

PRIMARY WOOL CO-OPERATIVE INDUSTRY GOOD ACTIVITIES

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

Capturing Real Value
For You and Your Wallet

Fully Co-Operative
Returning Profits to Our Members

Supporting Industry Good
Campaign for Wool NZ. Discounted Wool Packs

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

DIRECT INVESTMENT FROM PRIMARY WOOL CO-OPERATIVE'S EARNINGS

Primary Wool Co-Operative uses its earnings from its joint venture for the benefit of both its farmer members and the wool industry in the following ways:

Bringing the Industry Together

Initiating, organising and funding the collaboration of over 40 different New Zealand wool organisations to work together and participate in the award-winning NZ Wool display as the premier exhibition at the 2011 National Field Days – which had attendance of more than 117,000 people.



Supporting the Campaign for Wool

From 2012 to 2014 Primary Wool independently funded two part time staff to administer, undertake and promote Campaign for Wool activities in New Zealand and to fund social media and a fire-safety campaign. Since 2014 sponsorship of specific events has continued.



This was in addition to supporting the Campaign for Wool through CP Wool facilitating the collection of a levy on testing fees. The Campaign for Wool did not have the funds to undertake New Zealand based activities without the independent funding provided directly by Primary Wool.

Scholarship Funding

Primary Wool Co-Operative, in conjunction with the Lamason family, sponsor an annual scholarship for the top academic Smedley farm cadet undertaking further tertiary education.

Solving the Wool Pack Problem

Prior to 2013 there was a New Zealand wide problem with poor-quality used and new woolpacks. Many of the packs on the market at the time failed joint Australian/New Zealand standards.

The National Council of New Zealand Wool Interests undertook independent testing and put several wool pack suppliers on notice that they considered failures to be a very serious health and safety issue that put workers within the wool industry in danger.



Primary Wool Co-Operative saw a way of helping both farmers and the industry solve this problem by providing a subsidy on quality new woolpacks to their transacting members.

Since 2013 Primary Wool Co-Operative have subsidised over 500,000 new wool packs which have saved farmers over \$2 million in pack costs.

We're Loving Wool – Wool Week

Working with the Campaign for Wool Primary Wool Co-operative funded the “We’re Loving Wool” Wool Week events run by Anna Caselberg in May 2014.

