



EXPRESSION OF INTEREST

To Procure the MIJ-30 Digital Carcase Camera

Closing date: 11pm AEST, 29 March 2019

ISSUE DATE: 26 September 2018	
CLOSING TIME AND DATE	Expressions of Interest should be lodged electronically vial email to the addressed listed in the AWA Contact Details (Section 5), on or before the Closing Time and Date
LODGEMENT	Expressions of Interest must be lodged in accordance with the requirements in Section 5
AWA CONTACT OFFICER	AWA Contact Officer details are provided in Section 5.1

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1. About Australian Wagyu Association

Australian Wagyu Association (AWA) is an Australian Public Company whose members are Wagyu industry supply chain participants. The AWA has a Board and Chief Executive Officer and is constituted and operated under the provisions of the Australian Corporations Act 2001 which sets out the objects and powers of the company, the Board and Chief Executive Officer.

1.1 Corporate Goals

The AWA has four Corporate Activity areas:

1. **Product Improvement:** Increase the rate of genetic gain and product performance in the Australian Wagyu industry.
2. **Marketing & Communications:** Increase demand for Australian Wagyu domestically and internationally in all sectors of the supply chain.
3. **Wagyu Integrity:** Increase the market integrity of Wagyu domestically and internationally.
4. **Corporate Services:** Increase the efficiency and effectiveness of the AWA administration and services.

2. Definitions

Terms	Meanings
AWA	The Australian Wagyu Association operating under the Corporations Act (2001)
AWA Contact Officer	The person nominated in Section 5.1 to represent AWA during the term of this EOI process
Closing Time and Date	The final time and date for lodgement of responses as provided by Sections 5.2 and 5.3
EOI	Expression of Interest
EOI Conditions	The EOI conditions set out in EOI documents
Information	Any information issued or to be issued by or on behalf of AWA in relation to or in connection with, the EOI process
Issue Date	The date AWA publicly publishes this EOI, via lodgment on the following website: https://www.wagyu.org.au
Late Response	An EOI Response that is not lodged by the Closing Time and Date
Purchase Contract	The Purchase Contract or Official order between AWA and Purchaser
Requirement	The goods and/or services described in this EOI
Respondent	The potential purchaser who submits an EOI Response in accordance with the EOI Conditions
Response	A written submission in response to this EOI by a Respondent
Territory	Australian Wagyu Association members within Australia, New Zealand and South Africa

3. About this Expression of Interest

3.1 Overview

The Australian Wagyu Association is issuing this Expressions of Interest (EOI) to elicit proposals from Australian Wagyu Association members seeking to purchase a Meat Image Japan Digital Carcase Camera (MIJ-30) to obtain objective accurate assessment of marbling and eye-muscle characteristics.

The MIJ-30 delivers individual objective carcase data including;

1. Digital Marbling Percentage
2. Digital Marbling Fineness
3. Digital Muscle Area
4. Digital Marbling Grade (based on IMF%)

The AWA has agreements with Meat Image Japan which allow the AWA to be the exclusive reseller of MIJ technology within Australia, New Zealand and South Africa. The AWA will provide training, service support for the cameras locally and provide access to the MIJ cloud-based carcase analysis system for its customers.



