

PGG Wrightson
Rewards

100% lambswool throws from Sweden

PGW's export arm, Bloch & Behrens (B&B), was formed nearly 160 years ago in Copenhagen, Denmark. Some 24 years later, across the water in Sweden, a woollen mill was started by the Magnusson family in 1879 and the now semi-retired head of the Magnusson family remembers, as a young boy, visiting Bloch & Behrens in Copenhagen with his father.

So whilst records are a bit scarce, it is very likely that B&B has been supplying wool to the Magnusson family for more than 100 years.

B&B continues to supply crossbred lambswool and hogget wool to this family-owned company, and are pleased to have assisted in making it possible for growers to now own one of these lovely throws, by redeeming their PGG Wrightson Rewards Points.

The wool for these throws is sourced through PGW forward contracts in conjunction with growers able to supply good colour, VM free, 29 micron lambswool of suitable quality.

We also have a range of blankets and throws for sale from our Christchurch wool office – call in or you may email us at bbnz@blochwool.com.



The 100% lambswool throws are available in many colours.

Danspin across NZ

Heads of Danspin, one of the leading woollen spinning mills in Europe, visited PGW's wool operations in New Zealand in February and fell in love with the country.

Danspin has eight decades of experience running modern and efficient spinning mills in Ikast (Denmark), Estonia and Lithuania which they sell to carpet manufacturers in the UK, Europe, the USA and China.

Danspin's owner and Managing Director, Lars Pedersen, and their Purchasing Manager, Ole Winther, were accompanied on the trip by PGW Bloch & Behrens European Manager Hans Bering. First stop was the PGW Blenheim Road wool store to meet up with our New Zealand-based wool team and put names to faces. A tour of the wool facility gave our visitors a much better understanding of the depth and

breadth of the PGW wool operation.

Next stop, our B&B General Manager, Palle Petersen, accompanied the group to the North Island to visit Morning Star Station out of Napier (farmed by Malcolm and Rohan O'Dwyer) and take a tour of Hawke's Bay Woolscourers where a Danspin order was being processed.

Heading back South, one of the highlights was a visit to remote, high country Mt. Aspiring Station, 50km from Wanaka, next to the Mt Aspiring National Park. The trip was arranged by our Alexandra wool representative, Graeme Bell, where the Aspinnall farming family were shearing crossbred wool contracted to Danspin on a three-year flexi-wool contract.

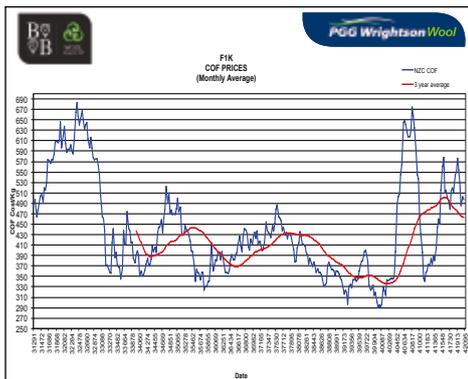
This was Danspin's first visit to New Zealand and insist it will not be their last!



PGW's Graeme Bell, farming client Randall Aspinnall and Lars Pedersen, MD of Danspin, examining recently shorn crossbred wool at Mt. Aspiring Station.

Three-Year Flexi-Wool Contracts

Danspin has a reputation for reliability, professionalism and excellence in customer service. It's also a major customer of PGW B&B and a supporter of our three-year flexi-wool contracts which is an innovative product introduced last year to provide manufacturers and woolgrowers with long term price stability to override any volatility in the open wool market.



Currently, we have three-year flexi-wool contracts in place with growers to supply approximately 5,000 bales over the next 24 months – and we are committed to building on the success of this product and allowing more growers to participate.

In simple terms, growers commit to supplying a specific volume of wool over a three-year period and the price is set, based on the three-year moving average, which is published at the end of every

month, **plus a pre-agreed premium.**

Equally, the final price to our manufacturers is also adjusted each month, based on the movement of the three-year average.

