



## **QUARTERLY PROGRESS SUMMARY: January – March 2018**

### **THE W<sup>3</sup> WOOL UNLEASHED PROGRAMME (W<sup>3</sup>)**

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Summary of progress during this quarter

#### **Project 1: Social Licence to Operate**

- This quarter saw our strong wool grower base develop further, as more growers see the value in the programme and NZM forward contract model to help grow their business.
- Strong wool growers are interested in farming a Fit-For-Market animal, producing wool in an ethical way for long term, bespoke contracts that are brand specific.
- An online farm environmental monitoring software has been piloted, with farmers seeing the value in the tool, helping reliably monitor changes in ecosystem health and biodiversity on NZM farms.
- A full genetics field day was carried out this quarter, in collaboration with a key primary sector company. The day focused on breeding sheep that are fit for the future of farming and was well attended, calling for more workshops to be held in other areas in the coming year.

#### **Project 2: Crossing the Chasm**

- Forward contract premiums exceeding targets and adding value for NZ supply chain partners, growers and in-market brands.
- Further in-market trips align the value chain and develop new relationships with global brands in carpets, luxury rugs and automotive.
- Several brand visits to New Zealand occurred, with new and existing brand partners, further solidifying New Zealand strong wool into their brand story. Time was spent on-farm, learning about the wool calendar and on-farm practises for animal welfare and environmental sustainability.
- A key focus for the time in market was to introduce new and existing brands to an upcoming wool event and gather insights to their pain points. The event will be a chance to prototype and build insights into actions for the wool sector, building a shared ethos to tackling global issues using wool.

#### **Project 3: Blue Ocean**

- A blister prevention business has transacted 31.5 micron strong wool this quarter, setting up their strong wool supply going forward.
- Targets set at the beginning of the year have now been met this quarter. Objectives around concepts, prototyping and new products/contracts in new segments have been achieved at a premium.
- A new category has been recognised with potential Blue Ocean opportunities. Collaborating in technology developed by another brand partner, potential is there for new products using wool in a different form. We hope to build on this category in the coming quarters.

**Project 4: Primary Sector Extension**

- Farmer driven Waka Aotearoa Group further develop their own top environmental standards to benefit the wider primary sector.
- The group continue to lead adoption of W3 initiatives in the primary industries, with a focus on People & Safety, Animal Welfare and Environment & Water.
- NZM continue to build an event where the objective is to connect leading wool brands with each other, with NZM, and global thought leaders. The aim is to reignite a demand for NZ wool and craft its future story, drawing on sustainability and wool being a possible solution for global issues.

**Key highlights and achievements**

This quarter’s highlights and achievements:

- Forward contract premiums exceeding targets and adding value for NZ supply chain partners, growers and in-market brands.
- Wool contracted with a USA based virgin wool insulation company, who focus on non-toxic, fire resistant and long lasting alternative insulation. They are keen to tell a more ethical wool story, using traceable NZ wool to market to their high end consumers.

**Upcoming**

- In-market insights
- Development of wool prototypes in fashion, health and wellness, and interiors
- Continued on-farm trials and data collection
- Leaders in wool in-market event

**Investment**

<i>Investment period</i>	<i>Industry contribution</i>	<i>MPI contribution</i>	<i>Total investment</i>
<i>During this Quarter</i>	\$0.35m	\$0.35m	\$0.71m
<i>Programme to Date</i>	\$2.81m	\$2.81m	\$5.62m