



Changing face

AUSTRALIAN wool has had a long history as a commodity, but as its status is challenged by fierce competition from alternative fibres, new opportunities are opening up for wool to split into distinct products.

Non-mulesed wool, organic wool, carbon-neutral wool, and wool produced to certifiable environmental standards have recently appeared as niche markets within the wool supply system, offering growers new ways to squeeze an extra margin from their product.

All these niche markets are being offered by The Merino Company (TMC), a division of Lempriere Australia, which has, since 2004, developed a unique marketing model that has changed how participating growers interact with the supply chain.

TMC's communications manager, Felicity McDonald, said TMC provided a marketing channel that linked retailers directly with growers, and vice-versa, to their mutual benefit.

Retailers can dream up a new fabric and ask TMC to work with the supply chain to deliver it; growers get to understand where their wool goes so they can improve on the product for markets offering a premium.

TMC pools participants' wool, selling unique lines into suitable markets and delivering annual returns to

By **MATTHEW CAWOOD**

growers independent of the spot market.

Through each cycle, growers receive documentation of the markets their wool has been sold into.

Each niche market requires something extra of the grower – organic accreditation, for instance.

In return, the grower gets a premium of about three per cent over wool contributed to TMC's general pools, Merino Advantage and X-Bred Advantage.

Growers supply these pools through brokers Lempriere Fox and Lillie.

Ms McDonald said by communicating with both ends of the supply chain, TMC had created new marketing platforms in response to customer demands not catered for by the auction system.

TMC's organic brand, Naturally Organic Wool, "is gaining quite a bit of momentum", Ms McDonald said.

Big Japanese retail brand, Muji, is soon to release a range of organic knitwear including mens-, womens- and

childrens-wear made from fully certified and traceable organic wool supplied by TMC's organic wool growers.

TMC is also capitalising on the global preoccupation with reducing carbon emissions with its ZeroCO2 brand.

Growers who supply ZeroCO2 undertake to offset all the greenhouse gas emissions generated by the wool's production and processing using regenerative land practices on their farm.

Accreditation is done through Landcare's CarbonSmart program.

Ms McDonald said an Italian fashion label has just launched the world's first collection of carbon neutral t-shirts, made from TMC's Carbon Neutral wool pool, at a major textile and fashion industry trade show in Italy.

TMC is actively looking for more wool to fit into both these markets.

