



BRAND PARTNER WOOL INTERIORS PRODUCTS ARE EXCEEDING POLYESTER PRODUCTS SOLD EVEN AT HIGHER VALUE

IS THIS A SIGN OF CONSUMER AWARENESS OF NATURAL VS MAN MADE FIBRE?

MARKET UPDATE

Around the world we are seeing increased interest in what lies behind consumer purchasing decisions, which in turn is placing a higher level of scrutiny on global supply chains. With our 100% grower owned model, the Wools of New Zealand brand, world leading certification programmes, and product innovation, your company is meeting the changing requirements of a rapidly evolving world. This connection with the market is why Wools of New Zealand (WNZ) was created.

Over the last 3 weeks we have seen a slight increase in overall strong wool pricing. While this is encouraging, we must remember that the increase is off a low base. The overall New Zealand strong wool position remains in an excess of supply over demand. This reinforces our strategic push to continue to create partnerships, points of difference and new opportunities.

Insights and updates from recent market visits include:

UNITED KINGDOM

The UK has a strong empathy for wool and for New Zealand. It is the highest per capita wool carpet market in the world. We are seeing increased interest from retailers in the Wools of New Zealand brand due to what it stands for, namely origin and integrity. This is creating more commercial opportunities for WNZ, as evidenced by the recent 2nd shear contract.

EUROPE

Europe is the most advanced region for sustainability credentials. This is driven by both consumers and regulators. WNZ has developed supply programmes for certifications, like EU Ecolabel, to support our customers in creating a point of difference and demand in the market. The signals are that interest in this area will continue to grow in Europe with WNZ well positioned to deliver on these commercial opportunities. Brexit remains an unknown, causing uncertainty in both the United Kingdom and Europe with some companies taking inventory positions in both places.

NORTH AMERICA

The trend towards hard flooring has continued which has caused a movement away from soft flooring (carpets). Related to this, DuPont have refocused their product development activities on the high growth apparel sector. This has meant that the collaboration with WNZ on carpet development has stalled. There remains potential for the collaboration, possibly with apparel as the start point, utilising strong wool and mid-micron. In the meantime we are pursuing another USA supply chain opportunity utilising Glacial XT fibre, the Wools of New Zealand brand and the knowledge gained in the time that we have been working with DuPont.

CHINA

New Zealand wool being sold into China is still below the levels of 2016. The ongoing tensions between the US and China driven by trade tariffs is impacting the flow of product into and out of China, due to the volume of products that it processes and manufactures



We are witnessing increased consumer interest in the impact of the materials that are used to surround them in their living, working and transport environments. We are developing new promotional materials to help reposition wool as a contemporary, environmentally friendly lead ingredient in interior textiles that promotes the health and wellbeing of humans. This information will support the education of retailers to ensure that the benefits of wool are known, understood and clearly communicated. We will share these materials with you once they are complete.

Wools of New Zealand provides wool that is measured and innovated to provide a natural fibre with outstanding benefits for the end user.



PLANET FRIENDLY

100% Renewable | 100% Biodegradable | 100% Traceable | Low Carbon Footprint | Energy saving



PEOPLE FRIENDLY

Fire Safe | Warmer | Softer | Quieter | Allergy Safe | Asthma Safe



STYLE FRIENDLY

Easy to clean | Natural soil and stain resistance | Excellent appearance retention | Unlimited colour and style

STAY IN TOUCH

Our team are always ready to help. Your best bet is to talk to your local Grower Liaison but you can find all of us at www.woolsnz.com/contact-us