Figure 1 MIJ-30 objective carcase assessment

3.2 Product Information

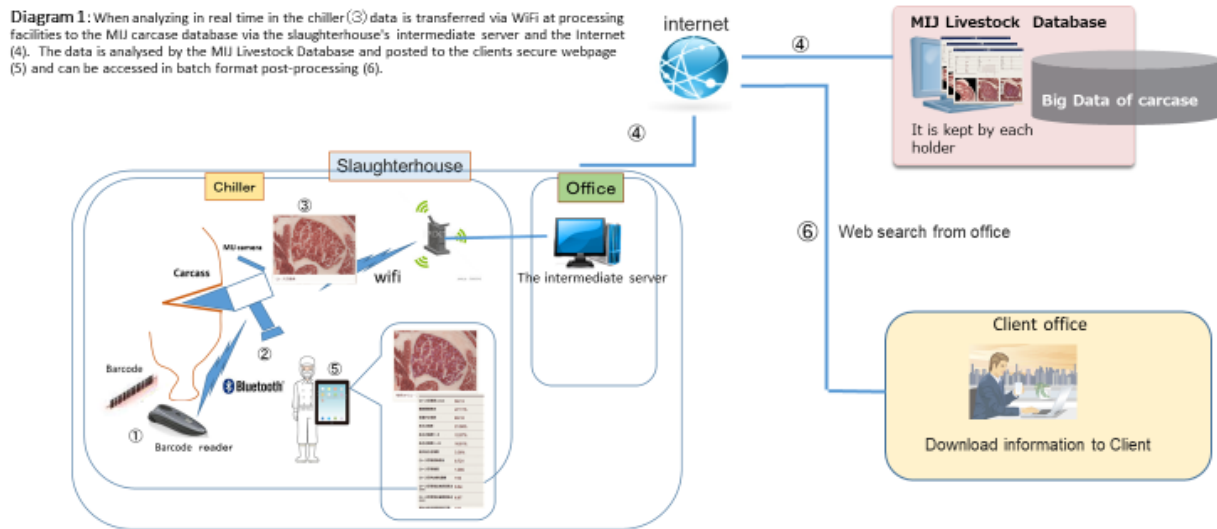
3.2.1 Product Background

Meat Image Japan have developed digital image grading technology for Wagyu over 20 years using a range of camera formats. These cameras have been used within Australia for more than eight years to objectively assess carcasses.

The MIJ-30 (Figure 1) takes a digital image of the eye muscle at 30 degrees to perpendicular and translates that image to vertical for calculating the range of traits important for Wagyu carcase quality. Although there are a range of configurations of MIJ digital carcase cameras, the MIJ-30 is best suited to grading Australian Wagyu content carcasses considering evenness of the grading surface and the openness of the grading site.

3.2.2 MIJ Real-time Digital Carcass Grading System

Meat Image Japan have developed a cloud-based analysis system that provides real-time grading of carcasses (see Diagram 1). Following the scanning by a barcode reader of each carcass's unique barcode identifier tag, an image of the cut carcass surface is taken by the MIJ-30 and with reliable WiFi speeds of 5Mbps, real-time analysis of MIJ-30 digital images can be performed via cloud-based computing. Results are available to a customer-specific website interface within approximately 30 seconds. Results can also be retrieved for grading and sorting of carcasses in the office.

