

E08 2469PUB00065
04/10/2011

JAREK
pp 00065-00114

PUBLIC
HEARING

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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE DAVID IPP AO QC

PUBLIC HEARING

OPERATION JAREK

Reference: Operation E08/2469

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON TUESDAY, 4 OCTOBER, 2011

AT 2.03 PM

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This transcript has been prepared in accordance with conventions used in the Supreme Court.

THE COMMISSIONER: Mr Campbell.

MR CAMPBELL: Commissioner, I, I have finished with Mr Fisher and I neglected to ask that he be excused.

THE COMMISSIONER: Yes. Is Mr Naylor finished?

MR CAMPBELL: I'm sorry, Mr Naylor, I beg your pardon. Please forgive me.

10

<ERON PAUL FISHER, on former affirmation [2.03pm]

MR NAYLOR: Thank you, Commissioner, I haven't quite finished.

Mr Fisher, I think before the luncheon adjournment you'd given some evidence to, to this effect, first of all that you had asked for details of people's home addresses so that the gift vouchers when you sent them didn't get lost in the post because that had been your experience in the past and secondly the tenor of your evidence also was that Mr Pearce was well aware that gift vouchers were being given as incentives to local council employees. Do you disagree with anything I've just said?---No, just on that first one that you said in some circumstances they have gone missing in the past, yes, that's why I always give them the option where they want it sent to.

20

Yes. Forgive me if you've already answered this question but going back to the time when you first employed by R&R - - -?---Ah hmm.

30

- - - how was it that you became aware that gift vouchers could be given at all?---Mate, they were all, from the people that were on the phone in the same room as me, they were giving out, like you could hear them on the phone giving out vouchers, you know.

And how, how was it that you became aware of what the process was for giving gift vouchers?---Oh, there's not really any process it was just I, you know, I figured that they were throwing them in as freebies so that's what I did.

40

There was a process though, was there not, it involved writing down in a book - - -?---Oh, oh, okay, that, all right.

- - - what was given?---All I just knew, knew there was a freebie book and we usually told Jamie or wrote them in ourselves or whatever and they just got written down and then the, the boss or Jamie went and got us, Jamie just went and got them like once a month or something like that.

Someone told you about the freebie book?---No, I can't remember, it was bloody, it was, sorry, it was eight years ago so I really can't remember.

Did you write in the freebie book?---I have done, yeah.

And do you remember having a conversation with anyone about the freebie book and what the process involved?---No, not really, no.

10 As you're aware, I appear for among others Anthony Harman. You had some dealings with Mr Harman, did you not, when he was at Broken Hill?
---Yeah, yeah, yeah.

You had a discussion with Mr Harman at one point, did you not, about a holiday?---Maybe, maybe, I'm, I'm - - -

You gave some evidence - - -?---If it did it would have been many years ago.

20 All right. You gave some evidence earlier that you thought that someone at Broken Hill might have got a holiday?---Maybe 'cause I knew we did have some holidays, a company rang us, rang us up and offered us some holidays where you can, you buy them off them for a 150 or \$200 or something like that and we thought well, that'd be a good freebie to throw in to add to our, with our Liquorland vouchers and Harvey Norman vouchers so I may have, yeah.

30 When you say we thought it might be a good idea to throw it in as a freebie, who's we?---Well, I think Doug took the call, Doug Quinn. As I say, he was a acting manager you could say for a while there so I think he took the call and he bought the holidays off like, you know, with R&R's money or whatever.

You nevertheless dealt with Mr Harman directly?---Sorry, mate?

You dealt with Anthony Harman directly?---I did?

Yes?---Yes.

40 Did you offer him a holiday?---I may, I may have, I, I know we did have some holidays to give away so I, I may have but as I say, it would have been, if I did it would have been many, many years ago. I, I can't say with a hundred per cent certainty that it did but I may have.

And I suggest to you that you did offer him a holiday and that he declined the offer?---I don't know about that, I don't know.

Do you have a memory at all of that conversation?---No, I don't remember that.

All right. You had conversations also with Mr Harman about the giving of gift vouchers to him, did you not?---Yeah.

And how was it that those - I withdraw that, Commissioner. You gave some evidence earlier about how it was the decision came to be made that a gift voucher would be given?---Yes.

10 Your, your, your evidence earlier was that if you thought it was a good enough order you would throw in a gift voucher?---Yeah.

Does that sound right to you?---Yeah.

All right. And I'm interested to know how it was that the decision came to be made for the gift voucher to be sent?---Well, if, if there was enough profit in the order then, you know, like for example, if there was \$1,000 profit in the order I might throw in a \$100 voucher or something like that.

20 Okay. And so - - -?---But that's not a, sorry, that's not on all occasions, I mean, that's at, you know, our discretion sort of thing.

And is it the case that you would phone up the person who was placing the order and offer the gift voucher?---I have done.

Were there other occasions when you would just put the gift voucher in the post to them without first asking them whether they, whether or they wanted the gift voucher?---I, I don't think so.

30 The conversations that you had with people about the gift vouchers and whether they wanted to be sent a gift voucher, was it during those conversations that you asked for details of their home address so that the gift vouchers could be sent to them?---I suppose it would be, yeah, after I got the order and, you know, after it had been decided that they want a voucher or whatever, then I'd ask them do you want me to send it to work, even if it was or wasn't a council, or do you want me to send it to your home address.

You didn't see any problem with sending gift vouchers to local council employees?---Local council?

40 Yes?---Well, I think Anthony is the only one that I sent them to.

Did you see a problem with sending Mr Harman a gift voucher?---No.

Did you see a problem with sending anyone who worked in local government a gift voucher?---Well, he's the only one that I sent.

Okay. Did you have a conversation with Mr Harman at one point about sending him a gift voucher which, in which you said words to the effect,

“Give us your home address and no one will know about it?”---I don’t know about that.

Do you deny that?---I don’t, I don’t think that would have happened.

Did anyone in R&R say to you that there might have been a problem with sending gift vouchers- - -?---No.

- - -to Mr Harman- - -?---No.

10

- - -or any other local council employee?---No.

Thank you, Commissioner.

THE COMMISSIONER: Mr Oates?

MR OATES: Nothing, thank you, Commissioner.

THE COMMISSIONER: Yes. Mr Campbell?

20

MR CAMPBELL: Just two matters, Commissioner. Mr Fisher, you were asked some questions by my learned friend, Mr Naylor, about vouchers at times going astray in the post?---Sorry, can you just repeat that.

Yes, of course?---Sorry.

You were asked some questions by my learned friend, Mr Naylor, about some, some vouchers having gone astray in the post at one time?---Yeah.

30

And that, because that happened the company adopted a practice of sending the vouchers by registered post. That’s so, isn’t it?---Registered or, yeah, registered, yeah, I think, yeah, where you’ve got to sign for it I think it was.

And, and by that- - -?---Sorry, on some occasions, yeah.

And by that means track could be kept of where the vouchers were. That’s so, isn’t it?---I think so, but I think it’s only on some of them that we sent registered post.

40

In any event, you could equally send a registered letter to work or to home, couldn’t you?---Oh, you could, but I don’t think Anthony Harman got his sent by registered post. I think we never had any problem there, it always went to his home address I’m pretty sure.

In relation to the timing of the offer of a voucher, that would be at the time you were closing a deal, would it not?---Sometimes, but it got to the point where with Anthony it just become, I didn’t even have to say anything, I’d just say, you know, and the usual, you know, and the usual freebie. And

he's, like, yeah, sweet, you know, like, yeah. I didn't have to even offer it, he just knew that, yeah.

So you could, I see, it became more or a less a standing arrangement- - -?
---Yeah.

- - -between you and him. Is that right?---Definitely, yeah.

10 And it was, and it was just the usual thing, it didn't have to be spelt out. Is that correct?---Not in so many words, but yeah, he'd always make sure that he was getting it, that's for sure.

I have no further questions, Commissioner.

THE COMMISSIONER: Mr Fisher, you may be excused from the witness box and are free to go.

20 MR NAYLOR: Excuse me, Commissioner. I'm very sorry to interrupt, Commissioner. Just one follow-up question for the sake of fairness.

THE COMMISSIONER: Mr Fisher, one more question. But one more question usually means more than one.

MR NAYLOR: Mr Fisher, you were aware at all times, were you not, that it was the wrong thing to do to send gift vouchers or other incentives to Mr Harman or any other local council employee?---No, no, I didn't, I didn't see a problem with it.

30 Thank you, Commissioner.

THE COMMISSIONER: Yes, thank you, Mr Fisher, you are free to go.

THE WITNESS EXCUSED

[2.14pm]

MR OATES: Commissioner, that concludes I think the section of evidence concerning my client. Can I be excused from the bar?

40 THE COMMISSIONER: Yes, certainly. Mr Campbell?

MR CAMPBELL: I call Paul Goldin.

THE COMMISSIONER: Mr Goldin.

MS MUNN: Commissioner, I earlier sought leave to appear for Mr Goldin.

THE COMMISSIONER: Yes. Can I just, yes.

MS MUNN: If I may seek leave- - -

THE COMMISSIONER: Yes. I should say that in the luncheon adjournment Ms Lee came to speak to me about representation and those people about whom I expressed doubt and gave me more information about the issues and I am satisfied now that those person who I said were only able to appear for one person have leave now to appear for all of those who they wish to appear for, and that includes you.

10 MS MUNN: Thank you, Commissioner.

THE COMMISSIONER: Yes. Now, Mr, and I take it you wish me to make a Section 38 order for Mr Goldin?

MS MUNN: Yes, please. Yes, please, Commissioner.

THE COMMISSIONER: Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by Mr Goldin and all documents produced by him during the course of his
20 evidence at this public inquiry are to be regarded as having been given or produced on objection and accordingly there is no need for him to make objection in respect of any particular answer given or document produced.