Any grower interested in hearing more about this product, should contact their local PGW wool representative, or make contact with Palle Petersen at Bloch & Behrens on bbnz@blochwool.com.

International flavour at Golden Shears

PGW sponsors the hugely popular National Circuit and the Junior Shearing at Golden Shears each year. Legendary Te Kuiti shearer, David Fagan performed solidly on the circuit only to be narrowly eliminated in the semi-finals, but at age 53, was a clear winner in the admiration stakes and a champion to the end – this 55th Golden Shears marking his retirement from competitive shearing.

Tony Coster claimed the Godfrey Bowen cup in the final of the PGG Wrightson National Circuit ahead of Cam Ferguson, Nathan Stratford, Gavin Mutch, David Buick and Aaron Haynes.

It was the Scotsman, Gavin Mutch who went on to win the Golden Shears Open Shearing Championship title bringing distinction to both his home town of Huntly in Aberdeenshire and his current home in Whangamomona. Gavin Mutch proudly donned his kilt to collect his prize and was honoured to share the stage with David Fagan who received a standing ovation to mark the end of his Golden Shears career spanning 35 years.

The Junior Shearing title went to rank outsider, 23-year-old Ash Jones from Llangollen, Wales who held off (by a micron only) Robert Hubber, Tui Wilton, Connor Puha, Laura Bradley and Emily Te Kapa.

All in all – it was a colourful international event which will have the kiwi competitors firing on all cylinders at the next Golden Shears.



David Fagan and Gavin Mutch share the stage and the accolades at the end of the evening.



Tony Costa held his composure in the PGG Wrightson National Circuit final.



The Welshman, Ash Jones, narrowly beat the competition to take the Junior Shearing title.

Stella McCartney pays tribute to wool

Stella McCartney paid homage to wool at Paris Fashion Week 2015 – held in March at the iconic Palais Garnier. The lifelong vegetarian and advocate of cruelty-free fashion unveiled cosy ankle-length knit dresses slit on a bias from shoulder to hem, moulded peplums in melton wool, kick flare pants and tailored coats in loosely woven tweeds. McCartney's autumn collection is expected to be commercially successful, with the fashion-conscious falling for its clever combination of relaxed practicality and shoulder-baring sensuality. It is great to see wool back in fashion!



Continued progress with Certified Organic Wool



For several years our export arm, Bloch & Behrens has been paying substantial premiums for USDA (United States Department of Agriculture) certified organic crossbred second shears and lambswool.

Volumes are very limited and as a result of extreme loyalty among certified growers, PGW B&B has been able to demand a high premium for these wools, which they have been passing back to growers, paying in some cases more than 200 NZC/kg above conventional wool prices.

Having now obtained GOTS certification (Global Organic Textile Standard), PGW B&B is now also able to offer premiums to those growers who do not meet the USDA standard, provided they meet the IFOAM (International Federation of Organic Agriculture Movements) standard, and provided they can supply the correct wool quality.

Following a recent marketing trip to Europe, B&B GM Palle Petersen is pleased to report that we are finally starting to see a little more widespread interest in certified organic wool.

In fact, during the visit to Europe, Palle concluded a sale of 10 tons of GOTS certified wool to a bedding manufacturer, and also during the Domotex trade fair negotiated a deal with an Indian spinner for 10 tons of GOTS certified wool destined for use in rugs.

In addition to that we are also seeing interest from Japan for their futon beds.

Currently we are offering growers the following prices for their certified organic wool:

Lambswool if USDA certified:

800NZC/kg clean

Lambswool if IFOAM certified:

700NZC/kg clean

Second Shears if USDA certified:

700NZC/kg clean

Second Shears if IFOAM certified:

600NZC/kg clean

Any grower who has the correct certification and meets the quality requirements should contact their local PGW wool representative. These prices are available on forward contracts for the entire 2015 season.

