

WHOLESALE'S ADVISORY COMMITTEE – MINUTES

HELD AT THE MELBOURNE MARKET AUTHORITY BOARD ROOM
WEDNESDAY 11TH JULY 2012, 8.30AM – 9.30AM

ATTENDEES & APOLOGIES

Wholesalers' Advisory Committee Members

Stephen Wirtz – Chairman
Grant Nichol
Shane Schnitzler
Vince Brancatisano

DBI Representatives

Mary Baker
Jane Niall

MMA Representatives

Neil Lowe (Chairman), MMA
Steve McArthur – (Board Member), MMA
Allan Crosthwaite – CEO, MMA
Megan Sandiford – Minute Taker, MMA
Rozita Hana – Minute Taker, MMA

Apologies

Harry Kapiris – Wholesaler Advisory Committee
Aurora Kostezky – Legal Counsel, MMA

Meeting opened at 8.30am.

The committee noted:

- Information was obtained from industry regarding acceptable practices for lost space recognition. The first option of +/- 10 per cent applies to the whole space. The second and third options appear to penalise those with a larger footprint at Footscray Road. The Committee suggested they will provide an alternative to the 3 options given. The committee also advised that it does not support payments for gained space until tenants have moved to Epping
 - The committee were advised to provide a formal letter of the above, for consideration of the Minister.
- The Committee indicated its readiness to work with the MMA and DBI to make the relocation to Epping successful.
 - MMA and DBI noted that they are open for discussion and willing to work together.
 - DBI noted that the Minister encourages openness and transparency.
- The committee asked why the 15th November 2010 had been selected as the date for determining allocations.
 - DBI noted the market community were issued with a market circular on 18 November advising market members:
 - of discussions with Fresh State;
 - that planning for the allocation of stores at Epping has been undertaken on the basis of MMA records held as at 15 November 2010; and
 - advising current store holders who are considering selling/trading part or all of their leases at Footscray Road to seek advice from the MMA.

- The committee were advised that there had been some adjustments made to the sqm amounts given in the allocation table.
- The committee advised that they will provide a paper for consideration regarding timing and method of how payments (loss/gain space compensation, rent relief/fit out relief etc.) will be made.
- The committee noted that allocation of parking bays for buyers will need to be carefully thought through in order to ensure the even spread of business activity around the market.
 - The committee were advised to note this in the submission to the Minister.
- The Committee were advised that the letter of offer is separate from the lease.
- The Committee noted that the lease should include all space, (store and office). If a store leaseholder does not want the office space, a reduction in rent, sublease recognition or incentive towards their lease payments should be given.
 - The committee were advised to put this in their recommendation to the Minister.
- The committee advised that allocations of businesses to particular locations could proceed in advance of rents.
 - The committee were advised to put this in their recommendation to the Minister.

Date of Next Meeting

- To be advised. - MMA

Meeting closed at 9.30am