

To whom it may concern,

Re: Seedvise Pty Ltd - Submission regarding wheat industry End Point Royalty collection fee.

Australia's plant breeding companies play a critical role in the ongoing prosperity of the Australian grain industry by delivering new and improved seed varieties to the market. The Australian grain industry's End Point Royalty (EPR) Collection system is the primary revenue source for all major winter crop plant breeding companies.

The charging of EPRs provides a return on investment for breeding companies and so directly encourages breeding companies to continue to invest into the innovation and development of new varieties of seed to meet the needs of growers and end users.

Following the deregulation of Australia's grain industry in 2008, the plant variety owners / licensee companies (Royalty Managers) appointed a single entity to educate and engage grain buyers in Australia in the EPR collection system.

Seedvise Pty Ltd (Seedvise) has been appointed as EPR Agent for a number of Royalty Managers. Grain Trade Australia (GTA) supported and continues to support this approach.

A significant number of the major grain buyers in Australia have entered into contracts with Seedvise, in which the grain buyer has agreed to automatically deduct the required EPR from a grower's grain payments on behalf of Seedvise. The grain buyers are paid a collection fee for providing this service to Seedvise.

When the EPR Collection Agreement was established between Seedvise and each individual grain buyer, the collection fee was based on the standard industry collection fee in place prior to the deregulation of the wheat industry.

To improve the effectiveness and ensure the long term sustainability of Australia's grain industry EPR Collection system, it is important that the EPR Collection Fee is able to be reviewed and discussed by the various Royalty Managers that engage the EPR Agent.

GTA has been approached to provide its support for the application made by Seedvise to the ACCC for approval for Royalty Managers to discuss and potentially change the appropriate EPR Collection Fee.

Subject to the ACCC's approval, GTA would support such a review of the EPR Collection Fee.

Yours faithfully,



Geoff Honey
CEO