

ASHCROFT 2014

REFLECTIONS & INSIGHT

DO YOUR HOME WORK BEFORE
DOING BUSINESS IN 2014

Newsletter Date: 1st January 2014

SENATE INQUIRY INTO AUSTRALIA POST GET INVOLVED!

BACKGROUND

As a direct result of representations from Licensees to Senator Nick Xenophon S.A. and Senator Ron Boswell of Queensland as well as from LPOG and a LPO Group meeting in South Australia with Nick Xenophon, the Senate will hold an urgent inquiry into Australia Post. Independent Senator for South Australia, Nick Xenophon, together with Victorian DLP Senator John Madigan, and Queensland LNP Senator Ron Boswell, jointly moved for an inquiry and on 14 November 2013, the Senate referred the following matters to the Environment and Communications Legislation Committee for inquiry and report by 11 December 2013:

The overall performance, importance and role of Australia Post in Australian communities, and the challenges it faces in the immediate and longer term;
The operations of Australia Post in relation to Licensed Post Offices (LPOs), with particular reference to:
The importance and role of the LPO network in the Australian postal system, with particular reference to regional and remote areas,
The licensing and trading conditions applicable to LPOs, including the Community Service Obligations, and any

effects these may have on operating an LPO business, and
Marketing, retail and trading arrangements between Australia Post and LPOs and other entities; and
any related matters.

On 11 December 2013, the Senate granted an extension to the reporting date until 31 March 2014 and Licensees are advised that they still can make a submission to the Senate inquiry.

THE SENATE INQUIRY INTO AUSTRALIA POST OFFERS A PATHWAY TO FAIR PAYMENT AND A PROSPEROUS FUTURE

Licensees whether members of The LPO Group or POAAL if they value their future and that of their community, need to take the time to submit a submission to the inquiry and this can be made to:

Committee Secretary
Senate Standing Committees on
Environment and Communications
PO Box 6100
Parliament House
Canberra ACT 2600

Phone: +61 2 6277 3526
Fax: +61 2 6277 5818
ec.sen@aph.gov.au

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THE SENATE COMMITTEE HAS HANDED DOWN AN INTERIM REPORT and the Australian Newspaper reported that the committee will "keep a watching brief" on Australia Post's discussions with struggling Licensed Post Office (LPO) owners, with many fighting for survival.

In its interim report, the Senate inquiry noted there were "numerous issues" in Australia Post's relationship with post office owners.

Licensed owners have complained of having business poached by Australia Post, and of the financial viability of their agreement with the government-owned body.

"Evidence was given that many LPO operators are struggling to survive to the point where some off-site employment is undertaken to fund their operation," the report tabled in the Senate on Wednesday said.

"It is evident it has now become a fight for survival and must be considered a matter of urgency".

"To do nothing would put the future of hundreds of LPOs, principally in rural and regional areas, at risk."

The committee said it was "heartened" Australia Post was attempting to address concerns of licensed owners.

Chair of the committee, the Nationals John Williams, said "the committee had agreed to keep a watching brief of the discussions".

It will release its final report by the end of March 2014.

THE SENATE INQUIRY HEARING

The Inquiry's first hearing was on the 6th December 2014 and I encourage every Licensee to take the time to watch the whole Inquiry (Part 1 | Part 2 | Program Guide | Hansard Transcript) you can access it by going to www.lpogroup.com.au and click on the tags under the news article titled (The

Senate Inquiry Hearing). You will gain a valuable insight into the approach, beliefs and attitudes of the stakeholders who spoke. Every Licensee of every LPO in Australia owes it to themselves, their community and their future to take the time to review not only the video of the hearing and the Hansard Transcript but the 143 submissions made as it gives you a complete understanding of the views of the stakeholders and their vision of the future. The Hearing starts off with:

1. The Licensed Post Office Group
2. POAAL
3. CWU Australia National Office
4. Australia Post
5. Department of Finance
6. Department of Communications

Licensees can access and read all current submissions 143 at this time by going to www.lpogroup.com.au and going to the News Article titled (Read All About It) and clicking on the link and you will be just amazed as to who said what. This Inquiry is and will evolve into a ROAD MAP TO OUR COLLECTIVE FUTURE so BE A PART OF HISTORY AND CONTRIBUTE as all are welcome. Please remember that without the sterling efforts of Senator Nick Xenophon and Senator Ron Boswell this inquiry would never have happened and all Licensees owe these men a debt of gratitude for getting your issues on the table with the view to resolving them. Praise also goes to the LPO Group and its Noisy Minority as Australia Post refers to them as because without their collective noise which reflects the views of the (SILENT MAJORITY) fair payment, review of the LPO Agreement and fair treatment would be off the Australia Post Agenda going forward instead of now being top of the priority list under the watchful eyes of the Federal Senate. I understand that currently Australia Post and the stakeholders being the Federal Government, the LPO Group and POAAL are in active negotiations over your issues and how to resolve them and provide incentive to grow Australia Post and the business into the future. So BRAVO The LPO Group and the many supporters that created this great opportunity and let your efforts be

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acknowledged by all who will benefit. My News Letter of 2013 advised that LPO's are Underpaid by over \$50 million per annum and it is now clear that \$50 million might only represent a third of current assessable underpayment.

BASIC ISSUES OF LPO LICENSEE'S WITH AUSTRALIA POST

1. Gross Underpayment of Licensee's: being Contractual issues

The current payment categories and rates paid by AP to LPO's are not relevant today as they were in 1993 with some payments are non existing (AP has imposed new work requirements without financial compensation) or as low as \$5 per hour equivalent Many payments have only increased \$33.4% in 20 years and some only 20% with inflation over 70% and labour costs up 110% over that period

2. Australia Post exploiting its position of power;

How: Direct intimidation of Licensee's who challenge AP on payment or Contractual issues eg: on the assignment of LPO agreements in many cases AP has in the past demanded as a condition for AP agreeing to the assignment unfair changes to payments and condition's to the advantage of AP and the financial disadvantage to the new and current Licensee. AP has in the past sometimes has taken the opportunity on the assignment of some existing LPO to cut payments and increase work. Refusing to negotiate fair payment eg carded articles. Refusing to honour its commitment under the LPO Agreement of Mutual benefit Increasing work and processes in numerous area's without additional financial compensation

Misrepresentation of information and facts : eg AP's view that a delivery point is 1.5 articles and AP's insistence that an article can be a card or large parcel without weighting the parcel to card equivalents eg 17 letters equals one parcel in sorting terms.

