

23 1000 1981

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CRYSTAL EGG COMPANY

Authorised Agent
Victorian Egg
Marketing Board

TO: ALL PRODUCERS SUPPLYING EGGS
TO THE CRYSTAL EGG CO. BENDIGO.

Dear Producers,

Following the recent changes introduced on March 23rd 1981 by the Board, as outlined on circular 24/81 and letter dated 20th March, 1981, we wish to explain further the introduction of a group grade.

Firstly it is voluntary. No producer need have his eggs included in the group grade if he prefers an individual grade. However, under the new grading charges outlined by the Board, which must now be paid direct to the grading floor instead of to the pool, it is better for producers with small consignments of less than twelve cases to adopt a group grade. The consignment fee of \$3 becomes too significant at small consignment size, and so, it would pay the producer to pool the eggs and share one consignment fee with other contributing producers. This is the only way that small consignments can be handled without penalising the nett return to the producer.

We have decided to introduce 3 pools, one for A grade eggs, one for B grade eggs that are considered by the candler (grading girl) to be satisfactory, and one for very poor quality B grade eggs.

The A quality pool will commence at \$1.02 per dozen, after all grading charges, pool and packing material charges, have been deducted.

The B quality (good) pool will commence at 71 cents per dozen, again after all deductions for grading, packing material, and pool. The poor grade pool will only start when poor grade B eggs are received, and we shall have to set a pool price later.

If the actual value of the consignment varies from the amount paid at the start, e.g. \$1.02 for A grade, it is anticipated that we shall adjust the amount paid after one month to ensure the actual value is returned to producers. The Board will monitor these pools constantly to ensure this happens.

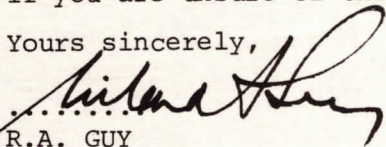
Because greater returns to producers will result from the pools so described, we shall pool all eggs in consignments of less than twelve cases, UNLESS you wish us to treat your consignments separately. You must advise us to do so.

Producers with consignments over twelve cases will continue to receive an individual grade as before, as it pays them more to do so.

It is expected that when the pools are operating properly, there will be a benefit to all producers, as the pool deduction of 2 cents will more than cover the additional grading charges now paid direct to the grading floor.

If you are unsure of this new system, then please contact us at Crystal.

Yours sincerely,


R.A. GUY
GENERAL MANAGER