

Wool Industry Network

New Zealand Wool Sector Strategy,

Discussion document,

“A Catalyst for Change”. Submission.

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We offer this submission as Sheep Farmers and Wool Growers with 30 years experience in the Industry. Many of the earlier years also spent shearing sheep (to Golden Shears level) and wool handling. We were the exclusive Wool suppliers for the Wilson tennis balls used in the US Open Tennis Tournament, New York City, 2006. It is with the utmost disappointment and frustration that we find it necessary to put “pen to paper.”

- We strongly agree with your problem definition – the route – to – market. It is devastating that it has taken so long for the Wool Industry Representation to identify and acknowledge that the current way in which we sell our wool is to the detriment of us all. Personally, we have not supported the auction system for the past 15 years, for the very reasons that are outlined in the discussion document, however we have still had the prices we’ve received “hamstrung” by the auction values.
- Ironically a lot of what is advocated in the discussion document is already in place within the wool industry. In 2004 we were delighted when H. Dawson & Co took the initiative to form a wool buying company HD Farm Direct for the purpose of creating the marketing connection from the farm to the mill and in many cases the end user. We have always believed in farming with contracts. Contracts have enabled us as farmers to concentrate on what the market requires and focus on delivering that requirement albeit be for lamb, beef or wool. It has enabled us to farm with pride knowing where our produce is going. The chain to the end use is short, with strong links ie strong business relationships, high integrity, good, open, honest communication.
- The New Zealand Wool Industry is dying. Swift action is paramount. We implore WIN not to get “bogged down” with rhetoric (as farmers we’ve had enough). Do not spend time “reinventing the wheel” (you haven’t got the time). Take the leadership role as you have suggested you will. Research and identify which entities within the wool industry are already working within the desired direction that your discussion document outlines. Encourage, promote & work with these companies and individuals. Expose, discourage and dissuade the unproductive, lethargic and lazy traders who are only interested in short term gains by under cutting the efforts of existing markets.
- Wool is a niche product and it holds only a small percentage of the global fibre market. What the NZ wool industry fail to appreciate is that it need only develop and secure one or two niche markets albeit it be a woollen underlay, a multi purpose woollen soft furnishing cover, a lightweight woollen duvet, whatever, for an international hotel

chain and our annual crossbred woolclip would be disposed of. Our research has uncovered that overseas (more specifically USA) Department Store bedware & soft furnishing sections do not stock any woollen products. The staff in these departments are unfamiliar with the qualities and values of wool as a natural fibre. Introduction and education are required.

- Although WIN is partnered & funded by Meat & Wool NZ and NZ Trade & Enterprise we wish to state (from personal experience) that Meat & Wool NZ and NZ Trade & Enterprise efforts to date with supporting the promotion of NZ Wool have been dismal and disgraceful. Your discussion document discusses the need for better business models / value chains, branding, in – market presence. With the relationship built up with our wool buying company and our end user, as wool producers, we have achieved this already. When an invitation came to follow our product to the “international stage,” an opportunity to centre stage New Zealand & New Zealand Wool also arose. We sought assistance from Meat & Wool NZ. Their response was, “ Meat & Wool NZ do not have the mandate to support the promotion of NZ Wool.” Surely, by the very nature that the levy collecting body is called Meat & Wool NZ, they use this mandate everytime they use their name? Currently Meat & Wool NZ support monitor farming programmes throughout New Zealand. We can be the most cost effective and efficient meat and wool producers in the world, but what is the point if we cannot sell our products? Meat & Wool NZ “fobbed” us off to NZ Trade & Enterprise fibre division. Their response was, “ NZ Trade & Enterprise are not in the business of flying people to the US Open.” The disturbing aspect of this is that NZ Trade & Enterprise did not understand what had been achieved. Consequently they had no vision of the promotional opportunities available to us as a country and as a wool industry. The US Open Tennis Tournament is the highest attended and highest media coverage of any annual sporting event in the world. The US Open is where Corporate America goes to be seen. The tennis ball is more than a game ball, it is a tool for major sponsors to promote & market themselves. Meat & Wool NZ and NZ Trade & Enterprise, both have offices in the USA. At the very least, it would have been hoped that someone within these “supposedly” industry leader organisations could have had the presence of mind to network a phonecall to the right sporting TV channel. New Zealand Wool could have been World news.
- We encourage Wool Industry Network to keep their “Plan of Attack” simple and to the point. Do not spread your efforts and resources so wide that nothing effective is achieved. Immediate priority is to improve the wool returns to the producer.

Thank you,

Anne & Philip Munro.