With AP refusing to negotiate in most disputes they force Licensee's into the disputes resolution process with the knowledge that the costs and time to the Licensee's create a financial disincentive for licensee's to continue the dispute to fair resolution and in most cases if the Licensee does proceed AP can and has refused to be fair in the knowledge that the Licensee cannot afford court action. AP has also been known to reach agreement on a dispute only to repudiate the resolved mediation a short time latter leaving the Licensee to start the process all over again.

3. Australia Post exploiting its position of power for financial advantage:

How: Increased work (changes made by AP to work processes such as Label printing and parcel processing has increased labour requirements by up to 300% or even more at increased cost to Licensee's for AP's benefit and without a payment increase to licensee's to cover their additional labour costs) Increased work without remuneration also applies in many other areas of the LPO operation.

Unfair delivery times eg cutting of mail service payments by delivering PO box mail after 8 am to avoid this payment yet at the same time making it necessary for the Licensee to employ additional staff to meet AP service standards often not on an economic basis because of labour laws and minimum casual working hours.

Making no increased payment at all to LPO's for the 700% increase since 1993 in carded articles and parcels delivered to private PO Boxes. (AP weights a

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parcel at the same rate as a single letter where a parcel in time should be weighted by 17 times as the equivalent) AP does not compensate for the massive increase of carded parcels to street delivery points in rural areas since 1993 where licensee's are paid a mail management fee (this alone is sending many rural Licensee's broke)

4. Australia Post undermining the LPO Business model: (Poaching)

How: unfair competition

Targeting LPO customers with discounts and direct marketing

Creating Post point's in one case so that a large user business could bypass the retail network and gain additional discount

Creation of new CPA's which compete with existing retail outlets

Offering direct customers gifts or other financial incentives to change from being serviced by their existing LPO

5. Australia Post continuing reduction of support services to Licensee's

How: Area office support staff to Licensee's has been reduced by 85% over the last 20 years. AP's middle management has been cut by over 60% in the last 4 years alone and senior AP management has no direct connect with issues, problems and conditions facing Licensees and corporate staff for that matter at the coal face of AP's business operations. AP has put staff cost savings as a priority over good business management, fairness and efficiency. Australia Post has removed the positions of State and national Process and Procedure Managers in order to

remove a dedicated officer who can advise and interoperate the LPO Agreement on behalf of Australia Post. The elimination of the State and National Process and Procedure Manager positions has been a deliberate move by Australia Post management to limit the availability of accurate and correct information on the LPO Agreement with regards to the agreement's term's & conditions, requirements and payments in order to allow AP administration to interoperate the agreement to the financial advantage of Australia Post. The removal of these dedicated staff has allowed AP over the last four years to misinterpret the LPO Agreement to the disadvantage of Licensee's forcing licensee's in dispute into costly mediation or not pursuing legitimate claims.

6. Australia Post double standards

How: eg Mail Service payments do not seem to exist in Queensland Licensee shop fitting requirements differ from state to state city to country and more importantly area manager to area manager Sales of LPO's can go through within 3 months in some areas and states where in others it can take 9 months. Licensee's can own more than one license but approval for a second license can take from two weeks to twelve months depending on who you are but more importantly who you know.

WHAT IS AUSTRALIA POST SAYING TO THE INQUIRY

With regards to LPO's AP is saying

We are confident that the LPO business model remains robust, fair and viable. The relationship that we have with our licensees is underpinned by a fair payment system, clear consultative arrangements,

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robust dispute resolution procedures and a range of other business support initiatives.

In answer to the question. Does Australia Post compete against LPOs for business customers?

Australia Post does not have a policy to transfer business customers between outlets. From time to time customers do move which may be as a result of customer preference and/or network needs (i.e. large volume customers moving to Business Hubs for efficient management of postings). Business clients primarily choose where they wish to transact with Australia Post with the procedures for LPOs being the same as for corporate retail outlets. Australia Post does not incentivise customers to lodge mail at corporate outlets rather than LPOs.

In answer to the Question Is the licensee remuneration for mail redirection considered acceptable?

Licensees receive the following two payments that relate to mail redirections:

- An acceptance fee of \$1.76 (inc GST) to process the customer application
- The mail management fee which is paid on a per delivery point basis.

Australia Post considers these two payments to be acceptable.

In answer to the Question What discretion do LPOs have to stock new products (including postal merchandise and third party services)?
LPOs have access to new stock from Australia Post (subject to

stock availability) and can provide third party services sourced by Australia Post where the agency principal wishes to extend its network to the outlet.

They can also source their own stock that do not compete directly with Post mandatory products/services (mandatory product/service include postage assessment, mail acceptance and delivery and agency banking and bill-pay).

In answer to the Question Does the LPO Agreement outline obligations to 'single source' products from Australia Post (e.g. confectionary products)?
Items such as gift lines, stationery and confectionery products are optional to licensees. Licensees are able to source these items from Australia Post OR THIRD PARTY SUPPLIERS Licensees are required to offer a defined range of mandatory products and services such as postage assessment, mail acceptance and delivery and agency banking and bill-pay which are "sourced" from Australia Post.

Ahmed Fahour has confirmed to the Senate that "we encourage every Licensee for non-postal items to do as they wish and can to generate new business. We encourage them. Mr Fahour further stated in answer to the Question are you saying that every LPO is allowed to have other business in it? "That is what I am saying. Christine Corbett also confirmed that even a stand alone LPO can source other products from other suppliers advising that "All our standalone licensees are able to do that" (Hansard page 36)
On POACHING Mr Fahour: advised " In response to both the points that were made, Australia Post does not have a national policy, in any shape or form, of transferring business customers from outlets. We do not provide an incentive to our people

to do so. But we do recognise that as small businesses grow they outgrow an outlet and they tend to want a pickup service as opposed to a drop-off service that an outlet provides. They tend to then put their business out for tender between us and all of our competitors. Therefore, what I absolutely recognise, and I am not oblivious to, is that as some of these businesses grow some of them do come from our outlets— see further pages 37 to 39 of Hansard.

AUSTRALIA POST IS PROPOSING

Three initiatives that will help to maintain the Corporation's profitability, modernise the business and ensure the continued viability of our business partners (especially LPOs) into the future. These Are:

1. Gain a stamp price increase to minimise the loss in Letters-and provide a revenue boost for LPOs.
2. Gain approval to offer a wider range of trusted services on behalf of the government.
3. Necessary adjustments to the current limits on Australia Post's commercial freedoms.

Commercial freedoms

- One of the major constraints on Australia Post's ability to grow and diversify into other business streams is potentially contained in our enabling legislation.

