

**From:** Joe Lenssen [mailto:lenssen@xtra.co.nz]  
**Sent:** Thursday, 7 May 2015 3:00 p.m.  
**To:** Mya Nguyen  
**Subject:** Carpet Barn (Hamilton) Ltd trading as Carpet Mill updated Submission

To the Chairman and Members  
Commerce commission

Carpet Barn (Hamilton) Ltd trading as Carpet Mill updated Submission

**Draft determination on wool scouring assets application.**

The carpet Mill has manufactured woolen carpets since 2009 at their premises in Te Rapa Hamilton

Carpet Mill has a vital interest in matters impacting on the new Zealand carpet industry.

1 While Carpet Mill was aware of Cavalier's current attempt to acquire the wool scours currently owned by NZWSI and to reduce scouring capacity overall, Carpet Mill had assumed that the current transaction for which authorisation is being sought from the Commission is substantially the same as the merger proposal previously authorised by the Commission, with the Commission's decision subsequently being upheld by the Court. Nothing on the Commission's website advertising the current application seeking authorisation, or any other materials on the website, draw attention to any difference between the previous application which was approved and the current proposal.

2 The Commission's draft determination subsequently advertised on the Commission's website not only failed to draw attention to any difference from the previous application but also indicated the Commission's preliminary view to authorise the current proposal.

3 That being so, Carpet Mill was drawn to the conclusion that little practical purpose would be served in it expressing any view on the matter, as the outcome seemed to be a foregone conclusion. That conclusion was that the Commission would again approve substantially the same proposal on the same basis as it had previously.

4 However, Carpet Mill has just become aware of Godfrey Hirst's submission which now appears on the Commission's website. That submission raises serious questions – in particular, in relation to the significant differences between the previous application which was approved and the current proposal. Carpet Mill also notes Godfrey Hirst's concerns about the new parties now involved in the proposal and the lack of clarity about the identity, ownership and intentions of those parties.

5 Carpet Mill therefore believes that the issues raised in Godfrey Hirst's submissions must be fully and openly explored by the Commission. There is simply too much uncertainty about what is now proposed, and by whom, and for what reason, for the Commission to make its decision on the information so far published on its website.

6 Carpet Mill therefore asks that the Commission hold a conference in relation to the current application and allow Carpet Mill and other interested parties further time to make submissions and appear at that conference, especially in light of the serious matters raised for the first time in the Godfrey Hirst submission which has just become available.

Yours sincerely  
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