
NATIONAL AUCTION SELLING COMMITTEE

SUMMARY OF OUTCOMES: MEETING NASC68-2020 FRIDAY 27 NOVEMBER 2020, 1:00PM AEDT

TELECONFERENCE

N68/20/1.0 PRESENT

Les Targ	Chairman
Peter Brice	North Buyer
Darren Calder	West Buyer
Paul Harmer	South Buyer
Jenny Jenkin	South Seller
Stephen Keys	Large Seller
Andrew Mills	North Seller
Scott Shenton	West Seller
Brian Vagg	Fourth Buyer
David Cother	Secretary
Andrew Rickwood	Secretary (Alternate)

N68/20/2.0 APOLOGIES

Nil

N68/20/3.0 WELCOME

The Chairman welcomed Paul Harmer as the newly elected Southern Region Seller Representative and thanked him for volunteering his time to the committee.

N68/20/4.0 MINUTES PREVIOUS MEETINGS

NASC67 Accepted with no amendments

N68/20/5.0 ACTION ITEMS (Last meeting and yet to complete)

Item ID	Description/Action/Comment	Status
N67/6.0	Northern and Western reps to contact local service providers to have Perspex screens removed from rostrums	Completed
N67/7.0	Secretary to amend current MLA definition to reflect agreed change of average lots per day	Completed
N67/8.0	Tuesday/Wednesday/(Thursday) Selling Arrangements to be implemented once (relevant) COVID-rules are removed.	Agreed to implementation post COVID
N67/10.0	Add Alteration Listings email distribution to NASC-68.	Deferred to NASC-69
N65/12.0	Add 300 Lot Room Differential – Early Room Start Northern Region to NASC69 agenda	Pending
N65/13.0	Secretary to draft and send notice to all brokers about correct showfloor signage	Yet to be done
N64/8.0	Secretary to issue notice advising changes to Room Break Protocols	Yet to be done
N64/11.0	Southern Region Representative to seek/provide more documentation on Melbourne Room 2 lotting convention	Open item

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N63/10.3	Northern Region representatives to work towards setting up an Auctioneers' school	In progress
N62/8.0	Melbourne Sale Room Imbalance – Southern Region based Representatives to consult locally	Deferred
N62/13.5	Standardised Showfloor Security Signs	Transferred to AWEX for implementation
N50/12.0	Reconditioned wool guidelines Look at developing joint doc. with AWTA	In progress
N50/14.0	Room Sheriff – role and responsibilities	In progress
N42/10.5	New entrant protocol	Yet to commence

N68/20/6.0

COVID-19 BUSINESS RULE REVIEW

Since April 2020 there have been numerous NASC Business Rules and Measures (See Appendix A) implemented as part of the COVID-19 response.

These are required to be reviewed periodically and assessed as to whether each is to be retained, relaxed, hardened or removed subject to individual circumstances in each region. NASC cannot remove measures that are related to Public Health Orders in each State.

The Chairman opened the Item with the following remarks:

1. At time of meeting no community transmissions had been recorded in Victoria for 28 days and that New South Wales was a few days away from the same milestone,
2. On this basis it was his view that the (health) risk associated with wool auction activity was significantly lower than the last time the committee had met.
3. The Chairman reminded the committee that NASC is a marketplace administrator, not a market regulator/price manager. In relation to COVID, the assessment on Rules or Measures was to be made on health grounds.
4. Regardless of any changes the situation in each region will need to remain under review.

A lengthy discussion ensued where all current COVID-19 business rules were discussed (See Appendix A). Following these discussions:

It was AGREED:

Lot and Day limits – Selling Arrangements

- The daily room limits of 1000/1050 for Rooms 1 and 2 respectively will revert to normal limits for all regions from and including Week 24
- Two-day Sale limits will remain in place for Weeks 24 and 25. If required the New Zealand Merino Co catalogue (est. 160 lots) may be rostered on M24 Thursday as a sole offering.
- Three-day Sales can be rostered from January (Week 29).
- If there are concerning changes in COVID community transmission rates or in government advice, these rules will be reviewed and if necessary reset.

