

Catherine Best

From: Catherine Best on behalf of Registrar
Sent: Tuesday, 22 February 2011 10:48 a.m.
To: Hamish Forsyth
Cc: David Ainsworth; Anthony Stewart
Subject: FW: Cavalier/Wool Services

From: James Gallagher [<mailto:james@latitudeinsulation.com>]
Sent: Monday, 21 February 2011 4:39 p.m.
To: Registrar
Subject: Cavalier/Wool Services

Fibre Bonding Limited, trading as Latitude Insulation are manufacturers of sheep's wool insulation. Our manufacturing facility in Christchurch supplies both the domestic and international market.

We source our wool from two types of suppliers

- Virgin wool directly from the scourers
- Recycled wool sourced from the yarn and carpet manufacturers in New Zealand

Latitude Insulation is opposed to Cavalier Wool Holdings acquisition of New Zealand Wool Services on the following basis

- There will be limited access to scouring in New Zealand
- Limited competition will increase the cost to manufacturers and wool growers
- Shipping to China to scour small lots is not economic
- A strong selling point of our product is it's environmental credentials which shall be eroded if scouring occurs off shore
- Yarn and carpet manufacturers importing wool will need to meet the requirements of the applicable Import Health Standards. We would need to obtain a transitional facility status to process the recycled wool from the yarn and carpet manufacturers. This would dramatically increase our waste management costs as the import health standard requires all solid waste must be disposed of through deep burial...

Regards

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