
AWI Initiatives in Woven Product Development

Monday 24th December 2006

Where Australian Wool Goes

	<19.5	22-25	>26
Menswear	55	35	15
Womenswear	20	23	15
Knitwear	20	34	15
Sports	small		
Non-apparel	5	8	40

Current Position of Wool in Men's Woven Outerwear

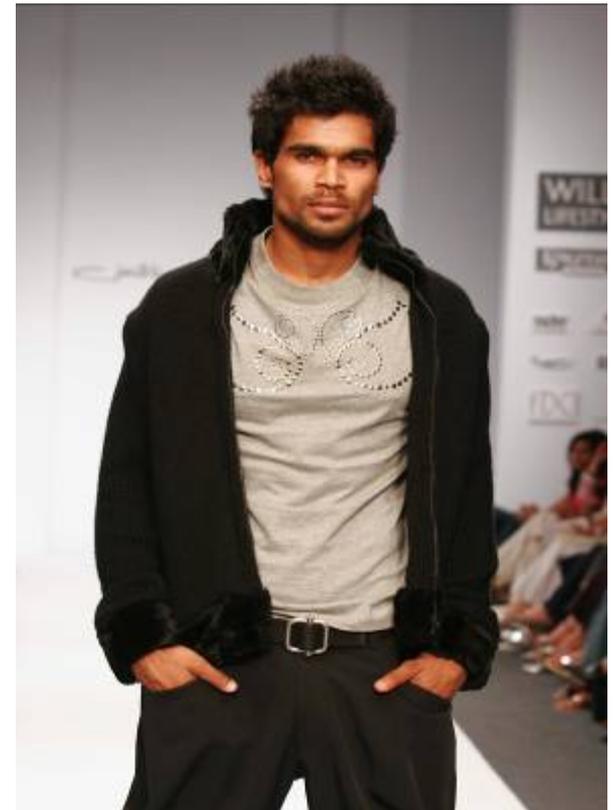
	USA	Japan
wool	21	37
cotton	54	33
synthetic	25	30

Situation Analysis

The key trends in the woven apparel markets that are affecting wool's competitive position are:

- The increase in casualization in the marketplace, where cheaper natural and manmade fibres (cotton and viscose) compete successfully with wool.
- The reduction in the real cost of apparel (esp in UK, USA)

Neither of these trends are positive for increased wool sales.



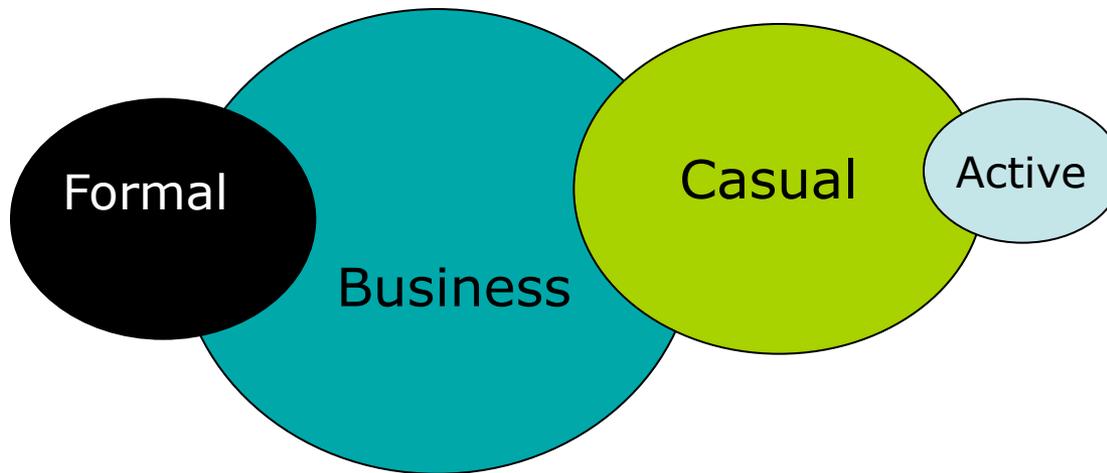
Situation Analysis - 2

Offsetting these trends is the steady growth of the luxury market. Ultra and Superfine Wool have and will maintain a strong presence in the luxury apparel market where they successfully compete with other luxury animal fibres and some high value synthetics



Situation Analysis - 3

Fusion of Fashion



AWI initiatives

Merino Woven Marketing Platforms

MERINO
Street



MERINO
Mode



MERINO
Professional



MERINO Street *Casual initiative*

Background:

Developed to address current pre-conceptions and misconceptions about wool

- Wool is only for formal or business wear
- Wool is only for Autumn-winter and not fashionable as a trans-seasonal
- Wool is old and traditional