Sale Room/Access/Galleries

- All Galleries will remain closed for now. The decision on each Gallery is regional and is made based on the circumstances within each region.
- To meet the density, social distance limits and the COVID Safe Plan, Room 2 Melbourne will remain in the lunchroom. The South Gallery will likely remain closed until the Room 2 buyers return the Room 2 sale room.

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- Representatives will survey constituents in their respective regions in early January to assess demand for local Gallery access.
- Once opened, Gallery attendees will be required to register for contact tracing and density limit management purposes.

Social Distancing/Hygiene

- All centres are to continue to comply with State Government social distancing and density requirements.
- Sale attendance records will continue to be kept for State Health Department tracing purposes.
- Participants are to continue to adhere to personal hygiene recommendations (e.g. stay at home if unwell, get tested if displaying cold/flu/COVID like symptoms etc.)
- Rostrums should continue to be cleaned by the exiting auctioneer.
- Face masks are to be worn in the Melbourne Sale Rooms (as required by the Victorian Government.)
- Staggered room breaks should be continued.

ACTION(S) Secretary to issue a notice to market advising the trade of the above decisions.

N68/20/7.0 SALE ADMINISTRATION

7.1 CATALOGUE DEADLINES

The committee has received complaints lodged by buyers regarding brokers transmitting after the industry agreed deadlines.

There is allowance given where there are genuine technical issues beyond the control of the broker/transmitter (e.g. systems down, power or comms outages, corrupted data etc.), however these are rare.

The Secretary has received numerous calls and emails from buyers expressing frustration over late transmissions. Their perception is that, in some cases, adding lots/waiting on results is a higher priority than meeting industry agreed deadlines.

The committee was asked to consider what course of action should be taken to address this situation. The committee discussed this topic at length. It was agreed that catalogue deadlines are an important part of orderly marketing of wool and must be respected. Some suggestions were tabled regarding possible consequences for late transmitters.

It was AGREED:

Secretary is to issue a notice reminding the trade of the current catalogue deadlines and the negative impact/consequences of late transmissions are currently having. The issue of late catalogue transmissions will be added to NASC-69 agenda for further discussion.

ACTION(S) Secretary to issue a notice to brokers reminding them of the importance of adhering to catalogue deadlines. Add Catalogue Deadlines to NASC-69 agenda for further discussion.

7.2 SELLING ARRANGEMENTS

The Secretary advised the committee that multiple complaints have been received from the buying sector regarding significant variations between the transmitted quantities (lots) of each broker, compared to their advised intended offering, advised 24 to 36 hours beforehand.

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The committee was supplied with an Advised/Actual variance profile by region and a list of individual cases exceeding the advised values.

The committee agreed that accurate Selling Arrangement figures are important as they are used for commercial (e.g. finance planning/forecasting) and administrative/operational purposes (Sale room broker sequencing, showfloor activities, EDI Network Roster validation, Buyer Print catalogue sequencing, Sale Room data entry sequencing).

Variances to the advised quantities typically have flow on effects to these business activities.

ACTION(S) **Topic to be added to NASC-69**

N68/20/8.0 **BUYERS BIDDING IN MULTIPLE NAMES - ALLOWABLE PROCEDURE IN SALE ROOM**

The committee considered a request to clarify the business rule where a buyer (bidding for more than one company) requests to reallocate a purchase between companies (for which the bidder acts).

The committee discussed the practice of transfer of ownership in the room at length, talking over the current written procedures and determining if they need modification.

After the discussion, the committee felt that the procedures need to be reworded to properly outline the procedure for change of ownership in the sale room.

It was AGREED:

This case was to be treated as a Buyer Reoffer under the Ten (10) Lot Rule. The initial change in ownership occurs at the same price, however the lot then becomes open to other bidders who must bid over the price.

Request to Change Last Bidder/Buyer (in room)

Case: A bidder acting for more than one company (Companies A, B, ..) wishes to reallocate a purchase/passed-in option on a lot in the name of Company A to Company B (with no change in price).

