

Winter 2007

In our fifth year and in the midst of a cold 2007 Australian winter season, a new issue of the Kelly & Windsor newsletter is well overdue.

Since the last newsletter, we have been very busy with new developments, design improvements, process improvements, new staff and were kept flat out over the summer with export business.

In writing this newsletter, it has been rather hard to try and get all the news into a few pages and I hope that I have got the main points into this issue.

The main headline of this newsletter is that simply that we have created a world class bedding collection, that is constantly proving its merits in exceeding our customers expectations with the uniquely alpaca experience of a restful nights sleep with a luxuriously soft, lightweight and outstanding comfort. With over five years experience, we are very proud of our range and the success that our retailers are experiencing in selling the Kelly & Windsor alpaca bedding collections.

Thank you for your continued support, and on behalf of the staff at Kelly & Windsor, I wish you a good winter 2007 season.

Sincerely

Trevor Beuth
Managing Director



ALPACA
gold

100% pure Australian alpaca quilts — luxuriously soft & warm

ALPACA
classic

The original premium quality range of alpaca/wool quilts, pillows and underblankets



Machine washable alpaca / wool quilts — an innovation in alpaca bedding

ALPACA
light

The ultimate in summer: soft and cool — Alpaca & Cotton quilts, underlays and pillows

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Australian Alpaca Facts

On a global basis, alpaca is an exclusive and rare fibre with a annual production of approximately 5,000 tonnes, which is currently less than one third of the world's cashmere production.

In Australia, there are over 85,000 alpacas yielding an annual clip of approx 110 tonnes per year, compared to 450,000 tonnes of wool. That's rare!



Australian alpaca world class quality

ALPACA *gold*

Pure alpaca ... the ultimate in luxury



Since its release in late 2005, the Alpaca Gold quilt collection has been exceptionally popular, with sales increasing more than 52% in the last year.

Originally designed for export markets, we are pleased to see that Australian retailers are now taking on the Gold collection, to compliment their wool quilts at the higher quality end of their ranges.

Of interest, our initial decision to adopt a 500 gsm winter weight version and a 350gsm lighter weight, suited for a warmer climate, has been confirmed as being the perfect choice to suit the Australian and export markets.

Export news

As reported in the last newsletter, we have been very busy developing our export business with orders from Japan, China, Hong Kong, Korea, Taiwan and New Zealand in the last eight months.

For selected export markets, we have designed and released the Alpaca Gold Optima quilts, a unique concept as the ultimate warmth in alpaca quilts, a dual "pocket" thermal layered pure alpaca quilt. Designed for colder climates, the Optima Gold quilts with the new export packaging has been a great success.

Kelly & Windsor will be exhibiting at the Shanghai Home Textile Show in August (see page 4 for further details) to promote the range into China where future sales opportunities abound.

The next year's outlook looks very promising with interest from Germany, Russia, Canada and an early stage program toward the USA.



Retailer News ... Alpacas at Domayne, Alexandria



- One of our most supportive retailers is Domayne at Alexandria in Sydney who have been selling our alpaca underblankets and pillows for several years now, so a year or so ago, we brought live alpacas into the store for a promotion which was of great interest. Our thanks to Greg, Som and the Domayne team.
- Over in the west, Exclusive Linen is Perth's longest established premier Manchester retailer and carries our Alpaca Gold and Classic ranges. One of their customers even rang us to say thanks for a great product and to acclaim the service she received from Angie and Domenic.
- Our Tasmanian customers continue to report that our quilts are still popular with thieves, unfortunately this trend has now moved south and it's Hobart's turn.

His & Hers alpaca quilts

During last year's winter season, several retailers asked if we could design a 'dual warmth' quilt to suit those couples whose personal sleeping temperatures are different to the other.

After some thought and creative design trials, we came up with the His & Hers quilt range. Warmer on one side than the other, the range is available in queen and king sizes, in the Alpaca Classic style (60% alpaca and 40% wool filling) and the luxurious Alpaca Gold (100% pure alpaca filling).

