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21 February 2014

Mr. Gavin Jones
Director
Adjudication Branch
Australian Competition & Consumer Commission
GPO Box 3131
CANBERRA ACT 2601

By email: adjudication@accc.gov.au

Dear Mr. Jones

Seedvise Pty Ltd application for authorisation A91406 – interested party consultation

We appreciate the opportunity to participate in the interested party consultation process in relation to the application for authorisation submitted by Seedvise Pty Ltd (**Seedvise**) on 17 January 2014.

We trust our views, as set out below, will be of assistance to the Australian Competition & Consumer Commission and we would be pleased to assist if further requested.

As noted in the Seedvise application, CBH Grain Pty Ltd (**CBH Grain**) is currently party to an End Point Royalty Agreement with Seedvise (**Existing EPR Agreement**), pursuant to which CBH Grain is required to collect and remit End Point Royalties (**EPRs**).

In principle CBH Grain does not object to the authorisation sought by Seedvise. CBH Grain has found that the structure of the Existing EPR Agreement, and Seedvise's role as both a coordinator and a central contact point for the EPR collection system, has resulted in a more efficient and manageable EPR collection framework for both CBH Grain and the individual growers.

CBH Grain's views are based on the assumption that the collectively negotiated arrangements would not result in a lower EPR collection fee or less favourable commercial terms for CBH Grain and other grain traders who participate, or may in future elect to participate, in the EPR collection system.

Grain traders participating in the EPR collection system incur significant costs in establishing the necessary business processes to effectively administer the requirements of their EPR collection agreements. In addition, grain traders carry the

risks associated with failing to remit the correct EPRs to the royalty managers, resulting in further financial exposure.

In order to ensure the continued efficiency of the EPR collection system and encourage involvement by smaller grain traders, the collective negotiation process should not result in grain traders being subject to less favourable terms or being unable to negotiate amendments to those terms. This would discourage participation by grain traders to the detriment of both royalty owners and individual growers.

Please do not hesitate to contact us should you wish to discuss this submission further.

Yours sincerely

A handwritten signature in blue ink, consisting of a large, stylized initial 'R' followed by a horizontal line extending to the right.

Richard Codling
Group General Counsel