

Christmas 1974

Date of issue: 27 NOVEMBER 1974



Since the first issue in 1966, the special Christmas stamps issued by the Post Office had become accepted by philatelists and the public alike and were automatically included in the 1974 stamp programme.

When choosing the designs for the 1973 Christmas stamps, the Stamp Advisory Committee (SAC) recommended that some of the artwork submitted but not chosen for that year, that by Elizabeth Corcellis and Peter Hatch, should be reconsidered for use in 1974. The designs by Peter Hatch, the Art Director of Peter Hatch Partnership Ltd, showing roof bosses had been said to show promise but required further development. Unfortunately there had not been enough time to do this for the 1973 issue but there was no such pressure for the following year. Hatch had already received £450 for his three designs in 1973, and so the 1974 project was to be treated as a new commission. On 23 November 1973 he was sent a written invitation; the letter, from D H Beaumont of Postal Headquarters (PHQ), actually states that the designs were for 'this year's Christmas special stamp series', obviously a mistake as he meant next year's. Hatch was told four designs were required and the values were to be 3p, 3½p, 8p and 10p. There was a payment of £150 for each design submitted with a maximum of £600 for a set of four designs. An additional £150 was to be paid for each successful design.

Hatch immediately began further research and arranged for his colleague, Nicholas Servian, to visit a number of churches and cathedrals to photograph roof bosses. Hatch sought permission from each church. At this stage the project was confidential and Hatch merely said he was carrying out research into roof bosses which was not for commercial reproduction, but that if this position changed he would seek further permission. Hatch had been very concerned to locate any bosses in Wales or Scotland that might justify consideration. Unfortunately this was not successful and his initial list of some 14 bosses were all in England. The problem was that the bosses in Wales and Scotland very rarely depicted Christmas scenes, featuring mainly historical and mythical figures or foliate designs.

On 29 November Beaumont wrote to Nicholas Servian saying it was understood that he was fulfilling a commission on the instructions of Peter Hatch for a number of photographs of roof bosses. Since the photographs were to be used in stamp designs Servian was invited officially by the Post Office to cover the project. Payment was to be at the rate of £100 per day plus out of pocket expenses and all photographs submitted and the copyright therein was to become 'the absolute property of the Post Office'.

At the SAC meeting on 6 December the Committee were told Hatch had inspected twelve churches and cathedrals known to have roof bosses connected with Christmas. From these he had produced a shortlist of six, showing one boss from each of six buildings:

St Helens Church, Norwich (1480),
York Minster (c 1355),
Tewkesbury Abbey (c 1330),
Worcester Cathedral (1224),
Ottery St Mary, Devonshire (1359),
Chester Cathedral (1260).

Hatch was invited to the meeting and showed the Committee slides of the six bosses. The Chairman, E G White, Director of Postal Marketing, asked that the Committee bear in mind operational considerations when making its choice. First, he said, there would probably be four values for Christmas 1974. Second, the stamps should preferably be horizontal. Third, the stamps with the colours of the basic first and second class values would have to be easily distinguished for ease of identification in manual facing and sorting. Finally, the roof bosses would have to be accompanied by more than the usual amount of explanatory lettering on the stamp.

The Committee re-examined the artwork by Elizabeth Corcellis, and saw for the first time artwork by Elizabeth Montgomery. Corcellis was married to Professor Guyatt, a designer and a member of the SAC from 1963 to 1974, but she used her maiden name professionally. On 15 December 1972 Montgomery had been invited to submit three designs for Christmas 1974. Aside from this official invitation from Postal Headquarters, Stuart Rose, Post Office Design Advisor, wrote saying that he expected her first ideas to be ready in about four months' time and that 'there was no great hurry as we don't have to let the printer have the finally approved proofs until February in 1974'. Rose added that 'the theme should be Christmassy (sic) and if possible based on the Christmas story rather than Father Christmas, although this isn't essential'. Montgomery was given 14 months, an unusually generous amount of time, to prepare her work. By comparison, for the 1973 Christmas stamps the designers had received their invitations around mid-January 1973, with their first ideas examined by the SAC one month later on 14 February.