- Various interpretations of our enabling legislation have caused the shelving of a number of potential opportunities that are complementary to Australia Post's core business. This is in contrast to other international postal organisations, which have been able to grow substantial commercial businesses. Examples are shown in Figure 8.

Figure 8 demonstrates that Kiwi Bank generates 99% of New Zealand Post's profit and that other international Post Offices generate significant profit from Telco subscribers. AP is prevented from competing in these areas.

WHAT IS POAAL SAYING TO THE INQUIRY

POAAL IS RECOMMENDING THAT

1. The range of government services available through Australia Post, and therefore LPOs, should be extended.
2. Any future application by Australia Post to increase the price of the base postage stamp (currently 60c) should be supported by the Federal Government.
3. The Federal Government should, in co-operation with Australia Post, install Australia Post's point-of-sale technology at small rural LPOs that are currently without point-of-sale technology.
4. Australia Post must remain in public ownership.
5. Australia Post should continue to improve the parcels network to the mutual benefit of customers, Licensees and Australia Post
6. Australia Post must include Licensees in its plans to sell any products or services online
7. Australia Post must ensure that its sales staff do not cannibalise customers from LPOs.
8. Australia Post must investigate efficiencies in its Postpak production and distribution to enable Licensees to earn a more commercial margin on Postpak.

POAAL HAS ADVISED THE INQUIRY THAT

a) POAAL has repeatedly made strong representations to Australia Post regarding transfer of business, where Australia Post representatives target customers who presently do business with an LPO with the aim of transferring the customer to an Australia Post corporate facility.

Further recommends that Australia Post needs to introduce a standard procedure for the investigation of these instances and communicate this procedure to all Licensees.

b) Some Mail Contractors informed POAAL that Australia Post had presented them with a new, reduced fee, which in some cases was significantly lower than their current contract fee. There appeared to be two main drivers for Australia Post's change from "First Offer" to "Direct Negotiation". The first was Australia Post's attempts to reduce delivery costs. The second was Australia Post's move to "tidy up" some Contracts, and ensuring that costs are allocated correctly. It was apparent that Australia Post was aggressively targeting hourly rates.

c) Parcel volumes have steadily increased in recent years. The principal problem with carded parcels left at LPOs is that of secure storage. Licensees have benefited from Australia Post's improvements in parcel handling/processing technology. Scanning fee trial. In response to Australia Post's growing need for barcode scanning of parcels (as part of the demand for track-and-trace), POAAL and Australia Post agreed to a trial of a new payment for Licensees for scanning barcodes upon delivery of carded articles.

Licensees in metro areas are typically eligible to receive the carded article payment. The payment is negotiable for LPOs that receive in excess of 25 carded articles per week. It is greatly disappointing that Australia Post has failed to negotiate increases in this payment in good faith with Licensees. POAAL has deep concerns regarding parcels accepted for delivery via Australia Post that exceed the maximum allowable weight and size.

POAAL ADVISED THE SENATE at the HEARING 6th December.

1. POAAL believes the LPO Agreement after 20 years is still current & relevant and is not in need of revision.

2. Mr Kerr for POALL : I would say it

takes slightly longer to deliver a parcel than to deliver a letter, yes.

3. With regards to the time it takes to deliver parcels Chris Campbell from POAAL advised: Senator XENOPHON: Sorry; we are running out of time. How many parcels roughly?

Mr Campbell: Sixty a day is the average I got from Australia Post last month.

Senator XENOPHON: So it takes you 60 minutes to card them but then when somebody picks them up it might take another minute?

Mr Campbell: No—10 to 15 seconds to go and find one. That is how efficient our system is.

Senator BOSWELL: You must be on skates.

Mr Campbell: I say we are very efficient. You can come in to me with a card with an e-parcel on it and your box number and we could find it within 15 seconds.

4. With regards to POAAL membership POAAL advised that it had about 2000 of the 2900 LPO's in Australia as members and further advised in response to questions: Senator FAWCETT: Coming back to your comment about memberships, when you were questioned earlier

you started to say 'If somebody who applied was a member of a rival organisation, then perhaps—' and then you stopped. You then subsequently said that there were no criteria upon which you would exclude somebody from membership. Those two sentences seem to be at odds.

Mr Kerr: I am happy to clarify that. I am not aware of any criteria. Speaking as CEO, if I were aware that somebody had applied for membership of the association and they were an office-holder of a rival group I would point this out to the board. I would put that membership application to the board.

Senator FAWCETT: Have you ever done that?

Mr Kerr: No.

Senator FAWCETT: You said before that you were not aware of anyone applying recently who had been

knocked back. Can you define recently.

Mr Kerr: Now that I think about it, not since I have been at POAAL.

Senator FAWCETT: So for the last 11 years you are not aware of anyone being knocked back?

Mr Kerr: I have just outlined the scenario that a previous association operated in competition with POAAL, but I do not think any of their board members applied for membership of POAAL.

THE LPO GROUP HAS THE FOLLOWING VIEW

Licensed Post Offices (LPO's) are owned and operated by franchisees who or which have purchased a license in the belief (as promoted by Australia Post) that the fees and commissions for the work performed on behalf of Australia Post was a viable business.

The network is under threat of financial ruin due to want of adjustments to keep pace with price and cost inflation and changes wrought by the internet. The reluctance or the refusal of Australia Post to agree to changes in the franchising arrangements and in order to keep franchisees in business requires urgent redress.

In particular, over the past 10 years, the payments made to Licensee have failed to keep pace with the imbedded cost of the provision of services. Repeated attempts to have these issues resolved have been ignored or refused by Australia Post. The crisis has escalated with the explosion of parcels in LPOs, the escalating cost of the P O Boxes and the introduction of the new POS operating system.

Under the LPO Agreement, a significant portion of Licensee payments are linked to the Basic Postage Rate (BPR) i.e. the cost of a postage stamp, currently 60c. Australia Post refuses to remove this unfair link instead choosing to use it to their commercial advantage. Licensees have received no significant increase in income since June-2010, when the BPR was last

increased from 55c to 60c following ACCC approval.

Importantly, the internet effect is a marked reduction in surface mail countered by an increase in parcels. Australia Post has refused to treat with Licensees to address this very substantial change in the nature of its' business. The LPO Agreement does not include adequate provision for payment to the Licensees for the delivery of parcels under the existing mail payments. Many LPOs are rapidly becoming nothing more than a free parcel drop off and collection point for Australia Post.

