

QUARTERLY PROGRESS SUMMARY: January – March 2017

THE W³ WOOL UNLEASHED PROGRAMME (W³)

Summary of progress during this quarter

Project 1: Social Licence to Operate

- Continuation exploring opportunities in industry for partnerships and collaboration.
- Developing 'farmer-friendly' tools to help growers monitor their own biodiversity.
- Collaboration with key industry partner on reducing chemical use on farm
- Supply chain and industry partner identified to take part in a Life Cycle Assessment
- Wool accreditation standard proceeding to be an international formalised standard.

Project 2: Crossing the Chasm

- Launched Best Wool Carpets App at Flooring trade show in Europe; Excellent PR received
- Second year of contracts have been confirmed with brands Best Wool Carpets, Dixie Group, Prestige Carpets and Glerups.
- Glerups hosted in New Zealand and introduced to further strong wool partners. Extensive media support for the new model outside of auction.
- Design thinking session and grower visits from large homewares group
- Design thinking session held with largest wool spinner in the world while visiting NZM.
- Trial bales of new wool type delivered to Spain for emerging brand partner.

Project 3: Blue Ocean

- First prototypes for an innovative new use of wool have been sufficiently tested for a licence agreement to be completed with a US based company. Further prototypes have been delivered for testing.
- Continuation of an industry engagement project to ascertain new uses and users for strong wool is in development.
- Initial samples created for an Australian company looking for a sustainable component for their product. Production prototype material is in development.
- Transacted trial volumes of wool for new prototype with further product developments underway.

Project 4: Primary Sector Extension

- Key skills learned at the Foresight Practice training course were used to design and deliver a CEO forum day and team design day.
- A business case is being developed around an innovative propellant hub which will bring together a market empathy and strategy design package
- The Waka Aotearoa group continues to actively lead adoption of W3 initiatives in the sheep industry with a new focus on environment, water and animal welfare.

Key highlights and achievements

This quarter's highlights and achievements:

- Best Wool Carpets App launched with great success at popular trade show in Europe
- Glerups visit to New Zealand to meet their strong wool suppliers on farm.

- Design thinking sessions with potential brand partners and internal staff

Collaboration with other PGP programmes

- NZSTX and W³ PGP programmes complementarities and synergies identified and continue to be discussed.

Upcoming

- New breeding programmes
- Marketing work planned to communicate wool's natural properties
- Further partnerships and prototypes

Investment

<i>Investment period</i>	<i>Industry contribution</i>	<i>MPI contribution</i>	<i>Total investment</i>
<i>During this Quarter</i>	\$0.25m	\$0.25m	\$0.50m
<i>Programme To Date</i>	\$1.90m	\$1.90m	\$3.80m