The Committee unanimously recommended the designs by Peter Hatch be accepted and that all six roof bosses be developed further. The Chairman asked the designer to have available at the next meeting each roof boss shown in a stamp-sized form with and without the background details of the roof.

At the meeting on 16 January 1974, Hatch showed the Committee further work he had carried out on the six roof bosses. The Committee agreed with Hatch that the designs of four roof bosses be essayed: St Helens, Worcester Cathedral, the Church of Ottery St Mary, and York Minster. The Committee approved the horizontal format but suggested that the designs might be bled off and that the colour of the vaulting ribs should be toned down.

On 28 January Harrison and Sons, the stamp printer, was given the selected transparencies plus some spares for all four roof bosses together with masked colour prints, setting for captions and denominations, together with instructions to essay the set.

On 19 March the printers sent essays to PHQ. In addition six essays, referred to as Special Gold Christmas 1974 3½p, were also sent.

The Committee was shown the first essays on 21 March. Stuart Rose advised that the value on all the essays would eventually be positioned below the Queen's head and that the background of the 8p essay would be lightened in an effort to make it less confusing. The ceiling ribs currently showed through the Queen's head, but this would be corrected. Several members thought the blue background on the 3p essay was too vivid, to which R F York, Works Director, Harrisons, said he 'would pull second essays in two or three different strengths of blue so that the Committee could make a choice at the next meeting'. The Chairman said that the values on the second essays should be 3p, 3½p, 8p and 10p.

Essays were examined on 21 March by the Post Office Chemist for suitability with phosphor. The four designs, in horizontal format with gutters, values in black and sovereign's head in gold, were:

3p Roof boss St Helens Church

3½p Roof boss York Minster

3½p Roof boss York Minster (an alternative formulation for the gold ink)

5p Roof boss Ottery St Mary Church

8p Roof boss Worcester Cathedral.

All except the 3p were to be produced with phosphor printed overall. The 3p design was found to be suitable for printing with a centrally-placed vertical 4mm wide phosphor bar (for 2nd class letter rate). The exact placing of this bar was discussed. One view was that the optimum position was centrally on the virgin's head, but it was ultimately recommended that the bar be placed so that the left coincided with the prominent fold in

the red screen. This, it was suggested, would minimise possible difficulties arising from the small shifts of phosphor registration that occurred during a production run. The 3½p and 5p designs were found suitable for printing with two bars or overall, but the 8p design was poor from the phosphor printing point of view. It was thought that lightening of the blue garment would improve this.

A press notice was released on 3 April advising that the Christmas stamps for 1974 would be issued on 27 November. There were four values - the second-class and first-class basic inland letter rate and two basic airmail rates, one for 'zone B' and one for 'zone C' countries. The issue date would allow the stamps to be used on Christmas mail posted airmail to most countries in the world. To have put the stamps on sale in time for last posting dates for surface mail from Britain, some of which were as early as the beginning of October, would have meant having them on sale nearly three months before Christmas. The press notice quoted an unnamed Post Office spokesman as saying:

The reasons for the later date far outweigh any arguments for an earlier one. When we did issue them earlier, customers reproved us for prompting thoughts of Christmas at a time when people are still returning from their summer holidays. Others declare that the religious festival is being made too commercial.

Peter Hatch wrote to Stuart Rose on 3 April enclosing finished artwork for 4½p in the style of and same size as previous artwork for the values. On 24 June 1974 the first class basic inland rate went up from 3½p to 4½p and the basic second class inland rate went from 3p to 3½p. The concluding comment by Hatch that 'we forgot the possibility of a 4½p, [and] how fast money devalues', was a reflection of the inflationary 1970s.