**PURSUANT TO SECTION 38 OF THE INDEPENDENT
COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT
ALL ANSWERS GIVEN BY MR GOLDIN AND ALL DOCUMENTS
PRODUCED BY HIM DURING THE COURSE OF HIS EVIDENCE
AT THIS PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING
30 BEEN GIVEN OR PRODUCED ON OBJECTION AND
ACCORDINGLY THERE IS NO NEED FOR HIM TO MAKE
OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER
GIVEN OR DOCUMENT PRODUCED.**

THE COMMISSIONER: Now, Mr Goldin, you are obliged to answer all questions asked of you and it is a serious criminal offence either to refuse to answer or to give false answers. And I'm sure you understand that, that's
40 correct?

MR GOLDIN: Yes, Commissioner.

THE COMMISSIONER: Do you wish to give your evidence under oath or do you wish to affirm the truth of your evidence?

MR GOLDIN: To affirm the truth.

THE COMMISSIONER: I beg your pardon?

MR GOLDIN: To affirm the truth.

THE COMMISSIONER: Would you administer the affirmation, please.

THE COMMISSIONER: Mr Campbell?

MR CAMPBELL: Thank you, Commissioner. Mr Goldin, are you Paul Richard Goldin?---Yes.

10 What's your address?--- , , ,, .

And are you a sales representative by occupation?---Yes.

And have you been employed by Momar Australia?---Yes.

And are you still there?---Yes.

And did you start with that organisation at the beginning of 2003?---Yes.

20 And what type of goods does Momar deal in?---Industrial maintenance products.

Can you describe them more fully, please?---Degreasers, lubricants, rust preventatives, graffiti removers and, and more.

Right. And from the time you started with Momar, have you in the course of your employment dealt with various organisations in the public sector? ---Yes.

30 Do you have a certain area in which you work?---Yes.

What is it?---Inner Sydney.

And was that an established area at the time you joined the company? ---Yes.

And is it the nature of your work that you're on the road?---Yes.

40 And that you call upon the various premises of customers in order to canvass sales?---Yes.

Now, and now when you, I'll withdraw that. At the time you started work with Momar Australia, had you done sales work before?---Yes.

And what type of products had you dealt with before?---Selling computer software.

Had you dealt with local government in that occupation?---No.

When you started work with Momar did you undergo a period of training?
---Yes.

And briefly what was the substance of the training, was it by reference to a particular approach to sales?---Yes, to the Gears of Selling book.

And had you come across that book before?---No.

10 And did it proceed on the basis of the need to establish a relationship with the individuals whom you dealt with in the course of your work?---Yes.

And did it have, as the name suggests, the Gears of Selling, various levels at which you were counselled or encouraged to form that relationship?---
Sorry, ask the question again.

Sure, I withdraw that question. Did it give you various steps in building a relationship?---No, it was the Gears of Selling.

20 Yeah, I understand that. But when we say the gear, were there more, was there more than one gear?---Yes.

Yeah. How many gears were there?---You have an introductory gear, a first gear, second gear, a thank, a fourth gear and a thank you gear.

Right. Now, and who gave you your training in that procedure?---My national sales manager.

And his name is?---Ellis Kahn.

30 Right. And did Mr Kahn get you to understand that that was the preferred approach to sales within Momar Australia?---Yes.

Now at any of those different gears were you instructed that gifts or incentives of any type were appropriate?---Yes.

And at which of those levels were you instructed that it was appropriate to provide a gift or an incentive?---At the beginning of a sales call and a thank you at the end.

40 Now can I just ask you a question about the basis that you worked. Did – were you – are you and have you been a salaried officer or are you paid on some other basis?---Commission.

And the whole of your income is derived by commission? The whole of your income is derived by commission?---Yes.

All right. And in terms of these, these gifts or incentives that were provided at the introductory or the thank you level, who paid for them? I'll ask you about the nature in a moment, but who paid for them?---Myself primarily.

Was there a brochure or a catalogue or an instruction sheet of some kind that you were provided by Momar Australia that set out the type of things that were to be offered?---Yes.

10 And was that current from time to time or was it a standard manual? Did it vary?---It varies.

And you'd get a new catalogue or some such thing every so often?---Yes.

What did you call it? Did you call it a catalogue?---A premium price list.

All right. Now is premium – the word – sorry?---Or give away.

20 A give away. Is premium the word they used to describe the gift at the introductory level?---Yes.

And what type of thing does that consist of?---A pen, a hat, a coffee mug, a beer mug, a ruler, stapler, various, various different things.

And were each of the things that were on, each of the things of that type you gave away as an introductory gift were they in the catalogue or information you were provided by your superiors?---Yes.

30 So there was a set range of things that were suggested to you?---Suggested, yep.

You could choose the appropriate one for the appropriate occasion?---Yes.

All right. Now at the, at the thank you level what type of things were to be provided?---Coles vouchers and at times we had other promotions like a Karcher promotion. We had a, I think it's an I-Shuffle promotion, iPod Shuttle, iPod shuffle, little GPS system or a DVD player.

40 All right. Now when you referred to the Karcher, you were referring to, to one of the boxes and more than one of the boxes which is on the trolley just to your right. Is that the case?---I think so. I think those were the Karcher's we sent out.

There's one on the ground there too. They're some sort of high pressured hose. Is that right?---Yes, yes.

All right. Now just going back to the Coles vouchers, they were vouchers which were redeemable in Coles shops within the group?---They Myer group, yeah.

All right. And they were like cash in those shops. Is that right?---You could say so.

Well if you, if you were the recipient of a Coles voucher for say \$50 and you wanted to buy something at Coles for a 100, then you could use that with one of your own \$50 notes I suppose. Is that the idea?---Yes.

To get to the 100. Is that right?---Yes.

10

Now so far as the, so far as Momar instructed you was there a level at which a voucher was said to be an appropriate thank you?---When an order reached \$1,000 I was entitled to give a \$50 voucher if I wished.

All right. And who, who paid the \$50 for the voucher?---A mixture of myself and Momar.

How much did you have to contribute at \$1,000?---I don't know exactly but I think it might have been \$20.

20

And was there what you might call a sliding scale that as the orders went up in value over \$1,000 more could be given by way of vouchers?---Yes.

Can you describe that sliding scale for me, please?---I think it worked if an order was fifteen hundred dollars you could give \$70. At \$2,000 you could give \$100. And I think, I think about four, five thousand it stopped at \$300.

Now was any – in terms of this method of selling were you given any particular instructions relating to public sector customers?---No.

30

And was the method that you've been telling me about applied across the board regardless of the nature of the customer you were dealing with? ---Yes.

Yes. Now I've used the word customer, you'd agree with me wouldn't you that when you are talking about, for example, a public authority the customer is the entity who pays. That's so isn't it?---Yes.

And that would be in your experience as a sales representative the authority itself. That's so isn't it?---Yes.

40

And – but you always have to talk to a person when you're going about trying to make sales. That's so isn't it?---Yes.

And that person might be referred to as the buyer. Is that right?---Yes.

And it was in the nature of the method that you were instructed to apply by Momar that these premiums and these thank you gifts were provided to the

buyer rather than the customer. That's so isn't it?---Users just general, general workers in a council also got a pen, so they weren't the buyers.

THE COMMISSIONER: Just answer the question Mr Goldin. You were asked whether the voucher was provided to the buyer?---Yes.

Is that your answer?---Yes.

10 MR CAMPBELL: Thank you, Commissioner. Now pens or cups or the like, they're quite cheap aren't they?---Yes.

So mostly, and I emphasise mostly, the premium items were things of very little value indeed. That's so isn't it?---Ranging from \$1 to 15, \$20.

And they were, they were things that you, as you've described it to me, gave out as an introductory thing to say hello, how are you, and to ingratiate, can I suggest goodwill between you and the people at the worksite you were visiting. Is that correct?---Yeah. Or to get their concentration.

20 All right. And by getting their concentration you hope you get to talk to them and move them through all the other gears until you got a sale. Is that correct?---Yes.

All right. And once you had moved them through the gears and you were successful in securing a sale or obtaining an order then you'd consider whether it was appropriate for you to move up to the thank you gear. Is that right?---At the end of a sale.

30 Yes. But of course a thank you gear had a specific purpose did it not?---To, to thank the customer for the order.

Well was it also, I'll withdraw that. It was really in truth was it not, to establish a relationship of loyalty between you and the buyer? That's correct isn't it?---Yes.

And that calling it a thank you stage I suggest to you was somewhat euphemistic, do you agree with that?---I don't understand that you're saying.

40 All right. Well, calling it a thank you stage was really hiding its true purpose, was it not?---The - - -

Can you answer the question or not?---Can you repeat it?

I'll put another one. It wasn't really a thank you, it was come again, wasn't it?---Provided that the product was used, yes.

Now, I suppose that in the type of industry in which Momar operate there are a number of competitors, would you agree?---Yes.

And would you agree that it's a competitive sector of the market?---Yes.

Local government are good customers, aren't they?---They have many divisions.

And use lots of products?---Yes.

10

The nature of their core functions creates a high demand for the type of things Momar sells?---Yes.

And the - like any company Momar wanted increased market share, that's so, isn't it?---Yes.

That is the ultimate aim of establishing ongoing relationships with buyers, is it not?---Well, as well as your product doing the job as well.

20

Well, I suppose if your product's hopeless no one's going to buy it, that's so, isn't it?---People will stop using it.

But there might be a number of equally efficient and effective products on the market from which a buyer can choose, that's right isn't it?---Yes.

The challenge is to get them to choose your product, that's so, isn't it? ---I demonstrate the product to show how it works.

