

February 24, 2011

Peter Morgan  
Unit 9, 42-46 Vella Drive  
Sunshine West, VIC 3020  
AUSTRALIA

Dear Mr. Morgan:

Thank you for providing us the Australian industry response dated 7 February 2011 to the U.S. retail/brand position paper on mulesing. We appreciate the explanation of actions the Australian industry is taking to address the mulesing issue.

The letter did not, however, address many of the points in our position paper, including our proposed 2013 timeframe as a target date for the industry to adopt mulesing alternatives. Therefore, we restate our view that the wool industry should move toward the widespread adoption of alternatives to mulesing (suitable to particular environmental conditions) in an expedited fashion, and commit to achieve this objective within a reasonable timeframe. We again call upon the representative organizations of the Australian wool industry to provide a public report that maps out a strategy with measureable milestones to achieve this goal.

We also remain committed to two other goals. We are pleased to see in the wool industry response that the amount of wool sold at auction with an accompanying National Wool Declaration (NWD) has increased substantially. That said, we believe the only way to guarantee full and accurate participation is to make, filing of the NWD mandatory in the industry. Further, the information indentified through the NWD should be expanded by adding a category for "clips." Finally, we applaud the efforts of the Australian Wool Exchange (AWEX) to verify the information contained in the NWDs and encourage AWEX to expand these traceability and verification efforts.

Second, the wool industry response also notes that the use of pain relief on mulesed animals has also increased substantially as the analgesic, Trisolfen, has become widely available on a commercial basis. Therefore, we believe that use of post-procedure analgesia should now be adopted as an industry best practice and required of all growers who continue to mules their animals. In addition, this treatment should be expanded to include adoption of pre-procedure pain relief measures mentioned in the wool industry response, as soon as those treatments are approved and become commercially available.

We remain encouraged that our position paper facilitated the formation of the coalition comprising the broad range of wool industry stakeholders in Australia, and believe it was precisely what is required to meet our collective goal toward the widespread adoption of alternatives to mulesing. We hope that this coalition can provide the leadership needed to develop an industry consensus necessary to achieve a resolution to the mulesing issue that will be acceptable to all interested parties.

American Apparel and Footwear Association (AAFA)  
National Retail Federation (NRF)  
Outdoor Industry Association (OIA)  
Retail Industry Leaders Association (RILA)  
US Association of Importers of Textiles and Apparel (USA-ITA)  
Wool Working Group

cc: Agforce Queensland  
Australian Association of Stud Merino Breeders  
Australian Council of Wool Exporters & Processors  
Australian Wool Exchange  
Australian Wool Testing Authority  
Australian Superfine Wool Growers' Association  
Federation of Australian Wool Organisations  
Inland Woolbrokers Association  
New South Wales Farmers Association  
Pastoralists & Graziers Association of WA  
Private Treaty Wool Merchants of Australia  
South Australian Farmers Federation  
Tasmanian Farmers & Graziers Association  
The National Council of Wool Selling Brokers of Australia  
Victorian Farmers Federation  
Western Australian Farmers Federation  
WoolProducers Australia