On 4 April PHQ forwarded to Harrisons artwork for 4½p. Second essays were sent by Harrisons on 23 April. Also forwarded on that day were six essays, referred to as 4½p York.

At its meeting on 25 April, the Committee approved the essays, subject to the background of the 10p being toned down to make the value more prominent.

On 28 May Harrisons forwarded further essays with the inscription 'Christmas 1974' in either brown or black.

ROYAL APPROVAL SOUGHT

On 18 June D Wesil, Senior Director Services, wrote to the Secretary of State for Industry, Anthony Wedgwood Benn, asking that essays of the proposed Christmas stamps be submitted to the Queen for approval. On 3 July Sir Martin Charteris, Private Secretary to the Queen, wrote that she was 'glad to give her approval'.

On 26 July four essays as approved by the Queen were sent to Harrisons. Four similar essays were sent to the Supplies Division, Hemel Hempstead.

During August E G White, Director of Postal Marketing, asked that a press notice be released regarding the Christmas stamps as soon as possible and well before the usual six weeks ahead of the day of issue. A brief press notice was released on 10 September, stating that Christmas stamps in the four values 3½p, 4½p, 8p and 10p would be issued on 27 November, the designs based on church roof bosses at York Minster, the Church of St Helen in Norwich, the Church of Ottery St Mary in Devon, and Worcester Cathedral.

This departure from the usual six weeks' notice did not please: on 16 September R C Adams, South West Postal Region (SWPR), wrote to PHQ explaining that, having been informed by PHQ on 5 July of the subject matter for the 1974 Christmas stamps, he had lost no time in contacting the Vicar at Ottery St Mary and had succeeded in 'selling' a special handstamp for use on the day of issue. The handstamp was to commemorate a special philatelic exhibition that was being arranged in the church. The church had been advised there was potential revenue available if it produced first day covers. SWPR had been at pains to stress the confidentiality of the matter, saying that details would not be released until six weeks before the issue date and any leak to dealers was expected to jeopardise the scheme. The church agreed to the idea and paid for the handstamp and 8,000 covers. It intended to offer a full servicing facility with all proceeds going to the church funds. Adams was annoyed that the details of the subject matter had been released to the press. He thought SWPR had lost face with the church authorities who were being pestered by dealers anxious to have details of the roof boss and that the viability of the church's cover and handstamp had been jeopardised since first day covers produced by the dealers would detract from that produced by the church. The Vicar was said to be worried that he might lose money as a direct result of implementing the recommendations of SWPR. Adams concluded that he saw no reason why PHQ had departed from its usual practice of having a press showing six weeks before the date of issue and 'if this is to be a regular feature we would not propose to trouble with any further stimulation exercises to promote stamps with a local connection'. D N Burn, Postal Marketing, PHQ, wrote in reply early in October, saying notice should have been given of the special advanced press release:

We have no excuse for this failure as a similar arrangement was made for the Christmas stamp last year. An outline press notice was issued on 5 September 1973 giving the values, date of issue and Christmas carol theme. A full notice was issued a month before issue and a reminder on the day before issue. The reason for departing from the six week rule is to meet the long lead times of overseas philatelic journals, remind the public that the stamps will not be available for the first period of surface postings and also satisfy pressure from philatelic cover producers to provide earlier details so they can organise production of their FDCs.

Burn had looked at the sales records from the various churches involved in the English Churches issue in 1972. He discovered that the vicar of Ongar took 20,000 post office first day covers that he sold over the year, with the bulk of the sales in competition with commercial covers. Burns then suggested that even though the competitive position of commercial producers had been improved by an early announcement, the vicar of Ottery St Mary should be able to sell his 8,000 covers. He concluded by apologising for having put Adams in 'an embarrassing position and caused the vicar understandable though hopefully unjustified worry'.

