## **AWGA - News Update**

#### 9 February 2004

### Shear Express Agreement Questioned

AWGA remains dissatisfied with AWI (Australian Wool Innovation) over Shear Express

The off and on again approach to the Shear Express Mobile wool harvesting system adopted by the management of Australian Wool Innovation is a disgrace says the Australian Wool Growers Association. (AWGA)

The announcement last week on an agreement between AWI and the developers of Shear Express offers conflicting statements in two separate media reports by the relevant parties.

Whilst AWI maintain that 'progression of the technology would require major further investment with uncertain outcomes '(AWI Media release 5 Feb 04),
The developers of Shear Express state 'it may take only \$150,000 to fix the problems plaguing the chain shearing method... We know that the system will work...' ABC Country Hour 6 Feb 04.

AWGA asks who are we to believe.

"From the AWI evaluation report we have been able to ascertain in its initial field trials the mobile wool harvesting system demonstrated the ability to shear and handle up to 800 sheep per day." Says Mr Crozier.

Yet AWI has sold its shareholding in Shear Express in return for ownership of the Intellectual Property associated with the development of Shear Express.

Whilst there is some hope that other sources of funding can be found, the actions by AWI in retaining the IP ensure any venture capital will be difficult to obtain.

This action smells of a political action to terminate the future of Shear Express, by AWI and its management in an effort to remove any innovation given the Dorber stamp of approval.

"Following the announcement of its termination, this face saving attempt at restructuring Shear Express by Australian Wool Innovation will be seen by many as what it truly is, a political exercise." Mr Crozier said.

AWI in the same media release suggests any investment in innovation, research and development is subject to a certain level of risk. By their own report AWI have determined that Shear Express can work, will harvest wool at a better quality yet they have failed to quantify how much additional expenditure will be required to bring the project up to their extremely high target expectations.

"To not quantify the extra funding needed, rather to kill off the project when it has been suggested a further \$150,000 may be all that is required is nothing less than a disservice to the wool industry" concludes Mr Crozier.

#### **ENDS**



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http://australianwoolgrowers.com.au/

Australian Wool Growers Association News: 2004-02-09