

# TMC AMBASSADORS AT OUTDOOR RETAILER SUMMER MARKET SALT LAKE CITY, UTAH AUGUST 2008-11-11



**Report:** James and Helen Kirkpatrick

TMC Pool Participants from “Glenayr”, Beaufort, Western District Victoria

## INTRODUCTION

We were fortunate to be the Australian woolgrowers to win the first TMC Outdoor Retailer Woolgrower Competition, the prize being a trip to the USA to attend the Outdoor Retailer Summer Market in Salt Lake City, Utah in August 2008.

When we arrived in San Francisco we met Kimbal Curtis, a Senior Research Officer who works for the Department of Agriculture and Food Western Australia (DAFWA). Kimbal also attended Outdoor Retailer to provide TMC customers information about the Austral brand platform. We were then transferred to our hotel. Unfortunately the car dropped us at the wrong hotel so we had our first tourist experience – walking up the San Francisco hills!

Our accommodation was first class and set the scene for the rest of our TMC trip.

Once at our hotel, we met TMC’s South African winners, Nicholas & Marguerite van der Merwe, from Rietfontein, Colesberg, and the five of us enjoyed a close and happy relationship for the rest of the trip. It was interesting to note that there was an age difference between us. We felt it combined youth and experience, with a great passion for the wool industry and extended our contacts and understanding of the wool pipeline.



*James and Helen Kirkpatrick*



*Down town San Francisco*



*James and Kimberley  
(TMC USA)*

## TMC USA

Jose Fernandez (Manager TMC USA), arranged to pick us up and we spent the day and evening with him. Jose took us on a guided tour of the San Francisco retail outlets, which gave us an introduction to:

- A range of shops and brands at the top end of town
- A range of brands associated with the “Outdoor Retailer” range of apparel
- A brief history on some of the retail shops and individual labels
- An opportunity, for the men in particular, to examine labelling for wool content and appreciate the range of wool and wool blends available in the market
- An opportunity to examine the features of a range of swing tags and other promotional material, which promoted natural fibre or other benefits to the customer
- A chance for a casual chat to get to know Jose and the range of developments he is working on for TMC

Whilst Jose was probably pressed for time, in the days before Outdoor Retailer (OR), it was an invaluable time for us as we began to build a relationship with Jose and develop an understanding of the USA retail scene.

Wednesday was a day of leisure. This was well scheduled. We all did something different depending on our previous experience of San Francisco. As James and I had been there before, we hired a car and travelled to Muir Woods (Redwood National Park) and the Napa Valley Wine Region. Kimbal, being an enthusiastic cyclist, hired a bike and Nicholas and Marguerite took a bus tour around the city area.

This was great for all concerned – tourist time in San Francisco for the “Fab Five” and time for Jose to get organised in the office without us.

Thursday morning was taken up with the flight to Salt Lake City – Jose organised the transfer to the airport, which was much appreciated, and Kimberly Pettijohn (TMC USA) picked us up at the Salt Lake City airport.



The Grand American Hotel in Salt Lake City was indeed grand, and our home for the next six days. Favoured not only by wool ambassadors, but also President George Bush – he is in good company.

We were not required by TMC so we organised a private guided tour around Salt Lake City and Park City. Marguerite and I were pleased for the opportunity to do some factory outlet shopping. That night we had the first of four evening meals with Team USA – Jose, Kate and Kimberly. These were extremely well chosen venues with a range of cuisines. We had the opportunity to discuss the days’ events, ask questions about TMC’s involvement in the pipeline and have a general wind down.



## OUTDOOR RETAILER SUMMER MARKET

The Outdoor Retailer Summer Market was held over four days from Friday to Monday and we all went willingly each day.

We have been to many expos, but this was the largest floor space and number of exhibitors we had ever seen in one place. We had the opportunity to explore various sections during the day, but later realised we should have crossed the road to the second expo, to see the new/first time exhibitors.

Jose had explained our possible role and it did develop over the four days, as we all found our niches.

