

Connector

News and views from the co-operative.

60
YEARS

Celebrating 60 Years of our
NZPM co-operative

December 2024

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Chair's update



Welcome to our December Connector newsletter.

The Board and staff were very saddened by the passing of Mark Whitehead on 13 November 2024. Mark was very passionate about the plumbing industry and NZPM. We were deeply appreciative of his hard work and dedication through the 11 years of services he gave to the co-operative as a Board member, and his time as Chair of the Remuneration Committee. Mark retired from the Board in August 2023 to focus on spending time with his family as his health declined. We will miss Mark for many things, including his sense of humour and contagious enthusiasm. His presence in our lives will be deeply missed both as a colleague and friend.

As Rob outlines in his CEO article, there are some early signs of improvement in the economic conditions for New Zealand. The recent decision by the Reserve Bank to cut the Official Cash Rate by a further 50bp to 4.25% is a positive move. Despite the current market challenges, we remain appreciative of our shareholders and customers who help ensure the co-operative remains in good heart and tracking in line with our reduced expectations. The Board also highly values the hard work and dedication demonstrated on a daily basis by our staff who continue to deliver great service to you all.

In November, your Board and Management team met for our annual strategic planning review for the co-operative. NZPM operates annual, five year and ten year rolling strategic plans that we update towards the end of each calendar year, and these in turn feed into our business and budgetary planning for the upcoming financial year that starts in April.

At a high level, there are three key strategic focus areas required for NZPM to be successful and deliver the strategic plan. They are:

- Leveraging technology - including our Microsoft Dynamics 365 implementation and pwGO ongoing development;
- Having a high-quality customer focused service model; and
- Growing our own brand programme

The team are focused on doing all the right things at both the strategic and operational levels to ensure the co-operative remains competitive and viable in the long term. You can be assured that every discussion we have and all decisions we make around the board table are centred around and tested against our commitment to continue delivering sustainable shareholder value to you all.

Finally, as this is our last Connector for 2024, I'd like to acknowledge the support of my fellow directors and our great team across NZPM for their hard work and dedication throughout the year. Likewise, I want to thank our shareholder members and customers who continue to support us every day with your business.

On behalf of the Board, I wish all of you and your families a safe and enjoyable Christmas and New Year.

Kind Regards,
Kathy Meads
NZPM Chair



CEO update



Ngā mihi o te wā – season's greetings. Another year has raced by, and the Christmas and New Year holiday season is once again upon us.

Reflecting on 2024, it is evident that market conditions have been challenging. However, I would like to acknowledge some of the positive achievements we have collectively made over the past twelve months despite the economic challenges we have faced:

- In May, we successfully hosted nearly 220 delegates, with approximately half attending for the first time, in Port Douglas for our biennial overseas trip. In addition to fostering camaraderie among fellow shareholders, there was noticeable excitement as we announced Dublin as the destination for our 2026 event.
- In September, we distributed a Co-operative Dividend to Ordinary Shareholders. This was made possible due to the consistent support of our loyal shareholders and the excellent service provided by our staff, despite the highly challenging market conditions.
- In October, we opened a Plumbing World satellite branch in Greytown to support our members and customers in the Wairarapa.
- In October, we crowned Blake Patrick from Limitless Plumbing and Gas in Whangarei as the 2024 Young Plumber of the Year winner. Blake surpassed nearly 400 contestants during the branch and regional events including 9 other exceptional finalists to be named this year's winner.
- In November, we launched our new Microsoft Dynamics 365 (D365) platform. This was a three-year effort, and we're excited to begin using it in

the Distribution Centre, Metrix and our Plumbing World Onehunga branch. We are planning to add the Plumbing World Kumeu and Pukekohe branches during December and complete the rollout across the whole Plumbing World network in early January 2025.

The D365 project has been three years in development and testing, and I want to thank all our shareholders and customers for your patience during this time. Once we convert the remaining Plumbing World branches across, we will then spend the next few months "bedding" the new system in.

While it's been a costly investment, it gives us a world-class software system that will improve our operations and customer services moving forward. Our near-term plans include developing our pwGO customer interface technology and adding new services to the platform to create efficiency in your businesses.

The final highlight for the year has been various celebrations with our shareholders to mark NZPM's 60-year Anniversary. It has been great to celebrate and reflect in person with many of our shareholders during the year as we continue to position the co-operative to looking for new ways of delivering sustainable value to our shareholders. Of course, you can help us in that endeavour – the more you buy from Plumbing World, the stronger your 100% New Zealand owned NZPM Co-operative will be.

