

# Connector

News and views from the co-operative.



## **Chair's update**

It was an honour to chair the Annual Meeting for the first time which was held in Christchurch. I very much enjoyed the opportunity to meet a number of our NZPM Shareholders at the events held over the weekend.

The approval by shareholders to change our legal name to NZPM Co-operative Limited is an exciting development that reinforces the heritage and status of our co-operative.

Our Annual Meeting business update outlined that despite the continued market weakening, NZPM is in good shape, and well positioned to continue to implement our strategies for the future.

At an operational level, we continue to innovate to create great customer experiences and deepen our customer relationships. We are using technology and our people to further diversify and strengthen our business model.

Like all businesses, NZPM is required to balance business reinvestment, shareholder returns and managing our long-term capital funding.

Our strategy of continually reinvesting in the core business allows us to enhance the presentation of our Plumbing World and Metrix network and improve business efficiencies to provide consistent customer service at an affordable operating cost.

The board is committed to supporting business reinvestment, particularly in our technology platforms as this is an enabler to new services, improved customer connectivity, enhanced business controls and will support us to work on lowering our long-term cost base through labour productivity gains.

Your board and management remain confident that our co-operative has the right strategy, leadership, and culture to deliver on its full potential, whilst remaining well prepared to respond to operational risks.

Equally, our consistently strong performance will ensure that NZPM can continue to look to the future with confidence, and the co-operative will remain a sustainable long-term value proposition.

The NZPM Future Governance Programme was first introduced in 2017 with the aim of fostering future elected director capability from within our ordinary shareholder membership pool, and both the board and our members remain supportive of this initiative.

Our objective in running this programme has been to identify shareholders who want to be involved in the future governance of NZPM, and who demonstrate the core attributes for development and mentoring as potential future directors.

We have now had eight shareholder members complete the programme, with several of them continuing their governance development in a range of businesses including Master Plumbers and Combined Builders Co-operative.

This year, we had two very strong candidates emerging from the selection process and have decided to make a single appointment for 2023 and also confirm an appointment for 2024 now. I am pleased to confirm that this year's appointee is Joel Eddington from Your Local Plumber in Auckland and Kirstie Brown from Jason Brown Plumbing & Gas in Wellington will join us from September 2024.

I was delighted to announce the results of our director election at the Annual Meeting with Joe Calkin and Reuben Cutts being elected to the board. The election of two, new, younger directors is great for the long-term future of our co-operative and demonstrates the benefit in the past investment

of our Future Governance Programme, as Joe and Reuben are past participants. It was with a tinge of sadness that we farewelled Mark Whitehead who retired from the board after eleven years of service. On behalf of the board, I sincerely thank Mark for his outstanding service and loyalty to the co-operative as a director, a shareholder, and a customer. Many of you will recall some of the more challenging issues Mark and other board members were required to navigate their way through during his time on the Board.

With next year being our 60th anniversary, we will return to Wellington for the Annual Meeting and extended celebrations and we look forward to seeing many of you there.

On behalf of the board, I'd like to thank all of our members for your continued support of NZPM, Plumbing World and Metrix, and I'd especially like to thank all of our management and staff across the business for their hard work and dedication in continuing to make NZPM the great co-operative that it is today.

Kind Regards,  
Kathy Meads  
NZPM Chair



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## CEO update

It was fantastic catching up with many of you at the NZPM Co-operative Annual Meeting a couple of weeks ago.

For those of you not able to attend, let me take this opportunity to summarise a few key matters all shareholders should be aware of.

We have officially changed our company name to NZPM Co-operative which better reflects our co-operative ethos and brand. While largely in daily use already, you will see our website and other naming conventions progressively change over the coming months.

Our scaled business model ensures we connect industry reputable suppliers to over 1,000 shareholders and thousands of customers through our core strengths of value-added service, a global supply chain, and our great people.

We have become a truly omnichannel business, meaning our customers can purchase from Plumbing World and Metrix either online, using mobile devices or by coming into our stores, with all this activity, service and value being made possible by our 620 incredibly hard-working people from across the country.

Our overall carbon footprint reduced 9.5% per employee over the previous year and currently, almost all our sales force vehicle fleet are hybrid vehicles, which equates to 19% of our total fleet and last year we purchased our first hybrid delivery truck.

During the past year, 54 staff were internally promoted demonstrating the great career prospects NZPM, Plumbing World and Metrix provide.

For NZPM to continue to be successful, it is fundamentally important that we continue to invest quite significantly in Digital and Technology platforms and applications to help improve internal business efficiencies and productivity. At the same time we need to focus on growing services and connectivity to our customers, to help make dealing with Plumbing World and Metrix that much easier, efficient and time saving for you.