The operating pattern, which we settled into, was Jose would introduce the growers, and Kate and Kimberley from TMC USA, and business cards would be exchanged.

Jose and Kate then lead the discussion to establish the range of products and services TMC could provide in an effort to match up the requirements of the customer.

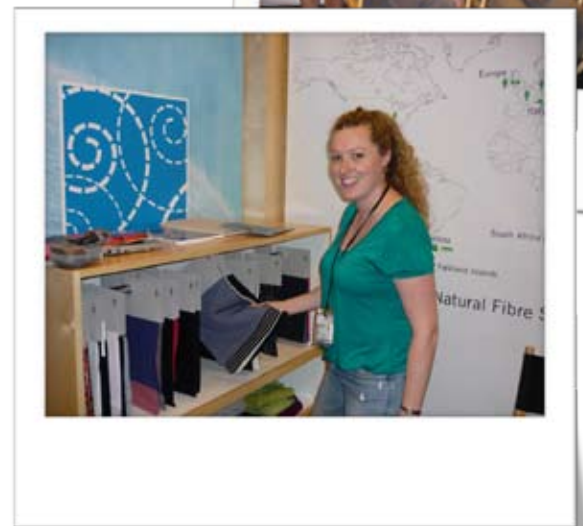
Our farm photographs were invaluable - creating an image and link to wool production at the farm gate discussion. For some customers their raw product is yarn or fabric – not fibre (especially if they have been dealing with synthetics), and the photos helped develop the image of wool as a natural fibre and linked well with later discussions that TMC could provide traceability on behalf of the customer.

This was an important marketing point – the focus for many OR customer's was natural, sustainable and environmentally friendly products. We felt that customers would be prepared to develop more wool lines, if some of the pipeline fabric could be organised, and traceability was organised and arranged for the customer by TMC.



The world map with TMC's range of services and production options in different countries was invaluable. It simply showed the depth and width of TMC services and enabled the customer to visualise the production path.

Of concern to some customers was the amount of travel the wool might do from fibre to garment (carbon footprint) – the more vertically integrated services we can operate in one country, the better. Obviously with the high percentage of wool production in Australia, the wool does have some travelling to do. Vertical integration in one country also shortens the production process, which is attractive to some customers.



## OUTDOOR RETAILER SUMMER MARKET

We were impressed with the American associates of TMC. Jose, Kate and Kimberly bring to the company a very good depth of knowledge of the wool pipeline, have a great range of established relationships amongst Outdoor Retailer customers, and a focused desire to provide customers with appropriate entry points into the pipeline – to sell our wool at various stages of production.

We were impressed with Jose's ability to concentrate on, and guide discussion to find the client's needs. Kimberly took good notes as to the requirements of clients, which will need to be followed up. Kate's "show and tell" with the range of fabrics attracted high interest. There was also interest in the circular knitting options. After

listening to Kate we began to get a better knowledge of the range of fabrics TMC can produce.



## OUTDOOR RETAILER SUMMER MARKET

Jose was good at weaving us into conversations. We perceived the objectives were:

- To tell the TMC clients the abbreviated wool production story
- To begin to develop the concept of how our wool is linked to one of the platforms
- To develop the significance of the sustainability and environmentally friendliness of the product by linking our story
- Beginning to develop the importance of traceability along the production process of our fibre
- To convey that there were many producers like us who were progressive competent wool growers in Australia
- To reinforce that despite the reduction in wool production in Australia in recent years – superior wool for the clients' needs, in the quantities which they require, can be guaranteed

