

Freedom of Information Act 2000 (FOIA)

Decision notice

Date: 17 November 2022

Public Authority: The Royal Mint

Address: Llantrisant
Pontyclun
CF72 8YT

Decision (including any steps ordered)

1. The complainant has requested The Royal Mint (RM) to disclose the total number of one ounce gold, silver and platinum "Britannia's" minted since 2013 to 2021 year by year. RM refused to disclose the requested information under section 43 of FOIA (commercial interests).
2. The Commissioner's decision is that RM is not entitled to refuse to disclose the information in accordance with section 43 of FOIA.
3. The Commissioner requires RM to take the following steps to ensure compliance with the legislation:
 - Disclose the withheld information to the complainant.
4. The public authority must take these steps within 35 calendar days of the date of this decision notice. Failure to comply may result in the Commissioner making written certification of this fact to the High Court pursuant to section 54 of the Act and may be dealt with as a contempt of court.

Request and response

5. On 29 April 2022, the complainant wrote to RM and requested it disclose information in the following terms:

“Please could you provide me with the total number of one ounce gold, silver & platinum Britannia's [sic] minted since 2013 to 2021 year by year.”
6. RM responded on 27 May 2022 and refused to disclose the requested information citing section 43 of FOIA.
7. The complainant requested an internal review on 27 May 2022.
8. RM carried out an internal review and notified the complainant of its findings on 27 June 2022.

Scope of the case

9. The complainant contacted the Commissioner on 27 July 2022 to complain about the way their request for information had been handled. They disagree that section 43 of FOIA applies and believes there would be no commercial harm in disclosing the requested information.
10. The Commissioner has obtained a copy of the withheld information and received detailed submissions from RM. He is not satisfied that section 43 of FOIA is engaged in this case. The following section of this notice will explain why. The summary above explains what steps are required as a result.

Reasons for decision

11. Section 43 of FOIA states that information is exempt from disclosure if its disclosure would or would be likely to prejudice the commercial interests of the public authority and/or a third party. It is a qualified exemption, so it is also subject to the public interest test.
12. RM has said that it operates in a highly competitive marketplace, both nationally and internationally, in respect of precious metal bars and coins. It draws a distinction between precious metal or Bullion coins and commemorative coins. RM considers Bullion coins are a form of investment, people buy them for the intrinsic value of the precious metal they contain so it considers production places a greater emphasis on efficiency. RM argued that the price point for Bullion coins tracks the

spot price for the underlying precious metal, so margins are inherently thin.

13. RM confirmed that commemorative coins on the other hand are collectible pieces. These are typically issued to celebrate a national event of significant importance. It said that these coins are to be viewed as works of art in their own right and are typically struck to a much higher standard than a Bullion coin. RM explained further that proof coins are the highest quality commemorative coins; their sharpness, detail and finish are unrivalled, making them perfect for collectors looking for the highest levels of craftsmanship and detail. As such commemorative coins attract a significant premium to the intrinsic metal value of the coin. It said that scarcity and popularity of a particular theme can drive increased values on the secondary market.
14. Generally, when RM sells or markets its commemorative coin ranges, the mintage figures are made available to the public. In turn, this means that its customers can know how limited or popular a product will be and the chances of them being able to purchase it.
15. It confirmed, by contrast, it does not publish the mintage of Bullion coins. It said that these coins do not have mintages, and certainly not in the sense that it does with commemorative coins. Instead the production and sales figures of these coins has the potential to impact sales and falsely inflate the prices in the Bullion market. For example, it said, if the production or sales figure is considered to be low then the product could be viewed as a rare collectible item, which is never intended, and in these cases retailers of its products may increase the prices. RM believes this would cause confusion as to the crucial distinction between core Bullion products and commemorative coins. It would also be likely to negatively impact the end customer as they could end up paying more for a Bullion coin than a sum which is representative of a market value based on its intrinsic metal content.
16. RM also commented that disclosure would be likely to call into question the integrity and strength of its relationships with its customers and retailers if it was complicit, even if unintentionally, in this potential price distortion.
17. It also felt that disclosure would be likely to damage the ability of RM to source blanks (the round metal disk, ready for stamping). It said that unlike some other mints, RM and the US Mint do not produce their own blanks for the production of Bullion coins. It argued that there is a limited number of coin blanks suppliers and it is accepted in the market place that there is an insufficient supply of coins blanks to meet the global market demand for the supply of Bullion coins. It is know to RM

that the US Mint is actively seeking to onboard new Bullion blank suppliers.