In the first week of September PHQ wrote to the incumbent clergy of the relevant churches seeking permission to feature the roof bosses on the forthcoming Christmas stamps. In each case approval was granted. Feathers had been ruffled earlier, however, when Servian had taken photographs at St Helens Church Norwich before Hatch could write to the Reverend explaining the situation. Mr Prior, representing the Trustees of the church, had registered a formal complaint over the manner in which the original photograph was obtained for reproduction on the stamp. He claimed prior permission was not sought and that a letter of complaint to the photographers had been ignored and wished to pursue the question of the copyright of the said photograph. It was possible that the fault and any dispute might well have lain with the photographers, but until this point PHQ appeared ignorant of any 'bone of contention'. However, the Post Office always seeks willing co-operation in such matters and the question of payment does not arise. Prior was clearly annoyed enough to want to register this grievance but did not wish to push matters to the point where it became a question of payment or withdrawal of the stamp. By September the troubles were said to be past history and the stamp was greeted with delight by the Trustees.

By 9 October only a small number of 3½p and 4½p stamps had been printed. Only the first proof had been produced of the 8p stamp, while the 10p stamp had not even been proofed. It was calculated that the printers were three months behind schedule, with half of this delay said to be due to PHQ, although no specific reason was cited, and the other half was due to printing difficulties. On 7 November D N Burn sent a telex to the Regional Directors, Chairman of the Postal Boards, Head/District Postmasters and the Stamp Depot at both Edinburgh and Hemel Hempstead. It was explained that the main printing press (Gemini) at Harrisons had been completely out of service due to a major mechanical fault. Although the failure had been rectified the immediate effect was to split the distribution of 3½p and 4½p Christmas stamps into two quantities. For some areas the initial distribution was to be severely below the requisitioned quantities. In the London Postal Region (LPR), both inner and outer, the requisitions for all values had already been made up in full and were being despatched. For the other Regions, Scotland, Wales and the Marches and Northern Ireland, the initial despatch of the 3½p stamps was cut by about two thirds (except York HPO which

was met in full). The initial despatch of the 4½p stamp was cut by about one fifth. For the 8p and 10p stamps the despatch was of the full requisitioned quantities. A second despatch was to be made before the end of the first week of December and would fulfil all requisitions provided there were no more printing delays. All marketing managers, except LPR, were brought up to date on 20 November regarding the supply of Christmas stamps. Printing had been completed, and the stamps were being counted, made up and despatched. This was a major exercise because of the large quantities involved. The last of the offices received the balance of supplies during the week ending 7 December.

The phosphor bar on the 3½p stamp had eventually been placed centrally. However, on 4 October four sheets of these stamps were tested by the Post Office Chemist. The results showed that the average phosphorescence emission of the printed bar was below the minimum acceptance level. This could lead to the stamps being incorrectly sorted by automatic facing machines. Tests were then carried out on stamps with an offset phosphor bar, showing that the average emissions on these were above the minimum acceptance level. A limited number, possibly as many as 400,000, had already been printed with a phosphor band down the centre while the remainder of the run would have the phosphor band on the right hand side.

THE STAMPS ARE ISSUED

The stamps were issued on 27 November 1974 and showed scenes depicted by medieval craftsmen on church roof bosses. Bosses themselves are plentiful but the majority feature secular scenes including heraldic devices and decorative patterns of flowers with Nativity scenes being quite rare.

The 3½p stamp showed The Adoration of the Magi, taken from the roof boss (the centre of the vaulting ribs) in the nave of York Minster. The boss is dated about 1355. The colours used on the stamp were stone, light grey, blue, gold, brown and black.

The 4½p stamp showed the Nativity taken from a roof boss in the South Transept Chapel of the Church of St Helen at Norwich. The boss is dated about 1480. Colours used on the stamp were: blue, orange, red, gold, brown and black.

Two versions of the Virgin and Child were portrayed on the 8p and 10p stamps. On the 8p stamp the scene was taken from a boss in the Chapel of the church of Ottery St Mary, Devon. The boss is dated about 1350. The colours used in the stamp were blue, green, red, gold, brown and black.

