



# ROTARY CLUB OF HAWTHORN



## Meeting 14 July 2009

President Neil Roberts

### Notices From the Meeting

#### District Governor

Colin Muir  
RC of Werribee

#### Websites

[www.rotarydistrict9800.org.au](http://www.rotarydistrict9800.org.au)  
[www.hawthornrotary.org](http://www.hawthornrotary.org)

#### Secretary

Richard Logan  
Ph: 0421 094 567  
[rlogan@kildair.com.au](mailto:rlogan@kildair.com.au)

#### Editor

Lawrence Reddaway  
Ph: 9889 1418  
[redaway@bigpond.net.au](mailto:redaway@bigpond.net.au)

#### Apologies (Essential)

- Enter in the book,
  - Or tell Norman Hall
- Ph: 0401 100 177  
[Norman\\_p\\_Hall@hotmail.com](mailto:Norman_p_Hall@hotmail.com)  
Last resort (Tuesday, up to 10.00): Hawthorn Receptions 9818 1355

#### Meetings

Hawthorn Receptions  
555 Glenferrie Road  
Hawthorn 3122  
Every Tuesday 12:30pm  
for 1:00pm (Finish 2.00)

#### Rotary Club of Hawthorn

Postal Address:  
PO Box 33  
Hawthorn 3122

#### Relay for Life

Amy McKee and Graham Jacobs thanked us for our support (coordinated by Noel Halford) of this charity event (held on 28-29 March), and presented us with a framed certificate.

(Editor's Note: It's really nice to be thanked. But what can we do with this certificate? Where will we store it? When and where will we ever display it? Why do charities spend money on such presents? )



#### Kinglake Bushfire Fences

- Gerald Swinnerton 0425 777 851 has a pool of members and friends to continue the work of dismantling damaged wire fences in Kinglake.
- Why not join the pool?
- Ask Gerald by 9pm on any Thursday to arrange for the Saturday.

#### Bulletin via Google Groups

- Norman Hall reminded members that the electronic Bulletin would now be made available only via Google Groups.
- Members should have received an email from 'noreply@google-groups.com' on Thursday 09 July. Members must respond as described in that email—otherwise Google Groups will not recognize you, and you will not be able to participate. In particular, you will not be able to access the Bulletin.
- A few members, who do not have access to the internet, currently receive their bulletin by snail mail. This process will continue.

## Still Standing Up For Shareholders

By **Dennis Shore**  
(Australian Shareholders Association)

Our own member, Dennis Shore, addressed us today about the Australian Shareholders' Association, a not-for-profit, member funded voice for small shareholders. Its motto is 'Still Standing up for Shareholders'. Dennis is well qualified for this task, as he is a scrutineer of certain industries (including banking) for the association. Dennis, if my failing memory serves, is a past MD of APM, a Chartered Engineer, and has responsibility to the association for monitoring the management of over 200 large industrial enterprises, particularly regarding P & L, acquisition policies, interconnected companies, legal, accounting and government issues. Two questions Dennis seeks to answer include 'How they SHOULD perform' and 'How they DO perform'. More particularly, the focus is typically on governance, reporting, performance, executive remuneration, valuations, non-statutory reporting, debt management and dividend policy. One of the ASA's strengths is its ability to conduct direct discussions with company management, particularly in times of crisis!

Free services for ASA members include a monthly magazine (as held by Lynda Shore in the picture), topical information, a free web site, educational DVD courses, semi annual national conferences, master classes in investment, monthly meetings and discussion groups. The association has regional branches.

The powerful, recurring theme of Dennis's talk was that individual share holders had no power compared with the large shareholding blocs. As Australia has one of the highest proportions of individuals (not companies) as shareholders, this issue has great significance in our country. When these individuals combine by signing their voting



proxies across to the ASA, they have very effective power - the ASA typically is in the top dozen equity holders and, often, other large shareholders prefer not to vote at AGMs. In this discussion, it was revealed that the average Australian share was sold about 4 times a year - institutions are clearly traders!

With the Global Financial Crisis, reducing company excesses has become a prominent issue and an obligation for the ASA to pursue. The ASA tries to analyse the symptoms of problems to identify the cause - a common issue in all periods of financial crisis is GREED (no surprise there). Dennis's advice is: don't get angry, act as an owner!

In response to a question from Chris Hanson, some practical principles emerged: excess debt is a killer; adopt rules of thumb for debt; ignore being castigated by analysts; excess debt makes assets sweat (not good in bad times); and CEO's to be paid for long term (5 + years) performance.

In response to remarks about the 'Old Boy's Club' as one of our better informed members described it, the comment was made that a former chairman of NAB who is now on the BHP board is a director of company with a substantial shareholding in BHP; we may safely assume that his tenure as a director is secure irrespective of performance. I believe this is akin to what is politely referred to as a cross shareholding - cross - yes, but seldom angry.

Thanks, Dennis.

(by Richard Bainbridge)

I belong to the ASA largely because, whenever I have the opportunity to vote (by proxy) at a company AGM, I can simply appoint "Australian Shareholders Association" as my proxy—a simple 'cop out' process that has far more effect than voting myself.

(by Lawrence Reddaway)

## Make-Ups:

McINNES Noel (4/07/2009 Kinglake Bushfire Recovery)  
PISTERMAN David (7/07/2009 RC Glenferrie)  
POHL Ian (30/06/2009 Board Meeting)

## Burma Daze

Following last week's talk by Tony Thomas, this edition of the Bulletin comes with an additional, separate document - being an article by Tony. Thanks, Tony!

