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27 April 2011

Mr A Stewart
Senior Investigator
Commerce Commission
44 The Terrace
WELLINGTON 6011

**RE: DRAFT COMMERCE COMMISSION DETERMINATION ON THE PROPOSED
CAVALIER WOOL HOLDINGS LIMITED/NEW ZEALAND WOOL SERVICES
INTERNATIONAL LIMITED MERGER**

Dear Mr Stewart

Federated Farmers Meat & Fibre has read, with great interest, the Draft Determination of the Commission on the above matter.

We note the result of the process to date and as a matter of principle, we have some concerns around the reduction in competition for wool scouring operations that would result from a successful application by Cavalier Wool Holdings Limited.

Nevertheless, we acknowledge the wider issues as considered by the Commission in its Draft report and we are comfortable with the determination as proposed.

The Federation may wish to participate – either actively or as an observer - in the Conference to be held at the Mercure Hotel in Wellington on 4 May and 5 May. The likely attendees from the Federation are Mrs Jeanette Maxwell, the Vice-Chairperson of the Federated Farmers Meat & Fibre industry group and/or Mr David Burt, Meat & Fibre Policy Advisor with the Federation.

Best regards,

A handwritten signature in black ink, appearing to read "Bruce Willis", with a long horizontal flourish extending to the right.

BRUCE WILLIS
CHAIRPERSON, MEAT & FIBRE INDUSTRY GROUP