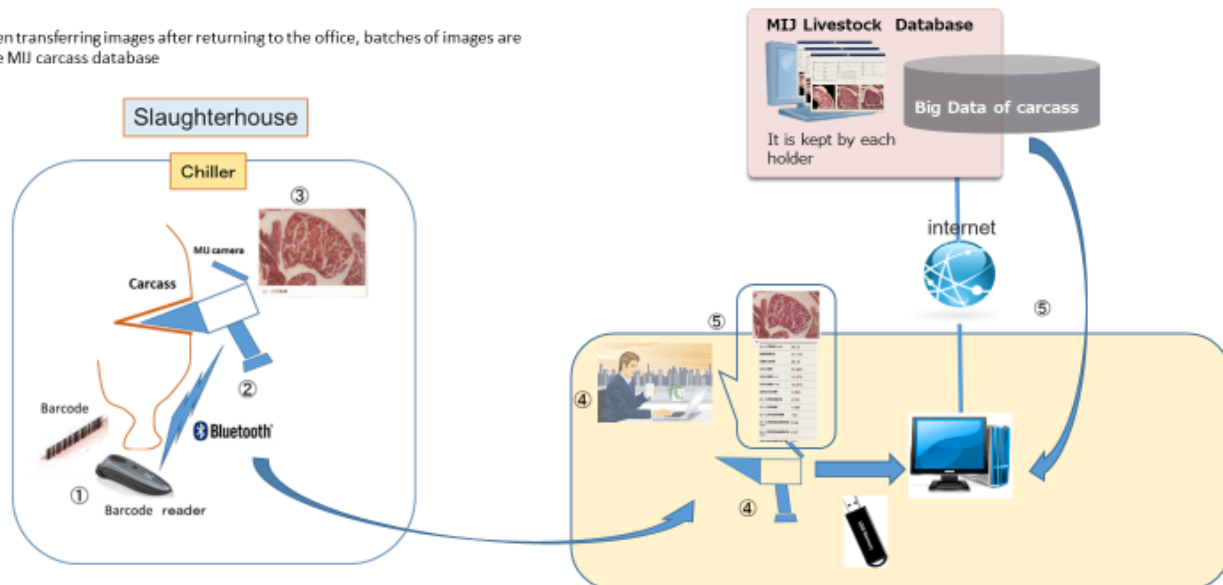


- ① Read barcode of carcass with barcode reader of Bluetooth (BT) (Confirm individual identification number)
- ② Photograph the cut carcass surface
- ③ After the keystone correction, the photographed image is sent to the intermediate server of the slaughterhouse office via WiFi.
- ④ It is sent from the intermediate server to the MIJ carcass database via the Internet, and after automatic rib eyes extraction, image analysis is performed.
- ⑤ Can check the evaluation results on the Web.
- ⑥ AWA can upload data from the MIJ carcass database and search anywhere on the Web in a secure environment.

3.2.3 MIJ Offline Digital Carcass Grading System

If WiFi is not available across all locations required by the customer, batches of data can be transferred for analysis post-imaging. In this scenario, once carcass imaging is complete, the image files are transferred from the camera to the customer's server via USB and sent to the MIJ cloud-based analysis system as a batch file. Results can then be retrieved for grading and sorting of carcasses in the office as shown in Diagram 2.

Diagram 2: When transferring images after returning to the office, batches of images are analyzed with the MIJ carcass database



- ① Read barcode of carcass with barcode reader of Bluetooth (BT) (Confirm individual identification number)
- ② Photograph the cut surface of each carcass
- ③ After keystone correction, the captured images are saved in the folder in the camera.
- ④ Take the camera back to the AWA office and upload it to the MIJ carcass database via the Client server.
- ⑤ Client can upload data from the MIJ carcass database and search anywhere on the Web in a secure environment.

3.3 AWA and Meat Image Japan Agreement

The AWA has an agreement with Meat Image Japan which allow the AWA to be the exclusive reseller of MIJ technology within Australia, New Zealand and South Africa. The AWA will provide training, service support for the cameras locally and provide access to the MIJ cloud-based carcass analysis system for its customers based on the reseller agreement with Meat Image Japan.

3.4 Objectives of this EOI

AWA is pursuing the following objectives through the issue of this EOI:

1. To invite interested parties to submit a proposal to procure and use the technology including access to the MIJ Livestock Database for image analysis;
2. To identify parties who submit proposals, suitable companies that are able to demonstrate their ability to undertake carcass grading for a range of industry participants. Assessment on suitability will include, but is not limited to:
 - The estimated annual throughput through identified processing facilities;
 - The estimated number of AWA members engaged in their supply chain;

- The willingness of the parties to supply MIJ-30 camera grading data from their supply chain for the improvement of Wagyu BREEDPLAN

3.5 EOI Documents

This EOI and any attachment sets out all of the details concerning AWA's requirements in relation to the products/services, conditions of responding, evaluation criteria and all other matters concerning this process.

4. Conditions and Acknowledgements

4.1 Right Not to Proceed

AWA is not bound contractually, or in any other way to the Respondents who respond to this EOI. AWA reserves the right not to proceed with this EOI or any part of it, and to suspend or vary the EOI and/or its requirements at any stage.