MERINO Mode *A Women's Fashion wear Initiative*

Background;

- Wool has been losing ground in ladies' fashion wear
- Women are less interested in the fibre content of fashion garments
- Appearance and style are the main selling points of ladies fashion wear
- Famous women's wear brands are a key part of market



MERINO Professional

A Menswear (& Womenswear) Initiative

Background;

- The lives of professional men and women are becoming more hectic with work demands & personal commitments.
- Even after hours of work and travel, business men and women need to look good without the need to get changed.
- Professional attire should retain appearance without crush marks/creases and stains and be easy to maintain.
- MERINO Professional was developed to address the needs for practical, fashionable professional wear for the busy executive.



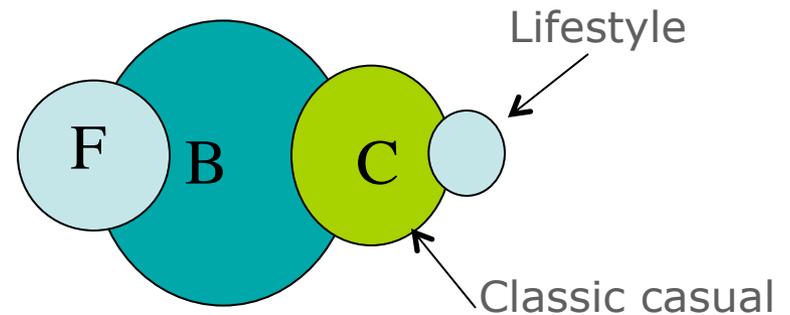
Innovative products

- from existing technologies (Jig-saw Innovation)
- from new technologies (breakthru' Innovation)

Innovative products from existing technologies Merino Street



- Total Easy Care Trousers
- Wool Denim
- Casual Wool Cotton
- Vintage look fabrics
- Washed-out look fabrics



**MERINO
RETRO**

100% MERINO WOOL

Merino Retro

Key features

- Pure Merino wool
- Merino wool blended with cotton, cashmere and polyester etc
- Special designing of fabrics

Processing

- New processing in top dyeing and garment dyeing
- Garment washing, eg. Stone and enzyme washing
- Distressed effect

Developed by the Jiangsu Sunshine Group

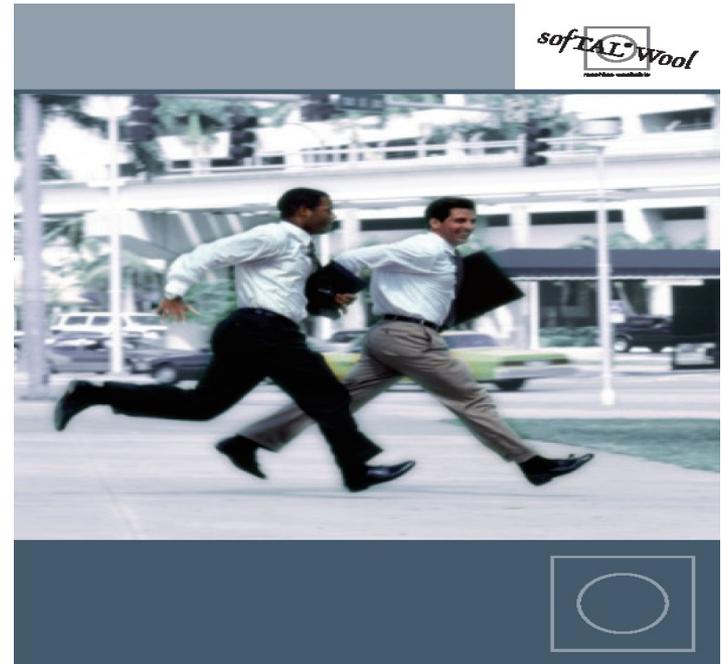
- Fashionable, Stylish & high quality
- Easy to wear



SofTAL – Easy Care Pants

Background;

- Consumers want to spend less time, money and effort cleaning their garments
- A garment for business casual or smart casual
- Consumers want garments made of natural fibres
- Consumers want garments that can be cleaned at home
- Developed by
 - TAL Group



