

## NEW DIRECTIONS

We've made several important changes within PGG Wrightson Wool recently regarding policy, leadership and direction.

- PGG Wrightson takes back ownership of its wool business
- Cedric Bayly is appointed General Manager
- Grower charges change to optional format
- Wool sales recommence in the North Island
- Good news on the export front

### Welcome

First up we are pleased to announce the appointment of Cedric Bayly as General Manager of PGG Wrightson Wool, based in Napier. Cedric is a stalwart of the wool business. He is well known to woolgrowers having formerly held the posts of Wool Manager for Williams & Kettle for nine years and more recently National Manager for Elders Primary Wool. Cedric Bayly was the perfect candidate to assist PGG Wrightson with the reintegration of their wool operation back into their core business sector and we welcome him aboard.



New General Manager for PGG Wrightson Wool, Cedric Bayly (L) with North Island Auction Manager Barry Chamberlain (middle) and North Island Wool Manager Allan Jones (R).

## NEW OPTIONS FOR CHARGES

We also wish to address the matter of wool handling fees. A recent announcement about charges, involving fixed fees and calculating rebates according to bale numbers, has created good discussion.

Grower feedback was useful and promoted two key messages; to include rebates within the selling fee structure and to provide the option of either a cents-per-kilo rate or a bale rate. We have acted on both. We have taken immediate steps to amend the schedule of charges to offer realistic options based on a per-kilo rate or a per-bale rate. These become effective as at 1 September 2011, replacing the previously advised standard bale fee. Growers who

sold wool during July, August and up until the end of September (and who qualified for the previously advised rebate structure) will receive rebate payments.

Unfortunately our attempts to move some of the processing costs further up the line, away from our woolgrower clients, have proved unworkable. But we did try. Bin and interlot fees will therefore reappear on account sales.

We apologise for any disruption or inconvenience our initial announcement caused and trust the new fee structure will meet with woolgrower approval. To discuss your charge options, please contact your local wool representative (listed overleaf).

## SOUTH ISLAND AUCTION TEAM AND NORTH ISLAND SALES



PGG Wrightson Wool Representative Doug McKay wielding the gavel during a successful South Island sale 25 August, flanked by National Auction Manager Dave Studholme (L) and Procurement Manager Rob Cochrane (R).

In early September, PGG Wrightson will recommence selling wool at the North Island auction house facility in Napier and in doing so expect to reinvigorate sales opportunities for those based in this important wool selling area. Sales in the South Island will continue as usual and buoyancy at both locations is keenly anticipated. Crossbred wool prices have virtually doubled over the past year and mid-micron and merino prices have lifted markedly too. The market remains strong and everyone in the supply chain is upbeat about the coming season.



## MORE GOOD NEWS

PGG Wrightson's subsidiary wool exporting arm, Bloch & Behrens Wool (NZ) Limited, continues to capitalise on its close relationship with a top Scandinavian company specialising in the manufacture of high-quality woollen blankets and throws. This one manufacturing client will purchase close to 400,000kgs of premium crossbred lamb and hogget wool this year.

Bloch & Behrens have been a global participant in the wool trade for generations with a history stretching back to their inception in Denmark in 1856. The New Zealand office was opened in 1949 to supply to local mills and export a variety of New Zealand wools. Their excellent trading practices and historic ties with Europe have engendered huge trust over the years and today they export to over 30 countries around the world. They purchase wool by forward contract or through the auction platform and pride themselves on offering reliable market information sourced directly from PGG Wrightson Wool.

Commenting on the Scandinavian sales order, PGG Wrightson Managing Director George Gould said, "It's heartening to see our wool business continuing to secure solid overseas orders on the back of a strong New Zealand dollar and record prices for wool. This supports our clients and augurs well for them and the future of our wool-growing industry."



*Palle Petersen of Bloch and Behrens is seen here holding a couple of the lambs' wool throws produced by their Scandinavian customer.*

Basically, wool has made a huge comeback and we at PGG Wrightson Wool are intent on consolidating our services in regard to this important commodity. PGG Wrightson will back its woolgrowers at grassroots level and support them with information and hands-on services to meet market demands.

**Wool is back in business and  
PGG Wrightson is back in the business of wool.**

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