



QUARTERLY PROGRESS SUMMARY: April – June 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 in research and commercialisation.
- Prototyping a tool to help growers monitor their own biodiversity.
- Review of farm education tools alongside an industry partner with a focus on reducing chemical use on farm.
- Life Cycle Assessment in place and to commence in July 2017
- Significant progress in developing a sheep welfare tool to help farmers closely monitor behaviour patterns on farm

Project 2: Crossing the Chasm

- Significant new wool contract secured with a large European homewares company for use in woven and knotted rugs, at significant premiums to market.
- Second year of contracts confirmed with brands Best Wool Carpets, Dixie Group, Prestige Carpets and Glerups, secured at significant premiums to market.
- Prestige Carpets launched to a select group of interior designers at the HOME magazine 'Design tour', which was well received.
- Continue to align value chain partners, introduced New Zealand yarn supplier to existing brands, including a visit to the spinning factory.
- Research commenced on a gait analysis project to offer to new and existing brands in the near future.

Project 3: Blue Ocean

- Second prototypes for an innovative new use of wool are being tested with a US based company.
- New market development manager and Blue Ocean work stream leader joined the business and spent time in market early in the quarter, meeting new and existing brands.
- Development of a wool innovation project continues, to ascertain new uses and users for strong wool.
- Met with key industry research partner to discuss synergies between strategic projects and how we can work together in the programme.
- Several new potential partners and concepts have been identified and are in the scoping process.

Project 4: Primary Sector Extension

- Development continues on a business case for an innovative propellant hub which will bring together a market empathy and strategy design package.
- A group has been developed to evolve the hub prototype at the 2017 Te Hono Stanford Bootcamp. The in-market footprint will be one of three whole cohort projects.
- The Waka Aotearoa group continue to lead adoption of W3 initiatives in the primary industries and with a focus on environment, water and animal welfare.

Key highlights and achievements

This quarter's highlights and achievements:

- New wool contract with large European retailer for interiors and renewed contracts with interior and footwear brands.
- Significant progress in development of a sheep welfare tool to help farmers monitor behaviour patterns on farm
- Second prototypes for an innovative new use of wool are being tested with a US based company.

Collaboration with other PGP programmes

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

Upcoming

- Significant in-market activity
- Establish a formalised plan towards a large educational hub
- Creating a public-facing project to attract high end innovative concepts
- Further developing key relationships and prototypes
- Accreditation manual being recognised as an ISO standard.

Investment

<i>Investment period</i>	<i>Industry contribution</i>	<i>MPI contribution</i>	<i>Total investment</i>
<i>During this Quarter</i>	\$0.31m	\$0.31m	\$0.62m
<i>Programme to Date</i>	\$1.62m	\$1.62m	\$3.24m