There has been no compensation to Licensees for the poor performance of the new POS operating system which requires many more input hours to perform the same transactions than the previous system. The new system is 3 times slower than the old system. An LPO franchisee needs to provide more staff and time to earn the same commission via the same transaction on the new mandated system. Licensees have become Australia Post data entry employees receiving, however, no compensation for this work.

Since 2005 Australia Post has continued to increase the charge rate for P O Boxes, from \$56 to \$104. Compensation paid to franchisees for servicing these boxes has increased from \$61.12 to \$73.34 over this same period. The Licensees are required to invest in the physical P O Box at the Licensees expense, yet Australia Post continues to increase the price to the public without any benefit to the Licensee. The result is a decline in the lease of P O Boxes in many LPOs, so Licensees are not properly compensated and are additionally losing customers and income in consequence of Australia Post's pricing in this respect. The net effect is even well run franchises are no longer viable and the delivery of this public service, the hallmark of Australia Post historically, is compromised. There is no good reason why this needs to be a consequence of changes to the business of the postal system over the last decade or so. The best commerce remains that where all counter parties make money. Australia Post senior management needs to be held to account for its' failure or refusal to redress these issues; its' franchisees

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are its' face to the Australian public and its' franchisees success is its' success.

Licensees seek

To be active and constructive in the bi-partisan Senate investigation into:

Australia Post's administration of the Licensed Post Office Agreement.

The Licensed Post Office Agreement terms, payments and interpretation.

The outsourcing of mail deliveries better undertaken by Licensees.

Licensees urgently seek

Immediate resolution of the following:

A return to the payment ratio of the retail cost of the P O Box as per the agreement - 110% was paid to the Licensees until 2005 when Australia Post began to increase the cost with no mutual benefit to the Licensees.

Restoration to recovery of costs, plus a profit margin for the delivery of mail via P O Box

Fair and reasonable payment for the delivery of parcels by street carded articles and to P O Boxes

Fair and reasonable payment to Licensees to represent Australia Post and provide the required community service obligations

To fix, and to pay compensation for the poor performance of the new CPOS system to reflect the cost involved to the Licensees

Investigation into the relationship between Post Office Agents Association Limited (POAAL) and Australia Post and the perceived failure of POAAL (the view of many licensees) to adequately protect the industry as per the LPO Agreement.

Overhaul of the LPO Agreement to reflect fair and reasonable payments for the current postal industry

Australia Post is a government business enterprise and as such should be above reproach. This is far from the case. Australia Post, under its current leadership adopts an approach not otherwise tolerated in the private sector. Licensees assert that bullying, intimidation and harassment is standard operating procedure in the pursuit of corporate profits and executive bonuses.

Many Licensees are afraid of what Australia Post will do to them if they speak out in pursuit of a fair business relationship. Australia Post employs a labour force of more than 33,000 and the Licensee network would enlarge that by more than 10,000 jobs. It is not acceptable that Licensees who have invested personal funds in support of public infrastructure should be bought to financial ruin in the pursuit of profits for the shareholder – the Federal Government. The Government should expect Australia Post to return a fair and reasonable payment to the Licensees that provide services to almost 80% of the Australia network

WHAT IS THE LPO GROUP SAYING TO THE INQUIRY

1. PAYMENTS NEED COMPLETE REVIEW.

LPO's are under severe financial pressure and we need to address the payment issue.

a) A raft of our core payments are linked to the BPR

the basic postage rate. Since 1993, when the agreement was drafted, the basic postage rate has risen 33 per cent. The CPI has risen nearly 72 per cent. Most LPO business costs have increased even more. Labour costs have rise by over 110 per cent So we are 36 per cent or more behind the CPI on a raft of our core payments. That needs to be addressed. Rural LPO's have about 60 to 70% of their gross income linked to the BPR and they are starving to the point in some cases of closing because payments are not keeping up with inflation. Licensees need to be paid fairly, treated fairly and with respect by Australia Post and in the historic past and up to just recently AP has not.

b) Payments for carded articles to PO Boxes and street addresses do not come close to meeting Licensees costs of providing the service and are unfair and amount to exploitation of Licensees by Australia Post.

c) CEPOS has created much more work for Licensees without any payment from AP for this additional time and work.

d) Licensees today are performing significant amounts of work free on behalf of AP. This work is unpaid by AP and to date AP has refused to discuss payment for this unpaid work. Licensees and LPOG point to the Representation Allowance paid to all LPO's at a rate of \$60 per month for all LPO's net of GST whether a one terminal office serving 80 customers per day or a 5 terminal office serving 1200 customers a day. The payment and the concept for the payment is a total joke and has no relevance to the work done in an LPO in 2013.

e) AP have acted in a predatory way in renegotiating mail contracts with Licensees and Australia Post is attempting to reduce delivery costs by being unfair in relationship to many aspects of the negotiating process giving little time for review and taking an attitude of take it or leave it.

2. LPOG see as a high priority the renegotiation and updating of the LPO Agreement & PAYMENT SCHEDULE.

The LPO Business model has significant problems and the LPO Agreement after 20 years is in need of an urgent upgrade and update. Main areas of concern are:

CI 1 Definitions

CI 11 Obligations- Australia Post

CI 12 Obligations-Licensee

CI 13 Stock Obligations

CI 14 Technology Costs

CI 17 Losses Liabilities & Indemnities

CI 19 Transfer/Assignment

CI 20 Termination With Cause

CI 21 Suspension

CI 22 Termination Without Cause

CI 24 Resolution of Disputes

CI 34 Waiver and Variation

Also with regards to FLOOR PLAN & PRODUCTS and SERVICES: The LPO Agreement is entirely unclear and

confused on the issues of floor plans, mandatory, optional and complementary products and services.

Annexures A and B to the Agreement require complete revision along with the payment schedule which is out of date and not relevant to much of the additional work imposed by AP in recent years.

3. A REVIEW OF AUSTRALIA POSTS ENABLING LEGISLATION

The LPO Group fully supports Australia Post's request to review its enabling Legislation of 1989 where various interpretations has restricted and have caused the shelving of a number of potential business opportunities that are complementary to Australia Posts core Business and this is in contrast to other international postal organisations, which have been able to grow substantial commercial businesses.

Kiwi bank generates 99% of New Zealand Post's profit and that other international Post Offices generate significant profit from Telco subscribers. AP is prevented from competing in these areas. Profit alone from these new area of businesses would go a long way in providing profits in order for Australia Post to meet its community service obligations, pay Licensees of LPO's fairly and pay the commonwealth Government a substantial dividend.

