

Volume 5 | Issue 2 | June 2006

# BULLETIN



RSL &amp; SERVICES CLUBS

## Move to head off Clubs management crisis

**Dwindling numbers of full voting (service) membership of RSL and services clubs is presenting a mounting management crisis for clubs.**

A survey of member clubs of the RSL & Services Clubs Association shows that sub-branch membership has declined by 25% since 2000. Even more dramatic are figures which show that membership of the Returned and Services League in NSW has dropped by more than 10,000 since 2002 and is falling at a rate of about six percent every year.

The growing crisis for many RSL and services clubs is the constitutional requirements which require, in many cases, that the majority of club directors be sub-branch members and that constitutional amendments can only be made by sub-branch members.

A number of clubs have already faced the problem of insufficient numbers of sub-branch members being available to fill director positions, or having to postpone Annual General Meetings or General Meetings because they could not raise the required quorum of sub-branch members.

The real danger arises when a club is unable to fulfil its constitutional requirements for director positions and also not have a quorum of sub-branch members to amend the constitution. This leaves the club with no option but to seek legal remedies under Corporations Law and potentially high legal costs. This also raises the possibility that the sub-branch numbers would be such (less than five members) that it could lose its charter.

On average the percentage of full voting (sub-branch) members to total club membership is running at about 4 percent, but in some clubs the figure is as low as 1.5 percent. These numbers are in many cases further reduced by the availability or interest of the full voting service members to participate in the management of the club. Further, not only are the number of our ex-servicemen and women dwindling, but there average age is well over the age of 65.

The problem is compounded by the fact that the vast majority of clubs – more than 80 percent - have not yet adopted management succession plans which reflect

the growing crisis. And only about fifty percent have so far amended the constitution to allow for all members to vote on any changes.

RSL & Services Clubs Association CEO, Graeme Carroll, says the Association has opened discussions with the State RSL Branch on the issue and a "Think Tank" is planned for June in an attempt to identify a range of options to address the issue.

"We are fast reaching the point where the clubs and the RSL are running out of time to decide our own destiny in regard to the future running of our clubs," he said.

"We do not want to reach a stage where Government, either through corporations law or governance regulation, dictates our way forward. We need to define a balanced solution which enables the clubs to retain their Anzac traditions and objectives while at the same time meeting their wider corporate and community obligations".

State President of the RSL, Don Rowe, said that the RSL views the "Think Tank" as an opportunity for the RSL and clubs to get together to discuss these important issues and hopefully find a way forward.

The RSL has for some time endeavoured to address the issue of falling membership and in 1999 state branches were given the option of adopting affiliate membership. While NSW is yet to take up the option, in Victoria affiliate membership has boosted numbers by 53 percent.

The RSL & Services Clubs Association has already taken its first steps to address the problem in part by receiving government approval for an amendment to the Registered Clubs Act to allow serving defence force personnel, including reservists, automatic entry to RSL and services clubs as honorary members.

"This is seen as one means of encouraging a new and younger generation into membership of RSL and services clubs, and hopefully the ranks of the RSL", Mr Carroll said.

"The trial to conduct two-up on commemorative days other than Anzac Day – namely VP Day and Remembrance Day – is also seen as a way of encouraging a greater rapport between our younger members and our diggers to pass on the traditions of our Anzac heritage."

## Kododa puts out tough challenge

**A group of eight young men and one woman have completed what has been the toughest Kokoda Youth Leadership Challenge so far.**

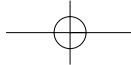
The Track lived up to its reputation as the third toughest trek in the world when mother nature threw daily storms at the group, turning the trail into a quagmire, slowing down progress and in some places trekking 13 hour days.

The RSL & Services Clubs Association launched the Kokoda Youth Leadership Challenge last year as a major

Continued on page 2



Several of the trekkers with the chief of Naduri village



Continued from page 1

community project designed to develop disadvantaged or wayward youth into the leaders of tomorrow. It is also used to further encourage young people with natural leadership skills.

Fairfield RSL Club (1), Albury SS&A Club (2), Nambucca RSL Club (1), Wagga RSL Club, (1), Toukley RSL Club (1) City Diggers Club in Wollongong (1) Seven Hills RSL Club (1) and the Association (1) each sponsored participants on

the trek which left on 24th April and returned on 5th May.