The 10p stamp showed the Virgin and Child taken from a roof boss in the East End of the Lady Chapel in Worcester Cathedral. The boss is dated about 1224. The colours used in the stamp were orange, red, blue, gold, brown and black.

The stamps were printed in photogravure by Harrison and Sons Ltd, in horizontal format, in sheets of 100 on coated unwatermarked paper. Each stamp featured the Machin head of the Queen.

The quantities sold were:

3½p - 234,783,700

4½p - 12,902,200

8p - 11,648,400

10p - 12,046,000

Presentation pack - 129,020.

The stamps were withdrawn from sale from post office counters at the close of business on 24 December 1974. This was normal practice each year as it was believed the public would not wish to use the stamps after Christmas Day. The stamps were then available from the Philatelic Bureau and philatelic counters until 26 November 1975.

COSTING OF CHRISTMAS STAMPS

On 4 April 1975 J A Weston, Postal Finance, wrote informing Postal Marketing that the costing for the 1974 Christmas stamp issue was finished, although the figures were not fully complete as stamp and pack sales continue at philatelic counters until one year after the day of issue. In 1973 the figure for the development and printing of stamps had been £181,000 compared to £166,691 in 1974. This difference was due to the abortive production of 2½p stamps in 1973 that were never used owing to tariff increases. The estimated cost of these 2½p stamps had been £25,000 bringing the 1973 figure in line with 1974.

The 1973 Christmas stamps had incurred a financial loss, as the following figures show:

Total expenditure - £338,000

Estimated philatelic revenue - £280,000

Net loss - £58,000.

The situation was vastly different for 1974 when there was an excess of income over expenditure of £158,913. This can be explained by the differences in income for the two years:

the set value in 1974 was 26p compared with 18½p in 1973, which immediately produced more revenue.

Total postings on the first day of issue in 1974 were 567,568 compared with 523,120 in 1973.

271,753 first day envelopes were sold at post office counters in 1974 as against 265,402 in 1973.

Total expenditure - £375,988

Total income - £534,901

Excess of income over expenditure - £158,913.

FIRST DAY COVERS

On 1 April K Parkyn, PHQ, wrote to Peter Hatch confirming he had been asked to design a first day envelope, presentation pack and special handstamps for the 1974 Christmas stamps. The fees offered by the Post Office were:

Copy (text for filler card and pack) - £30. Work involved in the research to be charged extra and separately.

First day envelope and filler card - £35 for the rough designs, with an additional £40 on completion, making a total of £75.

Presentation pack - £50 for the rough designs, with an additional £65 on completion, making a total of £115.

Handstamps - £10 for rough designs, with a further £15 on completion, making a total of £25 for each handstamp.

Repro to be charged extra.

On 8 April K Parkyn returned to Peter Hatch the first day envelope and presentation pack, together with the copy for the pack that he had recently submitted. It had been agreed that the envelope should read 'Christmas 1974' instead of 'Christmas stamps'. The pack and the copy had been approved by Stuart Rose who felt credits to Peter Hatch for the stamps and Nicholas Servian for the photography should be included.

On 20 August Hatch was informed that the Welsh handstamp design was a little too big and should be contained within a diameter of 1 and 5/16 inches. It was also a little too intricate for operational purposes with some of the finer detail and very tiny circles to be removed. He was reminded that it was necessary for the date of issue '27 Nov' to appear. Hatch made the necessary amendments.

Both pictorial postmarks – 'Philatelic Bureau, Edinburgh' and 'Bethlehem Llandeilo Carms' – showed the centre roof boss at Winchester Cathedral.

