



Vote 1 % levy at WoolPoll.

If you feel that AWI needs a sensible balance between marketing and research, and more measurable returns to growers there is one option:

Vote 1 % (& second preference 0%) at WoolPoll

AWI have already made the unfair decision to cut levy spending on important research such as the Information Nucleus Flock 2 and increase spending on generic promotion.

Levy payers have been given no choice at Woolpoll on the spending mix.

Recently AWI was claiming in international publications that its No Finer Feeling Campaign was directly responsible for increasing the price of wool from 800 cents to 1500 cents. Since then, the wool market has reduced by over 30% and fine wool prices have virtually halved.

Interestingly, promotional campaigns No Finer Feeling and Gold Woolmark have not been measured for success. The wool industry knows from bitter experience that generic promotion does not work. Remember the failed 'red dress' campaign.

By contrast, targeted marketing efforts such as the 'HRH campaign for wool', at a cost of only several million appear tremendous value for growers.

Despite the obvious recent successes of world leading Australian sheep genetic research, **AWI have reduced funding to Sheep Genetics' Merinoselect by 50% and refused to fund the Information Nucleus Flock 2** which is at a vital stage for genomic selection into the merino and wool fibre traits. This nonsensical action comes at a time when productivity is critical with continued rising costs of production and ever more demanding consumers.

AWI's overheads are increasing once more, costing over \$24 million in 2011 to keep the doors open, one of the highest operating costs in the agricultural industry. **Estimated total board costs are running at over \$700,000.00 p.a.** It's not good enough.

Over the last 3 years AWI has collected over \$150 million from levies. Currently, **AWI have close to \$100 million in cash reserves**, enough for the next 3 years to draw down on. Combine this with a 1% levy and government contributions, this will allow AWI to continue to operate with prudence, forcing it to evaluate its direction, cease wasteful generic promotion, and start re- investing in critical research.

In these times of austerity, all businesses and families are having to be more careful, more creative and more productive with less. Why should it be any different for AWI?

Please Vote 1 % levy (second preference 0%) at Woolpoll by Friday 2 November.

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