4.2 Costs Borne by Respondent

All costs and expenses incurred by Respondents in any way associated with the development, preparation and submission of the EOI response, including but not limited to attendance at meetings, discussions, presentations and providing any additional material required by AWA, will be borne exclusively by the Respondents.

4.3 No Legal Relationship

No binding legal relationship will arise out of this EOI.

4.4 Information

The statements, opinions, projections, forecasts or other information contained in this EOI may change. Where any such information relates to future matters, no steps have been taken to verify that the information is based upon reasonable grounds, and no representation or warranty, expressed or implied, is made by AWA, or any of its officers, employees, advisers or agents that the statements contained in this EOI will be achieved.

This EOI is designed to reflect and summarise the information concerning the Requirements only, and is not a comprehensive description of them. Except as required by law, and only to the extent so required, neither AWA, nor its respective agents or advisers will in any way be liable to any person or body for any loss, damage, cost and expense of any nature arising in any way out of or in connection with the statements, opinions, projections, forecasts or other representations, actual or implied, contained in or omitted from this EOI or other information provided to any Respondent or by reason of any reliance thereon by any person or body.

Any time and/or date in this EOI is for the sole convenience of AWA. The establishment of a time and/or date in this EOI does not create an obligation on the part of AWA to take any action or any right in any Respondent that any action is taken on the date established. AWA may change any date or time. AWA will notify affected Respondents if it changes the date and/or time but will not be obliged to provide any reasons for its actions.

4.5 Respondents to Inform Themselves

Respondents are considered to have:

- Examined this EOI, any documents referenced in this EOI, and any other information made available by AWA to Respondents for the purpose of responding;
- Examined all further information which is obtainable by the making of reasonable inquiries relevant to the risks, contingencies, and other circumstances having an effect on their EOI response;
- Obtained their own professional advice in respect of this EOI, any other information provided to Respondents, and the EOI process generally, as appropriate; and
- Satisfied themselves as to the correctness and sufficiency of their EOI response including submitted prices.

4.6 Respondent Acknowledgements

Responses are submitted on the basis that Respondents acknowledge:

- They do not rely on any representation, letter, document or arrangement, whether oral or in writing, or other conduct as adding to or amending these conditions other than amendments in accordance with clause 5.10; and
- They do not rely upon any warranty or representation made by or on behalf of AWA, except as are expressly provided for in this EOI, but they have relied entirely upon their own inquiries and inspection in respect of the subject of their EOI response.

4.7 AWA Rights

The AWA and the Respondent acknowledge that this is a non-binding Expression of Interest (EOI) and in submitting an EOI, the Respondent also understands that the AWA reserves the following rights.

Without limiting any other part of these EOI conditions AWA may:

- Amend this EOI at any time in any way including any aspect of the EOI process;
- Choose to negotiate with (if applicable), any Respondent including one whose EOI Response is a non-compliant EOI Response;
- Not negotiate with (if applicable), any Respondent at any time whose EOI Response complies with this EOI;
- At any time (including in negotiations) disqualify any Respondent from participating in the EOI process or exclude their EOI Response from further consideration;
- Allow any Respondent to change their EOI Response at any time;
- Stop or suspend negotiations with any preferred Respondent;

- Select preferred Respondents or choose not to do so;
- Request all or certain Respondents to participate in a further procurement process for the Requirement;
- At any time use non-AWA personnel in assessing EOI Responses;
- At any time use a probity auditor in connection with this EOI;
- Terminate the EOI process at any time (including in the course of contract negotiations);
- Contract with more than one party for supply of the Requirement;
- Enter into a contract outside the EOI process;
- Negotiate with a Respondent whose EOI Response is for a different requirement than set out in this EOI;
- Undertake or allow any other actions or inaction in relation to this EOI, on such terms as AWA deems appropriate;
- Use information gained through the EOI process to feed into any further procurement AWA may undertake in connection with the Requirement (or one similar to it), including further development of the Requirement; and
- Allow, or not allow, any Respondent to enter into a contract for the Requirement in the name of a different legal entity from the one that provided an EOI.