The Post Office held a special exhibition of the stamps at the church of St Mary of Ottery from 19 November until the day of issue. A handstamp used on the first day of issue had been locally sponsored. It was drawn by local art teacher Miss Vera Herridge and featured a sketch of an otter, 'an appropriate symbol for the church which is set on a hill in the green valley of the River Otter, 12 miles east of Exeter'. The handstamp read 'The Collegiate Church Exhibition 27 Nov 1974 Ottery St Mary Devon'. A special box was provided in the church on 27 November, where covers bearing the stamps could be posted.

The Post Office envelope bore just the inscription 'Christmas 1974' in the bottom left hand corner. The simplicity of the design was heavily criticised by B W Bazeley, Head Postmaster, Shrewsbury. Bazeley wrote to Tom Pierce of Wales and the Marches Postal Board on 21 November asking 'How do PHQ expect us to sell the latest FDC for Christmas?' and considered it a disgrace that could well lead to the Post Office being accused of profiteering. He concluded 'It is about time somebody put their feet on the ground'. The letter was passed to D C Lunn, Postal Marketing, PHQ, to contact Pierce, who had not expected a reply and accepted that the criticism of the design was a matter of opinion and that the cover was designed to appear complete only when the stamps were affixed and cancelled.

AIR LETTER FORMS

Christmas air letters had been issued by the Post Office each year from 1965. In some years two different designs were made available, but more recently the trend had been to produce only one each year. There was now a philatelic demand for the air letters.

On 20 December 1973 Stuart Rose wrote to Elizabeth Montgomery saying 'I'm afraid I have some disappointing news for you, in that your designs for Christmas stamps have been put back in the refrigerator for consideration for 1975'. He cited one of the reasons as being 'a reluctance to have subjects based on Christmas carols two years running'. However, the Post Office was now in need of a design for the Christmas air letter for 1974 and Rose asked if she would be interested. A copy of the 1972 air letter was enclosed to show the areas available for decoration. Montgomery was told that any painting she submitted would be reproduced by the normal four-colour process, having printed a white background on to the blue paper, so she need not worry about reproduction. She was also asked to design a printed stamp for the form. Written confirmation of the invitation was sent by D H Beaumont on 14 January. Payment would be £150 for each completed design, that is £300 for the stamp and pictorial element combined. For each design (stamp or pictorial element) selected for use an additional £150 would be paid.

Rose wrote to Montgomery again on 6 March, this time thanking her for sending rough designs for two air letter forms. Unfortunately they had not been considered successful with Rose admitting that the tight limitation on colour was a constriction to the designs which would have benefited from the use of more colours but, 'Alas, we are under constant pressure to keep the cost down on this air letter just because we have to print so many of them.'

Early in February 1974 discussions took place over the number of forms to be printed. Initially it had been agreed that 2½ million were required but on 19 February S Hutton, Supplies Division, wrote to Postal Marketing saying this figure should be re-assessed. Of the 2½ million printed for the previous Christmas, 750,000 had not been sold and ended up being incinerated. Even this high figure was an improvement on the previous two years. It was apparent that during those three years postmasters had considerably over-ordered, no doubt anxious not to exhaust their stock before Christmas and risk criticism from members of the public. This was thought understandable. but in view of the continuing world shortage of paper over-provision was not thought to be appropriate. Hutton then suggested a figure of 1,900,000, and also that it should be made clear to the postmasters that they had grossly over-ordered in the past and to cut their demands by at least 25 per cent in line with sales figures. This was agreed by Postal Marketing.

On 18 March Peter Gauld was formally invited to submit designs for the stamp and the pictorial element of the Christmas 1974 air letter form. The payment was identical to that offered to Montgomery.

The artwork was seen and approved by the SAC on 21 March and was passed to the printers, McCorquodale, with the instruction that a proof was required by 26 March. The printing was to be by litho in four colours, with phosphor applied by letterpress. P I Haynes of McCorquodale sent the proof on the day agreed, and pointed out that the fold lines had been excluded. He felt this to be incorrect, but as he had not been at the meeting when instructions had been given, was not certain. He also asked whether the company's imprint could be added as usual. Peter Shrives, Post Office Design Co-ordinator discussed the proof with McCorquodale on 1 May when the following amendments were agreed:

- red and green to be improved by making lighter;
- the head on the stamp was to be reversed out (it was considered that this together with the first point should considerably lighten the stamp and bring out more detail);
- the fold line to be inserted;
- the McCorquodale imprint to be shown.

New proofs with the amendments were to be provided. The second proofs, which were in uncut form to save time, were forwarded by the printers on 13 May, and were examined by Shrives and Gauld. They both acknowledged that there were some improvements, especially

in the area of the stamp, but said they would like to see a different red used so that when printed it would be nearer the red in the artwork. A third proof was requested which was approved subject to the following amendments: warm up red a little further; white out Queen's head; legend 'By air-mail, Air letter' to be boxed in; McCorquodale imprint should be added. A further proof was not requested as the amendments could be carried out 'on the run' although six properly cut copies were required as soon as possible for submission to the Queen.

ROYAL APPROVAL GIVEN

Tony Benn wrote to Sir Martin Charteris on 30 July to submit to the Queen the air letter design. The designs on the pictorial panel and stamp, by Peter Gauld, showed sacred and secular themes: each represented a well known Christmas carol - on the front panel 'The twelve days of Christmas'; the stamp 'We three Kings of Orient are...'; the back panel 'While Shepherds watched their flocks by night'. On 1 August Benn was informed that the Queen was pleased to approve the design.

PHOSPHOR BARS TESTED

Specimens of the air letter were sent to the Post Office chemist on 6 July: it was found that there was a low level of phosphor printed on the stamp. Further specimens were requested. The additional samples, taken from the production run, revealed that 40 per cent of the printed code bars were below the minimum acceptable level. It was estimated that about half of the forms might be incorrectly sorted in automatic letter facing machines. J R Berry (PHQ) requested further information, asking whether the air letters should be distributed to non-ALF areas. He was told by N Potter on 22 August that the examination of the air letters and enquiries to McCorquodale had not revealed a reason for the low phosphor. The phosphor printing was not now thought to be sufficiently poor for him to say that sorting failures would be inevitable, only that there was some risk of this occurring. On the matter of distribution, Potter felt unable to advise on this as he was unaware of the quantities that were likely to pass through each mechanised office and he understood operational practices varied so that offices differed in their capability of coping with low-phosphor 'flimsies' and suggested PMBD (Postal Mechanised and Buildings Department) would be more authoritative on the matter. M S Agate (PMBD) subsequently advised that the forms need not receive special distribution as the possible operational problems were far outweighed by the criticism to be expected from depriving some areas of the items. He added that he did not consider any action to direct defective items to non-mechanical offices justified.

COSTING OF AIR LETTER

Having received costings of the Welsh (1973) and Scottish (1974) air letters, which showed that regional air letters made a loss, J R Berry wrote to Postal Finance on 7 April 1975 asking if a costing could be provided for the 1974 Christmas air letter.

Production Costs = £9,127.59
plus 8 per cent VAT = £730.21
Supplies Department Staff Costs = £503.49
Distribution costs = £582.33
Selling costs = £55.32
Commissioned designs = £300.00
Design and artwork = £660.00
Production = £2,879.63
Staff Costs (PHQ) = £395.15
40 per cent overheads = £158.06
Total = £15,391.78

Extra revenue
Sales at philatelic counters up to 2 May 1975 = £261.52
Sales at non-philatelic counters (1,787,025 at 1p per air letter) = £17,870.25
Total = £18,131.77

Excess of revenue over costs = £2,739.99.

Postal Finance explained that this represented sales up to 2 May 1975 and suggested the main reason for the profitability was that the Christmas issue had obviously been more popular than a regional one and so any increased costs had been more than offset by the extra revenue.

Andy Pendlebury
September 1995

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