Capgemini are now about 80% through the build phase of changing our technology platform to Microsoft Dynamics 365. We will be undertaking our extensive testing of the new software between now and Christmas.

While the fundamental value propositions of our co-operative remain attractive, we will continue to look for new opportunities along with refining our existing service offers to help NZPM continue delivering sustainable shareholder value.

Thank you for your continued support of our great co-operative, and we look forward to working with you as we build on the already strong platform that has been established.

Regards,  
Rob Kidd  
Chief Executive Officer





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## Director's point of view

It was great meeting many of you at our Annual Meeting in August and I appreciate this opportunity to introduce myself to all shareholders. My name is Dean Carroll and I am a professional director and joined the NZPM Board in March this year. One of the distinguishing aspects of NZPM that attracted me to join was the co-operative structure — and I have given some thought to what it is that makes this so special and advantageous for members, and to how it remains relevant today.

Reading the 50 year anniversary book it was clear to me that a group of visionary plumbers were dissatisfied with the industry structure existing at the time, which resulted in unsatisfactory commercial terms and service to the plumbers operating their businesses. The establishment of a co-operative was a radical response that forced positive change in the industry from a plumber's

perspective, giving access to more of the value chain and placing them in control of the service elements most important to making their own business more profitable.

I am very pleased to be a part of this ongoing journey. I believe that early vision is not yet fully achieved. NZPM has not only enjoyed stellar growth financially, but it continues to innovate, increase service levels and provide solutions that benefit plumbers and builders and make them more successful. Whilst the co-operative dividend gives access to the “up stream” margin associated with the provision of plumbing service, the co-operative continues to do a great deal more. The Tupu Tahī technology project is an upgrade of the core enterprise IT system to Microsoft Dynamics 365 which will not only increase profitability but also provide a platform for continued innovative service improvements. It is a significant investment, one I fully support, and an example of the kind of commitment NZPM has to delivering sustainable value to its shareholders. The competition will no doubt follow, but the question is — would they have done so without the industry leader NZPM continually raising the bar?

As our co-operative looks forward to its 60th birthday next year, I believe the underlying benefit of the plumbing merchant community controlling their own destiny is as strong now as it was in the beginning.

Best wishes,  
Dean Carroll



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## Metrix Update

We are very proud to announce that Metrix have opened their stunning new flagship showroom at 65 Parnell Rise, Auckland. This showroom showcases the best products on offer from our international brands such as Duravit, Dornbracht, Valsir and Vola. The combination of exposed brick and raw concrete provides an excellent back drop for customers to peruse product at their leisure, whilst imagining it in their new home or project. We invite you to come and see the space for yourself — bring clients and let our showroom team help to create a specification of NZPM brands for your next project.



If you're unable to come to Parnell, our specification team are nationwide in Christchurch, Wellington, Bay of Plenty and Auckland — they will come see you to work through a specification that is fit for purpose using Metrix, Levivi and Toto product which benefits our co-operative and also allows us greater control over the supply chain, ensuring we have the product when you need it.

Please do not hesitate to contact me with any feedback or questions ([info@metrix.co.nz](mailto:info@metrix.co.nz)).

Thanks  
Karin Cunningham

# Young Plumber of the Year 2023



The 2023 Plumbing World Young Plumber of the Year branch events have just concluded seeing over 350 competitors nationwide put their skills to the test.

Our suppliers have enjoyed the opportunity to meet and recognise new talent, promote high standards and instill pride in the trade. Competitors have had a great time with the theory and practical tests, learning and networking during the process and are thrilled with the prizes on offer!

A big thanks to you — the employers for getting behind this initiative and recognising its importance for the industry and country as a whole. We need to nurture talent to ensure a better plumbed New Zealand and the ‘Young Plumber of The Year’ is the place to celebrate this. As a result, we hope to see more tradespeople shopping with Plumbing World and contributing to the economy.

Next, the top scoring 80 competitors will come together to compete in the Regional Finals, kicking off in Wanaka on 19th September and make their way up the country finishing in the North Shore,

Auckland on 12th October — only 10 will make it through to the National Final in November! We welcome you to come along to any of the Regional Finals listed below.