4.8 Disclaimer

This EOI is not an invitation to treat, and is not to be taken to be or relied upon as an offer capable of acceptance by any person or as creating any form of contractual (including an AWA EOI: process contract), quasi contractual, restitutionary or promissory estoppel rights, or rights based on similar legal or equitable grounds.

AWA will not be liable to any Respondent on the basis of any promissory estoppel, quantum meruit or other contractual, quasi contractual or restitutionary grounds whatsoever or in negligence as a consequence of any matter relating or incidental to a Respondent's participation in this EOI including instances where:

- A Respondent is not invited to participate in any subsequent process following completion of this EOI;
- AWA varies the EOI;
- For reasons of public interest, AWA decides to terminate this EOI or not to contract for all or any of the requirements; or
- AWA exercises or fails to exercise any of its other rights under or in relation to this EOI.

4.9 Respondent Acceptance

By submitting a Response to this EOI, the Respondent accepts the Terms and Conditions as set out in this EOI.

5. Expression of Interest

5.1 AWA Contact Officer

Respondents should direct any queries arising from this EOI to the AWA Contact Officer.

AWA Contact Officer Name	Dr. Matthew McDonagh
Email	matt@wagyu.org.au
Telephone	+61 2 6770 3990

5.2 EOI Closing Time and Date

The EOI Closing Time and Date for this EOI is: **11pm AEST, 29 March 2019**

Completed EOI responses must be lodged electronically in pdf format via email at or before the EOI Closing Time and Date in accordance with the EOI Rules.

5.3 Timetable

An indicative timetable for the conduct of this EOI is described below. The timetable may be amended by AWA at any time.

Event	Date
Issue of EOI	26 September 2018
EOI Response Closing Time and Date	11pm AEST 29 March 2019
Selection and notification of Successful Respondents	To be notified within 1 (one) week of receipt of the completed EOI

5.4 Confidential information

AWA

Information provided to Respondents by AWA in the course of the EOI process (in whatever form) must be used solely for the purpose of preparing and lodging an EOI.

Respondents must not disclose AWA Information or otherwise provide any information (in whatever form) in connection with this EOI to any person that is not party to the Respondent's EOI without AWA's prior written approval

On request at any time Respondents must immediately return to AWA all copies of any AWA information provided in the course of the EOI process.

Respondent

If any part of an EOI Response is confidential to the Respondent it must be clearly marked as confidential. Respondents must mark only those parts of their EOI that are actually confidential.

5.5 Permitted Disclosure

AWA may disclose any part of any EOI Response:

- to AWA Representatives solely in order to conduct this EOI process; and
- where that disclosure is authorised or required by law.

5.6 Lodging an EOI Response

EOI Responses must be lodged before the Closing Time and Date as outlined at Section 5.2.

EOI Responses must be lodged electronically in pdf format, via email before the Closing Time and Date and in accordance with the procedures set out in this EOI documentation.

Lodgement email: matt@wagyu.org.au

5.7 Electronic Lodgement

EOI Responses will be accepted in PDF format only. The EOI Response file name/s should identify the respondent.

5.8 Late Responses

AWA will exclude a Late Response from the EOI process, and will not admit them to evaluation.

The EOI Response is a Late Response if:

- It is not received by AWA at the Lodgement Office by the Closing Time and Date, or
- the EOI Response includes electronic files that cannot be read or encrypted.

However, the EOI Response is not a Late Response where:

- The EOI Response is late due solely to a mishandling by AWA as determined by AWA. The AWA will acknowledge receipt of a Response via return email within 24 hours of receipt.

5.9 Clarifications and Addenda

Respondents may seek clarification of the meaning of the content of this EOI from the AWA Contact Officer at any time prior to the Closing Time and Date. All enquiries must be in writing submitted to the AWA Contact email as identified at Section 5.1.

