

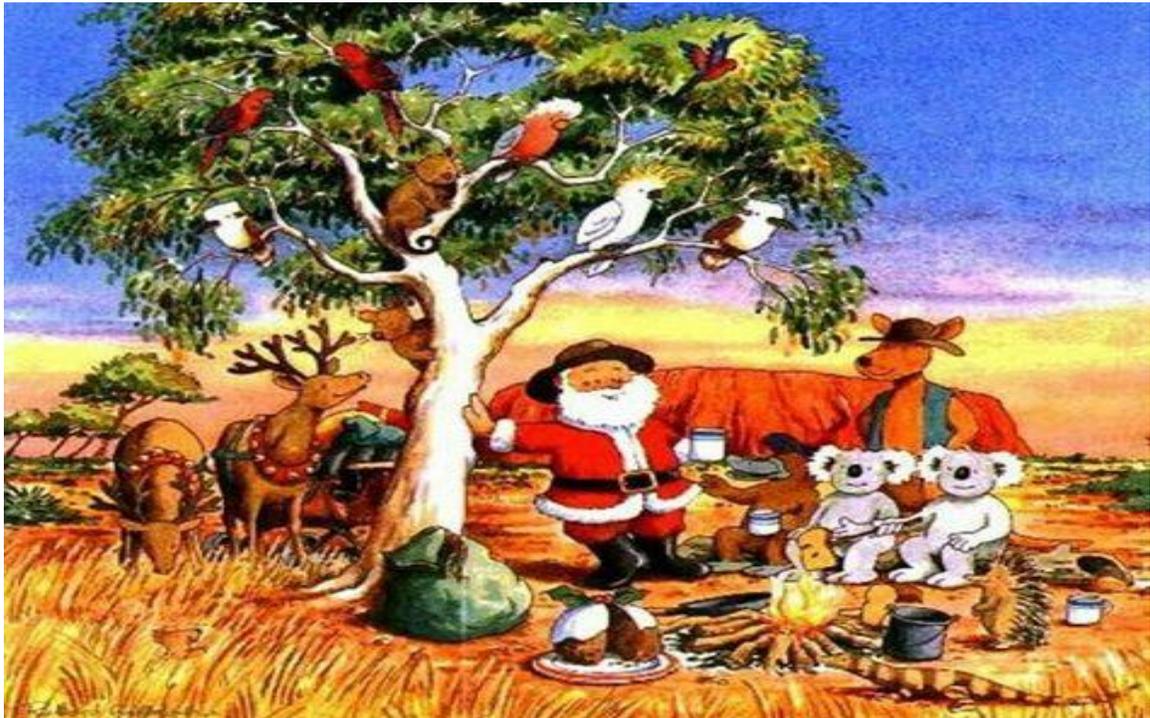


OOFERS

AUSTRALIA INC.

NEWSLETTER

ISSUE NUMBER 7
Published December 2018
FIRST PUBLISHED JULY 2017



*FROM OUR OOFER FAMILY TO YOURS
WE WISH YOU A HAPPY FESTIVE SEASON
AND THE WISH THAT THE NEW YEAR
WILL FULFILL ALL OF YOUR EXPECTATIONS
AND THAT THE OIL INDUSTRY WILL BE
KIND TO YOU IN 2019 AND BEYOND.*

KEVIN & IRENE HUGHES & FAMILY



**OOFERS 2019 REUNION READY TO GO!
MELBOURNE CROWN HOTEL
24TH & 25TH MAY 2019**

Planning has been completed and bookings have been made for our next OOFERS Australia Grand Reunion luncheon to be held at Crown Plaza Melbourne.