Hart in China

In September last year, PGW's NI Wool Supply & Export Manager, Chris Hart, attended a key wool conference in Nanjing to gather intelligence about the wool industry in China.

He then travelled to mills across China to meet with early stage wool processors and manufacturers and forge business relationships with them in their own operating environments. There is nothing like one-to-one meetings with clients to see exactly how their businesses run and ascertain their particular needs.

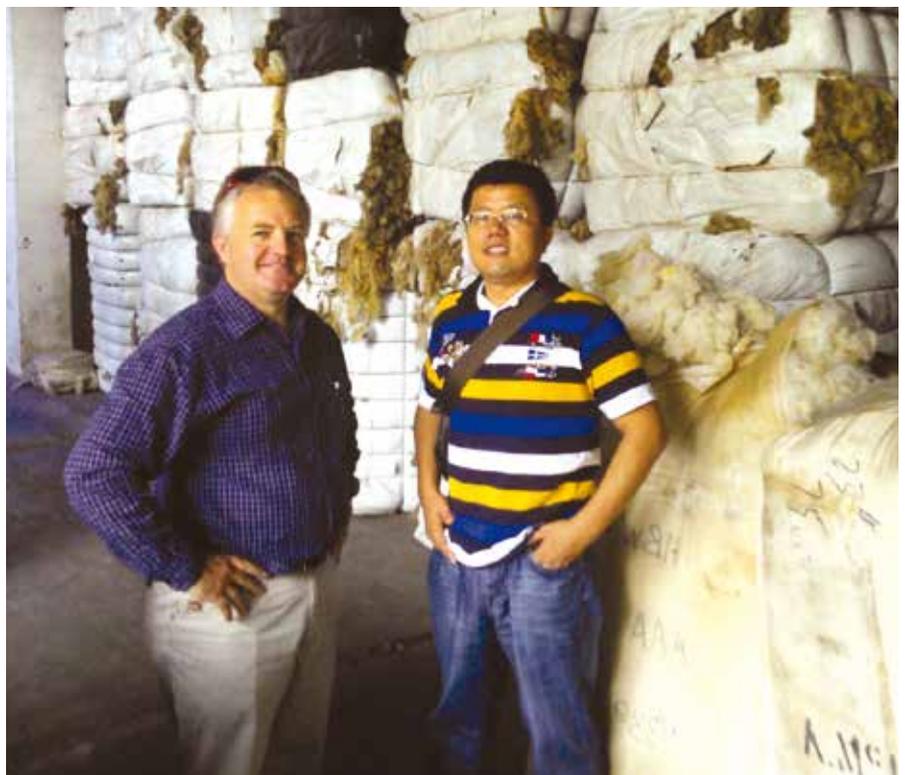
China imports more than fifty percent of all wool exported from New Zealand and PGW's export arm, Bloch & Behrens, recognises the importance of having an active presence in this important market to add diversity to the placement of various wool types and volumes. PGW B&B has strong, established business relationships in the UK and Europe and wishes to duplicate this business model in China.

During the trip, it became clear that there is strong demand for shipments of high quality crossbred wool, from lambswool through to ewes' wool, second shear and fleece, despite the recent slow-down in residential markets. This demand is being driven by competitive commercial

interests. There has been a significant rise in the refurbishment of motels and hotels and major office blocks right across China's bustling big city centres. Not only that, but there is an ongoing requirement for woollen upholstery and hardwearing carpets to service the ever-expanding aviation and transport industries.

Since his return to New Zealand, Chris Hart has set about following up and establishing strong lines of communication with the mills he visited and it has paid good dividends with solid business coming forward and several shipments of wool to this very significant market. The feedback from these clients has been very positive in regards to both the standard of delivery and the quality of the wool.