30

And when, when the secure a suitable, I withdraw that. When you receive an order of \$1,000 or more the buyer gets a surprise in the form of the incentive by way of the vouchers, that's so, isn't it?---If they want to participate.

Well, did they participate, Mr Goldin?---Yes, some, some did, yes.

Many did, didn't they?---Many did.

Yeah. I suppose you're saying some didn't, is that right?---Yes.

40

I beg, I didn't mean to speak over you, your answer was yes?---Yes.

Some said no, we're not allowed to do this, is that right?---In public or private are we talking here?

I'm talking about the public sector now?---No.

THE COMMISSIONER: Did the private say they're not allowed to do it? ---Some do.

MR CAMPBELL: In any event - - -?---Some say don't worry about it.

The, those who do take it, the idea is that by it being offered and accepted, that they'll come back again when they have a need for some more product, that's right, isn't it?---Probably out of loyalty.

That's what, that's, that's what consists of building the relationship, that's so, isn't it?---I - - -

10

THE COMMISSIONER: Just loyalty is it? It's the fact that they got the voucher?---They're getting a good product that's doing the job for them too.

No, I'm not - I'm not asking you about that. The effect of the voucher is to induce in them the idea that if they put in a similar order again they'll get another voucher?---Maybe, but they don't, they don't - - -

What do you mean maybe?---Well, if I mean if the, if, if the, if the voucher wasn't, like if the promotion had finished there was not going to be a voucher offered.

20

I'm not, that's not an answer to my question. The question is one of the purposes of giving the voucher is to induce in them the idea that if they were to place a significant order in the future they would get another or would be likely to get another voucher then as well. Is that right or not?---Yes.

MR CAMPBELL: Thank you, Commissioner.

And indeed, you said the promotion might be over but the use of vouchers was an ongoing method of sales at Momar, wasn't it?---Yes.

30

Things like high pressure hoses might come and go, that's so, isn't it? ---Yes.

The vouchers were a consistent and constant incentive that was available for orders of the right size, that's so, isn't it?---At Christmastime we had different promotions.

Can you deal with my question, please.

40

THE COMMISSIONER: Just answer the question, Mr Goldin, please.

MR CAMPBELL: The availability of vouchers for an offer of the right size was a consistent and constant feature of the sales techniques at Momar, was it not?---Yes.

And its purpose was to build that relationship we've spoken of, that's so, isn't it?---To thank them for their order.

Well, you've already told me, sir, that its, that, that its to not only thank them for the work but to make sure they come back the next order, that's so, you've agreed with that proposition already haven't you?---Yes.

And to come back again when they want a similar product regardless of the price at which they can get it from one of your competitors, that's right, isn't it?---When you, when you buy it, we've got a catalogue and when you buy different quantities you get it cheaper.

10

So to buy in bulk there's a discount?---Yes.

All right. And if you buy in bulk and you're the buyer then you get a voucher if it's over \$1,000?---Yes.

All right. And if you deal with my question, the idea is to keep them coming back if they want a similar product regardless of the price at which the product can be bought from one of your competitors, that's right isn't it? ---If the product does its job, yes.

20

THE COMMISSIONER: Mr Goldin, if the size of the order is less than \$1,000 then the - - -?---No voucher.

No voucher?---No voucher.

If it's more than \$1,000 there is a voucher?---Yes.

And does the voucher increase in size as the price of the, as the, as the value of the order increases?---Yes.

30

Why is there no gratitude when the order is less than \$1,000? Why don't you say thank you for an order like that?---That's just, I didn't have a option to offer that.

And there's no gratitude for an order over 1,000, the gratitude only arises once the order reaches a certain amount?---Yes.

And the gratitude increases as the order increases?---Yes, but it also didn't have to be given automatically.

40

MR CAMPBELL: It was in your discretion?---Yes.

As a way of you building up your relationships with your customers on behalf of Momar?---Yes.

And I suppose that given that following along from what the Commissioner has asked you, given that it only cut in at that level of \$1,000 there could be a tendency for up-selling to occur just short of \$1,000, that's so, isn't it?

---Yes.

If he's ordered \$850 worth of one of your products you might say to him, you know, if you order more than \$1,000 then there's this voucher, a thank you thing available to you, that's right, isn't it?---Yes.

That's available to you, the buyer, isn't it?---Yes.

10 Now, I just want to ask you some questions about some of the other things. Commissioner, I'm just looking at the material appearing from volume 11, it's tab 57 and it's page number 130 onwards and I'd ask if it could be put before the, the witness. Now, have you got, have you got that open in front of you?---What page?

Page 130, it's tab 57.

THE COMMISSIONER: If you go to 57 and look for page 130?---Page 130?

20 MR CAMPBELL: Yes. Now, do you recognise that type of document? ---Customer record card.

You're telling me I think?---Yes. Yeah, that's my customer record card.

And the, and the handwriting on that document is yours. Is that correct? ---Yes.

30 All right. And, and the document itself however is printed and provided to you by Momar Australia. Is that correct?---(NO AUDIBLE REPLY)

THE COMMISSIONER: The form?---Yes.

MR CAMPBELL: The form?---Yes.

And that's something they require you to fill out as part of your work? ---Yes, when I remember to.

40 Oh, well. I suppose, Mr Goldin, that you're a conscientious employee, are you?---Try to be.

And you try and remember. Is that right?---I try to.

And when you fill it out I suppose you fill it out accurately. Is that also correct?---Yes.

Thank you. Now, the form shows a number of printed columns on it, does it not?---Yes.

They're on the form when you get it. Is that right?---Yes.

It also includes the fourth column in the body of the document there's heading, Premium. Is that right?---Yes.

That's the type of thing that you provide you say as an introductory gift. Is that right?---Yes.

10 Indeed that type of gift is provided at different stages of the relationship on an ongoing basis, isn't it?---Yes.

Yeah. It's not just to say hello, how are you going the first time you meet, is it?---I try to make them personal.

Well, now, could you jump over the page to just that page we're looking at on the screen is the Roads and Traffic Authority at St Marys and they're one of your customers. Is that right?---Yes.

20 All right. Now, if you turn the page, 131, you'll see that there is a customer record card in respect of Energy Australia at Blackwattle Bay. Do you see that?---Yes.

It's also got the, the Premium column that we've discussed already. Is that right?---(NO AUDIBLE REPLY)

You can see it there?---Yes, yeah.

30 And on almost every occasion that you attended you handed over, I said almost every occasion you attended, you handed over a premium, whether or not an offer was placed. Is that right?---Regardless of whether an order's given or not.

But looking at page 131 we can see that other than on one attendance by you there was an order placed on each occasion. That's so, isn't it?---Yes.

Can you turn the page, please, 132. You'll see that again in this premium thing, the first entry on that column is a bottle of whiskey, isn't it?---Yes.

40 Is that on Momar Australia's catalogue or list of things appropriate to be given as a premium?---No. Generally foodstuff is not listed as an option to give but I can go and stop off and buy some biscuits or some food or at Christmastime, whiskey or wine.

Well, that was, that was, that, we can see from that that that was the 21st of December it says. Is that correct?---Yes.

And of course down the page on the, on the 8th of December there was two bottles of Black Label whiskey. Is that right?---Yes.

And that's what, a premium scotch made by Johnny Walker. Is that right?
---You can buy it at Christmastime quite cheap.

Are they the type of things which Momar Australia considers appropriate as premiums of the type you've described to me?---I buy those on my own.

They'd cost you a lot more than five to \$15, wouldn't they?---(NO
AUDIBLE REPLY)

10

That's right, isn't it?---Yes.

Yeah. Could you turn to page 139. We've got on the 3rd of December of that year there's Glenfiddich whiskey. Is that right?---For Christmas.

That again would be regarded as a premium scotch. Do you agree?---Yes.

And in September of that year there was a computer bag handed over?
---Yes.

20

And what, was that part of what was on the catalogue or was that something you personalised for the purpose of a particular buyer?---I probably personalised. I happened to be shopping and saw a few computer bags for sale so I bought them.

I see. Now, the reason why you provided those gifts of that value is to build up that relationship with the buyer, wasn't it?---To make it more personal.

30

Yeah. Well, to make it more personable which lets the buyer know that you remember them and value them. That's right, isn't it?---Yes.

And the purpose of letting them know you remember them and value them is so that they will think you're a good bloke. That's right, isn't it?
---Perhaps.

Yes. And continue to order from you because you're their friend. That's right, isn't it?---Yes.

40

It's a kind of grooming them for ongoing relationship for future sales, isn't it?---Yes.

Now, and indeed at the risk of appearing glib, you weren't giving the Waverley Council a bottle of scotch at Christmas, were you?---Ah, no.

No. You were giving it to the particular buyer you'd been dealing with and were hoping to deal with the following year as a personal gift. That's right, isn't it?---Yes.

And that is also true of those cash vouchers that I've asked you about, is it not?---Yes.

Now, you see, you've told the Commissioner that some buyers have refused the incentive, haven't you?---Some do.

Yeah. But the purpose of making them available is the intention that they will accept them, isn't it?---If they want them.

10 Because if they want, if they accept them because they want them, that builds up that ongoing relationship?---Yes.

That's right, isn't it?---Yes.

Now, you've told us that you've dealt with, you said the, your area was referred to as the Inner City area. Is that right?---Yes.

20 But from what we've seen already you actually have a fairly large area in the metropolitan area?---I'd classify it as like a 60-kilometre radius- - -

Right---?- - as far, as far north as Palm Beach, as far west as Emu Plains and as far south as Engadine.

Pretty much covering the whole of the metropolitan area. Would you agree? ---Yes, yes, Sydney.

Yeah. In any event, but we know from what you've told us that Burwood Council was one of your councils. Is that right?---Yes.