4. AP IS POACHING LICENSEES BUSINESS & CUSTOMERS

Despite Australia Post statements to the contrary that AP does not seek to transfer business away from the LPO network there is irrefutable evidence that this is happening and continues to happen. AP does this by:

a) Offering customers gifts or other financial incentives to change from being serviced by their existing LPO.

b) Targeting LPO customers with discounts and direct marketing including soliciting redirection of customers and business to online servicing with promotions and messaging even printing these on LPO's receipts given to customers from LPO's own point of sale system.

c) Unfair competition eg some products

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are restricted and not available for sale through LPO's.

d) Creating Post point's in one case so that a large user business could bypass the retail network and gain additional discount.

5.THE CURRENT DISPUTE RESOLUTION PROCEDURE WITH AP NEEDS REVISION.

In recent years AP has had a policy of saying no to Licensee claims for fair payment and the removal of unfair work demands required unreasonably by AP. The National Process and Procedure Manager positions at AP have gone and as a result AP has gotten away with saying no and being unfair to Licensees and this area. Dispute resolution needs review and revision and a return to a well informed independent umpire.

THE LPO GROUP WANTS AS A RESULT OF THE SENATE INQUIRY Fair Payment and a mutually beneficial LPO Agreement. We need to build with Australia Post and other Licensee consultative bodies an inclusive and constructive community as we are all part of Australia Post. We as Licensees paid for that out of our own pockets, so lets go back to building the brand. LPO's are the best part of Australia Post, however we are a 'part', and we need to help heal the wounds so that we can be a whole entity again. That is the best way forward for all of us and our investments, which is the object of LPOG.

EARLY OUTCOMES OF THE SENATE INQUIRY

1. AP advise that you can sell other complementary retail products in your shop not sourced from AP and that all LPO's including standalone can have non AP areas to sell other non AP stock.

2. AP advises that it does not seek to transfer business from LPO's to corporate outlets and we are seeing business returned to at least one LPO I

am aware of that had been poached away. AP appear to be now backing up what they say being "we do not poach".

3. AP advise that they will look to work with licensees in financial trouble and have offered at the moment a help line as well as extended Christmas credit terms. AP advises that in this area it wants to work with Licensees not against them.

4. AP is pushing very hard for an increase in the BPR (base postage rate) and advise that this will increase income to LPO's substantially.

5. AP is actively seeking reforms to its enabling legislation in order to compete in new profitable business areas which currently AP are restricted from. These areas pay well and could offer LPO's new income streams and opportunities. WE HAVE NO PROGRESS ON FAIR PAYMENT AND OTHER ISSUES WITH REGARDS TO CARDED ARTICLES BUT THESE ISSUES ARE NOW UNDER DISCUSSION AT THE MOMENT. I UNDERSTAND THAT AP SO FAR ARE NOT SYMPATHETIC AND HAVE SO FAR REVERTED TO HISTORIC TYPE AND ARE AVOIDING THE HARD ISSUES . EARLY DAYS & MORE TO COME.

ATTENTION ALL LICENSEES

It is so very important that each and every LPO Licensee takes the time to write to their local Federal Member of Parliament and advise that you need them to help you and all LPO's to get a Fair Go from Australia Post. AP is not being FAIR OR REASONABLE with regards to fair payment and work required and the LPO payment schedule and LPO agreement needs revision. Licensee letters to politicians will keep the pressure on AP to be fair and come up with real reform and fairer payments while the Senate Inquiry continues on under the Watching brief of the Senate until its conclusion at the end of March. Your efforts in writing to your local member will have a very positive influence on your future profitability and success and sustainabilty of your LPO.

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Please Write Now!!!!!!
www.lpogroup.com.au

THE LPO GROUP IS NOW ESTABLISHED!

After a meeting on the 23rd March 2013 the LPO Group as a LPO Licensee representative body was born. Now registered and up and running with members in all states totalling just on 500. The LPO Group is here to stay and offers all Licensees membership with the absolute promise to fight for Licensees rights and payments with all means available. LPOG is aggressive in its defence of Licensees and will do what is necessary to achieve fair and just outcomes for its members. The LPOG website is a must visit for all Licensees with over 500 visits recorded each day and growing.

www.lpogroup.com.au

THE LPO GROUP NEEDS YOU AS A MEMBER SO JOIN NOW!

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DISABLED ACCESS REQUIREMENTS

CLARIFIED! GOOD NEWS for LPO'S.

Clarification of the DDA as of May 2011 has made compliance clearer and easier for Licensee's. Albert Zenere Consulting

Architect can offer you advice as to solutions for this potential problem. Albert has over 50 years experience behind him and is able to help clarify any issues that you may have and provide expert reports that will satisfy the DDA requirements of Australia Post. Please contact Albert on Tel: 9743 1717 or M: 0418653176

TIPS & REMINDERS FOR 2014

The best tip I can give Licensee's is to complain and demand fair payment from AP. Voice your opinion in writing, do not whinge but demonstrate that the payment scheme and parts of the LPO Agreement are outdated. Licensee's cannot accept no to their request's for fair payment. This year AP will take notice while the Senate hearing is on at least.

Look to retail new and profitable retail products and get out in the front shop area and merchandise your shop. Newsagency's have a very limited future and LPO's are the businesses that will pick up the stationery, card and gift trade as these businesses decline. So go hard for this business before Woollies and Coles get it and remember Ahmed and Christine at the Senate Inquiry advise that you can have your own area in any LPO whether stand alone or Inconjunction and you can buy product from whoever you want. Very nice to have clarity on this now after what seven years.

1. I stress that if you have any thoughts of selling your office request AP for a disclosure Document as you are entitled to one per year. This will advise if you have any looming problems with security or shop fitting or any AP plans that may impact your income and it is a top selling tool virtually giving your office a clean bill of health.

2. Plan ahead if you are selling this year make sure your lease, financial figures and shop fit are up to date and expect that the sale process will take a minimum of three months to complete but more likely four months from deposit to completion.

3. Don't be stupid update your shop and shop fitting and present a quality image. This will boost overall sales and profitability and help you organise and promote shop sales. It's a tax deduction and even if you are

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planning to sell in the near future AP will make you update at that time so do it now and get the reward that updating your image and fitting's give's you ie: extra profit meaning a higher selling price.

4. Become more pro-active and join THE LPO GROUP www.lpogroup.com.au get involved with other Licensee's and learn more from each other and gain from other Licensee contacts and be prepared to share yours. Take the time also to read and understand fully your LPO Agreement as your knowledge of this document and the LPO manual will empower you when negotiating payments rights and obligations with AP.

