
NATIONAL AUCTION SELLING COMMITTEE

SUMMARY OF OUTCOMES: MEETING NASC28-2010

FRIDAY 3RD DECEMBER 2010, 1.00 PM AEDT

AUSTRALIAN WOOL EXCHANGE LTD
318 BURNS BAY RD, LANE COVE, NSW

N28/10/1.0 PRESENT

Les Targ (Chairman)
Richard Butcher
Michael de Kleuver
Simon Hogan
Lyndon Hosking
Josh Lamb
Perry Roberts
Len Tenace
Rowan Woods
David Cother (Secretary)

N28/10/2.0 APOLOGIES

Nil

N28/10/3.0 MINUTES PREVIOUS MEETING

[Minutes NASC-27 accepted without amendment.](#)

N28/10/4.0 ACTION ITEMS/ISSUES ARISING

4.1 Buyers bidding in Multiple Names (competition implications)

The Secretary talked to the paper detailing the consideration of the AWEX Board on this matter.

The issue was considered at the recent AWEX Board meeting. The AWEX Board believed that there is no issue to address as the practice referred to had been in place for many years.

The Board believes that the current auction system encourages transparency and to remove this facility from the auction room would not remove that practice as the wool would be transferred privately.

In forming their view the Board felt that there was not an issue to answer because:

- a) This is a common practice, to bid for multiple clients, for Buyers and the customer of the Buyer has ultimate control over who purchases on their behalf,
- b) The Seller has the right to protect themselves through a reserve price on their wool or by choosing either a different selling location or an alternative selling method.
- c) The Broker acts in the best interests of their client and has the right to refuse a bid.

NATIONAL AUCTION SELLING COMMITTEE

The AWEX Board felt that all issues can be addressed through the actions and rights of both Buyers and Sellers.

ACTION Secretary to write to NCWSBA advising outcome.

4.2 Lightweight bales

The Committee considered a suggested strategy paper on eliminating lightweight bales from auction. The Committee endorsed suggestions in this paper specifically noting:

- Safety and economic costs are the reasons for eliminating lightweight bales from auction
- Woolclassers were notified of NASC intent in the current issue of BOARDtalk (as well as over length bales).
- Sellers and buyers need to support this program to succeed
- Education, information and extension were the primary tools
- Compliance by sellers was critical.

4.3 EDI Catalogue

NASC considered a response from the IT service provider to the large sellers on the potential/implications of using a single invoicing broker code. Whilst technically possible there were corporate accounting policies that precluded any change in this matter.

For users of handheld devices it was suggested that the handheld software provider look at alternative software design to assist user interaction when changing invoicing codes.

The Committee also discussed the potential for showfloors to be set in ascending lot number groups (as some showfloors are presented with a non sequential lot number groups). This would assist handheld users particularly if a three character company code was used.

4.4 D certificates

The committee noted a paper on possible implications behind the D certificate.

4.5 Launceston

The Committee reviewed media commentary in relation to the NASC27 decision on L33.

NATIONAL AUCTION SELLING COMMITTEE

4.6 Melbourne Room 2 Selling Sequence

The Southern Region exporter representative advised NASC that he had consulted his constituents on a trial to offer Room 2 catalogues in Seller grouping.

Sellers in Room 2 will sell Room 2 catalogues consecutively in alternating catalogue sequence during the day e.g.

Seller 1	Yellow/Blue
Seller 2	Blue/Yellow
Seller 3	Yellow/Blue
Seller 4	Blue/Yellow etc..

The trial will commence in Week 28 and will be reviewed at the NASC meeting scheduled for 25th February 2011.

It was Agreed:

- ❖ That a trial in Southern region would commence in Week 28 with Sellers in Room 2 selling their catalogues consecutively in alternating catalogue sequence during the day.

ACTION Secretary to notify AWEX to implement via Selling Arrangements.

4.7 AWEX-ID in electronic catalogues

The Secretary provided an update on responses to the NASC buyer request for AWEX-ID to be published in the electronic catalogues. There are a small number of sellers who do not supply this information.

N28/10/5.0 WOOL SELLING PROGRAM 2011-12

The Committee was advised by the Secretary that the next meeting of NASC would include the formal review of the 2011-12 Wool Selling Program. Representatives were advised that they will need to survey/consult with their constituents in advance of this meeting. A notice from the Secretary will be issued in early January notifying auction buyers and sellers of this review to allow adequate consideration time.

