission.

One of the key benefits sought by users of direct mail for marketing purposes is the ability to add differentiation, that is to have their mail piece stand out from other mail via the use of non standard size envelopes. Over the years, ADMA has discussed the requirement of marketers with Australia Post, who for reasons largely related to having a focus on maximising processing efficiencies with standard mail, have been unable to accommodate this need on a cost effective basis.

The Mail Marketing Council was pleased therefore to learn that Australia Post had decided to address the gap in the market with the new Impact Mail product. The pricing model and product requirements were made available to key members of the Council.

The response from the group has been very positive and therefore ADMA supports the new product offering from Australia Post along with the attendant price structure and does not foresee any competitive issues arising from the introduction of this niche product.

Yours Sincerely

Robert L Edwards  
Chief Executive Officer