## Apologies

PATKIN Nehama      WRIGHT Geoff  
POHL Ian

**Attendance:** 40 Members + 4 Guest = 44 Total

**Editor's Thanks:** Henry Drury for taking photos

## The Grand Concert 2009

In support of **Camcare**  
2.30pm **Sunday 16<sup>th</sup> August** 2009  
James Tatoulis Auditorium, Methodist Ladies College, Kew  
**Compered by Tony Charlton AM**  
*Performers include:* Peter Hurley, Suzanne Johnstone, Nehama Patkin, Joshua Hu, Tian Tian Lan, Cameron Roberts, The Blackburn High Stage Band  
**BOOK NOW:**  
Tickets: Geoff Dumayne: 0409 862 749 Adults \$25;  
School Age Children \$15; Family (2 adults / 2 children) \$60

## Guest Speaker:

(Our own PP Dennis Shore on The Australian Shareholders Assocn.)

## Guests of Members:

Lynda Shore

## Visiting Rotarians:

None

## Other Guests:

Anita McKee, Graham Jacobs (Relay for Life)

## Future Events

### Kinglake Bushfire Fencing Repairs *Any Saturday*

- Contact Gerald Swinnerton 0425 777 851 by 9pm Thurs
- RC Hawthorn presents The Grand Concert 2009**
- In support of Camcare
  - 2.30 Sunday 16 August
  - Methodist Ladies' College, Kew
  - Adult \$25—Child \$15—Family \$60
  - Tickets: Geoff Dumayne 0409 862 749.

### District Conference 04-07 March 2010 - Perth

- Put it into your long term planning!

## Around

## The

## Club

### Celebrating Our Dennis Shore

The Shadow may sometimes be seen as a carping grump. (Do we hear cries to the contrary?) Today, as restitution, The Shadow presents (thanks, Norm) our Chairman's introduction of Dennis Shore:

"To recite his resume would take almost all of his allocated 30 minutes and any summary will not do him full justice. I asked Dennis to supply me with a list of anecdotes which he unfortunately declined to provide. So all I can say is that:

"Dennis has enjoyed a comprehensive career in management of large industrial enterprises with full P&L responsibility. He has extensive international experience in business development & establishment, acquisition assessments, market development & business management. Those activities involved frequent & significant involvement with top management of a range of international companies, international banking and legal companies, major accounting firms, government officials and elected members of government in several countries.

"This experience has provided him with a good knowledge of how major companies function or should function, governance issues & legal & ethical expectations of corporate conduct.

"Dennis has a Bachelor Degree in Chemical Engineering and a Masters in Engineering Science. He is also a Chartered Professional Engineer.

"Despite all his contact with Company Executives, Bankers, Accountants, Lawyers and Government officials, he remains a genuinely nice person; I give you Dennis Shore."

*The Shadow*

<b>Housekeeping</b>							
Date	Setting Up	Badges	Front Desk	Grace	Raffle	Clearing Up	Sergeant
21 July	G. Wright	M. Brenner	P. Slobom	S. O'Donoghue	tba	C. Dembek	J. Sear
			D. Shore			G. Davey	
28 July	R. House	S. Bennet	B. Reid	J. Higgins	tba	K. McNamara	C. Hanson
			P. Slobom			G. Swinnerton	

<b>Forthcoming Speakers</b>					
Date		Topic	Speaker	Organisation	Chair
July	21	<b>New Direction Meeting</b>			
The Renaissance for the Rotary Club of Hawthorn will begin to unfold at the Tuesday meeting on the 21 <sup>st</sup> July when the Directors share their ambitions for the Club in this 2009 – 2010 Rotary Year. Dare to be there to identify where you can make your best contribution for service to others.					
July	28	<b>Story of the Abbotsford Convent</b>	Maggie Maguire	Abbotsford Convent	Barry Pratt
The Abbotsford Convent Foundation: after a 7 year community campaign to save the site from inappropriate redevelopment, this historic site was entrusted to the Abbotsford Convent Foundation in 2004. Today, the Foundation works toward the realisation of the communities vision to develop a unique Arts, Culture and Education precinct.					
Aug	04	<b>The Human Traffic Awareness Campaign</b>	Chloe McCardel	Champion long distance swimmer	Ken McNamara
Chloe is a Champion Long Distance Swimmer. Her next major long distance swim is to cross the English Channel. Apart from the goal of getting to the other side, her main aim is to gain international media attention for the purpose of igniting debate to influence political decision making against the evils of human trafficking.					
Aug	11	<b>District Governor's Visit</b>	Colin Muir	District Governor	Neil Roberts
District 9800 Governor Colin Muir is a dedicated Rotarian who joined the Rotary Club of Werribee in 1993, and has held numerous club and district leadership positions. District 9800 Governor Colin Muir is a dedicated Rotarian who joined the Rotary Club of Werribee in 1993, and has held numerous club and district leadership positions.					
Aug	18	<b>A Day in the Life of an Editor</b>	Jon Ryan	Editor of the Progress Leader	Jill Weeks
Jon Ryan is the Editor of the Progress Leader. Each week, an average of 74,000 people read the Progress Leader, (first published in 1946 as the Chadstone Progress). Hear about a day behind the scenes of a busy community newspaper from Jon, who has lived around the world but believes that in Melbourne he's discovered the 'best city on Earth'.					

<b>Leave of Absence</b>		<b>Second Bite Roster</b>			
-		July	18	Bill Troedel	Ian Hamilton
			25	Dennis Shore	Kevin Rose
		Aug	01	Philip Slobom	David Owen
			08	Geoff Dumayne	Ian Stoney