Chris is delighted to report that PGW Wool has been assured of repeat orders in future and he is keen to stick with the philosophy of being recognised as a quality supplier, not the biggest supplier. Quality frequently wins out over quantity for the best returns in well-defined markets and PGW is happy to help guide farmers in how to meet contract specifications. Talk to our team - we are here to help.



PGW's Chris Hart in Zhangjiagang which is a recently developed port city and a very important wool processing, manufacturing and trading hub within China. Zhangjiagang represents more than half of China's wool textile capacity.

Bale Weight Alert

Please aim for bale weights that average 180kgs and try not to exceed 200kgs.

Overweight bales pose all manner of difficulty in dumping. Typically, we undertake tri-packing (three bales per unit) which is cost efficient for shipping out in a 20 foot container. When heavy bales enter the mix, the wool dumps suddenly don't fit the container or worse – they burst open during packing, shipping or unloading at the other end. The manual handling of overweight bales and dumps creates problems right down the supply chain and are much better sorted in the woolshed right at the start of the wool pipeline.

'Blades of Glencoe'

Australians paid silent tribute to blade shearing in early March when 50 capable blade shearers volunteered from four states to participate in a re-enactment of old-style wool harvesting at the historic Glencoe Station 36-stand woolshed in South Australia. Built in 1863 and disbanded in 1903, the Glencoe woolshed was never converted to mechanical shearing and was heritage listed 25 years ago. It is now a museum and more than 2,000 people flocked to view the shearing at the 'Blades of Glencoe' event which was a strangely hushed affair with no music blaring, no hydraulic press and no handpieces buzzing. No money changed hands – the shearers were there purely to demonstrate their skills with the blade, show their brute strength in pressing 160 kilograms of wool into standard packs and pay quiet homage to wool.

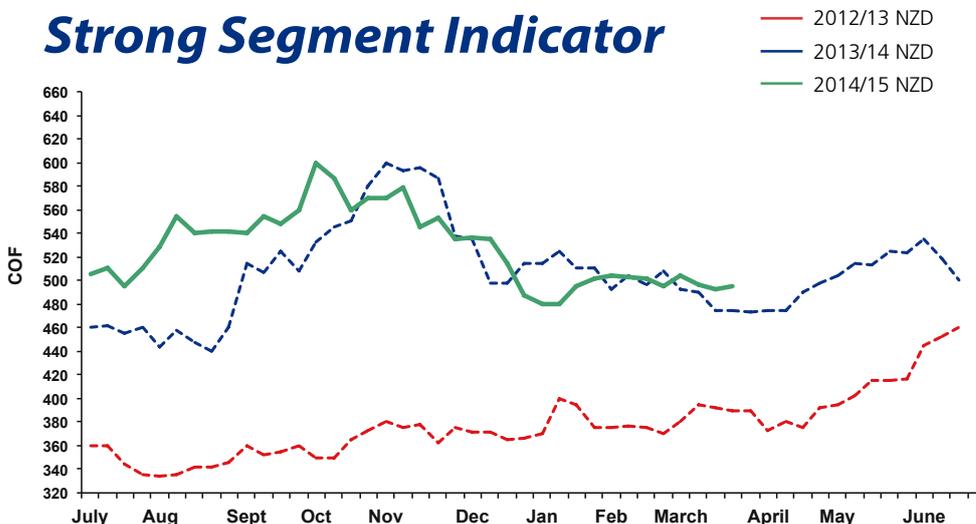
According to the head shearer, Richie Foster, who has been a blade shearer for nigh on 50 years, the silence in the shearing sheds in the old days was broken by bush ballads, tall tales and poetry and this is one of his favourites:

**The shearer knocked on the pearly gates
He looked tired and worn
The keeper asked 'what do you do?'
He said "a shearer, for 50 years I've shorn"
The pearly gates flew open
As Peter rang the bell
"Come in my boy and bring your harp
You've already done your time in hell"**



Richie Foster, chief organiser of the 'Blades of Glencoe' shearing event in Australia.

Strong Segment Indicator



PGG Wrightson Wool

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