30 Yeah. And would it be fair, would you agree with this if you can, if you can't remember please tell me, that over the period that you've been dealing with them up until about the end of 2009 or thereabouts, that you might have provided \$3,350 in voucher cards to buyers at Burwood Council? ---It might have been that figure.

Certainly possible?---Maybe, yes.

Do you deal with more than one branch at Burwood Council?---No.

40 It's all in the one branch?---Yes. They buy for different divisions though.

They might but does the voucher go to the buyer you deal with?---Yes.

And is that a person called Ronita Tompsett?---Yes.

I suppose the City of Botany Bay is one of yours is it?---Yes.

And do you deal with someone called Donald Harris there?---Yes.

Is he the only person you deal with there?---Currently, yes.

For how long have you been dealing with him?---Going for about eight, nine years.

It would be fair to say that over the a period of time you've given him vouchers totalling \$2, 250?---Maybe.

10 When you say maybe - - -?---I don't know the figure.

You can't possibly remember the actual total I suppose. Is that right?---No, I don't, I don't have - - -

But something of that magnitude sounds right. Do you agree with that? ---Maybe over the, over the years, yes.

Liverpool City Council one of yours?---Yes.

20 How many people do you deal with there?---A few different divisions.

Would they include Amjad Maaya?---He's left.

When did he leave?---Maybe about six months ago.

What about Max Bancroft?---He's left.

And when did he leave?---I don't know exactly, maybe the same, I don't know.

30 About the same time?---Yeah, maybe before.

And for how long had they been there for before they left about the same time?---Sorry?

THE COMMISSIONER: How long had they been before they left?---At the council?

40 Yes? About?---I can't remember exactly, maybe I think Max had been there quite a while.

Some years?---Some years, yeah, both of them.

MR CAMPBELL: Does a figure of \$2,100 sound like it's of the right magnitude to be paid to people at Liverpool Council from what you can recall now?---Possibly.

The Council of the City of Sydney, is that one of yours?---Yes.

And how many people would you deal with at that council?---Several depots.

And what about in terms of buyers, were there a number of buyers?---Yes.

Do you remember how many in number?---Bay Street Depot, I think maybe four, five. I don't - - -

10 Does the name Robert Nies, N-I-E-S mean anything to you?---Yes.

Where's he?---Bay Street Depot.

Does the name Jeff Duncum mean anything to you?---Yes.

Where's he?---Woolloomooloo Depot.

Does the name Roger Martin mean anything to you?---Yes.

20 Where's he?---Woolloomooloo Depot, different division.

And Chris Meyers?---Yes.

Where's he?---Woolloomooloo Depot.

The same division as anyone else you've mentioned?---Chris I think was in Waste as well with Roger.

30 And did each of these people - - -?---(not transcribable) was in Parks.

I do beg your pardon for speaking over you?---It's all right.

Have each of those people received vouchers from you over the years? ---Yes.

And does the figure of \$5,600 sound of the right magnitude for the work they've sent your way over the years?---Maybe from the whole council, maybe. Perhaps for the whole council, yes.

40 Thank you. Waverley Council we've mentioned in another context. That's one of yours too?---Yes.

And the, I think you might have mentioned the names of one or other of the people who you deal with there. Is that right?---Yes.

And is that Peter Naidoo?---Yes.

And Scott Ingerwersen?---Yes.

And over the years you have paid these vouchers to each of them. Is that right?---Yes.

And does the figure of \$5, 750 sound right for those gentlemen?---Maybe, yes.

I mean you're not doubting the figures - - -?---I haven't added them - - -

10 THE COMMISSIONER: No, you can't be expected to know the precise, but it's the ballpark in these figures is right is it?---Perhaps over the years.

MR CAMPBELL: Now how do they get the vouchers? Do you deliver them to them?---We post them to their home address and, yeah.

20 You post them to their home address because it's the intention of Momar Australia, as you understand it as one of their sales representatives that consistent with you've said about building relationships, the vouchers are for the buyers to enjoy personally. That's right isn't it?---Yes, but they can use them wherever they want.

THE COMMISSIONER: It's for their, it's their discretion?---Yes, yes, for their discretion.

MR CAMPBELL: If they want to give them to their son or their daughter or charity, that's a matter for them?---That's for them.

30 But your intention is that they can make that decision for themselves? ---Yes.

Equally if they want to spend it on themselves, then that's consistent with the intention of Momar Australia. That's correct isn't it?---Yes.

Now the reason why they're sent, I'll withdraw that. Sending the vouchers to the home address of the buyers is a system instituted by Momar Australia isn't it?---We started sending them to the actual depots but because a lot of them got lost, we would be told that the people haven't got their voucher, so we decided to post it to a physical home address.

40 Well they'd be lots of ways of making sure the buyer got it at work. That's so isn't it?---You can't a hundred per cent confirm if the guy gets the voucher or not.

I suppose the same is true if you send it to his home isn't it?---Probably.

The reason why it goes to the home is to keep it secret from the employer. That's right isn't it?---That's so it doesn't get lost.

I see. Well you're on the road constantly aren't you?---Yes.

You may not go to, I'll withdraw that. You're frequently passing by the premises of customers as well as calling upon others. That's so isn't it?
---Yes.

10 An easy matter for you to drop them in personally if there was a concern about them going missing wouldn't it?---Some customers said that they went missing in their home post too so I dropped them personally.

I see. So there are things you can do to make sure it doesn't go missing, that's right?---Yes.

You don't have to send it to their home to make sure of that do you?---It'd be a waste of time to continually go back and give the voucher physically after you've been to do the, to make an order.

Can you answer my question?---All right. Can you repeat it, please?

20 Yes. You don't have to send it to the home address to make sure it doesn't go astray at work, there are other things you can do?---Maybe.

Well I'll ask you again, because this is meant for the buyer to enjoy personally, the intention is that it should be kept secret between Momar Australia and the buyer. That's right isn't it?---Yes.

30 Now do you, I'm sorry, Commissioner, did anyone at Momar Australia give you any instructions in relation to what might be called business ethics in the public sector?---No.

And at all times was this system of selling that we've been discussing this afternoon a system which you carried on firstly in accordance with the instructions you've been given when you first started?---No. The vouchers came in a couple of years after I started.

And when they came in you were given instructions about their use I suppose?---Just a sheet on, yeah, how you can, how you can issue them.

40 And your use of the vouchers thereafter was in accordance with the instructions contained on that sheet?---Yes.

Likewise I suppose from time to time you've discussed your selling methods with your superiors, is that so?---At times.

In fact when you want to give these vouchers you order them through the company, don't you?---I just put them on my, on my order and I send them into the office and it's dealt with there.

Dealt with by the office?---Yes.

They have, they have all the addresses at the office?---Yes.

And you don't have anything to do with putting anything in an envelope or anything?---No.

And of course given that you've said about sharing the cost of a, of the vouchers between you and Momar Australia - - -?---Yeah.

10

- - - there's some reckoning between you and them when they give you your commission, is that correct?---It's just an expense, a business expense.

A business expense.

THE COMMISSIONER: Deducted from your commission?---Yes.

MR CAMPBELL: Do you ever get to a level where Momar Australia bear the whole cost?---Sometimes for a bigger order, yes.

20

Right. And when that happens the same system follows, you put it in your paperwork, it's dealt with at the office, they post it, is that correct?---Where, wherever, wherever I specified on the order where, to send it to. Some of my customers didn't want them posted to their home address, they wanted me to physically deliver it to them so I'd get it posted to my house and then deliver it.

Right. And if a customer asked you to do that then as part of the relationship you're happy to do that?---Yes.

30

Right. Now, has all this changed so far as the public sector is concerned? ---Yes.

Do you remember when it changed?---I got a letter from Momar about six months ago, five months ago I think, I don't know the exact date.

I'll ask, I'll ask that you be shown from folder 11, tab 57, page 129?---Yes.

Is that the letter you're talking about?---Yes.

40

And was there, now Mr Kahn I think you've mentioned, he says he's the national sales manager.

THE COMMISSIONER: Mr - - -

MR CAMPBELL: Yes, sorry, your Honour.

THE COMMISSIONER: Sorry, it's 129?

MR CAMPBELL: Did I say something wrong, your Honour?

THE COMMISSIONER: I thought you said 29 but perhaps I misheard.

MR CAMPBELL: No, no. No, it could have been me, page 129, page 129, yeah, I beg your, I beg your pardon, Commissioner.

10 You've told me Mr Kahn was the national sales manager?---Yes.

And Mr Moskow was described as director?---Yes.

Is he, he's the boss?---Ellis or Mark.

Oh, right. Is, is Mr Moskow Mr Kahn's superior?---Yes.

And you, all right. Was there any meeting between the sales or amongst the sales staff and management at or before the issuing of that directive?---No.

20 But after it was issued did you comply with it?---Yes, most definitely.

It says you can still give away premiums, is that the pens and the cups and things?---Yes, on the price list and I guess food as well perhaps.

When you say food you might buy someone a sandwich I suppose, is that right?---Not often a sandwich but a pack of biscuits or - - -

If you're going along at morning tea time?---Perhaps, yes.

30 What about, what about Glenfiddich, has it stopped?---Yes, well, it will stop for Christmas.

Sorry?---I say it will stop.

Yes, there hasn't been a Christmas yet?---No, I won't be doing it over Christmas.

40 And has it made it harder to sell?---Some councils yes, some councils no, some of my buyers are not there any more so I've got to - - -

Start again?---Start again.

And some where the buyers have continued, is it harder to sell in the same quantities as you previously sold?---Well, not really. I'll just, either we'll have to go there more often or some of them may have continued to buy at the same levels because they never re-ordered, never over-ordered either.

Not everyone got to the voucher level?---No.

And you have to work harder to make the same level of sales now to the public sector, is that right?---Always got to work hard.