Thank you for your support of NZPM, Metrix and Plumbing World during 2024 and we look forward to continuing to ensure your co-operative continues to be strong and resilient through the months and years to come, providing the great service that you expect from us.

On behalf of everyone at NZPM, we wish you a Merry Christmas, an enjoyable and relaxing holiday season, a safe and wonderful New Year and we look forward to working with you in 2025.

Regards,

Rob Kidd
NZPM CEO

We invite you to talk with your local branch manager about registering for our 2026 overseas trip to Dublin, Ireland.



Scan here for more information.

LET'S PAINT THE TOWN GREEN BLACK!

9th – 15th May 2026



plumbing.world
PW DOES DUBLIN
2026

Metrix update



As we finish up the calendar year it's a good opportunity to reflect on the year that has been. This year has been filled with challenges and achievements, and we couldn't have done it without you. Your feedback and collaboration have been invaluable, helping us to improve and innovate continuously. Whilst it's clear that the

market environment has presented significant challenges and projects being paused, as a business like many of yours, we have had to adapt quickly to stay competitive.

Despite the hurdles, our team has demonstrated resilience and we have found that a focus on discipline and preparation ensures we are well placed to secure projects from high end residential to commercial buildings using our market leading European brands.

We are excited to announce that a new brand will be joining the Metrix portfolio in early 2025. This exclusive Italian range has been carefully selected to inspire and captivate designers and project owners alike, so we look forward to sharing more details with you soon.

We are committed to providing you with the best possible service and look forward to working closely with you and your teams in the coming year.

We wish you a safe and relaxing Christmas break.

Karin Cunningham
Metrix General Manager

Social Responsibility

Breast Cancer

Through October, Plumbing World sites around the country got behind the "pink for a day" fundraising campaign, dressing in pink to show their support. In total, Plumbing World raised over \$1,100 for Breast Cancer NZ. Plumbing World was also proud to support Christine and Brian Norton from Norton Excavation & Drainage Limited, shareholders in Rangiora who completed the Pink Ribbon Walk in Christchurch.



Breast Cancer
Foundation NZ



Gumboot Friday

On November 1st, Plumbing World staff and customers around the motu showed their support for Gumboot Friday; together, we raised over \$1,000 which will help provide free counselling for young Kiwis around New Zealand.



Director's point of view



As we approach the end of another year, it's hard to believe that 2024 is already drawing to a close. For many New Zealanders, this year will be remembered as one of significant challenges, particularly within the building industry. As Chair of the Membership Committee for NZPM, I've had the privilege of personally welcoming and thanking our newest shareholders for choosing to join our co-operative.

During conversations earlier this year, it was clear that while optimism remained, many members were navigating tough times and could have used more work. Over the past few months, while the shift hasn't been monumental, we're beginning to see some very early signs of recovery. With the Reserve Bank easing the Official Cash Rate (OCR) and the new government settling into its role, there's hope that long-overdue infrastructure projects will soon get underway — projects that our country urgently needs.

At NZPM, we've faced similar challenges to those many of you encounter in your businesses. We've maintained a strong focus on critical elements such

as cashflow management, margin, and ensuring our operations are right-sized. At the same time, we've kept an eye on the future to position ourselves to capitalise on opportunities as conditions gradually improve.

Last month we held a strategy meeting where we reflected on some significant milestones achieved in 2024. These are accomplishments we can all celebrate as we head into the holiday season:

- **Growing Membership:** We now have 1,100 transacting shareholders, a testament to the strength and appeal of our co-operative model.
- **Technology Advancements:** On November 25, we went live with the Distribution Centre, Metrix and the first branch with our new Microsoft Dynamics 365 system, with the remaining branches set to go live over the holiday period. This marks a massive milestone for NZPM and represents a major leap forward in our technology platform.
- **Celebrating 60 Years:** This year, NZPM celebrated its 60th anniversary as a co-operative. Events were held across the country, often in partnership with shareholder businesses that have also reached this remarkable milestone.

As we look ahead to 2025, I am confident that brighter days lie ahead. On behalf of myself and my fellow board members, I'd like to extend my warmest wishes for a Merry Christmas to our shareholders and their families. May the New Year bring prosperity and growth for all, as we are sure that, in time, conditions will improve.

Craig McCord,
NZPM Director

Trade Survey summary

In August this year we sent out our biennial trade customer survey to all shareholders and trade customers. Many thanks to all those that took the time to respond.