SofTAL – Easy Care Trousers

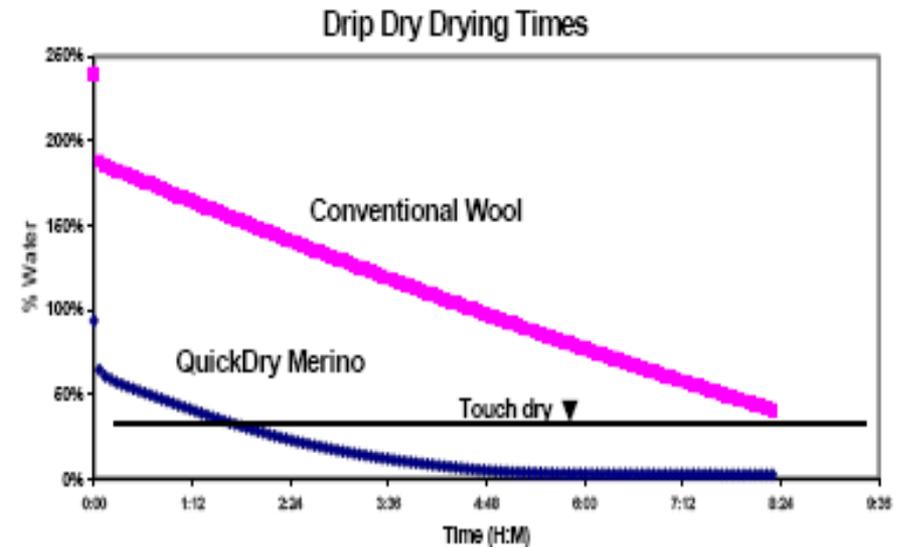
- 100% or 98% Merino wool trousers
- Special engineered fabrics
- Improved (Normal) stitching techniques
- Special garment wet process to impart the TEC finish
- Low maintenance – home laundering and tumble dry
- Smart, Dress look with permanent creases
- Soft handle

Merino Denim

- Denim-look indigo-dyed fabrics available in wool-cotton blend
- Blend contents from 12-50% wool
 - cotton warp – indigo dyed
 - wool-cotton weft
- Denim look fabrics also available in wool-polyester
 - intimate blends using wool dye only
- Manufacturers
 - Bradmill (Australia)
 - Malwa (India)
 - Shangdong Ruyi (China)

Enhanced Merino Denim

1. Quick dry performance
 - Can reduce drying time by up to 40%
2. Overprinted fabrics to give fashion or casual effects
 - Relies on thermal printing of polyester component
3. Garment finished to impart fashion/casual effects
 - Garment finishing using conventional techniques modified for wool fabrics



Innovative products from existing technologies Merino Mode



- Fashion collections for Ladies wear
- Trans-seasonal cool touch fabrics
- Light weight fabrics
- Digital prints

Merino La Mode

Jacquard fabrics

- Merino wool, blended mainly with silk, polyester filament and etc.
- Special design with some pattern of Chinese element
- Light weight, good drape, luxurious natural luster and sheen
- Soft or dry handle, smooth, breathable
- Easy care

Wrinkled fabrics

- Merino wool or wool/lycra blend
- Special design and finishing to get wrinkle effect
- Dry handle with permanent wrinkle effect
- Light weight with semi-transparency
- Good drape

Merino Beauty

Manufactured from merino yarns using conventional techniques to create high-value fabrics

- Pure merino wool
- Merino wool blended with silk, linen, lycra and other man-made fibres
- A large variety of fabric appearances & handle
- Opportunity for yarn engineering: fancy yarn, stretch yarn etc.
- Fashion designs and colors by UK designer
- Fibre selection and combination important for quality image

Innovative products from existing technologies Merino Professional



- Men's traveller suit
- Men's washable suit
- Men's summer suit
- High twist fabrics – low wrinkle



Merino Travel Suit

Background;

- Consumers lives are becoming more hectic with work demands & personal commitments
- Air travel in Asia is increasing at over 12% p/annum
- Even after hours of travel, business travellers need to go straight to work - they want to look good without getting changed
- Travel attire needs to retain its appearance without crush marks/creases and stains
- Merino Travel was developed to address the needs for practical, fashionable travel-attire



Merino Travel Suit

Key features

- Fibre selection
- Yarn engineering with new spinning technology and Optimum fabric construction
- Chemical treatment and new finishing

Fabric properties;

- Pure Merino wool
- Natural Stretch
- Cool/dry handle
- Lightweight / right color (Fashion)
- Anti-oil, anti-water (Performance)
- Wrinkle resistance

Merino Fresco – for summer

Fabric properties;

- Pure Merino wool
- Merino wool blends – silk, cotton, linen etc.
- Light Fabric weight; 200 – 260g/m
- Comfortable and cool touch

Key features

- Superb quality fabrics for up-market suiting
- Light-weight trans-seasonal fabrics
- Smart/casual fabrics for fashion application
- Great for fashionable & trans-seasonal designs
- New finishing techniques for special functions;
- Fit for purpose,
 - Anti-stain,
 - Anti-static,
 - Easy Care,
 - Stretch

