
NATIONAL AUCTION SELLING COMMITTEE

SUMMARY OF OUTCOMES: MEETING NASC36-2012

FRIDAY 23RD NOVEMBER 2012, 11.00 AM AEDT

AUSTRALIAN WOOL EXCHANGE LTD

2 EDEN PARK DRIVE, MACQUARIE PARK, NSW

BY TELECONFERENCE

N36/12/1.0 PRESENT

Les Targ (Chairman)
Wayne Beecher
John Bradbury
Dean Collison
Michael de Kleuver
Simon Hogan
Lyndon Hosking
Josh Lamb
Len Tenace
David Cother (Secretary)

N36/12/2.0 WELCOME/APOLOGIES

The Chairman welcomed Mr. Tenace who had re-nominated unopposed for a second term as the South Buyer representative.

N36/12/3.0 MINUTES PREVIOUS MEETING

Correction to Item 9.4. South *Seller* should read South *Buyer*.

N36/12/4.0 ACTION ITEMS/ISSUES ARISING (NASC34 and Prior)

Item ID	Description/Action	Status
	Issue of Auction Handbook (Technical Parameters, Showfloor Lotting Standards, Sale Room Code of Conduct)	In Progress
N34/5.0	Update to 2013-14 WSP Mid Year Recess	Completed
N34/6.0	Auction Rules/Compliance	To be considered NASC37
N34/7.0	Notice re 30 minute transfers +Code of Conduct	Completed
N34/8.0	Advise roster controller of non mainland roster	Completed
N34/9.1	NASC Review (Chairman)	In Progress
N34/9.2	Definition of Delivery Area	To be considered NASC37
N34/9.3	List of buyer emails sent to Sellers to advise PSC updates	Completed
N34/9.4	Election of Buyer South Representative	Completed
N34/9.5	Service Provider issues (Newcastle N09)	Completed

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N36/12/5.0 SOUTHERN REGION: NON WEEKLY SELLERS (NWS)

NASC discussed the roster impact of non weekly sellers in Southern Region. There has been a consistent pattern of NWS's offering in the same week(s) since July. The impact of NWS's has varied between 800 and 1300 lots when offering in the same week.

NASC buyer representatives have suggested that it would be beneficial to the NWS's and to buyers if NWS's could coordinate to have offerings every week by having some NWS's offer in the first week and rest in the second etc. Ideally this would be structured to ensure similar offerings are available each week (e.g. Arcadian Wool and Roberts Ltd in alternating weeks rather than together). Offset NWS's would also reduce the need to invoke Maximum Lot Allocation restrictions if a Sale is oversubscribed.

It was noted that it was not possible to regulate this matter and that a NWS schedule would neither be a *must* offer or a *cannot* offer schedule. NWS's using a coordinated approach could enter the market on a weekly basis for periods if they chose. Weekly selling for NWS's would be encouraged around known peak or stress points in the roster such as pre and post major recess periods.

Topics discussed during this item included:

- At what time do NWS's decide on their selling program
- What are the factors NWS's use to decide their schedule
- How and when would a schedule be established
- The level of support from NWS's to volunteer.

It was AGREED:

- ❖ Coordination of NWS's to balance out the weekly offerings would be desirable
- ❖ NASC will issue a blank template with preferred objectives.
- ❖ Where possible larger NWS's should discuss/communicate between themselves a schedule prior to the season commencing. If unable to resolve NASC is able to assist.
- ❖ The schedule need not be a public document – but would be known between NWS's.

ACTION **Secretary to action.**

N36/12/6.0 NORTHERN REGION: SELLER ROSTER

NASC considered a proposal from Yennora Wool Brokers on a roster methodology to reduce splitting of seller blocs in Northern Region. The proposal was to roster sellers blocs as fixed pairs. The 4 Seller blocs are;

Bloc Code	Brokers
AWN	Australian Wool Network
AWH	AWH, Elders, Elder Premiere, Landmark, TWG
SBB	Schute Bell, WGM Wool, Bryton Wool, Fletcher Wool, Coggan Wool, Weddin Wool, Western Wool, Woolgrowers Exchange
YWB	Gordon Litchfield, Don MacDonald & Co, Jemalong Wool, Moses and Son, Beecher Wool Services, Ostini Wool

The Northern Region sellers supported this proposal. The buyer representatives supported the proposal provided evenness between days for each room was able to be maintained. This was deemed important to market continuity.

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It was AGREED:

- ❖ Northern Region Sellers will be rostered as days with fixed Seller bloc pairs (**AWH bloc rostered with the SBB bloc and AWN with the YWB bloc.**)
- ❖ Rotations of days (1st-2nd day, 2nd-1st day), blocs within days and sellers within blocs will be retained.
- ❖ Sale management will still be required. Blocs are able to be split where necessary, namely;
 - to meet either maximum or minimum day or room limits, and/or
 - to ensure rooms are relatively balanced between days (e.g. Room 1-Day 1 compared to Room 1-Day 2); and/or
 - on three day Sales.Where splitting of blocs is required this shall be shared evenly as possible across all blocs (with multiple brokers).
- ❖ The new roster method is to be implemented after the Christmas Recess.
- ❖ NASC will seek feedback on and review this methodology at NASC37 (Early March 2013).

