



Primary WOOL CO-OPERATIVE LTD

100% farmer-owned co-operative, committed to capturing the real value of wool, returning profits to members and supporting industry-good initiatives.

November 2013

Rising Wool Prices

It is impossible to ignore wool prices as they defy exchange rate influences and continue an upward stride.

Most hogget fleece wools are fetching between \$6 and \$6.40 clean with some receiving higher. Hogget oddments are as high as \$5.80 clean. Ewe fleece is also generally over \$6 as well.

With this increase, questions are inevitable. **What is driving prices? What is driving the increased demand? How high will they go? Is it too high too fast? What next?**

At this point, the only question that can be unquestionably answered is that demand is driving prices. There is a shortage of wool because more is required and less is available. **So, what is driving demand?**

Some of the present spike appears to be driven by auction catalogues. We believe the rest is through initiatives like [Just Shorn™](#) and [Global and New Zealand Campaign For Wool](#). Both work hard to tell the compelling wool story and make an impact in buying decisions. Your investment into Primary Wool Co-operative means that we are able to invest into these industry-good initiatives.

How high will it go? Is it too high too fast? What next? As many experienced growers may share, it must be noted that the celebrated wool price increase does require the statement that fast rises through short term shortages can be counterproductive. However, be encouraged by the work being done on your behalf and be prepared to meet the demand.

Campaign for Wool NZ

The Global Campaign for Wool recently wrapped up the 2013 Wool Week in the UK. From sheep in the courtyard of the Royal Academy of Arts, to live knitting in the Oxford Street Window of John Lewis, and hundreds of British retailers with woolly window displays, Wool Week 2013 made a huge impact. [Read More](#)

In [New Zealand](#), wool education programmes, expos and partnerships continue to promote the properties, uses and versatility of wool.

One innovative company [tobe](#), a footwear company, launched their first wool based shoe design in Wellington on November 6. Their intention is to create a wool running shoe soon. Another company will soon be launching the [One Black Shirt](#), a New Zealand made, machine washable, finely spun, light weight, 100% Merino wool shirt.

Welcome to New Members

We continue to have a steady stream of new members joining each month so if you are new to Primary Wool Co-operative, welcome to the only farmer-owned wool co-operative in New Zealand. Please visit www.primarywool.co.nz/news to read past newsletters, stay up to date on Co-operative news and to learn more about your company.

Congratulations to Mark Redward

Congratulations to Primary Wool Co-operative member Mark Redward for winning the champion hogget fleece at the Hawkes Bay Show.

Talk to your neighbours

You are our most trusted form of communication in New Zealand. We encourage you to share your Primary Wool Co-operative experience with friends, family and neighbours, encouraging them to join you as members supporting the Co-op.

You do not have to sell anything or share your personal investments. Simply share the following example. Growers with an investment of \$1000 in the co-op and supplying the Co-op's JV (Elders Primary) with their wool are receiving:

- Savings on woolpacks of \$6-8 per bale
 - 3 c/kg rebate off handling charges
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- Cash dividends when appropriate (average 7.5% last two years)
- The knowledge that you are supporting your own industry through targeted industry-good activities
- The opportunity to be part of Just Shorn - the most innovative, logical value chain development ever to be implemented in the wool industry

It's your wool. It's your industry. It's your Co-op.

Bay de Lautour

Chairman

Contact Details

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