1. The bidder (representing Company A and B) must advise the auctioneer within 10 lots of transaction that he/she wishes to reallocate the purchase/passed in option from Company A to Company B.
2. The auctioneer must announce the change of Company Name on the lot to the room.
3. The lot is then open to bids from other Companies. Company A is not permitted to enter the bidding.
 - (a) If there are no bids from other Companies, the lot is confirmed as purchased/passed-in to Company B by the auctioneer.
 - (b) If other companies (Companies C, D, E...) are interested in the lot, they are to bid **above** the last bid price now held by Company B.
 - (c) If competing bids are received, the bidder for Company B may continue to bid but not in the name of Company A.

ACTION(S) **Secretary to the modify Auction Handbook to reflect the above change.**

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N68/20/9.0 SHOWFLOOR SIGNAGE

The committee received a submission from the Northern Buyer Representative advising that concerns remain about whether showfloor (sections) are adequately signed.

The committee discussed this matter briefly, with all in agreement that clear and adequate signage is compulsory when setting up showfloors.

It was AGREED:

That a letter should be drafted by the Secretary and sent to AWH (as Northern Showfloor Provider) about the importance of correctly sign posting catalogue sections on the showfloor and to avoid confusion between the current and previous/next sale showfloor.

ACTION(S) Secretary to draft and send letter to AWH regarding the compulsory nature of Adequate Showfloor Signage.

68/20/10.0 OTHER BUSINESS

10.1 TUESDAY/WEDNESDAY SELLING – NORTH CATALOGUE DEADLINE

Arising from the decision (NASC67) to implement Tuesday/Wednesday Selling the Northern Region Buyer Representative advised that the catalogues deadlines of 8AM Friday for Tuesday sellers did not have the support of his constituents.

It was AGREED:

The topic was still under consideration and the Representatives associated with Northern Region would convene to discuss further.

10.2 TASMANIAN WOOL FEATURE SALE M33

A submission was received requesting clarification as to whether Melbourne Sale M33 (which is gazetted as a Tasmanian Wool Feature Sale) would be subjected to lot restrictions. After a brief discussion:

It was AGREED:

That provided there was no reset of day limits due to COVID, a three-day Sale was an available option should volumes require.

10.3 FEBRUARY NASC MEETING

The February meeting is traditionally held as a face-to-face meeting.

It was AGREED:

That given the current conditions in relation to COVID, it would be appropriate to conduct the February meeting via video conference.

ACTION(S) Change February Face to Face meeting to an online video conference (Zoom).

10.4 WA SELLER REPRESENTATIVE – TERM EXPIRY

The 3-year term of the Western Seller Representative (Scott Shenton) will expire in December. A call for nominations notice will be issued in Week 23 and if necessary, an election held.

ACTION(S) Secretary to commence nomination/election procedure.

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10.5 AWH MELBOURNE – TRADITIONAL BALES (REHANDLE)

The committee received a request from AWH seeking clarification from the committee as to whether traditional bales (dags etc.) were able to be shown via a grab sample.

There are cost savings in transportation (from Lara) and showfloor handling.

Traditional bales are not shown in Sydney due to costs associated with transportation/display from regional centres relative to the value of the wool.

The committee considered this request, agreeing that the cost benefits of such a move would benefit the industry.

It was AGREED:

That traditionally shown bales in the South could be shown using a grab sample, provided the sample was of a sufficient size to properly represent the bulk of the wool.

ACTION(S) Secretary to write to AWH informing them of the committee's decision regarding this submission.

10.6 COMBING MERINO LAMBS – WHITE CATALOGUE

The committee received a submission seeking review of the criteria regarding offering combing lambs in the white catalogue.

It was AGREED:

Due to time constraints, the timing of the submission, and the need for wider consultation/consideration this Item is to be added to the NASC-69 agenda.

ACTION(S) Add Offering of Combing Merino Lambs in Room 1 to NASC-69 agenda.