If requests for clarifications are received after the closing date, AWA will, in its sole discretion, determine whether or not to respond to such requests. If AWA elects not to respond, the Respondent will be notified.

In all cases AWA reserves the right to forward any clarification of the meaning of the content of this EOI to all Respondents on a non-attributable basis without disclosing the source of the question(s).

If a Respondent believes it has found a discrepancy, error, ambiguity, inconsistency or omission in this EOI or any other information given or made available by AWA, the Respondent should promptly notify the AWA Contact Officer setting out the error in sufficient detail so that AWA may take any corrective action it considers appropriate.

If a question by a Respondent reveals new information that, in the sole opinion of AWA may be material to the outcome of the EOI, or such questioning reveals an error in information previously distributed by AWA, the new or corrected information will be distributed to all Respondents in accordance with the EOI Modifications Procedure at Section [5.10](#).

5.10 EOI Modification Procedure

Without limiting any of AWA's rights, AWA may at any time:

- Amend this EOI in any way including any aspect of the process; or
- terminate this EOI process for any reason.

AWA may, in its absolute discretion, issue modifications to this EOI. Such modifications may include variations to the EOI or additional information in relation to the EOI.

If AWA elects to issue modifications to the EOI prior to the Closing Time and Date, AWA will issue a formal addendum to the EOI. An electronic advice will be issued automatically to all Respondents correctly registered as having downloaded the EOI. Respondents should ensure their contact details are correct for this purpose.

All conditions and rules of this EOI will apply to all addenda unless modified by the addenda. Any such addenda will become part of the EOI.

5.11 Assessment Criteria

EOI Responses will be assessed based on the following criteria below. As much detail as possible should be submitted by the Respondent to allow AWA to properly assess the suitability of the Respondent's EOI Response:

- Geographic location of Respondent's operations including identification of licenced processing facilities used,
- Indicative number of carcasses to be graded by the MIJ-30 camera per calendar year,
- Agreement to be invoiced for a 50% deposit of final purchase price.

The order in which the evaluation criteria are listed does not indicate their importance relative to each other. AWA reserves the right to allocate weightings to the criteria in its evaluation process, at its discretion.

5.12 Notification of EOI Outcome

All Respondents that lodge an EOI may be informed in writing of the outcome of their EOI at the conclusion of the EOI process.

5.13 Subsequent Process

Following careful consideration, AWA will determine the next step. This may include shortlisting submissions from the EOI based on an evaluation of the information supplied in the EOI Responses received.

Shortlisting of proponents and a subsequent procurement process is subject to the requirements of AWA. AWA may decide to not proceed further.

Where AWA elects to proceed, AWA will select from the short-listed Respondents individuals, companies, and organisations for invitation to secure an MIJ-30 camera through deposit of 50% of the final purchase price.

6. MIJ-30 Digital Carcase Camera Pricing and Image Processing Fees

The cost of the MIJ-30 camera for Australian purchasers is AUD \$70,000, including a 12-month warranty and service period. Extended warranty and service contracts will be offered at AUD \$10,000 per year for up to two (2) additional years. Image analysis cost is AUD \$6 per image. These costs are GST exclusive.

The cost of the MIJ-30 camera for New Zealand purchasers is AUD \$75,000, including 12-month warranty and service period. Extended warranty and service contracts will be offered at AUD \$15,000 per year for up to two (2) additional years. Image analysis cost is AUD \$6 per image. Any locally applied importation, duty costs and taxes are additional.

The cost of the MIJ-30 camera for South African purchasers is AUD \$80,000, including 12-month warranty and service period. Extended warranty and service contracts will be offered at AUD \$20,000 per year for up to two (2) additional years. Image analysis cost is AUD \$6 per image. Any locally applied importation, duty costs and taxes are additional.

The prices provided within Section 6 are based on an exchange rate of 80.0 JPY to the AUD. Variation to this rate exceeding 2% will have a commensurate effect on the final camera price and hence final payment on installation and acceptance.