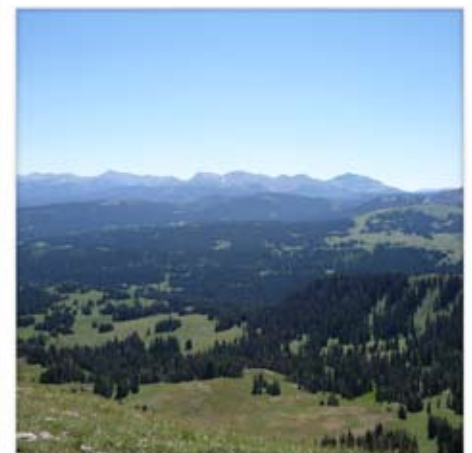
## UTAH

On the day following the completion of OR, Will Griggs, from the Utah Wool Marketing Association took us for a tour of a sheep farm. This was an extremely interesting day for the growers. Kim, the farmer, ran 5,000 sheep during the summer on hill country, much of which he owned, and then transported a considerable distance to leased land on the desert plain for the winter months.



*Ambassadors in Utah*

The differences in his operation compared to Australia were considerable and the opportunity for us to compare these differences was most interesting. We then took a drive to Utah Wool's storage and handling facility, which again enabled us to make comparisons and gain an insight into Utah's wool industry. We were very grateful that this side trip was organised.



*Utah*

## NIKE HEAD QUARTERS

Wednesday saw an early flight to Portland, where we were met by Jose. We proceeded to Nike Head Quarters to watch and participate in a presentation. We all commented that we enjoyed this presentation, as we now knew where the presentation was going and we could understand the difficulties of negotiation, particularly when Nike has preferred suppliers and contracts.

This was followed with a visit to the Nike (employees) shop, where significant damage was done to the credit card.

Our final session was a debriefing session with Jose where we frankly and productively discussed our experience.

We had our final meal together and said our goodbyes, as the next morning saw everyone go in separate directions.

## OUTCOMES

We have a better understanding of the opportunities and challenges to introduce and extend wool use to the outdoor active market.

We have confidence that the TMC model will be successful because of the developing knowledge from customers that Merino wool is a natural fibre with a green image, and the growing market for products which have great eco friendly marketing attributes.

We began to understand the association of client personnel, from fabric buyers, to designers, from owners to production managers, and the roles they played in the decision making process to include wool in their program or change to the TMC supply line.

We noted the enthusiasm and love which designers had for wool, in particular they were motivated by fabric. But in a team environment, it is a group decision between designers and production and concept managers.

One hurdle to overcome with some clients was the price point of the fabric, compared to some (synthetic) fabrics they were using which affects the entry price point of the retail garment. I think this can be balanced by emphasising the benefits and features of wool, a natural environmentally friendly product, which a growing number of the retail customers are requesting.

## KEY POINTS

- There are a huge number of companies producing non wool garments in the \$40 - \$80 price range.
- Some have to be convinced that if they pay more for fabric and the retail price of the garment rises, the customer will accept a quality wool garment to obtain the performance advantages of wool.
- Traceability is a key point and TMC will complete and supply the paperwork.
- Key promotion themes seemed to be – natural fibre, sustainability of the fibre, traceability, non-mulesed, environmentally friendly and carbon footprints.
- Marketing advantage – to get a company committed to a platform – therefore the promotional ideas and marketing advantage are already established for the client. Jose had the ability to promote two or three platforms which would potentially suit the client rather than the whole lot, which confused the client.
- The swing tag is a great conveyer of information to the customer (more important than the garment tag at first glance).
- Most customers expressed interest – some basically just need good reasons to switch to wool or TMC wool – they have to justify it to their management.
- Terminology – use the wording Merino fibre – not wool – as some still perceive wool as itchy.
- The wool ambassadors provide a “bridge” for the information gap – our raw material is wool, the designers’ raw material is yarn or fabric. Our presence helped clients make the links to the whole story.
- An important part of closing the sale at fabric or garment stage is feel – both for the designer or customer – they have to be encouraged to feel and enjoy the product.
- The shop tour was a wonderful experience to set the scene, at the end of the pipeline.

We both thoroughly enjoyed the experience. We enjoyed making connections and developing our understanding of the wool pipeline and we are confident that the associates of TMC have the enthusiasm, experience and connections to successfully market our wool.

Thank you

James and Helen Kirkpatrick  
"Glenayr"