N68/20/11.0 NEXT MEETING SCHEDULE

Meeting Code	Week	Date	Time	Type
NASC-69	34	Friday 19 February 2021		VIDEO CONF
NASC-70	47	Friday 21 May 2021	10:00AM AEST	VIDEO CONF
NASC-71	71	Friday 3 September 2021	10:00AM AEST	VIDEO CONF

Meeting Closed: **3:14 PM AEDT**

For more information: NASC representatives

Name	Position	Contact No	E-mail
Peter Brice	North Buyer	0457 553 849	pbrice@australianmerino.net.au
Darren Calder	West Buyer	0402 043 341	dcalder@pjmorris.com.au
Paul Harmer	South Buyer	0412 547 553	pharmer@yarrowool.com.au
Jenny Jenkin	South Seller	0488 189 935	jjenkin@qualitywool.com
Stephen Keys	Large Seller	0428 214 773	stephen.keys@nutrien.com.au
Andrew Mills	North Seller	0437 841 004	andrew@macwool.com.au
Scott Shenton	West Seller	08 9336 3000	scott@woolite.com.au
Brian Vagg	4 th Buyer	0417 826 276	brianv@segardmasurel.com.au
Les Targ	Chairman	0414 365 933	

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Ten (10) Lot Rule

The Ten (10) Lot Rule is a facility that allows buying and selling companies to amend a transaction on lots in the sale room.

The request from the buying or selling company to amend a transaction on a lot in-room must occur within 10 lots of transaction, or in the case of the last 9 lots of the room catalogue, within 30 seconds of the last lot offered.

A request of this nature is known as a Buyer or Seller Reoffer.

Buyer Reoffer

An auction lot is deemed to be a Buyer Reoffer if the auctioneer facilitates a transaction change in-room at the request of the last bidder resulting in a change in the Last Bidder and/or Last Bid (price) result.

A. Request to change the Last Bid (Price)

Case: Company 'A' is the Last Bidder on the lot and has 'overbid'.

1. The bidder representing Company A must advise the auctioneer that he/she wishes to reoffer the lot and states Company A's revised 'best' price.
 - (a) The lot is then open to bids from other Companies. Company A is not permitted to enter the bidding.
 - (b) If no other Company matches the revised price, the lot shall be sold or passed-in* to Company A at the revised price.
 - (c) If only one other Company (Company B) bids and matches the revised price, the lot shall be sold or passed-in* to Company B at the revised price.
 - (d) If more Companies (C, D, E...) offer further competing bids, these bids must be higher than the revised price (accepted by Company B). The lot shall be sold or passed-in* to the highest bidder.
 - (e) If the bidder for Company A acts on behalf of other Companies (X, Y, Z), this bidder may bid for Companies (X, Y, Z) on the lot, but not for Company A.
2. If Company A does not offer a revised 'best' price, the lot shall be reoffered (from scratch) to all other companies. Company A is not permitted to enter the bidding.

*subject to the seller's reserve price

B. Request to change the Last Bidder

Case: A bidder acting for more than one company (Companies A, B..) wishes to reallocate a purchase/passed-in option on a lot made in the name of Company A to Company B (with no change in price).

1. The bidder (representing Company A and B) must advise the auctioneer that he/she wishes to reallocate the purchase/passed-in lot from Company A to Company B.
2. The auctioneer must announce the change of Company Name on the lot to the room.
3. The lot is then open to bids from other Companies. Company A is not permitted to enter the bidding.
 - (a) If there are no bids from other Companies, the lot is to be confirmed as purchased/passed-in to Company B by the auctioneer.
 - (b) If other Companies (C, D, E...) are interested in the lot, they are to bid higher than the last bid price now held by Company B. (*similar to the change of price request*). The lot shall be sold or passed-in* to the highest bidder.
 - (c) If competing bids are received, the bidder for Company B may continue to bid but not in the name of Company A.

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Notes

- Buyers wishing/preferring to transfer ownership of purchased lots outside the sale room are to complete/lodge a Transfer Form with the Sale Room Service Provider. A Buyer of a Reoffered lot is not permitted to transfer the lot back to the reoffering Buyer. A Transfer Agreement must be in place for Transfers to be processed (See Section x.x. Transfers).

C. Number of Times permitted

The last bidder (person) is permitted to make a reoffer request on a lot ONCE ONLY (for change in Last Bid and/or Last Bidder purposes), regardless of whether bidding in one or more Company names.

Seller Reoffer

An auction lot is deemed to be a Seller Reoffer if the Seller (the auctioneer acting on behalf of the vendor), requests a transaction change in-room (within 10 lots of the initial transaction) resulting in a change of Sale Outcome result of the lot.

The Seller may request a Sold lot to be Passed-In, or ask for a Passed-In lot to be Sold (which can be accepted or declined by the highest bidder).