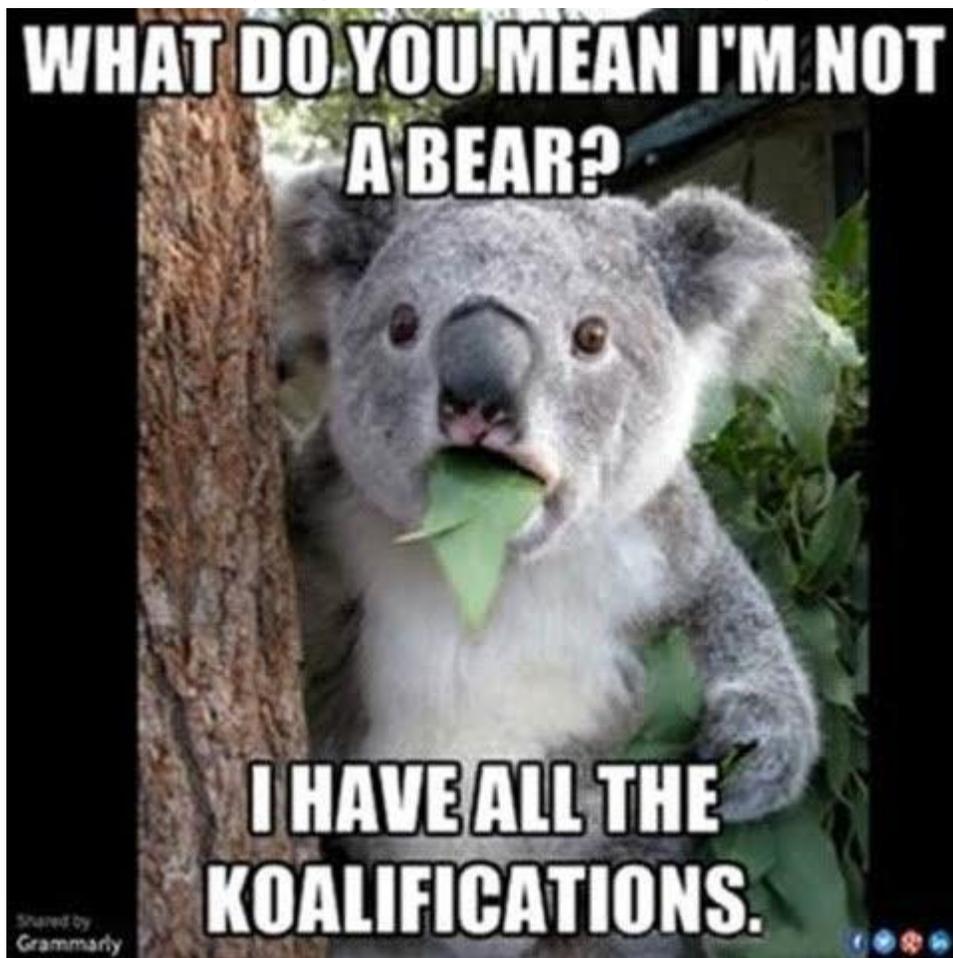
Followed on the Saturday by a visit by bus to the wonderful Healesville Sanctuary and then on to Olinda in the Dandenong's to the iconic Cuckoo Restaurant for a fabulous and entertaining lunch.

The Annual General Meeting will be held on the morning of the 24th and be followed by the reunion luncheon, which will include presentations of the coveted OOFERS Australia Award for those who have given distinguished service to our industry and the community.

Invitations and booking arrangements will be sent out in January, so make sure you get in early to reserve your place.

As always, the Reunion is open to all current and retired petroleum distributors, their wives, family and staff and those who have, or have had, a close association with the wholesale sector of the petroleum industry.

*THIS FELLOW WILL BE WAITING TO GREET US
AT THE HEALSVILLE SANCTUARY*



ANDERSON FAMILY CELEBRATES 50 YEARS OF SERVICE TO OUR INDUSTRY



Anderson Family Patriarch – **OOFER Ron Anderson** and his two sons Robert and Peter have recently celebrated fifty years of success within our industry. Theirs’ is a wonderful success story, but it has not been without its traumas, some being quite exceptional, including when the ACCC accused the family, and others, of price collusion. That action turned out to be of great national focus, but Ron and others, including OOFER Rob Riordan, took on the ACCC all the way to the High Court, in spite of facing millions of dollars in legal fees and won. Theirs,’ including the Riordans, was a testament to courage and tenacity.

