

Wools of New Zealand companies and brands become grower owned

PGG Wrightson Wool Limited has transferred the assets of the international Wools of New Zealand Limited (WNZ) and Laneve™ brands into the Wools of New Zealand Trust (the Trust), a 100% grower owned entity. The formation of the Trust follows the recent unbundling of Wool Partners International into PGG Wrightson Wool and serves to put the international marketing of wool in the hands of New Zealand wool growers.

The transaction includes the sale of the Laneve™ brand, a wool fibre integrity programme for growers, into Wools of New Zealand Brands Limited. Under the agreement, PGG Wrightson Wool Limited will remain as Laneve's preferred supplier and the company will continue to work to enhance the Laneve™ brand and contracts and drive the on farm programme with growers.

Initial trustees of the Trust are Banks Peninsula farmer Mark Shadbolt, Lean Meats chairman and Wairarapa farm consultant Philip Guscott and Wool Research Organisation of New Zealand (WRONZ) chairman and farmer David Douglas.

WNZ, which undertakes the marketing of New Zealand wool through operations in Europe, Asia and North America, has more than 100 licensed brand partners throughout the world. It is largely funded by a voluntary fee charged to wool growers.

George Gould, managing director of PGG Wrightson said the transfer of WNZ into grower ownership is consistent with PGG Wrightson's strategy of focusing on wool brokering handling while respecting grower wishes to be involved in wool marketing and the downstream value chain. "This transfer simplifies our wool business and presents our grower clients with a real opportunity to have a say in international marketing operations of their products."

Mr Shadbolt said it was an exciting opportunity for all growers to back a strong, single wool brand and benefit from wool marketing initiatives. "This also presents a real opportunity for unification of growers and the wool industry to work together for a long term sustainable future.

"Previous efforts to put commercial wool ownership into the hands of growers have reinforced a desire to have involvement with the downstream, marketing elements of the value chain. This transaction is an excellent outcome for us as wool growers and we see tremendous potential in the initiatives being undertaken by WNZ going forward."

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