I'll take, can I take that as a yes?---Yes, yes.

Thank you. No further questions, Commissioner.

10 THE COMMISSIONER: Yes, thank you, Mr Campbell. Can I ask counsel who wish to question Mr Goldin to identify themselves please. Mr Naylor, you're one.

MR NAYLOR: Yes, Commissioner.

THE COMMISSIONER: Well, I think you're, apart from Ms Munn who will have an opportunity to decide what to do when you've finished, you should proceed.

MR NAYLOR: Thank you, Commissioner.

20 Mr Goldin, I appear for a number of local council employees, including some persons who have already been mentioned in your evidence, Mr Duncum, Mr Nies, Mr Meyers, Mr Harris, Mr Naidoo, Mr Maaya. You gave some evidence to the effect that persons whom you had approached in relation to the giving of gift vouchers were, were invited to participate in the incentive scheme, is that right?---I offer them at the end of an order whether they would like to receive a voucher or not.

30 Yes. There, there were occasions though, were there not, where you arranged for or did yourself send vouchers to them even when they had not asked?---Why, no.

You, you deny having sent vouchers without - - -?---Why would I, why would I send a voucher to a guy that, when it's costing me money to send it to him if he didn't want it.

All right. I'm not here to ask - answer your questions so just - - -?---Yeah, sorry.

40 - - - answer mine. There, there were occasions were there not where you arranged for gift vouchers to be sent to local council employees after they had specifically said to you they don't want to receive any more vouchers? ---Not to my knowledge.

Do you remember having a conversation at one point in time with Jeff Duncum when, after having received some vouchers, he said to you I don't want to receive any more vouchers?---I don't recall.

Do you remember thereafter having sent further vouchers to him?---Yes.

Even after you had that conversation in which he said he didn't want to receive any further vouchers?---I wouldn't send a voucher unless I was given an address to send it to.

10 THE COMMISSIONER: I'm not sure if that's an answer, Mr Goldin. As I understand the position what's being put to you is that you sent Mr Duncum the vouchers, he then said to you he didn't want to receive them anymore and it's being put to you that you then continued to send it to him and on that basis, if that were right, you would have his address?---I would stop if someone told me to stop sending them, I wouldn't send them a voucher.

MR NAYLOR: Do you remember have a conversation with Mr Duncum or with any other local council employee in which they may have stopped short of specifically asking you to stop sending vouchers but nevertheless had a conversation with you to the effect that they were uneasy or had reservations about you continuing to send vouchers?

20 MR CAMPBELL: I object to that question with some hesitation, Commissioner, it's too wide. Any other local government employees, it makes an unreasonable demand on the witness in my respectful submission.

THE COMMISSIONER: Mr Naylor, if you could perhaps put it a different way.

MR NAYLOR: Yes, thank you, Commissioner. I withdraw that question, Mr Goldin. Do you remember at any time having a conversation with Mr Duncum to the effect that he expressed reservations to you about receiving any further gift vouchers?---I don't recall.

30 THE COMMISSIONER: Sorry, when you say you don't recall?---I don't recall having that conversation.

And I understand that, but that- -?---I don't think so.

That could mean that you, because you don't recall it it never happened or it could mean it's possible that it happened but you don't remember it. Which of the two is it?---It's possible he might have said to me but I don't, I don't think so 'cause I wouldn't have continued to send him a voucher.

40 MR NAYLOR: Is it possible, sir, that he did say it to you and that you responded by saying, "It's normal practice, it is what is done?"---Don't recall saying that.

Pardon me, Commissioner. Apart from Mr Duncum, do you recall any conversation with any local council employee who may have expressed reservations about you continuing to send or sending gift vouchers to them? ---No.

Did you have any idea, Mr Goldin, at the time that were sending gift vouchers to local employees that it may have been the wrong thing to do?
---No.

There, there, there were occasions when Mr Duncum did express reservations to you and you nevertheless tried to persuade him that it was okay.

10 THE COMMISSIONER: Mr Naylor, you have put that on a number of occasions.

MR NAYLOR: Yes. Thank you, Commissioner.

THE COMMISSIONER: I think that's enough.

MR NAYLOR: Just by way of clarification, Mr Goldin, it was your practice, was it not, to send gift vouchers routinely after orders had been placed by Mr Duncum?---Yes.

20 And other local council employees?---Yes.

And is that in circumstances where the value of the order that they had placed had reached at least the \$1,000 threshold?---Yes.

Tell me Mr Goldin, was there any ever, was there ever any discussion between you and your colleagues at Momar about whether it was the right thing to do- -?---No.

30 - - -to send gift vouchers, just I'll finish the question, to send gift vouchers to those in the public sector, such as local councils?---Not in my conversations.

Thank you, Commissioner.

THE COMMISSIONER: Ms Munn?

MS MUNN: No questions.

40 THE COMMISSIONER: Mr Campbell?

MR CAMPBELL: You agreed with my learned friend, Mr Naylor, that sometimes you had routinely sent vouchers to Mr Duncum when he, when the order reached the level where there was an eligibility for the vouchers. Were those occasions after you'd had discussions with him about the nature of the voucher system?---Yeah, initially when I do give a voucher and I explain to them that Momar has a loyalty rewards system. I don't rehash that every single sale, every single time I see them. If they reach 1,500 or

that I do say, well, I'll send you a voucher, you're entitled to a voucher.
And that's, that's all.

And on those occasions such as you've been describing, it goes to the home
address?---Yes.

Which, which address you obtained from them for just that purpose?---Yes.

10 THE COMMISSIONER: Did you ever disclose to the councils for whom
these buyers worked that you were sending them vouchers?---No.

I think that's the end of your evidence, Mr Goldin. Thank you, you are free
to leave?---Thank you, Commissioner.

THE WITNESS WITHDREW

[3.15pm]

20 THE COMMISSIONER: Mr Campbell?

MR CAMPBELL: I call Jody Parker.

THE COMMISSIONER: Ms Munn, do you appear for Mr Parker?

MS MUNN: I do, yes.

THE COMMISSIONER: And do you wish me to make a Section 38 order?

30 MS MUNN: Yes, please.

THE COMMISSIONER: Pursuant to section 38 of the Independent
Commission Against Corruption Act, I declare that all answers given by Mr
Parker and all documents produced by him during the course of his evidence
at this public inquiry are to be regarded as having been given or produced
on objection and accordingly there is no need for him to make objection in
respect of any particular answer given or document produced.

40 **PURSUANT TO SECTION 38 OF THE INDEPENDENT
COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT
ALL ANSWERS GIVEN BY MR PARKER AND ALL DOCUMENTS
PRODUCED BY HIM DURING THE COURSE OF HIS EVIDENCE
AT THIS PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING
BEEN GIVEN OR PRODUCED ON OBJECTION AND
ACCORDINGLY THERE IS NO NEED FOR HIM TO MAKE
OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER
GIVEN OR DOCUMENT PRODUCED.**

THE COMMISSIONER: Mr Parker, you have been in the hearing room I think and you must have heard me say to the previous witnesses that people who give evidence at compulsory inquiries are obliged to answer all questions and it is a serious criminal offence either to refuse to answer or to give false answers. And you understand that?

MR PARKER: Yes, I do.

10 THE COMMISSIONER: And do you wish to give your evidence under oath or do you wish to affirm the truth of your evidence?

MR PARKER: Under oath.

THE COMMISSIONER: Would you swear Mr Parker in, please.

THE COMMISSIONER: Mr Campbell?

MR CAMPBELL: Thank you, Commissioner. Mr Parker, would you please state your full name?---Jody Michael Parker.

Your address?---

10

And are you employed by Momar Australia as a sales representative?---Yes.

And what's your sales area?---Western New South Wales, regional New South Wales and the Northern Territory.

And a fairly big area?---Yes, very big.

And Kelso's outside Bathurst I think?---That's correct, part of Bathurst, yes.

20

Yeah. And is it, for how long have you worked for Momar Australia?
---Coming up to 11 years I believe.

Ah hmm. Now, as the Commissioner asked you earlier, you have been in court during the time that Mr Goldin was giving his evidence and you heard me ask him a lot of questions about the methodology of obtaining sales for Momar Australia. Do you recall those questions I asked him?---Yes, I do.

Now, I'll ask you some specific questions yourself, but in a general way do you agree with what he said about the gears of sale or the Gears of Selling?

30

---Yes. That's what was taught to us when we were first employed in the job, yes.

And who taught it to you?---Ellis Kahn.

And you've, you've heard me ask a lot of questions about the premiums?
---Yes.

Was that a system that you used yourself in your work for Momar Australia?---Yes.

40

You've heard me ask questions about the vouchers. Did you use them?
---Yes, I did.

And did you use both of those methods whether you were dealing with private or public sector buyers, I withdraw that, customers?---Yeah, everybody, yes.

All right. And did you use those methods because you understood those methods to be part of the system of work that had been instituted by your employer for the purpose of you doing your job?---Yes.

And for instance, we'll take something a little out of sequence, when you used vouchers did you in fact order the vouchers through head office, as it were?---Yes.

10 And, and just as Mr Goldin told us, was head office responsible for the despatch of those vouchers to the individual buyers concerned?---Yes.

They never came back through your hands?---No.

Was there ever the odd occasion, as Mr Goldin said, when, for some particular reason, you had to hand-deliver the voucher?---No.

Now, the, in so far as ordering the vouchers through head officer, did you provide the addresses to head office?---Yes.

20 For instance, once you'd established a relationship with a buyer at a country council say, was it necessary for you to give the address to head office on every occasion that that person became eligible for a voucher or was there a database created and maintained at head office?---No, I'd just say the previous address, just previous address, yes, 'cause they already had it on the register yes.

