
NATIONAL AUCTION SELLING COMMITTEE

SUMMARY OF OUTCOMES: MEETING NASC23-2009

FRIDAY 4TH SEPTEMBER 2009, 9.30 AM AEST

AUSTRALIAN WOOL EXCHANGE LTD

318 BURNS BAY RD, LANE COVE, NSW

TELE CONFERENCE

N23/09/1.0 PRESENT

Les Targ (Chairman)

Richard Butcher

Michael de Kleuver

Lyndon Hosking

Josh Lamb

Jim McDonald

Chris McDonnell

Marty Moses

(Alternate for Rowan Woods)

Perry Roberts

David Cother (Secretary)

N23/09/2.0 APOLOGIES

Rowan Woods

N23/09/3.0 3.1 MINUTES

Minutes NASC-22 accepted (no change).

3.2 ACTION ITEMS/ISSUES ARISING

3.2.1 Sale Start times

See Agenda 5.1

3.2.2 Auctioneer and Sheriffs Workshops

Secretary reported that one workshop in WA had been conducted. He believed that the format/presentation would need review before other centres.

N23/09/4.0 WESTERN REGION

4.1 SELLING ROOM 2 CATALOGUES CONSECUTIVELY

NASC considered a request for Western Region Room 2 catalogues to be offered consecutively. Background statistics documenting the Selling Arrangement quantities and rotations were provided. The local representatives briefed the Committee on the results of local surveys. Correspondence received was circulated prior to all representatives meeting.

Discussion points included:

- The potential impact of change,
- The availability of buyers,
- The current waiting periods for sellers,
- The format of Room 2 catalogue: option of one only (brand order) or keep existing two catalogues (Skirting and Oddments),
- Bidding continuity, and
- Forecast volumes for the season.

NATIONAL AUCTION SELLING COMMITTEE

It was Agreed:

Room 2 catalogues would be offered consecutively however Sellers must ensure that a short break (of no more than 5 minutes) exists between catalogues to ensure buyers are present.

4.2 SELLING STAR LOTS IN ROOM 1

NASC considered a request to offer Star lots of Fleece in Room 1. Statistics quantifying the number of lots that may be involved were tabled. Local representatives briefed the Committee on local perspective.

Discussion points included:

- The impact of star lots on room offerings and room balance (room 1 cf. room 2).
- The limited level of buyer support,
- The potential of more small lots being offered, thus diminishing average lot size, and
- That only specialty (stylish, superfine) fleece star lots should be eligible for Room 1.

It was Agreed:

Only specialty types were to be offered as star lots in Room 1.

4.3 SELLING SHORT COMBING WOOL IN ROOM 1

NASC considered a request to offer shorter combing fleece in Room 1 (even if described as Lambs).

Discussion points included:

- Sellers should offer wool in the room/catalogue that will realise best competition, and
- Description was not a barrier provided the wool was appropriate for the room/catalogue e.g. 70mm combing Weaner wool described as lambs may be best offered in Room 1.

It was Agreed:

Shorter combing fleece wool (≥ 50 mm) could be offered in Room 1 at Seller discretion.

ACTION Secretary to issue notice to Western Region auction participants.

N23/09/5.0 NATIONAL COUNCIL OF WOOL SELLING BROKERS (NCWSBA)

5.1 START TIMES

NASC considered a response from NCWSBA in relation to standard (local) start times for sale rooms.

Sale Room start times were debated by the representatives. A range of views were represented.

NATIONAL AUCTION SELLING COMMITTEE

It was Agreed:

That NASC Buyers and Sellers be surveyed on the proposal to commence selling in Melbourne and Sydney at 12 Noon (Tuesdays), 11 AM (Wednesdays) and 11 AM (Thursdays). The results of the survey will be considered at the next meeting.

ACTION Secretary to issue survey on start times to NASC Buyers and Sellers.

5.2 COMPETITION IMPLICATIONS OF BIDDING FOR MULTIPLE COMPANIES

AWEX has sought legal opinion on whether the practice of (buyers) bidding for multiple companies breaches (any) trade practice or competition legislation. This opinion is yet to be finalised.

ACTION For review at next meeting.

N23/09/6.0 WOOL SELLING PROGRAMS

6.1 2009/10

NASC considered a request to remove F52/09 from the 2009-10 Wool Selling Program.

6.2 2010/11

NASC considered a request to remove F49/10 (Public Holiday week) and F51/10 and to add F50/10 to the 2010-11 Wool Selling Program.

It was Agreed:

That the 2009-10 and 2010-11 Wool Selling Programs be amended with this changes.

ACTION Wool Selling Programs to be re-issued with amendments.

N23/09/7.0 SALE ROSTERS/SELLING ARRANGEMENTS

NASC considered a paper in relation to reviewing the current Technical Parameters in relation to minimum and maximum lots per sale day. This paper was submitted to seek clarity on how small a sale day should be and the priorities that should be attributed when rostering sales.

The specific case discussed was whether it was better to have 2 (smaller) days trading as opposed to 1 larger day (though still under the maximum quantity). There was considerable discussion on this matter particularly on how to determine when a sale (day) is too small. A preliminary view was formed that 400 lots/room/day would be the minimum size for price discovery and or affirmative market interaction to occur.

It was Agreed:

That NASC Buyers and Sellers be surveyed on their commercial preference on Sale day lot limits.

ACTION NASC Buyers and Sellers to be surveyed on sale day limits. Results to be considered at next meeting.

NATIONAL AUCTION SELLING COMMITTEE

N23/09/8.0 TRANSFER AGREEMENTS

AWEX tabled a copy of a new Form for the lodgment of Transfer/Bidding Agreements. This Form was to replace the existing Statutory Declaration forms. It was proposed that a copy would be sent to all Exporter principals to register all current Agreements. This would standardise the format and currency of all Agreements and invalidate previous GTC declarations that are no longer active. NASC endorsed the new Form.

ACTION AWEX to issue forms to Exporter Principals.

N23/09/9.0 OTHER BUSINESS

6.1 NEWCASTLE FACILITIES N10/09

Northern Region Buyer representatives raised their concern about the standard of facilities at Newcastle resulting from the change in location and lease arrangements.

It was Agreed:

That NASC write to Australian Wool Handlers and Newcastle Wool Selling Brokers with specific issues of concern after NASC members provide a summary of their complaints.

ACTION Letter to be drafted and issued.

6.2 SOUTHERN REGION BUYER REPRESENTATIVE

Mr McDonald confirmed that he was standing down from the Committee. The Chairman thanked him for his significant contribution to the work of the Committee.

ACTION Nomination and Election process for Southern Buyer Representative to commence.

N23/09/7.0 NEXT MEETINGS

NASC-24	Friday 13 November	(Week 20)	12.00 NOON AEDST
NASC-25	Friday 5 March 2010	(Week 36)	9.00 AM AEDST

N23/09/8.0 MEETING CLOSE: 10.50am AEST