swiss economics

Comments on

Universal Service 2.0 on a Digital Postal Platform

by Mohammad Adra, David Asher and Bruce Marsh

The Economics of the Postal Sector in the Digital World

Christian Jaag, Ph.D.

Swiss Economics and University of St. Gallen

March 22, 2012

Line of Reasoning

Current Postal USO

New Role of Postal Service

New Postal Platform

Scope of New Postal USO

Financing of Postal USO

→ Broad range of (physical) attributes

- → Solutions for communication
- → Utilization of core competencies
- \rightarrow Relation to the USO
 - → Premium applications
 - \rightarrow eMailbox
 - \rightarrow Authentication
 - → Postal Service as a digital platform provider / sponsor

Scope of USO

Current scope

- Geographic scope
- Product range
- Access
- Delivery
- Pricing
- Service quality
- Enforcement

Future scope

- Geographic scope
- Product range
- Access
- Delivery
- Pricing
- Service quality
- Enforcement
- Security
- Legal parity

Dual address

Really part of the USO?

The Future Nature of USO

- Implied by argument of the paper:Provide opportunities for the Postal Service
- What about the consumers' needs?
- What about society's objectives?
- What are the exact attributes:
 - physical and digital implied in: delivery, pricing, service quality
 - physical or digital
 implied in: geographic scope, product range, access
- What about IP rights? (see Rpost's suits for patent infringement)
- Proposed USO may be too good to be true: It is not possible to grant flexibility to both the consumer and the postal service at the same time.

Thank you!

Christian Jaag, Ph.D.

christian.jaag@swiss-economics.ch www.swiss-economics.ch