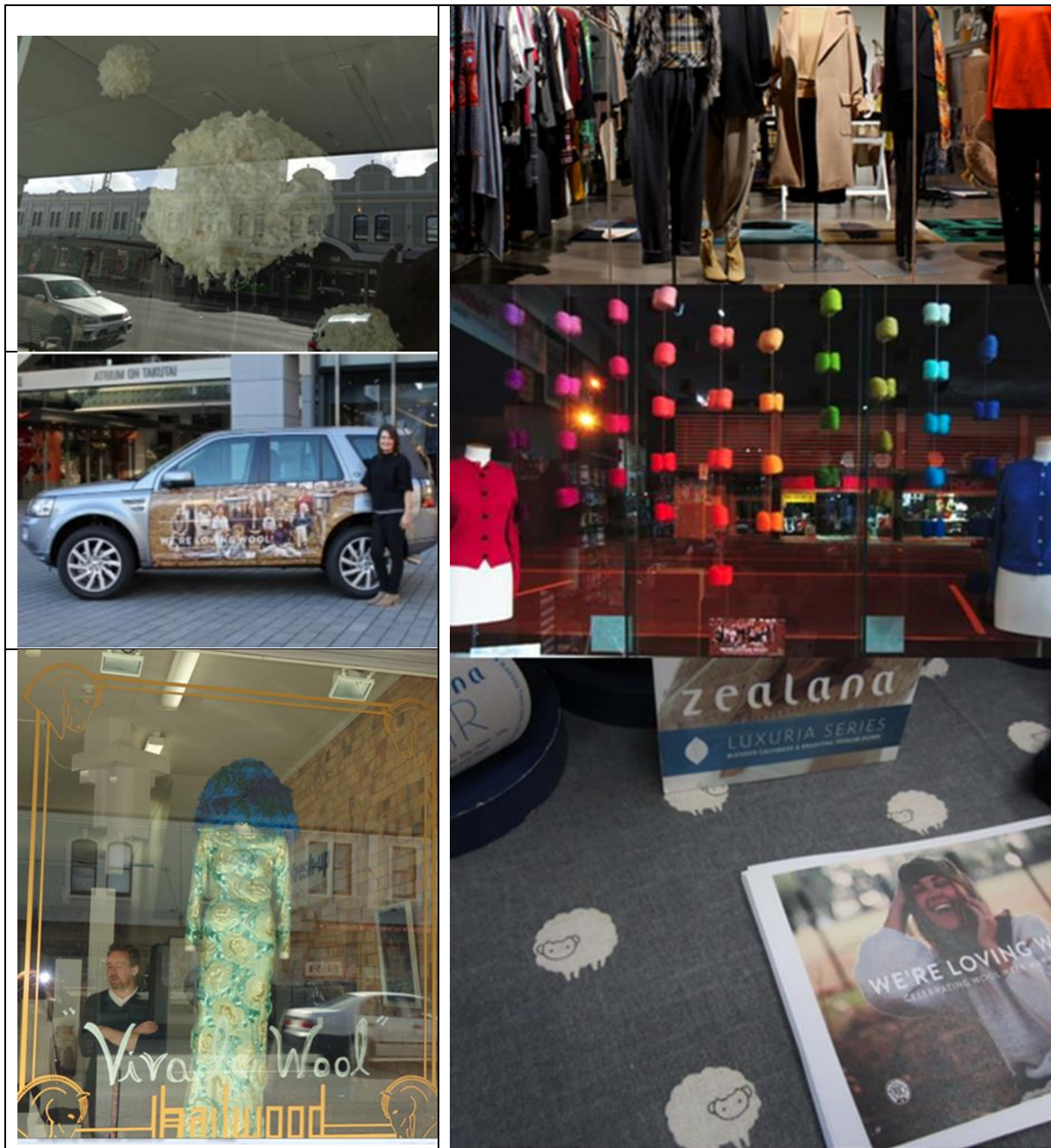


This high-profile industry-good initiative saw prominent signage in main cities, multiple events occurring in central Auckland including shearing, gas torching of wool, yarn bombing, Land Rovers promoting wool driving around the streets and dozens of innovative wool displays in high street shop windows



Again, this was an event that promoted collaboration across the industry with dozens of designers and wool companies supporting this Primary Wool Co-Operative funded initiative.

It attracted significant crowds and extensive media exposure for wool.



Inspiring and Educating Architects and Designers about Wool

In April 2016 The Campaign for Wool with the generous support of Primary Wool Co-Operative brought nine of New Zealand's up-and-coming architecture, interior, spatial and industrial designers to a Woolshed for a Weekend and tasked them with creating innovative solutions using wool.



Trying to Keep Value-Add Processing Facilities – When No-One Else Will Help



The Bruce Woollen Mills story is a sad one without a happy ending. This was one of the last remaining independent woollen mills – much of the specialist equipment cannot be found elsewhere in New Zealand.

Many down-stream clothing, blanket, and hand knitting yarn companies relied on product from this mill for their own wool businesses.

When there was no-one else to help - Primary Wool Co-operative stepped in prevent the equipment being permanently lost to the industry.

Through a registered security agreement Primary Wool Co-operative were able to take title of the processing equipment to avoid it being scrapped or sold by the liquidators of Bruce Woollen Mill Ltd.

The Co-op then paid the ongoing rent while a solution to several building issues was negotiated with the landlord so that a value-add New Zealand wool business could obtain a suitable lease to enable it the business certainty to purchase the equipment and move processing from China back to New Zealand.