A register?---Oh well, I don't know how the office works, I, I don't go in there, but I just know they have a previous record, yeah, so - - -

30 And nobody ever queried you when you said previous address?---No.

Now you'd agree wouldn't you with Mr Goldin, that, that the purpose of giving these vouchers was to engender a relationship of ongoing loyalty between you and the buyer?---Yes.

And that was on your understanding part of the very methodology that you'd been trained to apply in your work as a sales representative?---Yes.

40 The – and you'd, I'll withdraw that. When I say loyalty the purpose was to encourage them to come back?---Yes.

And to encourage them to place the orders?---Sometimes, yes.

See Mr Goldin said that a degree of up-selling went on. You'd agree that occurred from time to time?---No, only, only if an order came in what it was, I didn't push it to a higher degree.

See when, when you've got a, such a big area as you've got did you attend each of these councils in person?---Yes.

10 And so if for instance and I won't name a council at the moment, you were speaking to a buyer at a country council and he was ordering 850 or \$900 worth of, worth of product from you, would you ever remind him that if he got to 1,000 he'd get an incentive voucher?---Not to my, I don't believe I ever did that, no. I may have because I know it's been spoken about of a way to start the sales process, but I don't, I don't believe from memory that I've done it. But I won't say I haven't, it may have been some years ago.

THE COMMISSIONER: But did you initially at least or at some point make the buyer aware of the value, the values of the orders at which eligibility for vouchers kicked in?---I can't particularly remember, but it's quite possible some years ago with some of my long term customers I did, when the, when the process first started. But that was a long time ago, so - - -

20 Are you saying that generally the buyers did not know from, did not know when they were eligible for a voucher or not?---For me generally, no.

But I assume that if they had bought from you long enough they would have been able to work it out for themselves?---Oh, they're intelligent people and any intelligent person is going to work something out. If I put an order in for \$2,000 and I get a voucher, well next time I'm going to get one, yeah.

30 And if you put in for one for 900 and you don't get it and you put in one for 1,000 and you do get it, there is an obvious inference to be drawn?---Well, yeah, I imagine so, yes.

MR CAMPBELL: Thank you, Commissioner. You must have at one stage had some sort of conversation with them Mr Parker in order to secure their personal address?---No, I'm not saying I didn't have a conversation. But you're saying if I had an order for 850, your question was if I had an order for 850 do I push it up and the answer is to my knowledge, no. For orders over \$1,000, yes, I did broach the mention of the voucher and then yes, I would get an address.

40 THE COMMISSIONER: What would you say?---I'd say we have an order programme and seen you've put a nice order in this I'm going to send you out a voucher, you know, where would you like it sent. And then they give me an address.

MR CAMPBELL: Would you tell them how much you were sending?---(not transcribable) yes, yes, I'd say yes.

But after you'd established a relationship with them you relied up the subtlety of the process that they'd know what was in it for them when they placed an order. Is that correct?---After, after a couple of years sometimes I wouldn't even mention a voucher, I'd just automatically sent one out.

Because it would be implicit in the relationship between you?---It was just an ongoing thing, yes.

You're agreeing with me are you not?---Yes.

10

Thank you. The, the - now you'd agree with what Mr Goldin said it's a competitive market?---That's correct.

And the purpose of, of the voucher programme was to encourage, as you've said yourself, loyalty on the part of the customers you managed to establish a relationship with?---That's correct.

20

A means of getting the comeback to you and not shop around?---I mean it's hard for you to understand our business but, you know, some of our products can't be bought from other companies, so we have no competitors in some of our market, so they can't, some of our products (not transcribable) no other suppliers can supply them. I mean some of our products there are competitors, but quite a few of our products we do not have any competitors. So it's, in some of those big ticket items and so (not transcribable) just a loyalty programme, they're not a, not a thing to get your business away from someone else because someone else doesn't have those items.

30

You've made clear though that's only in respect of some of your items? ---That's correct, only some of the items.

I suppose the loyalty programme helps them not only order those things which you supply you say exclusively - - -?---Yes.

- - - but also to order from you other things you supply that can be obtained elsewhere?---My word, yes.

40

And in respect of those things which can be obtained elsewhere without the need to go shopping around for a better price on those items because it was an ongoing relationship with you?---Yes, but on the other hand the more they buy the higher the value, the more quantity they buy, the cheaper the product becomes. So yes they get a reward, like they'll get a voucher, but also the buyer, the council, gets a cheaper product 'cause they're buying larger quantities. Our prices are scaled, the more you buy the cheaper it gets. So council is saving but yes, the customer is getting a voucher as well.

Well I mean what you're saying is that there are discounts offered for bulk orders?---That's correct.

That's probably pretty common in the industry where there is competition?
---My word.

So now - - -

THE COMMISSIONER: Mr Campbell, may I just find out something?

MR CAMPBELL: Yes, of course, Commissioner.

10

THE COMMISSIONER: Mr Parker, when you say that you supply products that there are no, no one else supplies them are you, I'm not sure what you mean, are you saying - - -?---Yeah, we have certain items that Momar has a patent on worldwide, the Momar companies have because we have a patent on them so they can't buy that same product or something quite as similar anywhere else.

20

And is (not transcribable) product in all those cases which does the same job even though it's different?---No. A lot our products are, there's similarities about, but we have quite a few products that no other companies have.

I understand that, but sometimes you have a, you can have a patent on a product and no one else is entitled to produce it?---That's correct.

30

But somebody else can have an entirely different kind of article produced that achieves the same result but in a different way?---There is others that claim to, but they don't achieve the same result, no, sorry, we have the products that other companies can't achieve the same result, that's correct, we do not. I mean sorry, I'll clarify that. No other company in some of our items has a product to perform to do the job we do. We have no competitors in some of the areas we sell.

No competitors?---Not for the quality and the performance of a couple of our products, yes.

But there are, I take it there are sellers who are there - - -?---Trying to imitate our product, yes.

40

- - - making representations that they are as good as yours?---Making representation is one thing, but actually doing it is another, yes.

So there is competition?---No, I don't believe so on some of the areas.

MR CAMPBELL: Thank you, Commissioner. Your competitors claim that their products are as good as yours but you disagree. Is that what you're saying?---Exactly, 100 per cent.

All right. So if you were a customer in the marketplace and one of your competitors comes along and says, don't listen to Jody Parker, we've got the product for you which will do the job at half the price, what you say is they're making a misrepresentation?---No, what I say to my customers and if you want to talk to any of them, I say, if it's done in person comes in with a product claims they can do it, you're silly if you don't try it (not transcribable) I did it. You can laugh at me, but it's just fact.

10 No, I'm not laughing at you but what I'm saying is that (not transcribable) some of your sales pitch I think. Is that fair?---No, it's not. You're asking me a question and I'm giving you an honest answer. And if you don't want to accept an honest answer that's fine.

No, no, Mr Parker, we're just asking you and exploring what it is the affect of your evidence is today here in the hearing, now all I'm asking you is this, is that whether or not you were right about your products being superior your competitors will make claims that they have the right sort of product - - -?---Of course, of course, that's natural, yes.

20 And if somebody is in the position of a buyer for a council who doesn't have the expertise that you have in the product they might well believe the claims of your competitor whether those claims are right or wrong. That's so isn't it?---Yes.

And so that's part of ordinary market competition is it not?---That's correct.

30 All right. So that one of the purposes of the loyalty program, the rewards or the vouchers that you give out is to keep the customer, I'll withdraw that, keep the buyer happy and to encourage the buyer to come back regardless? ---And as I answered before, yes.

Now, in the course of a, of your work with local governments in New South Wales, has any, any of the buyers declined to participate in the voucher program?---Yes.

All right. And what have they said to you about that?---I just offered them and they said no, no thanks.

40 Has anyone ever said to you, thanks, but it's against council rules for us to accept such an incentive or gift?---Oh, no. It's either no, I don't want it or yes and they give me an address.

And those who say, those who say no haven't explained to you what their thinking at all is. Is that what you're telling me?---Yeah, I'd say that would be right, yes.

All right. Now, you've told us that you do the country councils?---Yes.

I just want to ask you some questions about some places. Ballina Shire Council, I'm sorry, is that one of yours?---No, it's not.

Okay. Bathurst Regional Council, has that been one of yours?---Yes.

And can you tell us, who did you deal with at Bathurst Regional Council?
---I deal with many different areas within Bathurst Regional Council.

10 All right. Is one of the people you deal with a man called Graham Gibbons?
---Yes.

And what's Mr Gibbons' role?---Graham Gibbons is in charge of a sewer truck with, on the council.

And does he place orders?---No.

Have you ever given him an incentive?---Yes.

20 What have you given him?---I've given him vouchers.

Ah hmm?--- Pens and things like that.

Well, vouchers are the, are the cash vouchers we've spoken about already.
Is that right?---Coles/Myer vouchers, yes.

Yeah. And if he wasn't a buyer of products, how did he qualify for the voucher?---I don't always give them to buyers, sometimes it's for users, the guys who actually use the product.

30 I see. It's a way of building a relationship with the council?---Yep.

Mr Gibbons says, that stuff's really good, and the person responsible for buying it might be prevailed upon to order it?---Quite possibly, yes.

So that's a way of building up a relationship with Bathurst Regional Council?---Yes.

40 And I suppose does it ever occur to you that giving someone in Mr Gibbons' position such a voucher might encourage him to think well of the product?---Oh, yes.

Now, what about, did you ever deal with Mr Geoff Hadley when he was there?---Yes, I did.

And did he get vouchers from you as well?---I think my time with Geoff was before the vouchers came about from memory. I mean that was a fair few years ago, but I don't think we were doing vouchers then.

All right. Now, would you agree that, and you're the only person who has dealt with Bathurst Regional Council from Momar?---No, I believe there was reps before me.

Okay. Well, since you've been on the job?---Yeah, since I've been on the job, that's correct.