5. If you have staff give them incentive in promoting your retail sales. Product knowledge and incentive go hand in hand.

6. Planning on selling your office then you must look an renewing or updating your lease remembering no lease no sale and that most banks lending on the goodwill of your business will limit the length of the loan to the length of your lease!

7. If you intend to sell your office in the near future plan ahead.

Check tax and super issues.

Declare the real gross profit on your tax return. Accurate tax figures will ensure the best sale price.

Get rid of dead or stale stock.

Spring clean and spend money on image new paint and carpet are cheap.

Have all your financial and tax records up to date.

Allow enough time to sell, the market is slower and be prepared to wait for the right purchaser.

Take the time to understand the market value of your business and what influences this value & be realistic.

Make absolutely sure that your shop plan as per 2b of the Schedule is up to date and reflective of your business. AP is now quite co operative so get this done NOW!!!!

2014 LPO MARKET REPORT

Another very hard year in sales of LPO's all round. Rural sales have slowed right down with limited demand primarily because incomes from these LPO's is falling in real

terms as work levels required by AP increase and incomes fall because about 60% of rural Licensees income is tied to the BASE POSTAGE RATE which has only increased by 33.34% over the last 21 years now while inflation over this period was 72% with wages increasing by 110%. Hope is now with the Senate Inquiry as all Licensees, but especially rural Licensees need to have payments linked to the BPR at least increased to reflect inflation. AP are now on the back foot and will have to pay for all work required on a commercial basis or not have the work done.

City LPO demand is still there but at realistic goodwill rates with regards to income. Unemployment is on the rise and this alone is creating more interest. The popular price ranges are from \$300,000 to \$700,000 plus stock but towards the end of 2013 there has been more interest shown in the larger \$1,000,000 area LPO's. Important notes here are the LPO needs to have good reflective tax figures and a reasonable lease term in place.

Positive for sales in the near future has been the fall in the Australian dollar as many of our LPO licensees are foreign born with the lower dollar having definitely stimulated more interest as buying power goes back to buyers with funds coming from overseas. Interest rate falls have added significantly to increased interest as well as post federal election 2013 as demand pre election was very limited. It seems that with a new government has come renewed interest in small business.

Even though inquiry and interest in purchasing an LPO is increasing we need income reform and payment increases relevant to work to kick in to bring the industry back to normal and there is no room in our collective futures for an Australia Post that refuses to pay fairly for work provided. As Nick Xenophon advised the Senate that it appears that the more an LPO does the more they loose (referring to carded articles) and this is an insane or crazy business model and you cannot argue with that logic and quite frankly neither can AP. Bank loans are still very hard to get as interest rates on loans secured by the LPO

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Licence remain very high (8.5 to 9.5%). The only bank lending readily in this area at the moment being the ANZ. There appears to be hope though now that the CBA is getting its act together and becoming more competitive and likely to return to ready lending in 2014 so here's hoping that is the case as there is nothing like a bit of bank competition in order to speed up and free up the loan market.

Prices have bottomed in general and provided we get payment justice out of the Senate Inquiry 2014 is potentially a good year to sell. Every Licensee can insure that this is the case by putting in a submission of to the Inquiry and writing to their local member seeking support for fair payment of Licensees. If this is done 2014 will be a good year for all LPO Licensees.

POST SHOP FRANCHISES WHAT'S HAPPENING?

Guess what? It appears the Franchise model is heading for the chop with AP planning to convert the existing Franchises into LPO's at the expiry of their franchise term. There is also the possibility that some may close as a retail outlet if their rent is too high relevant to the gross profit of the business. I still remember one senior AP manager advising me in 2006 that within two years Franchises will number over 400. I have to tell you I advised the gentleman that he should not sniff glue as he was suffering from delusion.

2013 IN REVIEW

1. Interest rates have bottomed and there is a possibility of a further cut by March 2014 but only if unemployment keeps climbing and the property market does not get too heated.
2. Credit is still very tight for business loans. Tighter terms, conditions and loan requirements and lending from all banks. (We have seen further Credit tightening) and are seeing increasing waiting times for bank approval.
3. Australia's unemployment is growing and this factor alone has increased interest in LPO business purchases.
4. The Australian dollar has dropped from a

high this year of \$1.09c to the US dollar resting now at approx 88c.

5. Property values in Sydney particularly in the inner have increased sharply in value due to lower interest rates, lower Aussie dollar attracting money from off-shore.

Melbourne property values are following Sydney's up. Commercial property sales have picked up with yield demands more modest due to lower interest rates.

6. Rural property has come back in price more due to our ever present drought and other influences like lower commodity prices, costs rocketed with large increases in the cost of chemicals fertilizer and fuel coming on with the lower dollar. Low commodity prices should be short lived post a return to normal rainfall especially in the Eastern States.

7. The share market is solid with commodity prices stable and the GFC easing in the US and Europe.

8. Super funds have rebounded giving us hope for a comfortable retirement.

9. If we have debt now should be the time to pay it down while interest rates are low.

10. If you are older and have been living off super you should be experiencing better returns but the interest from your money invested is falling and causing some financial pain.

11. Sensible values for LPO's still apply but better tax figures are required and a good lease needs to be in place in order to sell.

12. Franchising is on the way out! AP has to look after those investors on the way out.

13. Australia Post still continues to be slow and difficult with regards interviews, assignments and training. Generally the process is way too long with not enough AP staff to handle the job. The Nathan Profiler Test is a pain and AP is now very strict on the provision of quality business plans.

14. Bill pay is still falling in most offices in the last year but stamp sales are under attack from AP's direct marketing and online business. AP Poaching of LPO customers seems to be increasing.

15. Kevin got rid of Julia and Tony beat Kevin at the Federal election and we have the joy of a new government.

16. AP wants you to work for less and do more and now at the end of 2013 Ahmed and

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Christine advise that we can sell what we want in our LPO shops and we can purchase stock from anyone. Bye bye the notion of 100% stand alone status to be stamped on your LPO Agreement.

17 AP has cut more support staff from the LPO network and soon if they keep going they will out source this to India (that was a joke) but it must have crossed the CEO's mind more than once, maybe the help line.

INSIGHT 2014

Interest rates may fall one more time in March 2014 subject to unemployment rates and the strength of the Aussie dollar but interest rates could rise by the end of 2014 as the world recovers from the effects of the GFC. Unemployment will rise but the rural economy should see increased commodity prices giving the bush a boost but all subject to the drought. Those retired and semi retired who can still work will look for employment to supplement falling returns from interest, but super should return better income . Australia's export commodity prices other than minerals will be solid due to the lower Aussie dollar but with our growing debt we may see Australia having problems with our balance of payments.