18. RM explained further that it has witnessed a major expansion in its Bullion business in the last three to four years. It believes US Mint will likely think that its current production volumes are much smaller than they actually are. It commented that if it were to disclose production and sales figures showing the true size of its business, US Mint may realise the capacity that its blank suppliers have and seek to utilise its blanks suppliers which would be to RM's detriment i.e. it may end up with a much smaller share of the total they are able to produce having regard to the US Mint's greater negotiating power noting the higher volumes of Bullion coins that they produce.
19. RM stated that it may lose many existing and new customers if it is unable to meet the demand of its Bullion coins and this would be a significant financial detriment.
20. The Commissioner agrees that there is a distinction between the Bullion coin and the commemorative coin, but he considers this distinction between the two is well known to RM's suppliers and the customers who purchase them. The Commissioner cannot see why the disclosure of the mintage of one type of coin would cause commercial prejudice whilst disclosure of another would not. RM says itself that disclosure of the mintage of commemorative coins allows suppliers and customers to gauge their rarity and consider a price for that coin based on that. It would be the same for the Bullion coin. It would allow those interested in Bullion coins to see how many there are and, if the price is inflated as a result, it is only based on fact; the number produced and the rarity of that item. If anything it would allow RM and its suppliers to ask a price that reflects both the rarity of the coin and its metal content. This would not prejudice the commercial interests of the suppliers or RM, in fact it would do the opposite.
21. What a customer is willing to pay, is essentially their choice. Often customers pay more for collectibles or items of worth than their market value, because they are happy to do so and because they want that item. Demand and rarity does drive up price, but if the true mintage figures are known, prices will be based on actual production in conjunction with the value of the metal. If a customer is not happy to pay more than the intrinsic value of the metal they could purchase Bullion coins from other mints. But the Commissioner considers this is unlikely to happen, or at least to the extent RM may fear. As RM has stated itself, Bullion coins are classed as an investment. When a customer invests in something, it will be in the hope that the value goes up. This is the same as collectible items. They are often seen as an investments too and buyers will hope that the value of an item will

increase. If customers know the true numbers in the market place they may be more content to pay the advertised prices because it will be based on its true rarity, the value of the metal and the popularity of a coin at any one time.

22. With regards to the potential impact on sourcing the blanks, if there is such a shortage and a limited number of blank suppliers, the Commissioner considers it is more than likely that US Mint will already be aware of the Royal Mint's suppliers and have sought to do its own business with those suppliers. Similarly where Royal Mint is concerned, it will probably already be aware which suppliers US Mint uses and will have sought to discuss potential supplies, especially if the blanks are getting harder to source. The Commissioner considers those manufacturing the blanks to sell to RM, the US Mint and others are operating in a free market place as well, looking to maintain existing relationships with current buyers, but also attract new customers.
23. The Commissioner fails to see how the knowledge of past production would result in Royal Mint getting a smaller share of what is available. US Mint is already able to leverage its greater purchasing power, with or without the information being withheld and the Commissioner is sceptical that US Mint underestimates production sufficiently to have a meaningful effect on price negotiations. It will be in every supplier's commercial interests to do all it can to meet the demands of both Mints. If US Mint is producing more than the Royal Mint, US Mint will already be getting a larger share of blanks; because it needs a larger share to meet its output.
24. The Commissioner has decided in this case that Royal Mint has failed to demonstrate sufficiently that disclosure of the withheld information would be likely to prejudice its own commercial interests or those of another party. For this reason, the Commissioner has concluded that section 43 of FOIA is not engaged.
25. As he has found that section 43 of FOIA is not engaged, there is no need for the Commissioner to go on to consider the public interest test.

Right of appeal

26. Either party has the right to appeal against this decision notice to the First-tier Tribunal (Information Rights). Information about the appeals process may be obtained from:

First-tier Tribunal (Information Rights)
GRC & GRP Tribunals,
PO Box 9300,
LEICESTER,
LE1 8DJ

Tel: 0203 936 8963

Fax: 0870 739 5836

Email: grc@justice.gov.uk

Website: www.justice.gov.uk/tribunals/general-regulatory-chamber

27. If you wish to appeal against a decision notice, you can obtain information on how to appeal along with the relevant forms from the Information Tribunal website.
28. Any Notice of Appeal should be served on the Tribunal within 28 (calendar) days of the date on which this decision notice is sent.

Signed

Samantha Coward
Senior Case Officer
Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF