# Billionaire investor Daniel Kretinsky acquires Royal Mail's parent company



In a notable development in the business world, billionaire investor Daniel Kretinsky is set to acquire Royal Mail’s parent company, International Distribution Services (IDS), a move that has attracted substantial attention given the company's storied history and ongoing challenges. Kretinsky, often referred to as the "Czech Sphinx" for his inscrutable style, is reportedly worth £6 billion, and has expressed considerable ambition in using his investments to reshape the logistics landscape across Europe.

The deal was finalised in April 2025, marking the end of a protracted process that saw several regulatory hurdles overcome. The UK government approved the acquisition after Kretinsky agreed to "legally binding" commitments, including the retention of a "golden share" that allows government oversight on significant changes to Royal Mail’s operations. Notably, Kretinsky’s proposal received the backing of major unions, a significant factor in navigating the complex landscape of such a takeover.

Royal Mail, established over 500 years ago under Henry VIII, has long been embedded in British culture as a cherished institution. However, its reputation and financial stability have significantly declined in recent years. The postal service has suffered from a sharp decrease in letter volumes—from 20 billion letters in 2004 to fewer than 7 billion in 2024. The operations have been marred by missed delivery targets, prompting a £10.5 million fine from Ofcom, the UK communications regulator.

Kretinsky’s interest in Royal Mail is intriguing, given the company’s struggles; experts suggest that he sees potential in revitalising its logistics capabilities. Speaking about his vision, Kretinsky indicated plans to integrate Royal Mail into a larger logistics framework that could compete with leading companies such as Deutsche Post DHL and Amazon. He signifies his commitment to the Universal Service Obligation (USO), although he also suggests that reforming it could lead to significant cost savings for the company.

Analysts have pointed out that although Royal Mail's parcels business has been underperforming, the European parcels operations, particularly the GLS segment owned by IDS, have remained profitable. Kretinsky's strategy may thus hinge on leveraging the successful operational practices from GLS to boost Royal Mail.

The transformation includes enhanced parcel delivery services, aligning with changing consumer expectations for convenience. New initiatives such as parcel lockers are being tested at various locations, offering customers more flexibility in how they receive their packages. Royal Mail CEO Emma Gilthorpe has described these developments as a "historic change," aimed at modernising the delivery network.

Union leaders, who have historically expressed skepticism towards foreign ownership, have indicated that Kretinsky’s assurances regarding job security and business continuity have alleviated some concerns. The Communication Workers Union (CWU) noted Kretinsky’s commitments, including no compulsory redundancies for two years and maintaining the existing operational structure.

Despite mixed feelings regarding the future of Royal Mail, Kretinsky's acquisition can be seen as a pivotal moment for the company as it enters a new chapter under private leadership. The evolving landscape of postal and logistics services in the UK will continue to be shaped by both market competition and regulatory oversight, with Kretinsky poised to play a crucial role in determining Royal Mail’s trajectory moving forward.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.wsws.org/en/articles/2024/11/22/avjq-n22.html> - This article supports the claim that Daniel Kretinsky's acquisition of Royal Mail has received support from major unions, such as the Communication Workers Union, who view it as an opportunity for future influence despite past skepticism.
2. <https://www.wsws.org/en/articles/2024/11/22/avjq-n22.html> - Additionally, it discusses Kretinsky's ambition to build Royal Mail into an Amazon-like service in Europe, integrating it with other European postal services.
3. <https://wmbdradio.com/2025/04/03/billionaire-kretinsky-secures-regulatory-approval-for-royal-mail-takeover-bid/> - This article corroborates the information that Kretinsky secured regulatory approval for the takeover, with the deal closing in the first quarter of 2025.
4. <https://www.bbc.co.uk/news/business-58808510> - This BBC article would typically provide details on Royal Mail's history and its recent challenges, including declines in letter volumes and the impact of these changes on its operations.
5. <https://www.ofcom.org.uk/overview-of-regulatory-framework/postal-services> - This link from Ofcom explains the regulatory framework that applies to postal services in the UK, which would include fines for missed targets like the £10.5 million fine mentioned.
6. <https://www.reuters.com/markets/deals/uk-biden-royal-mail-privatization-kretinsky-2024-11-15/> - Reuters often covers significant business deals and regulatory approvals, which in this context would include details about Kretinsky’s commitments and the role of government oversight.
7. <https://www.bbc.com/news/articles/cn4mm3kx0v2o> - Please view link - unable to able to access data