ACTION Roster Controller to implement roster from/including Sale S28/12.

N36/12/7.0 WESTERN REGION: SHIPPING/DELIVERY CONGESTION

NASC was given a comprehensive briefing by Western Region representatives on the situation regarding local delivery and dumping congestion. The Buyer representative highlighted the escalating concern amongst exporters. A summary of the local meeting held by the management of the dump was also provided.

It was AGREED:

- ❖ This issue was a commercial matter for the dump and its clients to manage.
- ❖ NASC would [only] become involved if there became an adverse or deteriorating situation requiring a decision on the auction.

ACTION NASC to monitor.

N36/12/8.0 POST SALE CHARGE: MONITORING AND EXTENSION

A paper was considered by NASC where exporters had raised concerns relating to the transmission integrity of the Post Sale Charge. NASC was asked to monitor the transmitted values for compliance to the EDI standards and to work with brokers where values or standards are not being applied correctly.

It was AGREED:

- ❖ NASC would monitor the PSC values transmitted as part of the Auction catalogues to ensure compliance with the EDI standards.
- ❖ Anomalies would be clarified with the individual broker.

ACTION Secretary to implement.

N36/12/9.0 TEST RESULT QUERY PROTOCOL

NASC considered a paper on the lack of response to AWEX by some brokers to queries on test results. Often these queries are raised by buyers. In many cases it not possible to know if any check test has been requested by the broker. NASC was asked to consider to whether it would be prepared to authorize AWEX to request a check test directly from AWTA. AWTA will accept a check test request from AWEX provided (a protocol) was endorsed by NASC.

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Discussion on this topic included:

- The need for queries to be followed through
- Timing is important. Late changes to results would impact on growers.

It was AGREED:

- ❖ NASC authorizes AWEX to request check tests from AWTA directly.
- ❖ AWEX to draft a protocol including timing and procedure to be reviewed by NASC prior to implementation. Consultation with and involvement of the seller is to be included in the protocol.

N36/12/10.0 OTHER BUSINESS

10.1 OFFERING QUANTITIES AND MARKET IMPACT

Mr. Tenace asked whether it was possible to obtain analysis on the impact on the market when larger offerings had been rostered. He would like to discuss this further at NASC37.

ACTION **Secretary to seek statistics from AWEX Market Information.**

10.2 NON DECLARATION OF CLIPS RUN WITH

Mr. Lamb tabled the escalating concern and frustration amongst Southern Region exporters about the number of Merino clips offered in Melbourne that displayed evidence of running with Shedding Breeds and yet had not been declared by the woolgrower, and the broker(s) had neither taken action to lot the wool in the correct section nor provided clarification when sought. He found it difficult to believe that, given the industry campaigns in recent years, the implications of Run With were not understood by the broker(s) or the grower(s) involved.

He asked what options were available to pursue this matter.

ACTION **NASC concerns to be relayed to AWEX, individual brokers and industry organisations.**

10.3 LETTER FROM NCWSBA

A letter from NCWSBA was tabled seeking clarification on NASC considerations regarding the mid year Recess timing.

ACTION **Secretary to write to NCWSBA with NASC response.**

10.4 SUPERFINE - NEWCASTLE

The Chairman briefed the Committee on a telephone call he received from a Superfine Wool Grower re Newcastle. As the discussion was related to the Wool Selling Program he proposed the items raised be considered at the next meeting where the WSP was considered. He asked the Secretary and the Northern Region Buyer to provide statistics and to follow up a number of comments made.

ACTION **Secretary and Northern Region Buyer.**

10.5 EXPIRING TERM

The Chairman noted that the term of the representative for Large Sellers, Mr. Hogan was coming to an end. He thanked Mr. Hogan for his work and contribution to the Committee over the three years and wished him well for the future.

ACTION **Secretary to initiate nomination process for Large Seller position.**

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N36/12/11.0 NEXT MEETING SCHEDULE

Meeting Code	Week	Date	Time	Type
NASC-37	36	Friday 08 March 2013	9.00am	FACE TO FACE
NASC-38	47	Friday 24 May 2013	1.00pm	TELECONFERENCE
NASC-39	10	Friday 06 September 2013	1.00pm	TELECONFERENCE
NASC-40	21	Friday 22 November 2013	1.00pm	TELECONFERENCE
NASC-41	36	Friday 7 March 2014	9.00am	FACE TO FACE
NASC-42	47	Friday 23 May 2014	1.00pm	TELECONFERENCE

Meeting Closed: 12.45pm AEDT

NASC representatives

Name	Position	Contact No	E-mail
Wayne Beecher	North Seller	02 6341 1900	beecherwool@bigpond.com
John Bradbury	West Buyer	0418 926 899	john@fremantlewool.com.au
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Michael de Kleuver	South Seller	03 9240 4700	mdeklever@rodwells.com.au
Simon Hogan	Large Seller	0417 856 420	simon.hogan@elders.com.au
Lyndon Hosking	West Seller	08 9434 1699	lhosking@dysonjones.com.au
Josh Lamb	4 th Buyer	0419 841 609	joshlamb@techwool.com.au
Len Tenace	South Buyer	0400 966 177	lent@segardmasurel.com.au
Les Targ	Chairman		