

# Group Enters Fray For Liberalization Of Postal System

## Belgian Senator Leads Lobby Seeking Change

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BRUSSELS — A newly minted coalition has joined a highly charged political battle about opening postal business in the European Union to more commercial competition.

Launched Monday, the Free and Fair Post Initiative includes trade groups such as EuroCommerce and the association of French businesses known as MEDBF and companies such as United Parcel Service Inc.

The alliance is led by Philippe Bodson, a Belgian senator and a former boss of the country's largest electricity utility, who knows all about the ups and downs of liberalizing monopolies: He presided over Tractebel SA back when the EU was busy dismantling electricity monopolies. "Was I really acting to advance liberalization in Belgium? No," he recalls, adding, "Don't ask me to saw off the branch I'm sitting on."

Now, Mr. Bodson is asking postal monopolies to do just that and do it fast. The European Commission's directive on the subject is hanging in limbo, with various EU member states refusing to sign on to it in its current form.

The unions have also weighed in, saying that liberalization will wipe out thousands of jobs. "We wonder who the commission is working for and whose interests they are promoting," John Pedersen, head of Union Network International's European postal section, said recently.

It is in this climate that Mr. Bodson's alliance is trying to make its case. "We have decided to organize ourselves," he says. So far "opponents (of liberalization) have been much more vocal."

For now, the objectives of the alliance, called the Free and Fair Post Initiative, are decidedly modest. It is still looking for more potential members to come out of the woodwork. It's no easy task, Mr. Bodson says. Some current members, fearful of angering postal monopolies, have requested Mr. Bodson not to release their names publicly.

Some other big corporate clients of postal companies have told him they won't join in the effort because they get good bulk discounts from the incumbents.

"When you are the one who's getting a good deal," why would you complain?, Mr. Bodson asks. The commission's new proposals for liberalization envision further limiting the monopoly of incumbents by reducing the weight of letters under which these companies have exclusive rights.

The weight currently stands at 350 grams, and the commission wants it reduced to 50 grams.