Ron was awarded the coveted OOFERS Australia Award in 2013.

Ron joined the Vacuum Oil Company as a representative in 1962 in Seymour and entered their petroleum distributorship career in Warrnambool in 1968.

Ron has previously acknowledged that their success has been due to the solid loyalty and support of his wife Margaret and their two sons Peter and Robert.

Congratulations and best wishes to the Anderson family for their well deserved success.

OOFERS AUSTRALIA ANNUAL SUBSCRIPTION HAVE YOU REGISTERED YET?

It was resolved at the OOFERS Reunion in Cairns in 2017 that a membership fee of \$50 per annum be introduced, which would entitle all such financial members being able to stand for any of the Board positions vote at all Annual General Meetings and any other meetings called under the constitution.

A Membership Certificate is issued to all those who register.

Have you received your membership certificate?

Application for membership to become an OOFER will be, as it is now, open to all current and retired distributor/wholesalers, wives, family, distributor staff and those closely associated with the wholesale sector of the oil industry.

**Retail network operators are also wholesalers and are warmly invited to join us.
MEMBERSHIP REGISTRATION ATTACHED**

EXPANDING OUR OOFERS COMMUNITY

Our Board of Directors has been considering how we may expand our OOFER community and will shortly be coming out with a strategic membership development plan.

In the meantime, if you are aware of any former or current petroleum distributors please let us know their contact detail (email address vital) and we will get in touch, inviting them to join us.

We now have an OOFERS New Member Pack, which explains who we are and what it is that we do and can be emailed to those who may be considering joining us.

This new member pack is available for any current OOFER who might like to have it to on hand to forward to prospective members.

OOFER Directors are particularly urged to be pro-active in this area.



OOFER COL TIEMAN INTRODUCES GREAT NEW INNOVATION IN TANKER DESIGN

Colin has provided this brief video of their latest design developments in fuel delivery. Really great stuff.

Just click on the link below to see the new drone footage of our latest 20m BD and 33kl `Fuel Shifter` in action for Kel Campbell Fuels in NSW. Also the latest editorial attached. This `Fuel Shifter` is operating in Goulburn NSW. The PBS 20m BD is based at the Caltex terminal in Sydney operating down to Goulburn each day, now at 63T GCM.

Both the 20m BD and the 33kl `Fuel Shifter` have steer axle options fitted to provide the best access to tight farm delivery areas. The 20m BD has a bulk discharge pump fitted. The 33kl `Fuel Shifter` has the new `Swift` pump system fitted which allows pre set metered, pre set gravity and pre set bulk discharge deliveries. Really smart technology. Both extremely flexible units maximising payload efficiency with best access.

<https://youtu.be/py53UTDylwA>





THE COLLAPSE OF THE WORLD OIL PRICE NOW THREATENED BY WORLD WAR TENSIONS.

While consumers are enjoying low oil prices as a result of a drop in world oil crude prices of around \$US20 pb since the end of October this year, that enjoyment may be short lived.

Firstly, up until the end of October, there has been a steady increase in world crude markets caused by a soaking up of what was previously a surplus in world oil markets and a tightening of supply by OPEC and others. The US threat to embargo supplies from Iran, also caused concern and a threat to world supply.

However, since that time the Saudis have ramped up production, the proposed US sanctions on Iran, due in November have not yet come into effect. The US, while oil prices were higher have ramped up their Shale Oil production, pumping surplus into the market place. In addition, there has been a slowing of the economies in the US, China and Europe.

The latest counter balance to the surplus is the serious threat of war between the Ukraine & Russia and how involved the USA and the NATO countries will become is yet to be seen. However, whenever a serious war threat occurs anywhere in the world, fuel oil prices usually significantly spike.

In addition to the Ukraine/Russia scenario, the alleged Saudi murder of one of its journalists in Istanbul is yet to be played out. It is hard to imagine the world standing by and letting the Saudis get away with such an event, in spite of Donald Trump amazingly contending that US interests were more important than the murder. Both the Republicans and the Democrats are now reacting to Trump's stance in this matter, together with rest of the Western world and sanctions on the Saudis are likely, which will tighten world oil supplies.

Also yet to play out are the tensions between China and the US over their trade squabbles which are likely to damage the economies of both countries.

What a mess!

A situation that has largely been caused by one man, who is pushing the USA into isolationism policies, the outcome of which has the capacity to seriously damage world economies and cause a significant increase in world oil prices.

Brent Crude, (the world benchmark) as at 28/11/18 was \$US58.76 compared to around \$US79 at the end of October this year.

We anticipate that world oil prices should commence rising anytime soon, which is a good indicator for petroleum marketers to fill their storage tanks now.

Australian Petroleum Marketer News 1st December 2018

WHEN IS A WINE COLUMN NOT A WINE COLUMN? THIS ONE IS!



Grape Expectations by Max Crus.

Max Crus is a professional commercial photographer and journalist and syndicates his weekly column to a large number of regional Australian newspapers and journals.

He is regularly engaged by wineries across Australia to undertake various wine related photographic and journalistic assignments.

Grape Expectations by Max Crus (Column No.1305)

It's just not cricket.

You go through phases with cricket, and not only that it comes into your life in November and then disappears immediately football starts in March.

No, you start out bored, then you get really bored, then you get frustrated, then you hate it, and before long you switch off altogether following another controversy involving arrogant Aussies.

The boredom this year started on day one when commentators couldn't contain their glee at what they described as an Indian collapse, until, as usually happens, they recovered and

suddenly were on top, until in the dying moments they were again struggling and Australia were in the box seat, before they'd even batted.

How can you say that before the other team has had a crack with the bat? Nonsense. Sure enough Australia were on the ropes at one for none said the commentary. Then they recovered and according to one radio caller "could even win the test if they got more runs than India". Revelatory.

So really, it's not the players' behaviour, the natural Aussie joie de vivre and sense of entitlement that they adopt as soon as they don (Don?) the baggy green halo that irks erstwhile aficionados, it's the commentary.

In the past you'd put up with the nobs in between Harsha Bhogle's turns at the microphone with their enlightening descriptions of bus timetables and breakfast menu at their five-star amid tales of brushes with players better than them, largely because they gave you the score at the end of each over.

But when tuning in on day two, all we got was prattle for ten overs. Who cared whether the commentators thought India was well on top because there'd been a collapse, WHAT'S THE SCORE?

Who cares that commentator Joe Bloggs played with one of the current batsmen as a junior and got him out first ball, big whoop. Give us the bloody score.

True, I laughed when one commentator who was compiling a book on players nick names thought Peter Toohey's was 'Rats' and reasoned it was because he was up a drain pipe or something. Maaaate, I'm pretty sure his moniker would have been Ratter, haha...but what about the score?

Here's how you do it guys. See these wines below, they all have scores, with minimal bullshit in between.

Hastwell and Lightfoot McLaren Vale Fiano 2018, \$25. Fiano crops up so frequently these days it's almost mainstream, which is something we shouldn't mind in the slightest. 8.9/10.

Hastwell and Lightfoot McLaren Vale (Single Vineyard - Semaphore Sands) Sands of Time Shiraz 2016, \$30. H&L sounds like an old legal, accounting or cigarette firm, or perhaps an ageing LA songwriter, but actually it's an old McLaren Vale winemaking mob who clearly know what they are doing. 9.2/10.

Calabria Riverina Private Bin (Vat A30) Nero D'Avola, 2017, \$15. Wasn't it Nero who fiddled while Rome burned? Been on his own gear (d'Avola) no doubt. Good luck to him. 8.7/10.

Calabria Barossa Valley Three Bridges Cabernet Sauvignon 2016, \$25. Cabernet is the unsung hero of the Barossa Valley, bit like India's Pujara. So best not start singing too loudly or the price will rise. 9.1/10.

Vickery Watervale (WVR 703 CK) Riesling 2018, \$23. Gee it's awkward when you prefer the cheaper of a pair of wines...what am I talking about? I love it! 9.2/10.

Vickery Eden Valley (EVR 903 MZ) Riesling 2018, \$27. Unexpectedly, there's a lot more going on in this than your average riesling, which is almost annoying, it makes you think about what you're drinking. 9.1/10.

WOULD YOU LIKE TO BECOME AN OOFER?

Membership is open to all current and retired petroleum Distributors, Wholesalers their families and staff, and those closely associated with the sector.
Membership form is attached at the end of this newsheet and costs \$50 per annum.

*Come and join in the fellowship with friends and colleagues-
Reunions held every two years*



THE INTERNATIONAL ENERGY AGENCY PREDICTS

UNPRECEDENTED UNCERTAINTY

The head of the IEA Faith Birol, warned producers about the dangers of the current geopolitical instability and fragile global economy.

“We are entering an unprecedented period of uncertainty in oil markets,” Dr Birol said at a recent energy conference in Norway.

“The US decision on the Iranian sanction waiver took some of the players in the market by surprise,” she said.

“As a result, what we see today is that markets are well supplied and the oil price went down by \$20. But the global economy is still going through a very difficult time and is very fragile and we have very thin production capacity left in the world, in a world which is becoming more dangerous.”

The Saudi led cartel – OPEC, is expected to endorse a cut in production at a meeting in Vienna on December 6.

However the IEA argues such a cut could cause a price spike that would further depress consumption and the global economy.

Dr Birol said OPEC producers should exercise “common sense” at next month’s meeting.

“Despite the weak shape of the global economy, oil demand is still strong, spare production capacity is very thin and we do not know what the decision of the key producers in OPEC in December will be,” she said.



VIVA AND COLES EXPRESS IN TROUBLED WATERS.

Viva, as if it did not have enough trouble on its hands, has had to endure poor refinery performance, its major petroleum supplied client – Coles Express sales drop around 35% and its share price took a hit.

But that's not all.

Of immense intrigue is Viva's attempt to claim around \$40 million from the tax department for what seems to be a "Temperature Correction" claim.

Petroleum marketers who have been around for some time well know, that the very real temperature correction issues were remedied at the introduction of OIL Code. This was when oil companies were forced to deliver from refineries fuel temperature corrected to 15 degrees. Prior to the introduction of this legislation, distributors and service stations lost hundreds of thousands of dollars, it not being unusual for distributor and services station operators to lose around 600 litres per tanker load to non-temperature correct loading. Conversely, the major refiner marketers always paid the tax department for Fuel Excise at temperature corrected measurement, which gave them a multi million dollar windfall, which they did not like losing when the law changed.

Admittedly, without knowing all of the facts in Viva's claim against the tax department on what seems a temperature correction issue, it seems hard to see how their claim could succeed.

As we have variously previously reported, there have been strange things happening in Cole Express, which has seen them losing about 35% of their market and Viva as a consequence, losing 25% of theirs.

Viva owns 1165 petrol stations nationally, including around 1,000 flying the Shell brand, 714 of these are operated under a supply & lease agreements with Coles Express.

We have previously commented that it appeared as though Coles were setting up Coles Express to be demerged, with the successful bidder likely to be Viva.

If the end goal of all this shemuzzle is not for Coles to demerge Coles Express, then one has to seriously question Coles Express industry management experience and competence.

Australian Petroleum Marketer News 1st December 2018

**HEY OOFERS! HAVE YOU REGISTERED YET?
WE WOULD HATE YOU TO MISS OUT ON AN
OOFER EVENT, NEWSLETTER OR
COMMUNICATION.**

(Registration form attached.)

**THE OOFERS INTRODUCE A UNIQUE
SERVICE.
OOFERS MEMBER
DISTRESS GUIDANCE ASSISTANCE**

**At the May 2018 OOFERS Annual General Meeting held in Sydney it was resolved:
“As a service to OOFER membership that *“Distress Guidance Assistance”* would be
offered to any OOFER or OOFER family member who suffer distress from a death,
serious illness, breakdown or business threat. This is a free service.**

**The objective of the service is to provide the opportunity for OOFER members and
or their families who may be presented with distress situation/s where they are not
sure what to do or what decision/s should be taken and would therefore welcome
no-obligation, independent, strictly confidential advice.**

**The service would involve, in discussion with those in distress, to appoint an
independent OOFER *“Adviser”* to provide professional guidance.**

**Such advice and guidance would be undertaken on a strictly confidential basis and
would draw on the expertise available within the OOFER community or if
necessary, from external professional support.**

**The OOFER community has vast professional experience and qualifications in the
areas of Business Management, Accountancy, Financial Advisers, Legal and Human
Relations and it is proposed that this specialist experience could be made available
to those OOFER members and or their families in times of serious distress.**

**Should an OOFER member and or an OOFER member’s family, wish to avail
themselves of this strictly confidential service, they should in the first instance
contact the OOFERS Chairman and or any member of the OOFERS Board of
Directors. Contact detail below.**



FUEL DAYS COVER. POSITION STILL CRITICAL

Our Precarious 'Days Cover' For Refined Fuels

The Federal Government is now including fuel storage external to the major oil company refineries and terminals. These figures now include distributor/wholesaler storage and large commercial entities.

However, as will be noted, the days cover has only marginally improved with these numbers now included.

Should we have issues including adverse weather, (cyclones/ tsunamis impeding our shipping lanes) strikes, both here and in our supply pipelines, together with the ever increasing threat of terrorism within our supply sources, or even refinery break down both here and within our external supply sources, we will very quickly be forced into rationing.

Our defence people are continuing to make noises expressing their concern at our current fuel stocks vulnerability.

To provide continual focus on what we see as an increasing threat to our Australian economy we will each month provide the latest data on 'days consumption cover' trends.

Our view, for the protection of the Australian economy, the target days cover should be a minimum of (30) days for diesel and petrol, whereas the International Energy Agency (IEA), as a condition of membership requires (90) days cover for all petroleum stocks (including crude oil) and we are not currently meeting even that benchmark.

We are the only OECD member country of the IEA that does not have a Petroleum Strategic Reserve.

As will be seen from the latest numbers our fuel security remains at a precarious level.

	Mogas	Distillate	IEA all Prods Cover
August 2018	23 days	19 days	52.days
September 2018	21 days	21 days	55.2days
Variance to last yr.:	+ 6%%	+ 25.6%	+ 13.0%

Australian Petroleum Marketer News 1st December 2018

NOMINATIONS BEING RECEIVED NOW FOR THE OOFERS AUSTRALIA AWARD.

The Chairman is now receiving nominations for the OOFER Australia Award (OAA) for presentation at the Reunion to be held in Melbourne in May of 2019.

If you are aware of someone who you feel deserves recognition for the award please read the guidelines for consideration for the award below and submit your nomination to the Chairman.

All nominations and their nominators are kept strictly confidential until the award is presented. However, the nominator's name is generally never revealed.



OOFER AUSTRALIA AWARD Qualification Criteria

The Award Recognises:

“ Exemplary and meritorious service to the community and wholesale sector of the petroleum industry in Australia.”

