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Bright future for wool, says Zegna

The chairman of an iconic retail company with 550 stores around the world, and a major buyer of super fine Australian wool, is upbeat about the future of the wool industry.

Count Paolo Zegna, in Australia for the opening of a store in the heart of the Sydney fashion district, says China is now its number one market and growing rapidly.

"It's incredible and growing extremely fast. We had a 30 per cent increase over the last five years."

Zegna says there was no culture of fashion clothing in China until recently.

"Now people are extremely attentive and demanding. They know what they want, they trust the company, and I think this offers to growers, to people producing nice things, a bright future."

He is concerned about the impact of the global financial crisis and the economic problems of his own country Italy, but he says the company is in good shape and able to continue paying Australian growers.

While the wool price has been going up over the last year, increasing costs for the retail end, Count Zegna is happy for the growers.

"They deserve a higher price. They do a lot of hard work and it's up to us to find a way to absorb the increase, encourage customers to pay more for the product."

Mulesing is not a big issue for the company.

"Not many customers are raising this, only a few Australian ones. We have pushed for growers to use anaesthetic."

Zegna is a big buyer of superfine wool, which represents about 10-15 per cent of the Australian clip, but more than 30 per cent of the total value.

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