

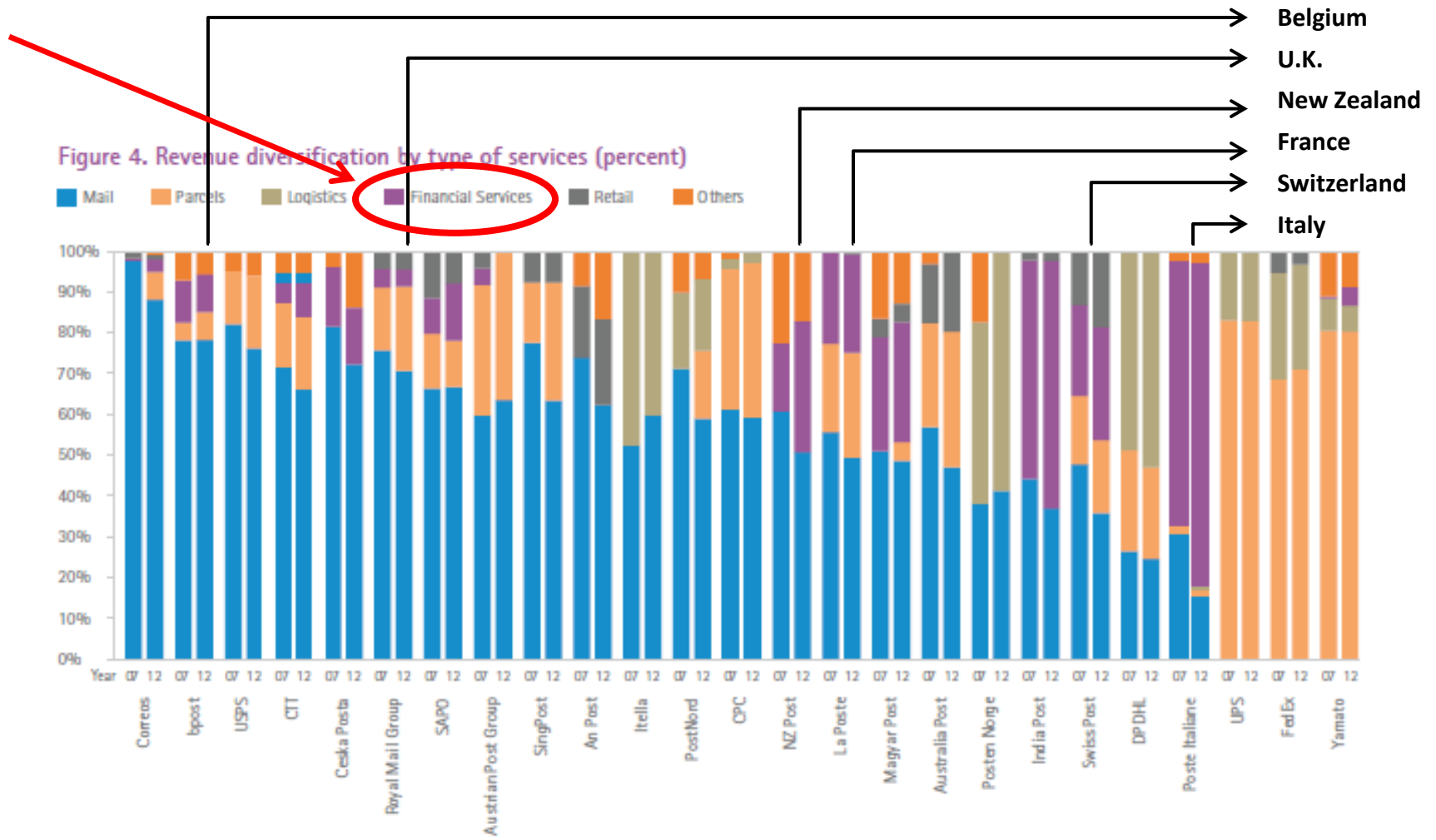
The Pew Charitable Trusts
Financial Services and the Post Office
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Postal Financial Services: Lessons for the US from Other Countries . . .

For achieving a modern, efficient, financially viable Postal Service?

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1. Among the most advanced countries, reliance on postal financial services is a minority strategy.



Note: Revenue diversification is based on business unit breakdown and numbers reported in the company's annual reports. Accenture categorizes revenue into the above groups based on its understanding of activities which represent an approximation of diversification.
 Source: Annual reports, Accenture analysis

Relatively few top posts are big in financial services

Leaders in postal financial services

Country/post	Fin. servs. % rev
Italy	80 %
New Zealand	32 %
Switzerland	28 %
France	25 %
Belgium	9 %
United Kingdom	4 %

Top Posts with no financial services

Country/post
Germany (Deutsche Post/DHL)
Norway Post
Australia Post
Post Nord (Sweden/Denmark)
Finland
Netherlands
FedEx/UPS

Accenture: the path of High Performers

1. Achieving core business excellence while driving growth through diversification at scale.
2. Evolving into digital businesses.
3. Operating with a strong commercial focus.
4. Investing to transform their parcel networks and seize market share.

2. Financial success in postal financial services follows, rather than precedes, fundamental postal reform.

Country	Monopoly	Organization	Introduction of financial services	Letter per cap (est)
Italy	No	Corp	2000	73
NZ	No	Corp	2002-06	189
Switzerland	Yes	Corp		421
France	No	Corp	2006-11	243
Belgium	No	Priv.		233
UK	No	Priv.	2003-13	266

U.S. average mail per capita (2011): 538

3. Most advanced countries accept that public services provided by the Post Office require public compensation.

In 2008, the [French] law on the **modernization of the economy** stated that the **French Postal Bank had the mission to provide access to banking services**. This was an obligation placed only on the postal bank. The law mandates that the postal bank should open a savings account for every person who requests it and should offer free deposits and withdrawals to its customers for any transaction above 1.5 euros (2 USD).

In turn, **the government provides a compensation to cover increased operating costs** of serving those that commercial banks do not wish to serve through a combination of direct subsidies (210 Million EUR for the savings fund in 2014) and subsidized interest rates and commissions to the postal bank to enable it to carry on with this social mission.

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THE PROBLEM
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