Machine Washable Suit

- A suit designed to avoid the need for dry cleaning
- Usually in 60/40 or 45/55 wool-PET blends often with Lycra
- Minimal ironing required
- Manufactured by
 - Polgat (sold thru' M&S)
 - Heilan (China)
 - Raymond (India)
 - Berkeley Apparel (Aust)

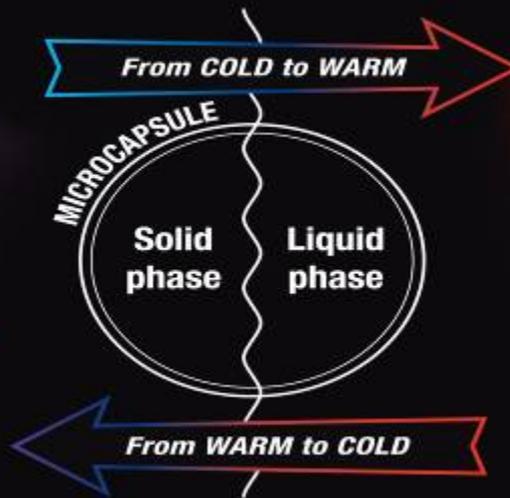


Merino Klimeo

- Merino woven fabric treated with a temperature-regulating finish
 - Cools when entering a hot environment
 - Heats when entering a cool environment
- Developed by Chargeur Fabrics
- Suitable for jackets and trousers



COLD environment
The microcapsules restore heat when changing to their solid phase, thus limiting the drop in temperature = a warm feeling on the skin



WARM environment
The microcapsules absorb heat when changing to their liquid phase, thus limiting the rise in temperature = a cool feeling on the skin



New products from New Technologies



1% inspiration

99% perspiration

- 'Used look' wool-PET fabrics
- Distressed pure-wool fabrics
- Garment-finished blends
- Quick-dry washable pure wool products
- Light-weight, low transparency women's wear

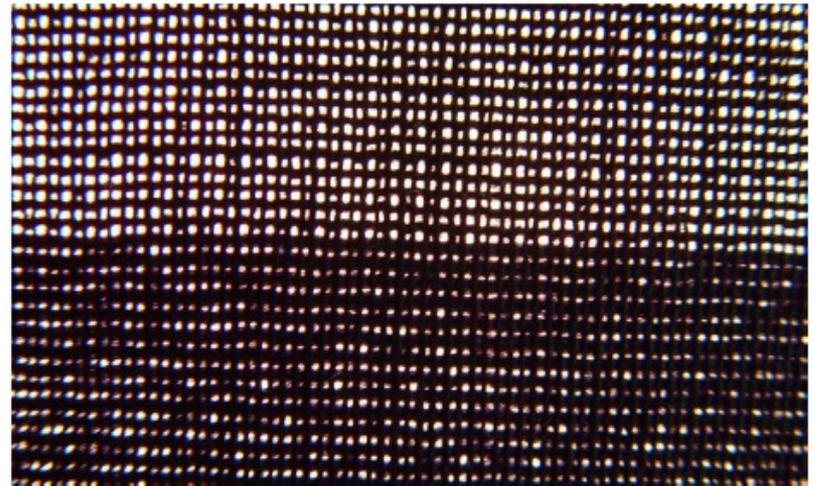
Merino Vintage

- Permanent distressed &/or creased effects imparted in fabric finishing
- Applicable in fabric or garment form.
- Imparts machine washable finish
- Applicable to pure wool and blends



Light-weight, Low-transparency Ladieswear Fabric

- Based on new spinning technology developed by CSIRO
 - 'Lite Twist'
- Blend yarn
- Conventional weaving
- Greater cover by the yarns



The 'Now' Products - delivered

- TEC Trousers (machine washable and tumble dry)
- Machine washable wool-polyester suits
- The Travellers Suit.
- The Summer Suit for trans-seasonal use
- NEC fabrics and garments
- Trans-seasonal cool touch fabrics
- Printed ladieswear fabrics and garments
- Wool Denim - enhanced.
- Merino Retro.
- Wool-Cotton and Wool-Linen belnds.



The 'concepts' to be evaluated for delivery in 09/10

- MERINO Street
 - Casual finishes for wool-PET
 - Wool Chino fabrics & garments
 - Camouflage fabrics
 - Garment finishing of wool-PET
 - Organic product
- MERINO PROFESSIONAL
- MERINO Mode
 - Thermally-printed ladieswear



Target Technologies &/or Products

Pure wool washable suit

The genuine (??) low wrinkle suit



High-lustre, pure-wool ladieswear