Here are the key highlights:

- **65%** of respondents were shareholders
 - **70%** of shareholders purchase plumbing supplies at least daily
 - **65%** of shareholders have 5 or less employees
 - **68%** of shareholders use Plumbing World for over 80% of their purchases
 - **67%** of shareholders have used the pwGO App
 - **94%** of shareholders and account holders said that Plumbing World has met or exceeded their expectations with great customer service and going the extra mile
- **70%** of shareholders place a high/very high value on being a NZPM shareholder

The top priorities for shareholders and trade account holders are:

- Key products always being available
- Staff providing timely and efficient service
- Competitive prices
- Stocking a wide range of products/brands

This data provides us with valuable insights into how we can better meet your needs and make it easier for you to do business with Plumbing World. We understand that having knowledgeable staff can make the difference between a good and a bad experience for you.

This valuable survey has identified opportunities for Plumbing World to continue to deliver great customer service and sustainable shareholder value.

HOLA from Barcelona!

Eight lucky guests had the experience of a lifetime on a trip to the America's Cup in Barcelona in October, hosted by Plumbing World and Rinnai. With four trips for two people, each winner spent seven unforgettable nights in this vibrant city, enjoying exclusive and luxurious activities.

Highlights included dining at a prestigious 3-Michelin Star restaurant and exploring the famous La Boqueria food market with a top chef, sampling an incredible variety of mouth watering tapas. The participants were treated to a front row seat on a private vessel to the thrilling yacht races, taking in the action from the water. In the evenings, they

were immersed in Spanish culture, enjoying a traditional flamenco show.

Winners were treated to an unforgettable journey cruising around in a classic sidecar motorbike visiting local architectural masterpieces of Segrada Familia & Park Guell by Gaudi.

The guests were caught up in the excitement of the America's Cup Race Village in Port Vell, soaking up the atmosphere and witnessing Team NZ's victorious performance with all the Kiwis celebrating together. A true trip of a lifetime with some incredible memories!



Mark Whitehead – Obituary

Mark Whitehead, a stalwart of the plumbing industry, sadly passed away leaving behind a legacy of dedication and passion. Mark's journey in plumbing began in 1973 and led to setting up Whitehead Plumbing & Gas in Christchurch.

Mark's influence extended beyond his business; he was a key figure in the Canterbury Master Plumbers Association, and was Chairman of the Canterbury Master Plumbers from 1991 to 1993 and remained on the Canterbury Executive until a few years ago. Mark became a life member of the Canterbury Association in 2007.

Mark's commitment to the industry was unwavering. He served as National Master Plumbers president, a director of the New Zealand Master Plumbers Board, and was instrumental in establishing Masterlink, a program that has trained thousands of successful plumbers.

Mark's contributions were recognized with Life Membership of Master Plumbers in 2020. He also proudly served on our NZPM Co-operative Board as a director for 11 years through until August last year, where his fair and passionate contribution was highly valued.

Mark was a committed supporter of our Young Plumber of the Year competition putting his money where his mouth was and having Whitehead Plumbing & Gas as a key sponsor, helping educate, develop and grow the next generation of plumbers.

Mark is survived by his wife Nicola, their children Sophie and Tom, and a legacy of mentorship, leadership, and friendship. His impact on the plumbing industry and the lives he touched will be remembered fondly. Farewell, Mark.



New Gold Rebate PRODUCT RANGE

We are pleased to announce that the exclusive range of Aladdin Valves have joined our Go for Gold rebate programme, meaning transacting shareholder purchases of Aladdin products are eligible for a the 2% gold rebate.



THE **QUICK-FIT** PLUMBING
ISOLATION VALVE FOR
LIVE PRESSURISED PIPE

exclusive to
plumbingworld

Aladdin +



Shareholder Loyalty



Park and Clarke Ltd

60
YEARS



Heron Plumbing Ltd

60
YEARS



Klee Plumbers Ltd

30
YEARS



Henk Otte Plumbing Gasfitting and Drainage Ltd

30
YEARS



Harrco 2016 Ltd

10
YEARS



Brokenshire and Ross Plumbing Ltd

10
YEARS



Nations Plumbing Ltd

40
YEARS

60 YEARS

Celebrating 60 Years of our
NZPM co-operative



NZPM's Statement of Purpose
Delivering Sustainable Shareholder Value



AQUASOURCE

Part of our NZPM Co-operative

plumbingworld

metrix