7. AWA Responsibilities

With each MIJ-30 Camera the AWA will provide the following;

- MIJ-30 Camera, camera storage case and charging unit
- 2 x batteries
- Barcode Reader
- MIJ-30 Camera manual and software upgrades
- Access to MIJ cloud-based server for analysis of images (URL and password access)
- Warranty as specified in the Purchase Contract
- Service support including on site at the abattoir
- On-site training
- Monthly billing for image analysis based on MIJ report

The AWA will NOT provide and it shall be the responsibility of the customer to:

- Arrange access with the abattoir for use of MIJ-30 camera
- Arrange a suitable MIJ-30 camera operator
- Arrange reliable WiFi link to the server with upload speeds of 5Mbps if seeking real-time carcass reporting
- Ensure there is stable internet access to the cloud for all data transfers
- Insure the camera for loss or damage

8. Intellectual Property Ownership

As a customer of AWA, you will be licensed to use the MIJ software with each customer (camera owner) having a unique security identifier key that unlocks their camera. Each image taken with the MIJ-30 is tagged with the processor unique barcode details linked to each carcass and your camera details. Through AWA, MIJ provides a license for each customer.

The customer may use the camera together in collaboration with other users so long as the user agrees to the Terms between the AWA and the customer as detailed in the Purchase Contract.

Any intellectual property rights of MIJ or third parties involved in this service will not be transferred to AWA and/or its customers. The customers of AWA will have ownership of images taken by the MIJ-30 and of results of analysis of images reported to them by MIJ.

As a customer of AWA, only you will own and at all times have secure access to your own MIJ-30 camera data. You are able to submit this MIJ-30 camera data together with any known pedigree information to AWA to be included into Wagyu BREEDPLAN or for use in the AWA research projects. The camera data in its raw form will be confidential.

As a customer of AWA, you are not able to use the MIJ-30 camera data for the purposes of developing alternate image analysis methods, back-engineering carcass objective measurement calculations from image files or data, copying MIJ-30 software or modifying MIJ-30 software in any way.

9. MIJ-30 Digital Carcase Camera Expression of Interest

Using the Expression of Interest Form below, you are invited to provide the AWA with an expression of your interest to purchase an MIJ-30 digital carcase camera.

By completing the Expression of Interest form, you are expressing an interest in purchasing an MIJ-30 camera only and you will be invoiced by AWA to deposit 50% of the camera cost (fully refundable up to time of completion of the purchase contract) for the purpose of securing the purchase of the camera.

The Deposit will ensure that the Customer has priority ahead of customers who have not made a deposit. The Deposit does not guarantee the Customer will obtain the camera/s until a purchase contract is signed.

AWA will assess Expressions of Interest based on the timing of deposit received, indicative numbers of carcasses to be imaged within a 12-month period and allocation of cameras across geographic locations within the territory. AWA will then provide purchase contracts to its customers.

10. Expression of Interest to purchase MIJ Cameras

To: The Australian Wagyu Association Limited ACN 003 700 721 (AWA)

From: The Respondent detailed below

Respondent details Entity name, address, contact person, email address and telephone number	
Number of cameras the customer is interested in purchasing from AWA	
Licenced processing facilities in which camera is to be used	
Number of carcasses to be imaged by the Respondent in licenced processing facility	
Deposit (50% of indicative cost)	\$35,000 GST excl. for each camera

The Customer wishes to express an interest in purchasing the above cameras and to deposit the above moneys with AWA for the purpose of securing the purchase of the above camera(s). The customer agrees to be invoiced by the AWA for the above monies.

The Deposit will ensure that the Customer has priority ahead of customers who have not made a deposit. The Deposit does not guarantee the Customer will obtain the camera(s) until a purchase contract is signed. AWA will forward purchase documentation to the Customer as soon as it is available.

The Customer may require AWA to return the Deposit to it at any time.

Signed by an authorised representative of the Customer:

.....
Print full name and position

Dated: