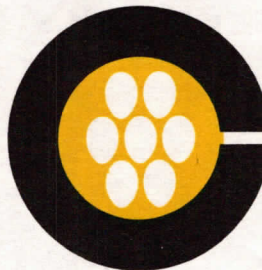


Recd 14/2/83

14 Feb 1983

CRYSTAL EGG COMPANY

Authorised Agent
Victorian Egg
Marketing Board



Garsed Street Bendigo
Victoria 3550
Post Office Box 4
Phone (054) 431911

12th January, 1983.

Mr R. Broadbent,
Hon Secretary,
Commercial Egg Producers Association,
R.S.D.,
BRIDGEWATER, 3516.

Dear Rae,

In response to your letter delivered to our floor last week, I thought it would be of interest to you and your members if I detailed developments to date concerning our grading charges and possible changes thereto.

You will recall that we held a meeting back on July 20 1982 at Crystal at night, on the ever present problems of inflation and farm packing, the two major threats to the viability of our grading floor. You will also be aware that grading charges were last increased in November 1981, some 14 months ago. At our July meeting, we agreed to hold our charges until December 31 1982, on the understanding of no more farm packing applications.

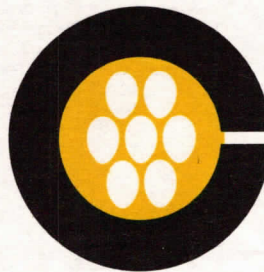
History shows that our rates have remained constant, but two producers sought and were granted licences to farm pack. Both have commenced packing since then. Lakeside Farms at Malmsbury is still sending eggs to our floor, but will cease when the Board grant him permission to commence farm packing. He is all set to go and should commence shortly after January 27, the date of the next Board meeting.

It was our intention to increase our service fee, and so we had discussions with two Board members and the General Manager. They proposed another solution, which is encouraging to us, if it could be implemented in time. Here in lies our next problem. The Board has suggested that we supply eggs directly to two large Metropolitan distributors, and carry the accounts of the shops to which the eggs are delivered. This would provide about half the revenue needed to cover our cost increases over the last 14 months. This would be ideal if we could get the organising done and the new system implemented, but the Board has suggested it could start in June 1983! I consider that it should be introduced much sooner, and certainly by the end of February.

Cont...

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We have also written a letter to all producers that will be sent out with the next cheque, which states we shall not alter grading charges for a further 2 months, until February 28th, at which time we hope to be able to see the effect of the assistance offered by the Board. Any assistance by producers to facilitate the introduction of the new sales system will certainly be welcome, as we can see a possible long delay in its introduction, which could not offset any costs from February 28th. Should the long delay be necessary, then we believe we must increase our fees on or after March 1st.

I hope this explains the current situation for you. Feel free to come and discuss any of the above at any time.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'R. A. Guy', written over a horizontal crease in the paper.

R. A. Guy,
GENERAL MANAGER.