Tony and Joe need to put a brake on spending and maybe increase a few taxes in order balance the books and and hopefully at the same time avoiding recession. All eyes should be on the China economy which holds the key to our economic future and if the China economy becomes slow the Australian economy will become very sick. We as a country have more debt now and speaking of debt how is the US ever going to pay back the trillions of dollars it is borrowing. Our dollar will stay around 88 cents US but will strengthen if interest rates rise latter next year meanwhile we are back to holidaying at home or New Zealand. Floor plan issues are over according the Ahmed and Christine and we can look forward to better income outcomes for all Licensees as the Senate Inquiry moves forward. Fair payment and a modernised LPO Agreement and Payment Schedule should be the final outcome if we all work together and who knows maybe AP will be

allowed to become a bank and this outcome would benefit all Australians Licensees and AP being a win for all except the big four banks. Economic down turns and unemployment have never really hurt LPO's that much in fact an economic downturn can actually increase Licensee's income earning potential with the main opportunities still being in increased stock sales, bill payment, banking and a continued focus towards leasing more private boxes. This year will see more older Licensee's take the opportunity to retire as the LPO market recovers through better payments and a fairer AP and on the back of stronger super. Because unemployment will increase, interest rates for commercial loans will fall and the low Australian dollar making investment in Australia attractive you will see a much stronger market for your LPO. The need for some to buy themselves a secure job will see LPO values stabilise if not strengthen. Cash will be king latter this year as interest rates increase so keep an eye on your debt. Next year small to medium LPO's will be the most sort after \$300,000 to \$700,000 price range with the only possible soft spot still being the larger \$1,000,000 plus range. Potential will be there for a smaller LPO to trade up to the larger levels at a favourable change over price. The market for LPO's this coming year will be quite balanced offering both good buying and selling rates and even a return to better rural sales. The only real black cloud being if AP continues to be unfair in regards to payment, work demand and the continuing poaching of LPO business. Another year of opportunity with battles to be fought and won and profits to be made.

AP's CHRISTMAS STAFF BONUS CHRISTMAS CHEER & THANK YOU FROM AP. Licensees should have all received a Thank You letter from AP's National Retail chief which is more than justified in line with AP's increased net profit to \$314 million and the sacrifices and hard work put in by Licensee's and corporate staff alike. But take a minute and reflect on how AP expresses its sincere thanks. Licensee's got a nice letter with the

thank you message not even a DVD of Christine (cost saving here). Licensee's use to get a cash bonus at Christmas that then became a gift being left over picnic sets then in more recent years nothing. But have a thought again for corporate Australia Post staff both full time and part time over 33,000 of them, they received a welcome Christmas bonus of \$500 at Christmas 2011, not a lot but very handy at Christmas time for workers that really do not earn a lot of money. This money put presents under the tree and turkey on the table or perhaps went to that new push bike for the eldest child or paid part of the costs of a modest holiday. At Christmas 2012 AP's workers got a Christmas bonus haircut in return for their loyal service and increased productivity with the reduction of their bonus from \$500 to \$100 plus a few stamps with the sting being they had to spend this within AP's shops. Ask your official staff colleagues what they got this year and they will advise they got nothing yes nothing not bad after a year of hard work and an increase in AP's profit. Remember nothing but a thank you not even the bloody stamps that's a big saving this Financial Year again for AP about \$4,125,000 if you count the value of the stamps. Now look at how AP treats its most senior executives with AP's CEO increasing his remuneration package from \$2.22 million in 2011 to \$2.77 million in 2012 an increase in that year alone of 25%. Now in 2013 Your CEO in the financial year 2013 received a total package of over \$4.75 million being an increase of about 70%. I assume this years saving of about \$4,125,000 on the Christmas bonus's to staff would add to the CEO's pay packet in the 2013/2014 financial year. Now the CEO is not the only fat cat in the cubby house as it has been reported that there is a total of 6 AP senior executives earning over \$1 million dollars per year with the AP National head of retail being reported as earning \$1.618 million dollars in 2013 up from about just under 1.3 million the year before. The top five in AP this year received an average increase of in remuneration of 46% over the previous year. Now the CEO in senate estimates October 2013 advised that he has practised

wage restraint and I am sure that all of us would like to practice the CEO's version of wage restraint. Again do not forget that the top bosses at AP have a B card benefit on top of the salaries as a nice corporate credit card allowance for (expenses!!!!) Its always a big help. You can bet your house that our Federal and State politicians could only dream of having the AP's CEO B card for expenses and without the scrutiny of the press.

2014 WILL OFFER US CHALLENGES AS WELL AS OPPORTUNITIES BUT A BETTER FUTURE FOR EVERY LPO'S IS THERE FOR US IF WE STAND UP TO AS WELL AS WORK WITH AUSTRALIA POST

APOLOGY

I would like to apologise to all my clients who feel I have neglected them lately. This has not been deliberate but current payment issues has consumed much of my time. I thank you for your patience and support. I am back with a vengeance in 2014 as sales opportunities knock on my door and a stronger LPO market takes form on the back of the benefits of all our work to get your payment and opportunities back on track. Thanks to all who have helped up until now and to those who help in the future in order to build a better future for all Licensees

SELF HELP MEETING SAT 22nd MARCH 2013 1 p.m Start

Venue to be advised with special guest speakers to be advised. A must attend meeting for all LPO Licensees. More info on www.lpogroup.com.au

UPDATE ON THE PROGRESS OF NEGOTIATIONS WITH AUSTRALIA POST AS AT 19/12/13

This is simply a short report to update you on a meeting that took place with Australia Post in Melbourne on the 18th December with The LPO Group.

Attending the meeting were representatives from Australia Post, representatives from POAAL, a representative from the offices of Senators Boswell and Xenophon, as well as representatives from the Licensed Post Office Group.

LPOG had prepared and lodged a 27 point agenda which contains a list of issues which we feel need to be discussed with Australia Post. A copy of this agenda is attached for your information.

It is fair to report that it was ambitious to think that we would substantially get through the agenda items when having regard to the complexities of the issues at hand, however some substantive progress was made on some of the significantly important issues.

It is a matter for record that the LPOG supports a policy of separating some of their payments from the Basic Postage Rate (BPR) with a view to linking them to an alternative indices, most likely the Consumer Price Index (CPI). Australia Post have acknowledged our position in relation to this and they have the matter under advisement.

