

Suit deal will help sew up European markets

A NEW exclusive trading deal between The Merino Company (TMC) and Berwin and Berwin is tipped to accelerate the former's global network.

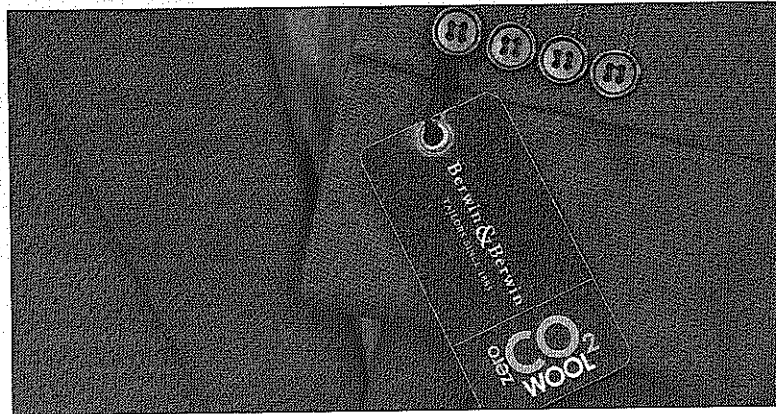
It's being hailed as a big-win in the tightly fought textile market.

With the European suit manufacturing giant making up to 18,000 suits a week, the agreement signed by Berwin and Berwin to have the exclusive rights to distribute TMC's Australian suits is understood to be a major gain for the aggressive distribution company, which has been hounding the world's markets for the past four years.

Berwin and Berwin managing director Simon Berwin said he was quick to sign on, signalling the innovativeness offered by TMC was a major drawcard.

"We think their wool products marketed through our suits will add value as well as interest in the market place," Mr Berwin said.

"As producers of brands and pri-



■ Australian wool suits will now be a feature in key Berwin and Berwin European stores.

vate labels we are always looking for newness and we were immediately taken by the foresight and innovation offered by TMC."

The terms of the deal, which will see Berwin and Berwin suits made from Australian wool fabric from TMC's brand platforms distributed to UK department stores,

retail boutiques and more than 50 House of Fraser stores, is understood to be an exclusive arrangement between the two companies.

TMC chief executive officer Mark McKinnon said the signing of Berwin and Berwin would help the company further penetrate sales channels throughout the world.

Wool climbs to 860c

THE southern region indicator rose nine cents to finish at 860 cents a kilogram last week

The southern region offered a selection of just under 20,500 bales in a two-day series with 10.5 per cent passed in.

This week has seen a selection of higher quality wools attracting premiums above the average style wool on offer. The main range affected has been in the 18.5 microns and finer category, which in some instances have increased by as much as 150c.

The average style broader wools have eased a little on the final day while the better styles remain firm. Skirtings of best style and length in the 19 microns and finer range have also added significantly to their values with some best broken's about 100c dearer.

The coarser wools and those carrying above 5pc vm have remained unchanged across the week.

Crossbreds have gained about 20c as short supply drives buyers to much higher price levels. Oddments have sold basically unchanged across the week with the exception of some locks, which eased about 10c on the final day.

High clearance rates for this week's three-day Newcastle 18,336 bale sale were indicative of the solid market increases recorded, particularly in the fine micron ranges.

Spinners' style wools increased their previous Newcastle values set in both the August and February sales by 100-150c for 18 microns and finer.

This set the tone for the best style types in this range where increases of 50c were recorded compared to the previous week's lower styles offered in Sydney.

Skirtings were very strong with the best broken's well supported and trading 20-40c higher by the end of the selling week for the 4pc to 6pc vm types. Low vm spinners style lots were particularly sought after and closed the week being quoted as "extreme".

A limited offering of crossbreds in Newcastle has the 27 to 30 microns range very firm to buyers favour, posting only minor gains of about 5c. Oddments were well supported with the super fine micron locks (<17) progressively gaining momentum, closing 15-20c dearer.

The northern region indicator rose 23c to finish at 939c/kg.

Wool futures

(w/e Monday 23/09/08)

Gains slipping away

THE good gains made by the wool market last week enabled the eastern market indicator to lift a further 15 cents to 896c.

Unfortunately, those gains do not seem to be sustainable

Forward prices lifted throughout last week, in line with the physical market, particularly for fine wool contracts. This week, however, the forward markets have eased. Bid and offer