And, and does a figure of \$1,650 sound right in relation to vouchers given to people at Bathurst?---Oh, quite possibly yeah.

10

And those- -?---I couldn't give you an exact figure but that's quite possible.

And those vouchers were typically given by way of posting to the home address of the recipient?---Over a year, over several years, yes.

All right. And Byron Shire Council one of yours?---No.

You've never had anything to do with them?---No.

20

Lithgow City Council one of yours?---Yes.

And do the names Lee Warner, Steve McMurtrie or Peter Bradford mean anything to you?---Yes.

Who are they?---They're foremen, sewer plant operators.

For instance, Mr Warner, who's he?---He's the sewer foreman in charge of all the sewerage plants and the sewerage blockages around town.

30

Mr McMurtrie?---What's his first name, sorry?

Sorry, Steve McMurtrie?---Steve. I think he was one of the sewer plant operators at Portland.

And Peter Bradford?---A sewer plant operator at Wallerawang.

Now, is Mr Warner the man who's the buyer who places orders for products?---That's correct. That's correct.

40

But is it the case that in accordance with your, have you given them benefits in terms of vouchers?---No, I don't believe I've ever given any of them vouchers, no.

All right. You've given them premiums and things like that?---Yeah, pens and coffee mugs and things like that, yes.

All right. And the Orange City Council?---Yes.

And Mr Peter Lewis, who's he?---He was the sewer plant operator.

And Mr Peter Evans?---Yes. He's the building and public works foreman.

Do each of those from time to time place orders on behalf of the council for your products?---That's correct.

10 And have you given to each of those at different times when their orders have been of a sufficient size to justify it, the vouchers?---Yes.

And does a figure of 1,350 sound like the right sort of figure, doing the best you can to recall?---Over the years between the two of the, possibly, yes.

Right. And the Walgett Shire Council?---Yes.

They're a fairly big client of yours?---Yeah, one of my bigger I suppose.

20 Who's the buyer there?---Mark Ward.

And what's Mr Ward's job?---He's a storeman.

Right. And what type of things do you supply to him?---A range of things. Products for tar removal on their tar trucks, graffiti removals, hand cleaners, petrol (not transcribable) degreasers, but I also deal with a couple of other depots at Lightning Ridge and, and places.

30 Right. And who do you deal with at Lightning Ridge and places?
---Lightning Ridge is Holden. What's his, his last name's Holden, first name's, oh, look, without my record cards I can't remember everybody.

By and large do the largest orders come from Mr Mark Ward?---That's correct, yes.

Yeah. And by and large, if there are any vouchers earned, do they go to Mr Ward?---That's correct.

40 Go to his home address?---Yeah, or a PO box, depending on what they give me. Whatever, whatever address, whatever the, I don't know if it's a home address, it's whatever address they have given me.

Yeah. Not, not care of the council works?---Generally speaking, no.

Ah hmm. And not care of the town hall?---No.

And does a figure of 3,650 sound like the right sort of figure that's been given by way of vouchers to Mr Ward over the years since you introduced the voucher system?---Quite, it sounds excessive but it's quite possible, yes.

It sounds like a lot, doesn't it?---It sounds a little, it sounds a little bit excessive, yes.

But he orders a lot of stuff from you?---He does, yes.

And what, places big orders?---Not always, but, but as they need it, yes.

All right. And the Yass Valley Council, is that one of yours?---No.

10

Right. If it's ordering products from Momar they're getting them from somebody else. Is that right?---That's correct.

Not you?---No.

All right. Now, Mr Parker, would you agree with me that vouchers are just like cash?---No.

20

See, you can take a voucher to the shop that issued it and buy the goods offered for sale in that shop, can't you?---For the, for Coles/Myer group, yes.

Yeah. Do you use any other group?---No, 'cause they're not cash. Cash you can use anywhere. These ones are vouchers so you can only use 'em at Coles/Myer.

Well, what has Coles/Myer have got, fourteen shops or something (not transcribable)?---Oh, look, I don't know, but anyways- - -

30

So you can go to any one of those shops which are part of the group and use a voucher just like cash?---In those places you can.

Yeah. Well, if you're going to Coles/Myer you can probably buy almost anything you'd want from one of other of the shops. That's so, isn't it? ---Within reason, yes.

40

Well, any sort of consumer good would be available for sale by either Coles or Myer, wouldn't it?---Oh, not if you're a cyclist and you want to buy a \$5,000 push-bike, you've got to go to a specialty shop for that.

All right. I suppose you could buy some bicycle clips and some drink bottles at Myers or Coles, couldn't you?---Well, I'm a cyclist and I wouldn't go there to buy me bike gear, so sorry.

You're obviously a purist then?---Yes.

But you know what I'm getting at?---Yeah, I do, I know what you're getting at.

And in general terms- -?---If we're going to generalise, yes, generalising, yes.

Well, if I want \$50 worth of groceries I can certainly get- -?---You certainly can.

- - -that value from Coles, can't it?---Exactly. But if you want to buy a \$5,000 bike, no, you can't.

10

You're not offering them on your premium schemes, are you?---No, sorry, no. I'd be wanting one otherwise.

However, I digress. Look, giving someone, a buyer, who's not the man paying for the goods that have been ordered from you is tantamount to giving him a kickback, isn't it?---Yes.

20

And to adopt a word that the Commissioner used today, it's the same as a bribe in ordinary language, isn't it?---Part of me will say yes, part of me will say no.

Well, I suppose you've got to justify it somehow, is that fair, Mr Parker? ---No, I disagree.

But in any event the kickback you've agreed with, you give those kickbacks because that's what Momar Australia's selling method is, is that correct? ---Yes.

30

It's not your idea?---No.

No. You'd be just as happy to go selling things without it or would you? ---Yeah, it doesn't bother me. It hasn't affected my business, since we've stopped I still sell the same amount as I sold before, it hasn't changed my business at all.

Do you use other methods of building a relationship with people, you're personable?---Exactly.

40

If you're in a country town you might have a meal with them?---Exactly.

When did it stop?---Earlier this year.

Does March sound right?---Oh, quite possibly, yes.

And did you, was there any meeting at all at, at the company explaining why it was stopping?---Yes.

And who was at the meeting?---All the New South Wales reps, the national sales manager and the managing director.

Who addressed the meeting?---Ellis Kahn and Mark Moskow.

And what did Mr Kahn say at the meeting?---They just said, they said, you know, there's been an ICAC inquiry into these, we've been told by - that we are to cease doing these promotions, that they're considered to be illegal and they're to cease immediately.

10

What did Mr Moskow say?---Pretty much the same thing.

Yes. You see, I mean, you have no trouble agreeing with me that these were kickback, would you agree with me that if anybody gave it a moment's thought before there was any ICAC inquiry they'd come to the conclusion that the vouchers were a kickback?---Look, they, they're a loyalty incentive. Like, if you're, if you're going to say to me do we believe, they're a loyalty incentive and as much as you might want to, some people might want to disagree with it here, all businesses give out premiums or gifts and if you want to, if you want to be in business to make a living you've got to do what everyone else is doing to, to be in business. I mean, you know, you tell the investigators to go to other councils and stuff and they'll see everyone's got hats on or caps or different things.

20

You say everyone's doing this?---Yeah, everyone gives out little promotions and gifts and that, yes.

What about cash vouchers, does everyone do that?---No, I'm not saying everyone does that, no, I don't know about that.

30

You see, if you went into the council depot at let's say Walgett - - -?---Yes.

- - - and said to someone like Mr Ward, who was placing an offer thanks, Mark, here's \$100 in cash, now you wouldn't have any doubt that that was wrong, would you?---Oh, I'd never do it, no.

Well, you'd never do it because it was wrong?---Yeah, I'd - - -

That's right isn't it?---Yeah, that's right, I believe it would it would have been wrong, yes.

40

You're agreeing with me?---Yes.

And if you were to do that then you would have known, you would expect any right thinking person to say that's, that's corruption, that's so, isn't it? ---Yes.

Giving \$100 to a public official so he'll keep putting orders with your company?---Yes.

No doubt about it?---No doubt.

And there's no difference, is there, if the \$100 is redeemable at 14 Coles Myer shops, is there?---In hindsight from what we're going through now, obviously not but you asked me what my thought was at the time and at the time I didn't think it was that bad a thing.

10

At Coles Myer, you go to Coles?---Yes, I've been to Coles.

Myer?---Yeah, I've been to a Myer.

Yes. These, these are the places where these things are redeemable, aren't they?---Yeah.

And Target?---Yeah.

20 Kmart?---Yeah, yeah.

Liquorland?---Yeah.

Vintage Cellars?---I've never heard of them.

It might be a city store?---Yeah, it might be.

Yeah. And 1st Choice Liquor, heard of them?---No, never heard.

30 But that's the type of range of things that you can go and use that \$50 voucher isn't it?---Oh, well, obviously, yeah.

Nothing further, Commissioner.

THE COMMISSIONER: Is Mr Naylor the only counsel wishing to question this witness? Mr Naylor, you're on your own again.

MR NAYLOR: Thank you, Commissioner.

40 Mr Parker, I, I appear for a number of local council employees as you may have heard already - - -?---Yes.

- - - including Mr Gibbons - - -?---Yes.

- - - and Mr Hadley?---Yes.

And I want to ask you some questions in relation to them in a moment but if I might just clarify as aspect of the evidence that you've already given. You

told Counsel Assisting that in relation to the process whereby you came to give these gift vouchers or arranged for gift vouchers to be sent that you would have a conversation with the relevant customer or buyer and you asked for their address?---Yes.

10 And were you at that stage particularly interested in getting their home address in order to send the gift vouchers (not transcribable)?---No, I'd just, I would say we've got a, you know, a rewards scheme going on and as a thank you I want to send you out a voucher, where would you like it sent, it's up to them to choose whatever the address may be.