As the negotiations with the landlord dragged on from months to nearly two years. At every turn it appeared a successful outcome was only just around the corner and given the importance to the wool industry as whole we continued.

We negotiated outcomes in good faith and waited for repairs to be completed only to find good faith is not always two sided and with the Co-op's working capital now depleted by several hundred thousand we sadly had to admit defeat.

The landlord took possession of all the equipment – much of which was then sold to overseas purchasers.

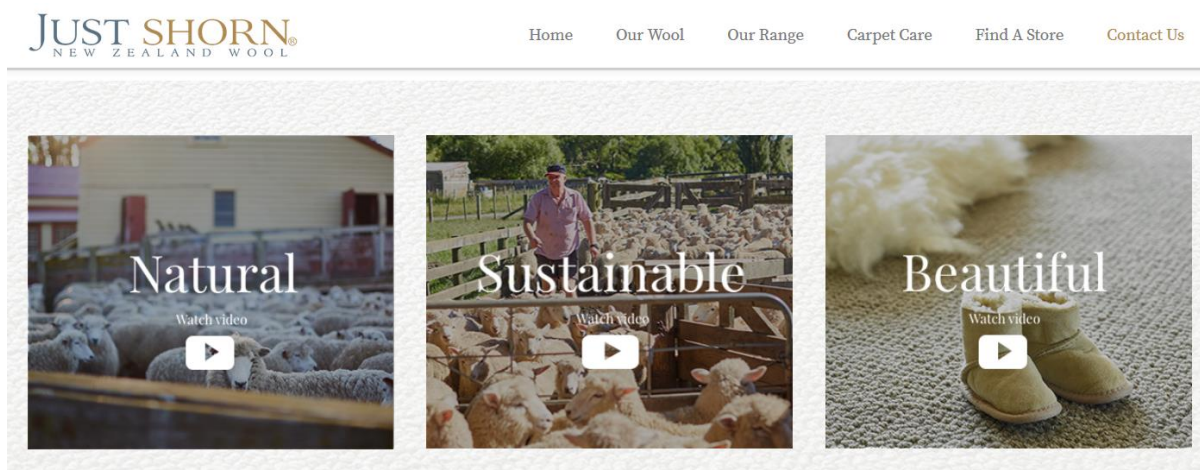
JOINT VENTURE INVESTMENTS

As a joint venture company Carrfields Primary Wool have listened to what farmers have been asking for in terms of moving up the value chain, vertical integration, better promotion of New Zealand wool and retaining value-add processing facilities in New Zealand. As result we have made investments in the following:

Just Shorn Brand

Just Shorn Valued Added New Zealand Wool Carpet Brand/Venture established in New Zealand, Australia and USA to generate greater demand and premiums on contract wool. A platform to develop the ultimate pathway from farm to retail.

This multi-million dollar investment was made solely out of company funds without any marketing levies from farmers.



NZ Yarn

In 2014 the last remaining independent carpet yarn spinning mill in Australasia was in receivership and facing a very uncertain future.

The joint venture along with a group of independent investors bought the Christchurch based mill from the receivers and have continued to finance the process of creating a vertically integrated and fully traceable supply chain from farm to retail.



In 2019 the mill not only exports high quality carpet yarn to dozens of customers in both Australia and the USA but it is also a wool innovation hub and houses CP Wool's Christchurch wool display room – where exporters examine the wool prior to auction.



A strategic partnership with NZ Hemp cemented in late 2018 brings a new era in innovation and product development with the expansion into hemp processing and combined wool and hemp yarns for the international market place.



Hushaberry Heritage

Launched in 2018 this joint venture aims to promote wool as the natural choice for any commercial or residential interior through designing and collating collections of luxury wool and sheepskin products which extend beyond carpets and rugs.

Working directly with architects and designers Hushaberry Heritage promote a range of high-end wool furnishings, wool acoustic products, throws, bean bags, carpets and rugs.

