

Issue

Australian Wool Services (AWS) has changed its trading name to Graziers Investment Company Ltd.

Background

This name change comes as part of the deal between Australian Wool Services (AWI), AWS and the Federal Government where by AWI was given a \$15m grant to buy the core assets of AWS. One of the conditions of the deal was that AWS would need to change its name so as to remove any confusion within the wool industry. The name that was to be chosen was not allowed to have anything about wool in it, as such Graziers Investment Company Ltd was pick from a selection of names. The name hold no significance to anything in particular other than that fact that it is made up of Australian wool producing shareholders.

As part of the deal with AWS, the Federal Government and AWI the \$15m was used to buy a number of the core business assets from AWS. These assets include

- A 100% interest in The Woolmark Company.
- The Woolmark Company assets, including the Woolmark certification trade mark and associated brands and trade marks, the Woolfleece™ unregistered trade mark and associated brands, the Sportwool™ and Woolscience™ technology businesses and trade marks, and the Woolmark licensing business.
- The market intelligence business.
- The Optim™ technology business and other working assets of AWS, including stock and plant and equipment.

Implications for Growers

There are very few implications for growers from this change of name.

- Producers still hold equity in the company ie they still are shareholders who may get a dividend when the company is finally dissolved.
- The Company will still have to operate as any other company: hold AGM's, putting out yearly reports outlining budgets, financials and directors reports.
- The Company still owns 2 properties in Mumbai that have to be sold before it can be wrapped up, this process is expected to take around 16-24 months. This is the main task for the directors as well as managing the money owed to the trustees of the UK pension fund.
- Producers equity in AWI has been secured by insulating AWI from the AWS debt to the UK pension fund.

For information only, if you would like more information please contact the Association Wool Analyst Michael Stalley on 1300794 000 or emailus@nswfarmers.org.au