If you have any questions, please don't hesitate to ask your local branch manager, or contact us at [ypc@plumbingworld.co.nz](mailto:ypc@plumbingworld.co.nz)



REGIONAL EVENTS			
<b>Tuesday, 19 September 2023</b>	Wanaka	Wanaka Community Hub, 34 McDougall St, Wanaka	5:30pm – 8:30pm
<b>Thursday, 21 September 2023</b>	Christchurch	Christchurch Town Hall (Avon Room), 86 Kilmore Street, Christchurch	5:30pm – 8:30pm
<b>Wednesday, 27 September 2023</b>	Porirua	Paremata Plimmerton Rugby Club, Pascoe Avenue, Paremata, Porirua	5:30pm – 8:30pm
<b>Thursday, 28 September 2023</b>	Palmerston North	Awapuni Racecourse, 67 Racecourse Road, Palm Nth	5:30pm – 8:30pm
<b>Wednesday, 4 October 2023</b>	Mt Maunganui	Baypark, Arena Suites, 81 Truman Lane, Mt Maunganui	5:30pm – 8:30pm
<b>Thursday, 5 October 2023</b>	Hamilton	Hamilton Working Mens Club, Pavilion, King St, Frankton	5:30pm – 8:30pm
<b>Wednesday, 11 October 2023</b>	Manukau	Due Drop Events Centre (Sir Noel Robinson Conference Centre), 770 Great South Road, Wiri, Manukau	5:30pm – 8:30pm
<b>Thursday, 12 October 2023</b>	North Shore	North Harbur Stadium (South Lounge), Stadium Drive, Albany, Auckland	5:30pm – 8:30pm

## Drury Branch

Plumbing World's new Drury branch had their official opening function in late August. Located at 4 Bill Stevenson Drive, there is a stunning showroom to really inspire your customers, and a full service trade area to look after all your requirements. This innovative new site is our 57th branch for Plumbing World and proudly utilises sustainable building practices including having two EV charging stations for customers and staff and a suspended ceiling in the trade area helps reduce temperature extremes.

So go and check out the new Drury Branch when you are in the area.





# Social Responsibility

## The life-changing difference

Isaac was just six years old when he was orphaned. His mum died suddenly, and then, just five weeks later, his dad passed away from cancer.

"What I remember of dad is he was big, he was a bear, he was kind and never yelled. Mum, she was caring," he says.

His grandma, Shirley said Isaac's parents were his world. Shirley took him and his older sisters in, but she was also dealing with the recent sudden death of her husband. It was an incredibly tough time. Shirley told us: "He had a lot of fear about where his future's going to go and he came to live with me and then the fear was what if something happened to me, where would he go then?"

Shirley said young Isaac, a gentle homeboy, was lost. She felt he needed a strong male role model in his life, but at the time, his uncles and older brothers were dealing with their own grief. "I wasn't looking for a father figure for him, I was looking for a friendship for him, outside the family with no ties to, that he could talk 'boy things' and friendship things with — things he couldn't come to grandma with," Shirley said.

Then in came youth mentor and Big Buddy, Shane Brown. For the past five years, they've met up weekly and they chat and text regularly about anything and everything. Shane told us "The biggest change I have seen in him is his confidence. He's always been a quiet respectful young man and I have seen him develop into someone who is really sure of himself."



The pair have become so close that Isaac was even the ring bearer for Shane when he got married last summer. "To have him there symbolised the fact it wasn't a fleeting sort of phase, this Big Buddy thing. It's real, it's a permanent, positive connection. I felt privileged to have him there."

Isaac has had more knock backs in his short life than most of us have in a lifetime, but joining the Big Buddy programme made a life-changing difference. Isaac's confidence and sense of security has grown, knowing Shane turns up just for him — and will keep doing so.

If you're interested in becoming a Big Buddy, or would like to learn more, visit [bigbuddy.org.nz](http://bigbuddy.org.nz)



## Bowel Cancer NZ

Many thanks to everyone who supported 'Move Your Butt' in June. Over \$5,000 was raised for Bowel Cancer NZ from our 'Move Your Butt' fundraising page, from shareholder donations, and a Trade Me Auction with a LeVivi toilet. We also supported Radio Hauraki's 'Day in Loo' promotion and donated 5x LeVivi toilet suites for the radio announcers to broadcast live from, over a 12 hour period. This generated plenty of interest and we created a lot of awareness for our own brand LeVivi toilets. Bowel Cancer NZ are extremely grateful for Plumbing World's support.





# It's not too late to register

Join us and discover the Pearlers of Port Douglas at Plumbing World's 2024 overseas trip.

For more information and to register for this incredible trip, visit [nzpm.co.nz/shareholder/benefits/overseas-trips-programme](http://nzpm.co.nz/shareholder/benefits/overseas-trips-programme) or email Michelle on [michelle.bingham@plumbingworld.co.nz](mailto:michelle.bingham@plumbingworld.co.nz)



## Shareholder loyalty