The Committee commented on a number of the early submissions and asked that responses be sent clarifying some assertions.

ACTION Secretary to respond to early submissions.

NATIONAL AUCTION SELLING COMMITTEE

N28/10/6.0 CATALOGUE AVAILABILITY

6.1 Sale Commencement – 3 Day Sales

NASC considered a Southern Region Buyer request to have the electronic catalogue data for Thursday Sellers available at the same time as Wednesday Sellers.

It was Agreed:

- ❖ 3 day Sales (in Melbourne and Sydney) would commence at Noon, 11am and 11 am respectively.

6.1 Transmission time – 3 day sales

NASC considered a request from Mr Tenace for Tuesday catalogues to be available for Friday valuing at 10 am. This was supported by other buyers. Sellers stated that they were concerned that test results would not be available. There were also seller equity concerns (in Melbourne) about the Tuesday Sellers having to advance the deadline (when Sellers on other days enjoyed no change). Sellers in eastern regions stated that they are prepared to make unofficial catalogues available to any buyer on request. Many Tuesday/first day sellers endeavour to have their catalogues ready ahead of time.

It was Agreed:

- ❖ No change would be made to the catalogue transmission deadlines.

N28/10/7.0 COMMITTEE BUSINESS

7.1 Annual NASC fee

The Committee considered and recommended sanction options for (the small number of) auction buyers and sellers that have not paid their annual NASC fee. These sanctions will be communicated to these companies.

7.2 Expiry of Term

The Secretary notified representatives that the Terms of five seats on the Committee were due to expire and the nomination process was due to commence. The seats are:

Southern Region Seller: Michael de Kleuver
Western Region Buyer: Perry Roberts
Northern Region Seller: Rowan Woods
Northern Region Buyer: Richard Butcher
4th Buyer (any region): Josh Lamb

The Chairman thanked these representatives for their significant contribution during the last 3 year term.

NATIONAL AUCTION SELLING COMMITTEE

N28/10/8.0 OTHER BUSINESS

8.1 Letter on Prompt length

NASC considered a late submission seeking discussion on the length of Buyer/Seller prompt.

It was Agreed:

This matter is to be considered at NASC29.

8.2 Seller circular: Unable to meet deadline

NASC discussed a recent circular from a Seller that warned it was unable to meet Selling Arrangement requirements. NASC did not endorse this practice.

8.3 Display of Traditional bales

Mr Roberts asked that NASC review the sample requirements for the number of bales to be displayed from a traditional lot. There have been concerns that displayed bales on some traditional sale lots have not matched the balance.

It was Agreed:

This matter is to be considered at NASC29. Specific lot details are to be sought.

8.4 Seller conformance to Selling Arrangements

Mr Tenace lodged a complaint about sellers exceeding their lot allocation specified in the selling arrangements. He cited two specific recent incidents. He asked NASC to clarify sanctions that should be applied in these cases.

It was Agreed:

- ❖ Sellers should not exceed their Selling Arrangement allocation.
- ❖ NASC representatives will receive a transmitted lot count vs. selling arrangement count by seller 24 hours prior to sale.
- ❖ Sellers will receive an excess lot report pre-sale.
- ❖ NASC will define sanctions in more detail after meeting in February 2011.

N28/10/9.0 NEXT MEETINGS

NASC-29	Friday 25 th February 2011	(Week 34)	9.30AM AEST
NASC-30	Friday 27th May 2011	(Week 47)	1.00PM AEST

N28/10/10.0 MEETING CLOSE: 2.20 PM AEDT

NATIONAL AUCTION SELLING COMMITTEE

NASC representatives

Name	Position	Contact No	E-mail
Richard Butcher	North Buyer	0427 254 643	rbutcher@qcotton.com.au
Simon Hogan	Large Seller	0417 856420	simon.hogan@elders.com.au
Lyndon Hosking	West Seller	08 9434 1699	lhosking@dysonjones.com.au
Michael de Kleuver	South Seller	03 9240 4700	mdekleuver@rodwells.com.au
Josh Lamb	National Buyer	0419 841 609	joshlamb@techwool.com.au
Perry Roberts	West Buyer	0411 756 773	perry.roberts@viterra.com
Len Tenace	South Buyer	03 9315 1990	lent@segardmasurel.com.au
Rowan Woods	North Seller	02 6851 4000	rowan@jemalongwool.com.au
Les Targ	Chairman		