Sound progress was made with respect to the issues of Australia Post competing with Licensed Post Offices for business in the marketplace. It is our intention to now submit a much more comprehensive submission on this subject with a view to establishing much better competition practices, which will include but not necessarily limited to, the prospect of Licensed Post Offices being paid ongoing 'commissions' or 'trailers' where an existing customer transitions to Australia post central.

Whilst there was no concession on the part of Australia Post on this issue, nor was there an adoption of our proposal, it was well received and we expect to make good progress on this at our next meeting.

Additionally, it would be fair to say that there were reasonably positive discussions surrounding the parity issues on pricing with the respect to parcels. Australia Post has agreed to further dialogue on this issue to explore the prospect of a differently structured payment plan that recognises that there are significant variations in the time and additional resources required to manage some of these 'mail' items.

LPOG representatives are confident that we will secure some changes in this area that should see the introduction of a payment structure that reflects this extra time and additional resources required of Licensed Post Offices when it comes to the management of parcels.

It was most definitely acknowledged in the discussions that there has been a very significant increase in the number of parcels processed as opposed to 'letter' mail items and that this is no doubt given rise to a need to review these payment structures.

Again it is important to note that while the discussions were constructive, Australia post has adopted the position that they will take our suggestions under advisement and that they are looking forward to our formal proposals regarding possible alternatives.

Additionally, there were productive discussions regarding the management of Post Office Boxes. Quite a degree of the discussion concentrated on the changes in the profile of mail to a Post Office Box and we submitted that we should explore a different formula with respect to how Licensed Post Offices are remunerated on the management of this service.

There were also brief discussions regarding a model where Australia Post have been asked to favourably consider adopting an emergency financial assistance package for qualifying Licensed Post Offices.

We recognise that a number of the issues outlined on our agenda will take some time to find solutions and implement them where necessary. Therefore we believe that there needs to be some form of assistance to financially stressed Licensed Post Offices in the meantime.

Australia Post have accepted to consider our proposal. This proposal will go some way in accommodating Licensed Post Offices for their financial stress whilst we continue discussions with the relevant stakeholders over the coming months.

We look forward to a response from Australia Post as to our proposal and we look forward to continuing discussions on the issues outlined on our agenda.

ISSUE 1: Urgent and Interim Relief

ISSUE 2: Review of the Licensed Post Office Agreement & Payment Schedule

ISSUE 3: Review of the nexus of pricing reviews linked to the Basic Postage Rate (BPR)

ISSUE 4: Review competitive practices between Australia Post and their LPOs

ISSUE 5: Review and establish the additional demands on LPOs as a result of increased package volumes

ISSUE 6: Review pricing structures for packages and parcels

ISSUE 7: Review pricing for Post Office Boxes

ISSUE 8: Review pricing for Mail Redirection Payments

ISSUE 9: Review process regarding the mark-up on retail items available to LPOs

ISSUE 10: Discuss delays in receiving stock

ISSUE 11: Review the added financial burden to licensees as a result of the Ce-Pos system

ISSUE 12: Review the impact of disparity with rentals and general outgoings between LPOs

ISSUE 13: Discuss increases to current charges to reflect CPI changes over the past 20 years

ISSUE 14: Discuss Mail Service Payments

ISSUE 15: Discuss the prospects of Mail Contracts performed by licensees being retained by the LPO

ISSUE 16: Discuss the reinstatement of a Process & Procedures Manager

ISSUE 17: Discuss reform of the Dispute Resolution process

ISSUE 18: John Christensen's case

ISSUE 19: Issues regarding franchises

ISSUE 20: Discuss the Representation Allowance

ISSUE 21: Discuss the rationalisation of the network

ISSUE 22: Discuss shortfall fees

ISSUE 23: Financial Institutions' view of LPOs

ISSUE 24: Discuss new services for LPOs to offer

ISSUE 25: Discuss amalgamation of POAAL & LPOG

GROUP BUYING

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WANTED YOUR POST OFFICE LISTING

HAROLD A. ASHCROFT REAL ESTATE AND BUSINESS AGENTS have been selling Post Offices since 1935 with 2014 being our 79th YEAR and during that time have sold over 2673 a national record for Post Office Sales.

I became the principal of the agency in 1977 on the death of my father having worked with him since 1972. In 2004 I reached the landmark of 1,000 Post Office Sales and to date I have sold 1,251 Post Offices. Our business has a reputation of being fair and honest in its dealings with all. Our main aim is to do the best by our vendors, yet be fair to our purchasers, because ultimately we would like to be of service in again selling the business.

I spend many hours each week educating, counselling and qualifying potential purchasers of Licensed Post Offices. This work I do without charge and willingly because it gives me my marketplace for the sale of L.P.O. businesses with nearly all serious buyers passing through my door. My income is derived from the commission I earn when I sell an LPO. I will never provide any prospective vendor with an unrealistic assessment of their L.P.O, but I still have achieved record sale Prices for my Vendors. **I do not ask for sole agency's** as this practice only **benefits the selling agent**, restricting exposure and in some cases seeing the Vendor pay an Agent a commission when the office is sold direct to a family member independent of that Agent. **Sole Agency robs you** of the opportunity to sell your office without unnecessary delay, and at the best market price of the day. A successful smooth sale to the satisfaction of both vendor and purchaser is my ultimate aim. With this in view, I sincerely urge you to give me the opportunity to provide your post office with an obligation-free professional and unbiased assessment should you wish to sell, remembering that I have 40 years of direct experience in this area and 1,251 completed Post Office sales to my credit.

You will be pleased to know that when we take a deposit on a Post Office, it is taken with all bases covered ie; lease, finance, intention, training and evidence of income have all been discussed and confirmed with the purchaser so that no impediment stands in the way of the sale proceeding.

Please note that in selling your Licensed Post Office through my Agency you are in the hands of an Agent who has your interests as the first priority and does not and has never **Traded Licensed Post Offices** ie: **Purchasing** a Licensed Post Office **from a client or Australia Post** and then on **selling the LPO for** a substantial **quick profit**.

Please contact me at the office or home if I can be of any assistance.

TERRY A ASHCROFT.

SELF HELP & BUYING MEETING ON 22nd MARCH 2014 from 1 pm: Displays & Sale of products. Review of the Senate Inquiry into the LPO Agreement & Payments at a new location to be advised. If you know of a good location between Parramatta and the City please advise HELP!

PLEASE NOTE: That Group Buying has been organised and promoted by Terry A Ashcroft t/as Harold A Ashcroft Real Estate & Business Agents and has absolutely no affiliation with or endorsement by AUSTRALIA POST.