

Members Newsletter – August 2014

The Council Committee met recently on the last day of July. The meeting was conducted via the online Redback Conferencing system that has been trialled over the last 12 months and has now been refined to be able to facilitate very productive meetings of Council. President Richie Thornton said this was a great innovation of Past President John Monahan who manages the operation of the online meetings and ensures the Councillors are able to participate productively. Richie Thornton stressed the benefits of this system including the ability to meet more frequently on short notice where necessary and the massive savings of Council expenditure and Committee Members time.

The President congratulated Council's Scott Cameron for winning the Real Estate Business Best Residential Mortgage Broker Award for 2014. Scott is not only Australia's leading residential broker but also a very pro-active representative on Council.

Highlights from the July meeting include:

- A warm welcome was extended to Admiral Mario Bonomi, the new representative from South Australia replacing Richard Thwaites. Mario made a great contribution to the meeting and was clearly on top of the issues within his two portfolios – Auctions and Industry Issues.
- A review of the new Appraisals Campaign which had substantial input from Council as a result of the enhanced co-operation and interaction between Council and the Corporate management team. It was agreed the promotion was undoubtedly the best launched by the company and the offer of a free gift to every participating customer was likely to be a real winner. Council is of the view that the reintroduction of television advertising with this campaign will see a strong lift in awareness and effectiveness.
- Council is approaching Corporate with a view to update the financial models used to prepare office business plans as it believes the financial costs of operating an office have evolved substantially over recent years and that our modelling has not kept pace with industry.
- A major focus of the meeting was preparation for the membership renewal program to be conducted across the network over August. Again Corporate agreed to include the Council Membership fee in the July Franchise Return and Council noted its appreciation of this level of co-operation. Councillors were confident membership levels could be further increased this year on the back of the increased awareness across the network of the work done by Council and an appreciation of the need to work as a unified group to improve the franchise offer.
- Council discussed the booming support for myLJHooker.com and noted the recent enhancements to the system particularly the inclusion of an invitation for an appraisal to all visitors to the site as sought for some time by Councillor Frank Newton. Councillor Matthew Herbert, Chairman of myLJHooker.com, reported on the dramatically improved statistics being generated and said the next phase of the rollout will be the extensive series of localised "myLJHooker.com Days" involving offices in developing their own personalised plans.
- Council expressed its support for Corporate's move away from being strongly focussed on software development, being now more prepared to go to the market and purchase and refine leading generic products. Council has been promoting this transition for some time and it is certain to lead to quicker system delivery and greater flexibility in our technology platforms.
- Vice President John Davis reported that the claims experience of Council's CoverForce Professional Liability program has improved substantially and this should lead to a containment of premium costs at renewal time. It was noted that there was an alternative program being promoted to Members but this program did not stand scrutiny and Council was very satisfied that this did not represent a viable threat if Members conducted a detailed analysis and weren't misled by the seemingly lower premiums.
- Council is very concerned at the protection of Members offered by the standard REI Property Management Authorities in respect to client indemnities and is waiting on a legal review before developing strategies to enhance Members protection. Members are urged to keep abreast of this issue as it exposes Members to potential liability and needs substantial rework.
- All members are urged to not sign the contracts currently being promoted by realestate.com.au and to wait on the development of the industry response to the exploitative

pricing of REA. Speak with your Council representative if you have concerns with this or with Council's expert in this area, Mario Bonomi. President Richie Thornton has already written to Members urging them not to sign up to the REA offer and this warning is repeated.

- Council's website is currently undergoing a facelift with a view to making it more user-friendly and relevant to Members needs. Please pass on any suggestions to John Monahan, the Councillor responsible for the site and we will try to meet your requests.
- Council is working with Corporate seeking to identify more effective means of recruiting staff for our offices. President Richie Thornton is co-ordinating this project and he is seeking input from any member who can add to the current range of recruitment activities.
- A small sub-committee of Councillors Matt Herbert, Scott Cameron and Shane Colquhoun has been formed to discuss how it might be possible to enhance the fees available to LJ Hooker Home Loans brokers whilst encouraging and rewarding real estate referrals to offices. This is a difficult area and Council is seeking a new approach to this perplexing issue with a view to a win-win structure following the report of its sub-committee.
- Council will approach Corporate to stress the need for a strong, catchy jingle to promote our brand as this is seen as a key means of reinforcing our brand qualities and can be used with little additional cost to media plans.
- Council has a firm policy to support a cell-by-cell or market-by-market choice between black or white backgrounds to photo signboards and will approach Corporate to ensure all offices are advised of the availability of choice. That said, Council is very strongly of the view that consistency in signage is paramount and will discuss those issues with Corporate this week.
- Council reviewed the latest proposed yellow background corflute sign but found it was unimpressive and not consistent with the style of our other signage. We shall refer this draft back to Corporate and ask that the whole sign be revisited. Accordingly offices may be frustrated at the lack of an outcome on the corflute signs but it is important to get this right as it is the most commonly used of all of our signage.
- It was noted that the new form of Franchise Return calls for the entry of "Postage & Petties" and this concerns Council. Accordingly there is an investigation into this whole issue and Council will pursue this concern and report again to Members.

Upcoming Issues

Issues Council will discuss at future meetings will include:

- A review of the eligibility criteria for Committee membership and whether it is appropriate to introduce a cap on the maximum term a Committee Member can serve
- A review of the potential for applying a cap of the Marketing & Business Development Contingency Fund balance.

Please contact your Council representative if you have any comments, issues or suggestions on Council activities.

If you missed the renewal of your
2014 Council Membership
on your July franchise return, it's not too late!

*Save the cost of
membership with our
members only
"13 months for 12"
bonus for PI Insurance*

Contact your Council
representative for details
of your payment method

Your Council, your voice