



MEDIA RELEASE

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Elders responds to calls to think globally

Recent calls by the International Wool Textile Organisation (IWTO) for greater cooperation among global wool have been answered with Elders Primary Wool announcing today that they have signed an agreement with the British Wool Marketing Board (BWMB), which will see a partnership for wool promotion and the sharing of technical information between the two organisations.

IWTO's Olivier Segard addressed recent meetings in Napier and Christchurch, stressing the need for a consistent message from all the world's major wool producers about the benefits that wool offers to consumers. Olivier Segard chairs the IWTO's Interior Textiles Committee and is a fourth generation French wool buyer.

"The British Wool Marketing Board supports this approach," Ian Hartley, Chief Executive Officer at the BWMB said. "This agreement with Elders is the first time that wool organisations from Britain and New Zealand have joined together with the mutual goal to benefit wool producers on both sides of the world. It is timely, as global wool prices need to be significantly improved."

"Working together, to better position wool, to gain market share makes sense. Our extensive discussions with the manufacturing industry have shown that they have long wanted a more unified situation with international wool organisations."

Stuart Chapman, Chairman of Elders Primary Wool supports these views. "We have always believed that to increase the price of wool we need to first educate consumers why it is superior to its synthetic competitors. By forming strategic partnerships across the world we can combine resources to get this message out."

Both the BWMB and Elders have made a commitment to tracking the origin of wool through to the carpet consumer to ensure that consumers have hard evidence that the product is natural and sustainable. An integral part of the co-operation borne out of this new initiative is for the two organisations to share intellectual property, particularly in terms of Life Cycle Analysis which will add value to the finished product.

Chapman added, "Sharing key information with the BWMB on traceability technology, which proves the origin of the wool, is a sensible and obvious step for us to take. We can achieve far more by working in a way that the industry endorses."

"We need to offer a simpler supply chain to manufacturers. It is a fact that carpet manufacturers use a significant amount of NZ wool in conjunction with British wool because of the unique properties of each, that when put together, make superior carpets. We have always known that manufacturers have long preferred a combination of the two because the inherent softness of NZ wool is fortified by the strength of British Wool," Chapman explains.

"Developing relationships with influential partners is a key part of our strategy and we are pleased to be working with the British Wool Marketing Board," says Chapman. "This announcement is reinforcement for New Zealand wool growers that we are progressing towards our goal of ensuring that they get a better return for their wool."

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Additional Notes for Editors

The British Wool Marketing Board

BWMB is a farmer run organisation that was established in 1950 to operate a central marketing system for UK fleece wool, with the aim of achieving the best possible net return for producers.

They have extensive links within the carpet retail and manufacturing sector within the UK and the European Union, specifically the influential British Carpet Foundation. In addition they also have an established presence in the United States.

Elders New Zealand

Elders New Zealand is a full service rural support company with operations across all of New Zealand's major agricultural areas. Its wool procurement arm, Elders Primary Wool (EPW), is a joint venture with the Primary Wool Cooperative (a farmer owned cooperative). EPW is a procurement company that offers farmers a variety of routes to marketing including auction and contract growing.

Elders Primary Wool launched Wool Marketing Enterprises in 2008, to develop new markets and opportunities for New Zealand strong-wool with the aim of returning the profitability of wool to growers so as to ensure that New Zealand continues to produce quality strong-wool. The agreement with the BWMB is a part of this strategy.