Studies in Europe have shown that generally women need more warmth during sleep, especially as they get older, and on the other side, men seem to get warmer. Since launching the His & Hers quilts, retailers advise that this theory doesn't necessarily hold true as customers advise that they are usually the other way around!

Either way, the fact is that sleeping partners are often different in their sleeping profiles and that our Alpaca Classic or Gold, His and Hers alpaca quilts are the answer.



Our strength and future

In the last few years, we have supported the Australian Made Campaign, not only as an AM licence holder, but in assisting them to promote the concept through business networking presentations to other Australian businesses.

It is of concern to note that in the last few years the proportion of bedding products that are imported, often of inferior quality, is dramatically increasing. Since our last newsletter, several Australian bedding manufacturers have closed down against import competition, which is very disturbing. All of our alpaca bedding ranges are manufactured in Australia, and are sold through retailers who are equally supportive of the AMC program, including Harvey Norman, Forty Winks and Bev Marks retail outlets.

Of particular note, Kelly & Windsor was recently invited to attend the 20th birthday of the AMC in Canberra with John Howard, the Australian Prime Minister to celebrate the event.

The Australian Made logo has a very high recognition and consumer recall profile and is used on all of our product packaging. Kelly & Windsor is actually unique in that its entire range is made in Australia, whereas several other Australian bedding companies' lines are actually imported to compliment their locally made products.



ALPACA
gold

ALPACA
classic

Kelly & Windsor...

World class quality

Since last winter, we have been very busy working behind the scenes in undertaking a 5S Japanese manufacturing best practice program, reengineering our quilt pad line, installing new equipment and improving several of our unique process systems.

All of these continuous improvement programs have been undertaken to update and improve our manufacturing processes with the goal for 100% quality.

In addition, we have recruited and trained new staff (see page 4) and have been busy in the new products department with several developments for using alpaca fleece in the baby bedding market after several recent enquiries.

Kelly & Windsor

the Australian Alpaca Bedding Company

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2007 News

New staff

Jim Williamson, Manufacturing Manager, extraordinaire, joined us in January from Macquarie Textiles with extensive experience in natural fibre processing in carding and non woven manufacturing.

Hong Hygen, quilting supervisor and machinist.

New web site

Launched in December, we have refreshed our web site including new product updates, photography and information pages. Since its launch, the daily visits have dramatically increased especially with the new on line enquiry portal.

New agents

Vabel Agencies in NSW/ACT (Phil Abel on 0411 874 882)
Downunder Textiles in South Australia (David on 0427 770 009)

New Sales Kits

Now available in English and Chinese designed for sales training and customer information.

Inside Business—ABC TV

Kelly & Windsor was featured on the "Inside Business" program on ABC television on 8th July 2007. The program was a great story with alpacas, staff and our manufacturing in progress. The program is on line at www.abc.net.au/insidebusiness.

Photograph courtesy of adz@works, taken in June 2007, for a case study feature "Best practice & Innovation" in the Hume Economic Update magazine.

SEE US AT **Stand A112**

+DECORATION
DESIGN MELBOURNE07

19-22 July 2007
Melbourne Exhibition Centre
Southbank



Kelly & Windsor will once again be exhibiting at the Design + Decoration Show, Australia's premier home show. Come and see us to experience the luxury of the finest Australian made alpaca quilts, underblankets and pillows. We will have on our stand, the full alpaca bedding range, plus the new His & Hers quilts featured in this newsletter.

Shanghai Home Textile Fair, 29th to 31st August 2007

An Australian company exporting luxury consumer products to China? Absolutely. In the last year we have shipped several orders to Beijing, Shanghai and Hong Kong and are receiving new enquiries from China every week. With the support from Austrade, we will be exhibiting at the Shanghai Home Textile Fair in August 2007. This premier show offers us an ideal opportunity to promote the Kelly & Windsor alpaca bedding collections into China, the worlds fastest growing consumer market.



駝羊毛

“帶給你前所未有的睡眠經驗