

Address to Universal Postal Union Conference by Bernard Beston Vice President, Federation Internationale de Philatelie (FIP)

May I firstly thank the UPU for the invitation to speak to you today.

Secondly I express my appreciation to Macau Post for extending the invitation to us to meet in Macau. I first visited Macau over 30 years ago and it has always held fond memories.

The FIP was founded in 1926 and comprises 92 member countries, with the probable addition of Moldova at the 75th FIP Congress in Bangkok in December this year.

We represent your philatelic consumer – the stamp collector and philatelist.

I do not need to tell you the ever changing dynamics of the both the collectors mind and the collectables market. You live with it each and every day.

Collectors source their material from three major repositories.

1. Postal Administrations and their Agents
2. Stamp Dealers
3. Philatelic Auction Houses

Postal Administrations

Until very recently almost all purchases were counter driven in a retail environment. Just as retailing of consumer products moved rapidly to an online experience, so too have the majority of Postal Administrations, each with varying degrees of success; varying formats; and cultural experiences.

Collectors are, by and large, conservative creatures. This change in buying habits did and does not come easily.

MANY STAMP COLLECTORS ARE AND WISH TO REMAIN HAPPY FACE TO FACE CONSUMERS.

NEVER ONLINE!

Much of this is driven by an ageing Collector base who are not computer literate.

My view however is that the future of the Hobby lies with the over 45's who are

Computer literate; kids free; financially secure; time on their hands and seeking new social contacts.

One problem with online selling is the absence of daily feedback from the customer. The online sales clerk is not the creator of the software or the rigid platform.

Many Postal Administrations are departmentalised.

What is a philatelic product to the customer is not classed as such by the Post. Many Websites only display items produced by their Philatelic Section, ignoring other stamp collectables (eminently collectable) sought by collectors. Online sales must therefore be more aware of their market than brick and mortar retailers.

The inability to view the entire parts of a Stamp Booklet may create frustration for the Thematic Collector. Continued frustration builds resentment and ultimate abandonment of the Official site.

Hence Post requires to be nimble and extra intuitive in their website creation.

The expansion of the philatelic market to include non philatelic themed material is one where Post has not kept pace with collecting pursuits or trends.

The inclusion of Picture Post Cards at future Stamp Exhibitions is a new innovation (or repositioning) that both the primary and secondary market need to accommodate.

In my opinion however, there will remain a segment of the market that will always seek physical counter service.

Many Administrations continue to publish monthly or quarterly Bulletins. The FIP publishes a quarterly magazine. There are demands that this is no longer relevant, and ought to be abandoned. My personal view is that print media is far from dead yet; and quality journals should be continued in tandem with online activity.

The Trade

Stamp Dealer shop fronts, with rare exceptions, are a creature of the past. The only notable exception is Paris, France. Here there are over 60 street (or should I say Rue) level dealers within a 1 kilometre radius. The London and New York streetscape Dealers are a creature of the past.

Where dealers have survived in brick and mortar premises, these have generally moved above the ground; or relocated from High Streets to Suburban areas.

But Dealers have embraced online retailing rapidly – followed by the majority of collectors - and in doing so enabled their survival by selling to a wider market.

One impediment to online growth is the intrusion of the Revenue authorities because of the essential requirement of recording of sales and stocks. I make no adverse comment on this factor but will comment when dealing with Auction Houses and Ebay.

The Philatelic Book trade is now all online. This is a small but important segment of the philatelic market. These comprise Philabook (Germany), Leonard Hartmann, Phil Banzner and Ken Sanford (USA) and Bill Barrell (USA). In addition the American Philatelic Research Library of the APS has both an online and print media position.

The Auctions Houses

Until 5 years ago all major Auction Houses published printed catalogues, frequently in lavish glossy format. With rare exceptions this is a thing of the past. Only Postiljonen, Corinphila, Spink, Grosvenor, Kelleher and Gaertner now publish printed Catalogues. Additionally, Gaertner publishes his catalogues in a CD format.

One negative factor is that Commissions on sales have increased not decreased with the advent of Online Catalogues.

Both Dealers and Auction Houses have embraced Online selling through the Skyscanners of Philately - Philasearch and Stamp Auction Network.

These are Networks that provided access to all major Auction Catalogues with one press of the Button.

Online Platforms such as Ebay, Todocolleccion, Delcampe and Hipstamp have combined both dealers and collectors in a single seller platform. Whilst the experiences are varied, these have expanded the secondary market.

These Sites have been embraced by the majority of collectors.

Australia and possibly other Countries have recently entered into agreement with Ebay for the Company to impose a GST (termed VAT in some jurisdictions) on sales at the point of Invoice. This is 10% of the sale price. This is not a positive development for the hobby and is only possible because of the online platform. Other Countries with a 12.5 or 15 % or higher impost can only impact sales.

However, the online facility has in my opinion assisted in not only the survival of the hobby, but its growth.

Forget the doom sayers that Philately is dead. Philately is very much alive.

Recent Exhibitions in China, Israel, Czech Republic and Macau are visual testimonies to the huge numbers of collectors who went to see the Exhibits, not just to buy stamp or covers. Prague was held in two different Venues – one with Exhibits; one with the Dealers and the Auction Houses – 3 train stations and a walk apart.

Both Venues were packed – every day!

All sections of the philatelic market need to be mindful of remaining relevant. A recent article in the Australian Financial Review in reference to the Premier of an Australian State had this to say.

“The Premier can also be persuasive, even charming, in a small group. However, those less close to her find she lacks charisma, and can be didactic. This problem has been compounded by Ministers and MP’s in her Government being “out to lunch” – losing touch with the electorate by relying on digital forms of communication and ignoring the age-old merit of wearing out their shoes and by walking the streets and talking to voters.

Online consumer surveys are popular with both retailers, Airlines and the Post. Invariably they are conducted by Independent marketers. The efficacy of such surveys depends largely on their construction and data management. I have evidence that much of the input from customers received in such surveys never reaches the Corporation who commission it.

Online surveys are not therefore the Silver Bullet to marketing or consumer tastes and desires.

There is no better way to talk to collectors and observe their habits than at a Stamp Exhibition.

Exhibitions provide the public image of the Post in so many ways – both Philatelic and Corporate.

I don't know of any Courier Company be it FEDEX, DHL or UPS who sponsor Stamp Exhibitions.

Ephilately is a valuable tool to build the experience of collecting; to enhance sales in a cost effective manner; to target a wider market. And the FIP endorses such activity.

But, there remains the need to be true to the social animals that we all are!