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## AUSTRALIAN WOOL INNOVATION BOARD OUT OF TOUCH AGAIN

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Australian Wool Growers Association (AWGA) says the current Board of Australian Wool Innovation (AWI) is out of touch with the real circumstances facing the Australian wool industry.

AWGA Chairman Martin Oppenheimer says “The AWI Directors election in November can’t come soon enough, and growers must get rid of the same old names that have done so much damage over the past 5 years. We have had enough of Vets & Academics with no vision, wasting our money while wool production plummets. We need people with skills in marketing and innovation. People who have a track record of success like Roger Fletcher & Chick Olsson are needed at AWI.”

AWGA states that AWI Chair Ian McLachlan, who turns 71 this year, is out of touch with reality after his recent gaff on ABC’s Landline that the Australian sheep flock still numbered 95 million. The official number was 88 million at June 2007, with current estimates now below 85 million. Industry insiders are now concerned that the national flock may reach 80 million by early 2008. The decision to cease operation by major wool exporter Itochu Wool Ltd. is linked to lower wool production.

“But Ian McLachlan said last week “Merino has turned the corner” and the industry “felt right again. The current AWI Board is out of touch & clearly does not have the skills or ability to rebuild the Australian wool industry. Their track record over 5 years shows losses of at least \$3.5 billion in sales of Australian wool, a decline in the national sheep flock of 21 million, down from 106 million to less than 85 million head, the lowest in 100 years.”

“Under McLachlan, AWI stopped the industry strategic planning process, instigated by woolgrower representatives & funded by the Federal Government. After 3 years of “due diligence” for the integration of Woolmark with AWI, there is still no plan & we are told it will take a further 12 months & \$10 million to sort out. Not good enough.”

“Now we hear the AWI Board may sack talented Woolmark Manager Brenda McGahan, just when we are able to start marketing merino wool again. Why now sack one of our brightest people with excellent marketing connections all around the textile world?”

“AWI is also stating that only small marketing projects totalling \$250,000 will be considered, yet they were quite happy to spend \$15 million on the Federal Court action against animal rights groups. The Genomics project alone is costing AWI \$15 million! We need new Directors at AWI as soon as possible for sensible decision making.”

Martin Oppenheimer Chairman AWGA 02 6777 2124 0413 580 040

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