



GERALDTON  
FISHERMEN'S  
CO-OPERATIVE

Rock Lobster Exporters

# the BROLOS Catcher

September 26, 2017

Issue No. 146

## From the Chair



Following on from the auditors signing off our annual accounts, we are pleased to announce our Loyalty Bonus payments for the season so far. The board of directors has decided to divide our bonus payments for the current season into four approximately equal periods. This is in recognition of the fact that our profit margin has varied considerably over the year, and our aim is to allocate the true profit to the correct catching period. We also wish to recognise shareholder requests for a more graduated approach to allocating profit.

Bonus payments for all loyal Co-operative fishermen are as follows:

- January 15th to March 31st: \$1.20/kg
- April 1st to June 30th: \$2.50/kg

Members with less than 25,000 shares will receive \$0.50/kg of these payments as Bonus Shares. The lower than expected results for the first half of the season reflect a rising dollar and falling market prices.

Furthermore, with a better than expected result for the third quarter of the season, we would also like to share some good news regarding our profit since July 1st.

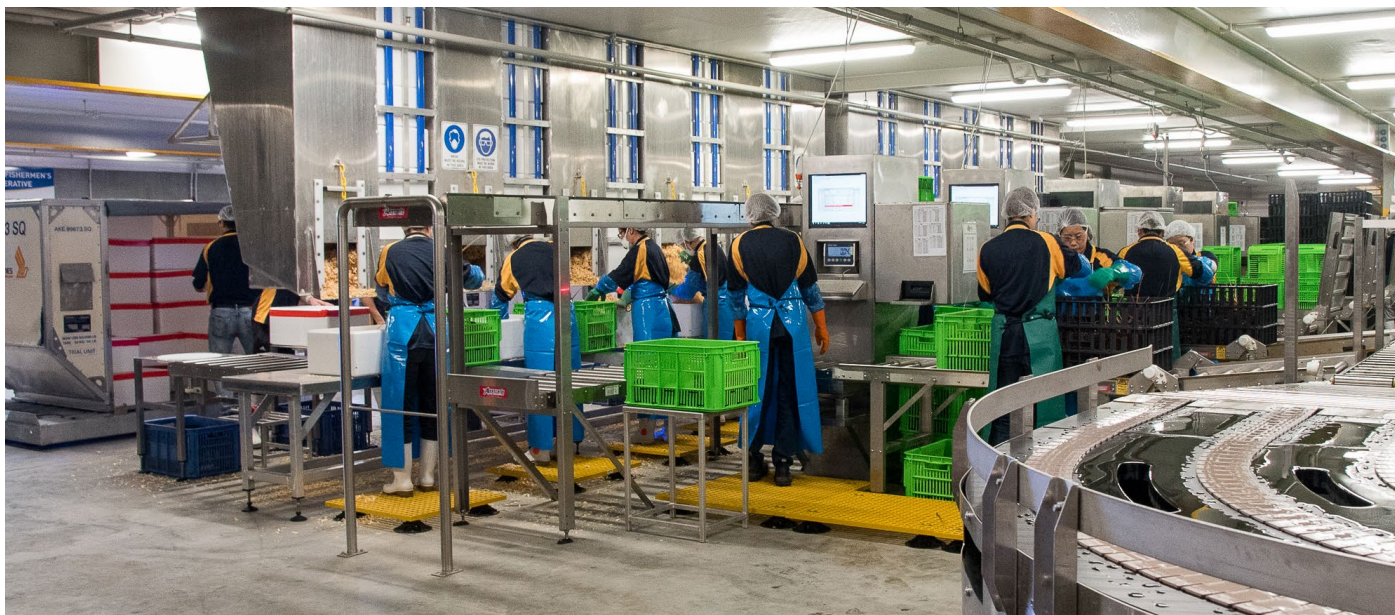
Our new Welshpool facility has exceeded expectations across the board. Having all export operations under one roof and allowing us to rationalise operations at other sites has led to significant cost savings, and the improved logistics and water quality management has led to a marked improvement in quality, survival and yields.

