



# AWGA - News Update

29 June 2012

Letter to the Editor

The return of the “red dress”?

Dear Sir, It is apparent that the lessons of the past are being disregarded by AWI / Woolmark.

The current international multi million dollar “No Finer Feeling” wool advertising campaign is having little impact on wool demand, now being dubbed sadly by some as “No Finer Failure.” Growers have opted once for no generic advertising, but here we go again.

Wool prices are a victim of capricious world markets, of circumstances well beyond the control of Australian woolgrowers. For instance, a recent decision by the Indian government to ban exports of domestic raw cotton will have more impact on the price of wool than any faux wool promotion program we could dream up.

Woolgrowers made it clear that such use of levy funds for generic advertising was a no go zone. Groundhog day has returned, as AWI invests heavily in another “red dress” campaign.

Generic wool promotion just doesn't work.

The best stimuli would be re direct funds from No Finer Feeling into the “sports and outdoor” clothing market, as already demonstrated by the dynamic commercial model set by NZ Icebreaker. Much of their merino wool comes from Australia.

Lets go further. Why not buy out NZ icebreaker? At least we could measure how much wool we are selling and have a commercial model with shares that reflect the value of our levy investment.

It is a sad fact that at the moment, woolgrowers have little way of measuring if their levy's are invested correctly, except for the price of wool.

I would hope that the AWI board take this as encouragement and begin appropriate action to correct the “red dress” situation, and re direct our levy's into measurable marketing programs that build real demand.

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