



## Memo

# To Market by Specification

20 07 2013

As the winter months thrust the variable elements upon us, it is a time when farmers seriously consider the worth of a chosen vocation. It may be small consolation, that a number of political and media pundits state that once again they have identified the **'back bone'** of the New Zealand economy. Agriculture! Then to once again **'Brainstorm'** for ideas to stimulate that which has been laid to waste. The cyclical policy treatment of agriculture is at the most crucial stage in modern terms.

It is not the decisions that are anticipated to be made with good intention and public funded science, which is programmed up to 7 years out, to refocus agriculture over the next decade. Instead it is the vision and proven practices that have been developed and implemented through the last 5 years that will influence direction and success.

The lack of real time innovation and spurious funding regimes that have created a vacuum of time lost (5years) which has influenced a serious profit margin decline across sectors is responsible. The delusive mind-set and subsequent loss of the people resource, from particularly the sheep and beef industry, is unacceptable and unnecessary.

The expanding Falkirk Solution is the one exception that has consistently worked a viable commercial business model, placing first the interests and needs of rural family businesses. The empathy ability to understand that; private enterprise – commerce – marketing and significant profit margins are intrinsic practices that are required to continue to drive New Zealand agriculture to prosperity is fundamental.

Against subversive and general malpractice, the ability to generate high quality **'Falkirk Certified'** product, meat, wool and livestock, has leveraged serious interest from the market place. The catalyst for advancement to long term relationships with entities into the International marketing spectrum has been experienced, appraised and currently implemented.

**"The wool that has been 'Falkirk Certified' and auctioned has been noted and included in my valuations. The wool types have very good characteristics over other wools.**

***This wool is consistently even, for length and colour, has very good crimp (which we used to see 20 years ago but not today) and very good tensile strength. It has certainly stood out as a processors dream in regard to these characteristics.***

**It is very noticeable in the catalogue due to 'Falkirk Certified' being part of the branding and description".**

Chris Hart - Bloch & Behrens PGW Ltd, Procurement and Export Manager.

This validation for Falkirk quality wool mimics exactly the **'Certified'** experience with select marketing of lamb in recent times. As a result of these planned and hard earned outcomes, Falkirk has been invited to form a collaboration of business entities to progress branded product efficiently through a totally commercial process, unfettered by conditional demands, to International markets.

The Falkirk System will stand beside the exporter and marketer Bloch & Behrens PGW Ltd, which has been recalibrated to serve producers certified quality product to its highest potential. The company has been purchasing Falkirk clients certified wool lots from across the auction spectrum to add value, even under what is considered an archaic system. Specific contract offers are being extended, which include manufactures specifications that attract, **'fibre fit for purpose'**, and corresponding pricing regimes.

This initiative is considered a significant option for Falkirk clients and stands beside existing options for selling product that is currently being supported.

The unconditional pooling of resource for specific operational function magnifies and provides critical mass for production and client growth, both numerical and individual. Falkirk is selecting a team network that will cover every region in New Zealand and by the end of the 2013/14 season could amount to some 30 personnel.

The long term collaboration / relationship is underwritten by the **'Falkirk Certified'** branding programme for **'Quality & Excellence'** and will not be compromised by any team member or client. The fine print of this understanding will be detailed within a following memo by July 31<sup>st</sup>.

I thank all clients who have participated with this special branded product market exercise over the last 3 years. I certainly appreciated the shared vision, commitment, dedication and support to hold the line until we received a true market response and acceptance. The quality product sold itself, by Falkirk definition that is **Marketing!!**

The required producer inputs illustrated the ability to secure our combined futures for highly profitable farming business units.

**"A legacy for true succession"**

Regards, Ian