

**MEDIA RELEASE**  
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**NORTHS CHALLENGES ANZAC CLUB TO  
DEBATE AMALGAMATION**

North Sydney Leagues Club Group Chief Executive Officer Hans Sarlemyn has hit out at his North Sydney ANZAC Memorial Club counterpart Owen Madden over the ANZAC Club's justification for its amalgamation plans.

Mr Sarlemyn is angered that Mr Madden has made "false and scurrilous" claims about Norths in justifying the club's decision to recommend amalgamation with Ramsgate RSL Memorial Club rather than Norths.

"In his desperation to justify a decision against keeping the club's assets in the North Sydney community, Mr Madden has rushed into print making all kinds of desperate claims about Norths," Mr Sarlemyn said.

"Perhaps the most ridiculous is his claim that amalgamation with Norths would hand us a local monopoly on food and beverage services, forcing up prices. The North Sydney area has literally hundreds of restaurants, not to mention other clubs and hotels. We're competing against every other player in the hospitality industry," Mr Sarlemyn said.

"If anything, amalgamation between Norths and the ANZAC Club is more likely to maintain prices at affordable levels because of economies of scale, shared resources and better purchasing power."

The ANZAC Club earlier this year called for Expressions of Interest from other clubs for amalgamation, as it faces an uncertain future with North Sydney Council indicating it will terminate the lease on the club's Council-owned ANZAC Avenue premises when it expires in October 2011.

Norths submitted a comprehensive 30-page Expression of Interest in late February. Its submission received strong support from a number of key organisations, including North Sydney RSL Sub Branch, North Sydney Council, Kirribilli Ex Services Club and Kirribilli RSL Sub branch who were all in favour of the ANZAC Club and its assets remaining in the North Sydney community.

However, on 7 March the ANZAC Club Board indicated it would recommend to members that the club amalgamate with Ramsgate RSL Memorial Club.

In a letter to the North Sydney RSL Sub Branch on 19 March, Mr Madden claimed Norths' motivation for amalgamation was "simply a grab at your assets to assist them in

meeting interest payments on their extensive debt portfolio” and “siphoning off of local assets” to Seagulls Club at Tweed Heads.

Mr Sarlemyn said the claims were scurrilous and without foundation. “We have no trouble meeting our interest payments through our cash flow,” he said. “And we have debt because we’ve invested in our clubs, Norths, Norths Bowlo and Seagulls, so that they have the facilities to meet the challenges of a very competitive hospitality industry.

“And we certainly haven’t been siphoning off Norths’ assets to assist Seagulls, which is financially independent and services its running costs and interest payments from its own cash flow.

“We have planned ahead at our clubs to cope with issues such as the total ban on smoking in indoor areas and the increases in State Government gaming taxes.

“The ANZAC Club, on the other hand, doesn’t appear to have planned for the future and that is why it is in its current predicament, and why it has experienced a dramatic fall in membership. All it seems to have done in recent years is sell off its carpark.”

Mr Sarlemyn said Norths had made an undertaking to the RSL Sub Branch to support its important welfare work among the families of returned servicemen and women in the North Sydney community. “That’s why the Sub Branch supports amalgamation with Norths. They know that we will act in their best interests and in the best interests of the people of North Sydney,” he said.

Mr Sarlemyn also took issue with Mr Madden’s claims in his letter to the Sub Branch that Norths had abandoned its rugby league team.

“The football club is a separate entity to the leagues club, but we certainly did not abandon them when they got into financial difficulties a few years ago after their failed attempt to move to Central Coast after the Super League war,” he said. “In fact the leagues club bailed them out to the tune of \$6 million, and we still provide the football club with \$400,000 a year as part of the group’s annual \$1 million contribution to sport, particularly rugby league.”

Mr Sarlemyn said Norths would proceed with its legal challenge seeking a Supreme Court injunction unless the ANZAC Club cancels its meeting planned for 2 April, where it is due to put a recommendation to members that it amalgamates with Ramsgate RSL Memorial Club.

“This is all about making sure that the members of the ANZAC Club have all the facts before they are asked to make a decision on their club’s future,” he said.

- Ends -

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