The Association has joined forces with Adventure Kokoda – operated by ex-Army Major and NSW Upper House MP, Charlie Lynn, a veteran of 40 crossings of the Track - to stage the Kokoda Youth Leadership Challenge over the infamous Kokoda Track in New Guinea. The next trek is scheduled for 2-13 October 2006.

## Registrations open for national conference

### Registrations are open for the Annual RSL and Services Clubs National Conference to be hosted by the Twin Towns Services Club on the 17th and 18th July 2006.

This year's event represents the 7th national conference hosted by Twin Towns Services Club which remains committed to providing a forum for RSL and services clubs to meet to discuss issues of national significance. The program this year has been developed by the club in conjunction with its industry Association, the RSL & Services Clubs Association, and supported by the RSL Licensed Sub-Branched of Victoria and the RSL and Services Clubs Association of Queensland. The RSL & Services Clubs Association Conference will be held in Canberra from 29th October to 1st November 2006.

Twin Towns General Manager, Rob Smith, said that the conference has undergone a major revamp to create a more tightly focused program which aims to put clubs on the front foot in facing up to a number of challenges that are before them.

It is also designed to bring together the clubs and the national and state RSL movements which has already commenced through the formation of a national forum.

"We believe we have engaged an exceptional line-up of speakers. The opening keynote speaker, futurist and TV commentator, Keith Suter, will outline how scenario planning might be used to delve into the future direction of clubs. There are sessions dealing with the impending smoking bans facing the industry; the application of the new Workchoice legislation; the economic outlook for

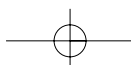
clubs and the future of mutuality; the latest in food trends; the increasing demands of corporate governance; the changing face of the RSL and what's new in gaming. Industry leaders will discuss the major issues facing the industry and best-selling author, Patrick Lindsay, will explore the question of what kind of Australia we want to hand over to our children?", he said.

Mr Smith said the change of conference format will complement the opening of the next phase of the Twin Towns resort complex which will feature 15 storeys of one, two and dual-key apartments. The welcome reception for the conference will be one of the first events in the new conference facilities and function rooms which form an integral part of the \$90 million project.

RSL & Services Clubs CEO, Graeme Carroll, said that clubs in this sector nationally are at the crossroads.

"From the club perspective they are being confronted with impending smoking bans, increased gaming taxes in various markets and threats to mutuality taxation provisions while the RSL is faced with dwindling membership and maintaining its relevance. We hope this conference will find some answers as to how the clubs and the RSL can work together to secure our futures," he said.

To view a conference brochure and to register 'on line' visit the Twin Towns Services Club website at [www.twintowns.com.au](http://www.twintowns.com.au) or the RSL & Services Clubs Association website [www.servicesclubs.asn.au](http://www.servicesclubs.asn.au)



## Albury's new Oasis

**Albury's SS&A Club has opened what it regards as a benchmark outdoor entertainment area for its 20,000 members, aptly called The Oasis Courtyard.**

The \$3.2 million project is proving a major attraction for members and visitors to the border club, passing its special opening period with flying colours.

It features a purpose built 80 seat terrace for hire, a dedicated multi-stage children's playground with a separate teenagers area including electronic games, a café/kiosk operating throughout the warmer months with a cook-your-own barbecue, specialty pizza and assorted casual cuisine snack items.

The area features state of the art audio visual facilities and a bar and coffee shop serving a lounge overlooking the courtyard and landscaped gardens.

The next development phase for the club will be a new café and bistro.



## Foster's rolls out new customer focus

**The roll-out in April 2006 of Foster's Australia's new customer-facing organisation is set to maximise the synergies existing between Carlton & United Beverages, Beringer Blass Wine Estates and Southcorp Wines.**

The re-aligned sales team has been designed to better service customers' needs by delivering tailored product and promotional offerings at an individual business level. Southcorp Wines has been a corporate partner of the RSL & Services Clubs Association for more than four years and the partnership is set to continue through Foster's Australia.

The new model represents a significant change in the structure of the Foster's sales team. Where previously the sales team was structured around product categories (beer, wine, non-alcohol etc), it is now focused on aligning more closely with the specific needs of different types of customers.

Tony Gapes, Regional General Manager – Eastern, Foster's Australia said that a fine dining restaurant will have very different needs to a bottle shop, a regional bowls club, an inner city bar, or a traditional hotel.

"For example, the fine dining restaurant may want advice with food and wine matching, the bottle shop might want training for their casual staff, the regional bowls club might want promotional ideas targeting young adult drinkers, the inner city bar may want assistance with cocktail recipes and the traditional hotel

might want help with venue design."

Mr Gapes said that Foster's Australia has invested heavily in consumer research to uncover in-depth insights into the different types of consumers and their behavioural patterns. These results have been incorporated into the new customer-facing organisation to deliver more targeted product and promotional solutions for the consumer and subsequently trade.

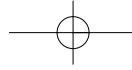
"The 'one size fits all' approach belongs to the past. The Foster's team will offer customers the best products and services to help them drive the most value in their business", he said.

An important aspect of tailoring services for customers is the introduction of Foster's Beverage Services. Foster's Beverage Services will provide an enhanced range of specialised services tailored for customers, including in-store merchandising, event management, store/venue layout, trade education, technical beverage dispensing services and creative design services.

Under the new model, customers will now have one multi-beverage representative who will be the single point of contact across all categories, rather than being serviced by multiple representatives.

"The new approach offers our customers more expertise, support and relevant information to help them drive sales, profitability and customer-satisfaction at the store or venue level", Mr Gapes said.





## Association receives high approval rating

**A recent survey of members of the RSL & Services Clubs Association has shown a high level of satisfaction with the services offered by the organisation.**

Almost 60% of member clubs responded with 87% indicating that their main reason for joining was to build an Association representing the unique interests of RSL and services clubs. Others were seeking access to exclusive member programs, government relations, IR/HR services, assistance with RSL lease and property sale issues and an improved relationship with the RSL.

Slightly more than 97% indicated that the Association is meeting their expectations in this regard, with 87% saying that their membership represents value for money.

The Association's Bulletin came in for a 92% approval rating.

Respondents prioritised a range of Association services and other issues which they would like addressed which the Board and CEO are using to develop a strategic approach to the Association's operations over the next 12 months.

These include greater flexibility in

sign-in procedures; provision of new Workchoice legislation templates; gaming issues such as ticket-in-ticket-out, increased cash payments, the Anzac Day shutdown exemption, gaming advertising to members, improved gaming technology – truncation; group buying programs; taxation reform and succession planning for clubs

Almost 60% of member clubs always attend the annual conference staged at the Hyatt Hotel in Canberra with 77% rating the event as 'excellent' and 92% rating it 'value for money'.

## Coca-Cola Zero quenches record

**The Coca-Cola Company (TCCC) shifted a staggering 6.78 million unit cases of Coca-Cola Zero in the first five weeks of launch – that is the equivalent of 154 million, 250ml serves. And the sales look set to continue.**

It's not only Coca-Cola Zero enjoying this success; the entire Coca-Cola trademark brands (Coca-Cola, diet Coke and Coca-Cola Zero) have recorded a volume increase of more than 20% compared to this time last year, something that can be attributed to the launch of Coca-Cola Zero.

Coca-Cola Australia's Managing Director, Gareth Edgecombe said "The launch of Coca-Cola Zero has reinvigorated the soft drink category, attracting new drinkers and those who had moved away from carbonated soft drinks. The first 4 weeks scan data from grocery demonstrates this with CSDs up 12.4% on year ago, with Coca-Cola Zero gaining 8.8% share of total category.

"This launch demonstrates the impact new products have when a gap in the market can be successfully identified and boldly executed. Although it is still early days, we are quietly confident of the long term impact of Coca-Cola Zero on the Coca-Cola trademark and the CSD category.

Coca-Cola Zero has swiped an 8.8% share of the CSD category in grocery, with total Coca-Cola trademark making up 37.5% of the CSD category in grocery. In the five weeks following the product launch, Coca-Cola Zero achieved an incredible 16.7% household penetration

- the highest ever for any beverage, confectionary or personal care launch in Australia.

As the biggest launch from The Coca-Cola Company in 22 years, Coca-Cola Zero has been supported by an extensive \$18m marketing campaign.

Early awareness figures show that amongst the target audience of 18-30 year olds, 90% are aware of Coca-Cola Zero, with 50% trying the product and 66% of those repeat purchasing. Of these repeat purchasers, 29% have bought the product more than 5 times. These figures are well above the Australian average for a new product launch, given most brands experience just 31% awareness and 8% trial after their first three months in market.



The Association acknowledges the following sponsors and encourages your support:



The "Bulletin" is the newsletter of the RSL & Services Club Association Limited.  
Suite 21A, Level 4, 33 MacMahon Street, Hurstville NSW 2220. T: 02 9579 4555 F: 02 9579 4666 ACN 097 083 308 ABN 37 097 083 308

