
NATIONAL AUCTION SELLING COMMITTEE

SUMMARY OF OUTCOMES: NASC13-2007

HELD FRIDAY 10TH AUGUST 2007, 9.00 AM AEST
AUSTRALIAN WOOL EXCHANGE LTD
318 BURNS BAY RD
LANE COVE

TELEPHONE CONFERENCE

N13/07/1.0 PRESENT/ WELCOME

Andrew Blanch
Michael de Kleuver
Graham Evans
Peter Morris
Jim McDonald
Chris McDonnell
Ken Walker
Rowan Woods
Sas Douglas (Chairman)
David Cother (Secretary)
Christopher Miley (Alternate Secretary)

N13/07/2.0 APOLOGIES

Nil

N13/07/3.0 MINUTES PREVIOUS MEETINGS/ACTION ITEMS

NASC012-2007 18 May

NASC012B-2007 08 June

NASC012C-2007 27 July

Minutes accepted without amendment.

ACTION LIST/ISSUES ARISING

N13/07/4.0 ESTIMATES AND ACTUALS

4.1 LARGE CHANGES IN ESTIMATES – WEEK 1 REVIEW

In reviewing Sale Week 1 the Committee found that the large change in Estimates of the Five Week Forecast was the cumulative result of the following factors;

- Sellers wanting to sell before the Recess (due to negative market sentiment at the time);
- Late receivals being allocated to sale;
- The new financial year and/or taxation effect;
- Only one sale being available prior to the recess (in the new financial year); and
- Estimate errors

It was emphasized that the primary concern for Exporters was the rapid change in Estimates. The size of the sale (76,000) was less of an issue provided Exporters know well in advance.

NATIONAL AUCTION SELLING COMMITTEE

Exporters stated that the Five Week Forecast was of limited value if the information on the report was unreliable. Sellers indicated that making Estimates 4 weeks out could only be indicative, as much of the wool was not yet in store. In addition wool that was subject to instruction may, or may not, be released onto the market until late notice.

Some debate was had on sellers releasing in-store stocks information to assist exporters.

It was AGREED that:

- There is no support for introducing a control mechanism to manage large market offering changes at this time; however;
 - 2 Sales may be needed in July before the recess, or the Recess commences in week 1; and
 - The Committee will discuss the July recess options when formally reviewing the WSP.

4.2 LOWER VOLUMES – TECHNICAL PARAMETERS

The Chairman introduced this matter by stating he thought it was appropriate that the Committee re-visit some of the Regional Technical Parameters in light of the current and forecast lower volumes.

It was AGREED that:

- The Secretary to prepare a paper on Technical Parameters and where, if any, shortcomings could be identified. To be reviewed at next meeting.

N13/07/5.0 PROPOSAL TO ROSTER MINIMUM OF 2 SELLING CENTRES ON FIRST DAY AFTER (NATIONAL) RECESS

This matter was added to the Agenda as a result of the circumstances surrounding the opening day of Week 5 (Sydney – Tuesday). One implication of this proposal is that the final day (of a centre) may then sell in isolation. The Chairman asked which day was more important. The prevailing view was that the first day should take precedence in having multiple selling centres.

It was AGREED that:

- A minimum of 2 selling centres are to be rostered on the first day after a National Recess.

N13/07/6.0 SELLING CENTRES

6.1 LAUNCESTON

The Committee confirmed its previous position that it believed that the split centre model could work for the Tasmanian Sale (Week 33). Buyer preference is for all Tasmanian wool to be offered in Melbourne but would agree to a small specialty sale in Launceston in the same week. It was noted complete relocation of the sale was unlikely due to logistical difficulties with showfloor space in Melbourne.

It was AGREED that:

- The Chairman write a letter to Launceston sale participants stating what NASC hoped to achieve and was seeking industry support. The Southern Region NASC members would be included in this process.

NATIONAL AUCTION SELLING COMMITTEE

6.2 NORTHERN REGION

It was AGREED that:

- The Chairman write a letter to Industry Organisations and Members to promulgate the NASC position on selling centres.

N13/07/7.0 APEC (WEEK 10) – PROPOSAL: T/W SELLING ALL CENTRES

NASC considered a request that Week 10 be rostered as a two day Tuesday/Wednesday series as a result of the APEC summit. Friday 7th September is a Public Holiday in metropolitan Sydney.

It was AGREED that:

- All centres in Sale Week 10 would be rostered as a Tuesday/Wednesday (no Thursday) series. In the event that Melbourne exceeds the normal 2 day parameters it can be pushed into large two day sale outside parameters within reason. Local NASC members are to monitor.

N13/07/8.0 WOOL SELLING PROGRAM – RECESS WEEKS

A letter asking NASC to consider a number of options with respect to Recess weeks was tabled. It was noted that some of the suggestions were reflected in the 2008 Draft Wool Selling Program (WSP).

The Committee AGREED that:

- Full consideration of the letter relating to Wool Selling Program recess weeks be given at the October and February meetings when the 2008 WSP was to be finalised.

N13/07/9.0 NASC COMMITTEE

9.1 GENERAL

Chairman asked committee members if NASC was performing its role effectively and whether any Member had any recommendations to modify its Terms of Reference.

It was AGREED that:

- The Chairman will write to AWEX CEO reviewing NASC performance since its formation.

6.2 ELECTIONS

Chairman advised that the three year terms of all Committee Members excepting Messer's de Kleuver and McDonald will expire in November 2007.

He noted that elections will be held in late October, early November 2007.

N13/07/10.0 OTHER BUSINESS

Nil

N13/07/11.0 NEXT MEETINGS

NASC-14	Friday October 26 th 9.30 AM AEST	TELCONF
NASC-15	Friday February 29th	FACE TO FACE

N13/07/12.0 MEETING CLOSE: 10.00 AM AEST