

GROWER UPDATE

#121 - 16 January 2020



**FROM MARK
SHADBOLT
EXECUTIVE DIRECTOR**

Welcome

Welcome to the new year from everyone at Wools of New Zealand.

We trust that you had some family time, a break, or are heading away soon.

The Wool team and Grower Liaison team are reporting strong wool flows from all regions into store, keep it coming! We appreciate the support.

Team Changes

Arrival



WZN are pleased to Welcome Courtney Smith who joins our Finance team as Financial Manager. Courtney has stepped in as Erin Blackwood left at the end of 2019 for her OE.

Courtney is originally from Oamaru. She has just returned to New Zealand after two years living and

working in London. Prior to moving overseas Courtney was living in Christchurch, working for an accounting firm in the business advisory and audit sectors.

Departure



Avril Jordan, the rock and linchpin of WZN, is leaving us on Thursday 23 January to spend more time on personal pursuits.

Avril has been with the company for six years, setting up many of the company's procedures, supporting the WZN Board of Directors, and being support assistant to Mark Shadbolt and the Executive team.

The entire WZN team will really miss Avril and the institutional knowledge she holds. We are sure you all wish Avril well.

The process is in place to find Avril's replacement.

Contracts are the Way to Go



We, Ginny and James Kilmister, are stoked that both our lamb and ewe wool have been accepted into contract. The lamb wool made top tier (\$6.30) in the second year of the EU Ecolabel lambswool contract. We also made contract spec with our 2/S ewe wool (\$3.20) (this is by no means great in terms of pricing, there is still a long way to go to get the income that wool deserves with its qualities and sustainability).

What does this mean for us? We will make a profit from our wool for the first time in two years of about \$3000! The difference was the weather prior to shearing, which had a big bearing on the colour of the wool the last two seasons. This year we were hot and dry, so the colour was better for both lines. We're yet to sell our BP which I think will add another \$2500 to our total wool clip, (we won't talk about the raddle found in our line of Hogget wool).

We've been sold on the lambswool contract for a while, realising that we had the ability to control the specs by shearing at the best time. We were a little reluctant entering the ewe wool contract but making spec this year has made the difference in our wool payments! So, we are in from now on.

We would like to thank Wools of NZ staff for the hard work being carried out behind the scenes with these contracts. We can't carry on with status quo like some of the big wool companies seem to be doing.

2020 Standard Lambswool Contract

There is some volume remaining in the Standard lambswool contract:

Specifications

- Length: 2-3" (50-75mm)
- Micron: 28-31.5
- Colour: 2.0 max
- VM: 0.2 max

Price

- Tier 1 - \$6.00/kg clean (28-30 mic; 0.0 VM; 0.0-1.0 Y-Z)
- Tier 2 - \$5.70/kg clean (30.1-31.0 mic; or 0.1 VM; or 1.1-1.5 Y-Z)
- Tier 3 - \$5.40/kg clean (31.1-31.5 mic; or 0.2 VM; or 1.6-2.0 Y-Z)

Payment

- 50% 60 days after wool accepted into contract
- 50% 180 days after wool accepted into contract

Price week commencing 13 January - \$5.10

Price week commencing 6 January - \$5.25

2020 Standard Higher Colour Lambswool Contract

There is also some volume remaining in the High Colour contract

Specifications

- Length: 2-3" (50-75mm)
- Micron: 28-31.5
- Colour: 4.0 max
- VM: 0.2 max

Price

- Tier 1 - \$5.00/kg clean (28-30 mic; 0.0 VM; up to-3.0 Y-Z)
- Tier 2 - \$4.80/kg clean (30.1-31.0 mic; or 0.1 VM; or 3.1-3.5 Y-Z)
- Tier 3 - \$4.60/kg clean (31.1-31.5 mic; or 0.2 VM; or 3.6-4.0 Y)

Payment

- 50% 60 days after wool accepted into contract
- 50% 180 days after wool accepted into contract

Raddle Marker

Please consider all forms of raddle markers, regardless of label claims as being UNSCOURABLE (don't wash out), in your lines of wool.

Remove markers prior to shearing or have your wool handlers remove it at shearing. (Priority is the raddle over skirting if wool handlers are not able to keep up.)

If marker fibres are found at core sampling, this line of wool will be significantly devalued.

Unwashed raddle wool



The same wool washed three times and dried - see traces of blue marker



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