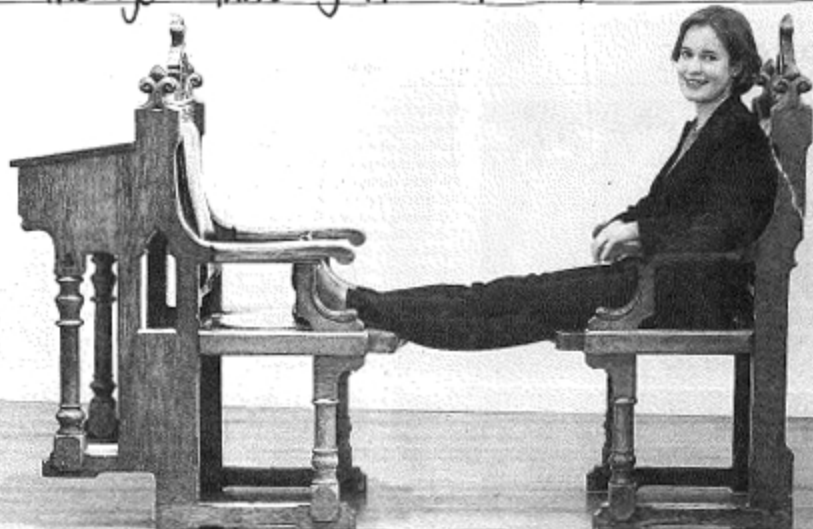


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Sitting on a gold mine: Leonard Joel's assistant manager of decorative arts, Anna Nieuwenhuysen, at ease on two carved oak chairs from the old stock exchange. The chairs could sell for \$20,000.

Picture: JOHN WOLDFSTRA

Jostle for seats in market history



AUCTIONS

ROD MYER

Stock exchange punters who missed out on the Internet boom might care to chance their arms on some relics from a more leisurely era of share trading.

The auctioneers Leonard Joel are selling two 19th century Gothic-style carved chairs once used at the Melbourne Stock Exchange's old home in Little Collins Street.

Their investment performance? To date, the record is impressive. Broking stalwarts Bruce Teele and Alfred Mellor report paying \$10 for chairs that now adorn their homes after the exchange abandoned call trading in the early 1980s. ("There was not much sense of history back then," said Mr Teele.) Joel expects to get \$17,000 to \$20,000 for the two at auction on 29 June.

The chairs were central to the old call-trading system abandoned in favor of blackboards back in 1962. Twice a day brokers would meet in the trading room, where rows of chairs were set out in a semi-circular pattern facing a rostrum at which a reader and several adjudicators were positioned.

The exchange lists would be called through by the reader while the assembled brokers called out their bids and offers and



Old days: Position was fixed by ballot.

adjudicators put together the deals.

Adjudicators, says Mr Mellor, were highly skilled individuals who could miraculously decipher the bids and offers that all seemed to come at once in a jumble not intelligible to the uninitiated. "The whole thing appeared to be like a Paddy's market," Mr Mellor said, but the system held together because it was built on the underlying philosophy of "my word is my bond".

Then, as now, a healthy secondary market has developed in seats, he reports. Because some felt there was an advantage to being close to the rostrum within easy earshot of

the adjudicators, a ballot was conducted for seating positions every six months.

After the ballot, intense dealing would start as brokers who had drawn badly but wanted to be nearer the front bought the right from those not fussed about position.

Originally, only members of the exchange (effectively partners of broking firms) were able to sit on the chairs, Mr Teele says. However, back in 1955 the right was extended to operators appointed by members. Those operators became the well-known floor traders when the exchange moved to its blackboard system of trading, which lasted from 1962 until it was phased out in favor of computers from 1988.

Joel's marketing guru, Kate Joel, says the chairs are sought-after items among stockbrokers. Indeed, they seem to have an iconic hold on those who remember their use. A group of brokers recently bought one to display in the Australia Club in memory of a J.B. Were stalwart, the late Rod Eggleston.

Survivors of the seat era are now thin on the ground. Mr Teele says they really predate his time in the markets, which began in the 1960s. Not so Mr Mellor: he joined J.B. Were in March 1934 before going on to found his own firm, A.B. Mellor and Co.