Since Welshpool took over all live exports in late June, we have had zero export mortality claims, despite packing out over 550 tonne of lobster. Internal losses are at their lowest level on record, and our recovery rates (the percentage of lobster sold minus any losses) and the proportion of lobsters exported live are also the best we have experienced. Our cost and yield forecasts for the new facility were necessarily conservative, but the performance of the new facility has exceeded expectations, resulting in our highest Loyalty Bonus payment on record:

- July 1st to September 30th: minimum \$6/kg

Note that this is a **guaranteed minimum** payment and may be revised upwards later in the year. It will be paid into your account after the completion of the season. Members with less than the maximum 40,000 shares will receive \$0.50/kg of this payment as Bonus Shares.

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*Above: The already impressive performance of your new Welshpool Live Lobster Export Facility has led to the highest Loyalty Bonus payment on record.*

I would like to take this opportunity to thank our many loyal suppliers. With your support, we have built a world-class supply chain into China with unmatched efficiencies and product quality. Your co-operative is now ideally placed to take advantage of the considerable opportunities that free trade with China presents, and we look forward to continuing to work with you to unlock further value and return it to our fishermen.

John Ritchie, Chairman

## Market Update

As expected the market demand has improved significantly in the second half of September as we head closer towards the massive China golden week holidays. Demand has been solid and sales volumes have been staying ahead of fishermen landings, which has given GFC the chance to push prices increasingly higher.

Supply from other origins has been slow despite the first Mexican fishing zone opening in the middle of September and the second due to open at the beginning of October. Sales volumes from Mexico have been small to date but as more of their fishing zones open up it may put some pressure on smaller sizes and dampen any price gains in the first half of October. South Australia also start opening their fishing at the same time making demand for WRL and price movements less easy to predict as we head into October.

Of course, catch rates in WA will continue to be a major driver of price given the sheer volumes we can catch over here so if supply from WA can remain under below demand, we will be doing everything we can to keep these better prices going.

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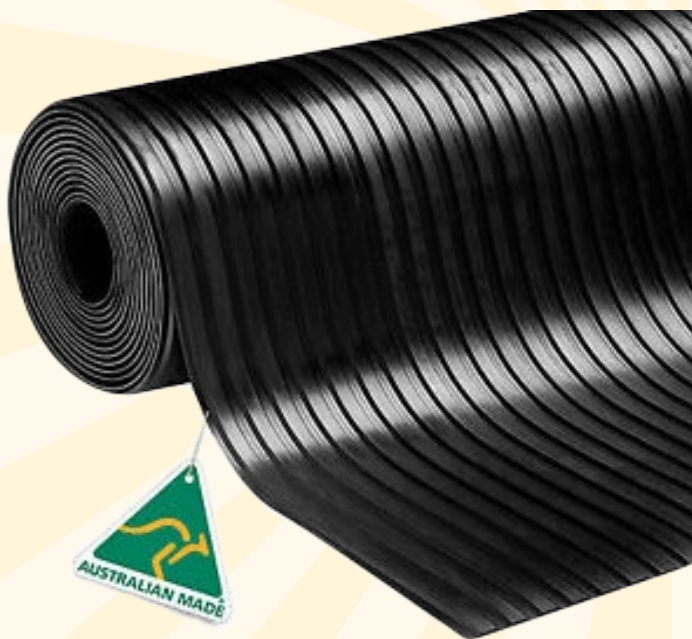


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## Marine Store

More member specials in-store!

GFC Marine Store has good stocks of 1800x950mm reconstituted rubber mats, ideal for protecting the deck of your commercial or leisure craft.



Also stocked are the popular 1800 X 1200 ribbed mats, which can be used for the deck, but are also excellent for the back of your Ute.

**GFC  
Members  
receive a  
10% rebate!**

Send us an order for delivery to your closest depot!  
[marinestoresales@brolos.com.au](mailto:marinestoresales@brolos.com.au)

Greg Gundlach Marine Store Manager

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