It's often the case, is it not, that they, they provided you with home addresses?---Oh, well, I, I assume so. I mean, I, I don't know everyone's personal home address but I assume it's their home address, yeah.

You knew, did you not, that these gift vouchers were intended to be used by the local council employees personally?---That's correct, yes.

20 So if the gift voucher was sent to their home address that would make it easier, would it not, for the local council employee not to disclose the fact that the gift voucher which was intended for them personally - - -?---Yeah.

- - - had been received?---If they chose to have it sent to there that's obviously, yeah.

It would be more difficult would it not for the gift voucher, the fact that the gift voucher had been given to be kept from the employer if it was sent to the business premises?---Could you repeat that please?

30 If the gift voucher was sent to the business address rather than the home address it would be much more difficult, would it not, to keep from the employer the fact that the gift voucher had been given?---If that was the intention, yes, of course it would be.

Well, you, you were aware, were you not, that the gift vouchers were intended for the employees to be used personally?---That's correct but I have sent them to their employment addresses before too, yes.

40 And you knew also that - you also arranged for these gift vouchers to be sent to their home addresses?---Yes.

You knew therefore did you not that you were putting into place an arrangement that facilitated or made easier the fact that these gift vouchers could be kept from, not disclosed to, the employers?---I would send it to the address they nominated, whether that was their home address or whatever. I never questioned where it was, I just asked for an address and that's where I sent it.

Okay. And it didn't cross your mind at all that the arrangement that you were putting in place made easier or facilitated these buyers or local council employees receiving these - - -?---Well, that's just a natural assumption, isn't it?

Can I finish my question?---You may.

10 It didn't cross your mind that you were putting into place an arrangement that made easier the receipt of these funds?---I wasn't putting anything into place to - you're saying that I was creating some conspiracy the way you're putting it, no, I was asking for an address that they chose, I sent to that address.

Well, were you directed by anyone in Momar that as far as possible the gift vouchers should be sent to home addresses?---No, I, no, I don't, I don't remember having - it may have but I can't remember that conversation, no.

It's possible?---It's quite possible, yes.

20 It's possible that you were encouraged by persons in Momar who were supervising you that gift vouchers as far as possible should be sent to home addresses?---I don't remember that conversation, no.

You had a conversation with Mr Gibbons at one point in time in which you canvassed with him whether or not he wanted to receive gift vouchers?
---Oh, I would have, I don't remember the conversation but it would have happened, yes.

30 In about 2007?---I can't remember when it started but it would have been some years ago.

So you essentially invited him or asked him whether he was prepared to receive gift vouchers?---Yes.

40 And did he indicate to you that there was no need for gift vouchers to be sent to him?---No. I don't, I can't remember to be honest whether there was a discussion about it but I mean he's received vouchers so I mean he's obviously agreed to it at some point, whether there was a discussion whether it needed to be done or not.

Do you recall there being a discussion about you offering him a gift voucher and him expressing some concern about it?---I can't remember a specific discussion, I've discussed different things with lots of customers. I can't remember the specific conversation, no, sorry.

Well can I put it to you that he, he did in fact express some concern or reluctance to receive the gift voucher?---Maybe, but not to my recollection, recollection.

And that you subsequently persuaded him that the gift vouchers were just intended as a thank you?---Yeah, that's, that's how they were always perceived the process, a thank you for your business. So that's correct.

Were there others who you can recall having a similar conversation with?
---Well I don't remember the conversation. So whether I recall having a similar conversation, I don't remember having a conversation with Mr Gibbons on whether he had reservations or not.

10 Do you recall having a conversation with any buyer within a local council who was expressing reservations about receiving gift vouchers?---No. I've had clients who have refused and I've had clients who have accepted. They don't get sent unless they accept.

Did you in 2010 inform Mr Gibbons that Momar had a special on for high pressure cleaners - - -?---I would have, yes.

- - - as part of a promotion?---I would have. I don't remember a specific conversation but I would have, like I would have with any customer.

20

And is it correct that Mr Gibbons told you that he didn't want to receive such a product?---Oh, if he told me no I wouldn't have sent it, so he obviously accepted it if I sent one.

Well would it surprise you to learn that he did tell you that he didn't want to receive the product, but that it was, it was nevertheless sent?---I don't send things unless they choose to have them.

30 You - - -?---It costs me money so if someone didn't want something I was going to save myself money, why would I send something that was going to cost me money. Common sense.

I don't disagree Mr Parker, it's difficult to make sense of, but you deny do you having arranged to send a high pressure water cleaner to Mr Gibbons after he said to you, please don't send it to me?---No, I don't remember that conversation, no.

Yes, thank you, Commissioner.

40 MS MUNN: Just one question. You said before that your relationships and your sales figures since, since the vouchers stopped in March - - -?---Yes.

- - - haven't been affected?---No, not at all.

So you consider those relationships to be ongoing?---There's only one customer that's, that's dropped off. Other than that all the other customer have bought as usual. It hasn't changed at all.

And they're relationships that you've established based on the gears of selling training that you received?---Training and my personal, you know, my personal style, you know, so just you know, all my customers have become friends over the years. I've been doing this for over 10 years and it's (not transcribable) a place where you go to work and you've got all your workmates, they're my workmates, 'cause I'm in a car all day on me own travelling all over the countryside, so my time with them I enjoy because they're my workmates (not transcribable) buyers.

10 Thank you, Commissioner.

THE COMMISSIONER: Mr Campbell.

MR CAMPBELL: Thank you, Commissioner. Do you remember my learned friend, Mr Naylor, asked you whether there was any directive from Momar that the vouchers were to be sent to the home addresses? Do you remember that question?---Yes, I do.

20 And Commissioner, can we have a look at volume, folder 10, tab 51, page 7 be shown to the witness or displayed on the screen?---Page 10 was it?

I did say page 10, but that was in error, again I want you to look at page 7? ---7.

And I apologise?---Yes.

THE COMMISSIONER: You said page 7.

30 MR CAMPBELL: Did I your Honour?

THE COMMISSIONER: Yes.

MR CAMPBELL: I'm prepared to accept my failings your Honour, even though they don't exist. Now it says, do you see the bottom of that page, the last paragraph?---Oh yep, okay.

This voucher may only be sent to the customers home address, so please supply full details with your orders?---Okay.

40 You recognise that document as being a document of the type that was sent out by Momar to sales reps like you?---I recognise the type of document, but the actual document I don't remember, but I'm not saying I never got it, we get a lot of things, and that was five years ago, so I don't remember the particular document, sorry.

But you recognise Mr Kahn's signature do you?---I certainly do.

You'll see that that particular document on 1 July, 2006 talks about the voucher promotion for three months. Do you see that?---Yes.

Now was that about when, I'll read the second paragraph in a moment, was that about when you remember the promotion as it's called, starting?---Look it was, quite possible. I mean it was a long time ago. I don't remember a specific date, sorry.

10 All right. You'll see it says due to the amazing success of the Coles/Myer voucher, we have decided to continue this promotion. The July, August and September one was a Bunnings voucher. Do you see that?---Yes.

Do you remember that promotion?---Yes, I do remember the Bunnings vouchers at the time.

But it seems clear doesn't it the company policy was that the vouchers may only be sent to the customers home address?---Yeah, I do see that now, yes.

20 Yes. May only be sent, no suggestion of things going astray or any such thing was there?---Oh no, I do remember there was some talk that there were, I mean I do remember some vouchers going missing and it was (not transcribable) and there were discussion whether the customers were saying they were going missing so they'd get another one or they just went missing or what. I mean I do remember a conversation, but like, I just said, I answered before that it was quite possible there was a directive to get a home address, but I don't remember the conversation.

Well this looks like a directive doesn't it?---It does, yes.

30 Can you turn the page to page 8?---Page 8.

Does that look like a directive too?---Yes, it does.

The voucher may only be sent to the customers home address?---Yes.

So please supply full details with your order. That's, and that's what you did isn't it?---(NO AUDIBLE REPLY)

40 Although as you've told me - - -?---I don't remember these documents, but I'm sure I got them. And like I said before, I quite possibly it was, but I don't remember the conversation or directive. But I don't disagree, I never disagreed that I possibly got one, so - - -

And look at the top of the page, the introductory paragraph, due to the amazing success of the Coles/Myer voucher we have decided to continue this promotion indefinitely. See that?---Ah hmm.

Remember that being said or you never really read it at any time?---No, I

mean I would have read it but you get that much sales stuff and you get new things sent home, you skim through them and you know a lot of it mangles into each other, so, yet I would have read it, I would have seen it, but as far as actually remembering it, I'm sorry, I don't.

Amazing success is strong language, isn't it?---That's sales.

I see. Don't believe a word they say, is that - - -?---Everything's talked up in sale.

10

I see. Anyway - - -?---Everywhere you go, it's the same.

If you drop the amazing and just say due to the success it sounds like it was a winner, doesn't it?---Yeah.

And, and sounds like it was a winner and that's why they kept it going? ---Yeah.

20

That sounds like it must have generated quite a few additional sales over and above expectation, don't you think?---It didn't change my business to much but it, you know, it makes customers happy.

Nothing further, Commissioner.

THE COMMISSIONER: Yes. Thank you, Mr Parker, you are excused, you may leave the witness box?---Thank you.

30

THE WITNESS EXCUSED

[2.58pm]

THE COMMISSIONER: I think we've had enough for today, Mr Campbell.

MR CAMPBELL: May it please the Commission.

THE COMMISSIONER: We'll adjourn till 10.00am tomorrow morning.

40

AT 3.59 PM THE MATTER WAS ADJOURNED ACCORDINGLY

[3.59PM]