Eligibility:

To have been nominated by any person from within or without the oil industry. The Nominator's name shall remain confidential. Each nomination will be considered and awarded by the OOFER Australia Award Council via its Chairman. A candidate for the award may come from any section of the community including – Petroleum Distributors/Agents/Wholesalers/Resellers, major oil companies and people who have given significant service the wholesale sector. As a guide only, the meritorious service by the nominee to the petroleum wholesale sector would generally have been provided over a minimum period of around twenty five years – plus. Each recipient must attend an OOFER Australia Reunion or other formal OOFER Australia function to receive their award, or in the case of illness or incapacitation, special presentation arrangements will be made. Each nominee or their nominator, will need to provide a brief – (one A-4 typed) of their history including community service and in particular, details and numbers of years of service to the wholesale sector and any service rendered to APADA or ACAPMA or other related industry body.

The Award:

The award is a necklet medallion and ribbon plus a Certificate for Meritorious Service to the Community and the Wholesale Sector of the Petroleum Industry. The recipient may wear the award at any OOFER Reunion Luncheon or function and any formal petroleum function including activities conducted by ACAPMA.

All nominations are to be forwarded to the OOFER Australia Chairman and will remain confidential. Once nominated, the Chairman will contact the candidate to advise them of their nomination/s, and if not already provided, request written detail of their service.

Each nominee will be advised of the approval of their award which will remain confidential until the award's presentation at an OOFER Australia function – usually the OOFER Reunion Luncheon held every two years.

Further information may be obtained from the OOFERS Australia Chairman as detailed below.

LETTERS TO THE EDITOR

PLEASE LET US HAVE YOUR LETTERS, PHOTOS, NOT ONLY ABOUT INDUSTRY ISSUES, BUT ABOUT WHAT IS HAPPENING IN YOUR BUSINESS, EXPANSIONS AND ACQUISITIONS, MAJOR STAFF CHANGES AND EVENTS, FAMILY MOMENTS, NEWS ABOUT PEOPLE, WOULD ALL BE WELCOMED FOR OUR OOFERS NEWSLETTER.

*We also recommend that you pass on this newsletter to other prospective OOFERS or any other interested party.
There is no subscription fee.*

PLEASE NOTE: The opinion pieces expressed within this segment are not necessarily the views of OOFERS Australia or its Editor and all contributions must contain the name and address of the contributor.

This newsletter is published by OOFERS AUSTRALIA INC A 'NOT FOR PROFIT' PETROLEUM FELLOWSHIP GROUP OF CURRENT AND RETIRED PETROLEUM WHOLESALERS and THOSE CLOSELY ASSOCIATED WITH THE SECTOR AND IS EDITED BY Kevin Hughes, Chairman of OOFERS Australia who may be contacted at:

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PLEASE NOTE: The OOFERS Australia Newsletter is published on an irregular basis, probably around quarterly, is distributed per email and is protected by copyright. The re-publication of any article within this newsletter is strictly prohibited without the written permission of the editor.

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If you have not yet completed your membership registration

OOFERS REGISTRATION FORM BELOW



OOFERS

AUSTRALIA INC.

ACN AO1026271

A NOT FOR PROFIT PETROLEUM FELLOWSHIP GROUP
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MEMBERSHIP REGISTRATION.

Name: _____

Postal Address: _____

Email: _____

Phone:- _____ **Fax:-** _____

**Location of Distributorship/s Operated:- (Current or Previous) or
Other Association with industry.**

Major Suppliers:- _____

ANNUAL MEMBERSHIP FEE:

**An annual Membership Fee of \$50 is due with this registration.
Registered OOFER Australia members are entitled to attend all
OOFER functions and vote at OOFER Annual General Meetings and
any other meetings called by the executive and or OOFER Board of
Directors.**

**OOFER Australia membership fees may be paid by direct bank credit
to:**

For Payment by Direct Bank Credit:

OOFERS Australia

NAB Mildura: BSB: 083 764 A/c No: 87689 6868