

Rivals call Allied's bluff

Divine has high hopes

PRESSURE has mounted on Allied Domecq to lift its \$149 million bid for South Australia's Peter Lehmann Wines after directors continued to favour a matching offer from Hess Group.

British alcohol group Allied, the largest shareholder in PLW with 14.5 per cent, dropped its 51 per cent stake condition in an ongoing battle to raise interest in its latest \$4-a-share bid.

by Tania Bawden

However, Hess — PLW's US distributor — has raised its holding in PLW by 1 per cent to 6.4 per cent after equalling Allied's revised \$4-a-share bid price late on Thursday.

Shares in PLW rose 2¢ to \$4.06 by Friday's close, pointing to higher offers in the bidding race before the current closing date for acceptances of October 24.

"The situation remains fluid and there could be a further change to either offer," PLW chairman Richard England said after Friday's board meeting.

In order to force a resolution to the six-week stand-off, Mr England said directors now suggested that shareholders accept the Hess offer for all of their PLW shares.

Hess originally set a 35 per cent threshold to enable shareholders to retain an interest in the Barossa Valley company.

Mr England acknowledged some shareholders wanted to remain as minority investors.

"There are a number of implications for shareholders electing to remain as minority shareholders in PLW," he warned.

PLW's independent directors stuck with Swiss-based Hess because of its good relationship with the family-controlled Barossa Valley winemaker and the potential impact on profits and dividends from a change in control.

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"On a price earnings multiple in our sector, people have recognised that we were undervalued and that's the reason for the recent increase."

Analysts say that although there has been a re-rating of Devine shares, the stock has only risen gradually since July because of uncertainty surrounding the Victoria Point project.

Nor has a decline in after-tax profits from \$26.6 million to \$13.2 million for the latest June year on the back of a 10 per cent fall in revenue and an unchanged dividend of 7¢ per share helped the stock's performance.

That's particularly so when it's occurring in the middle of a building boom and when Devine is compared with its peers.

Devine's competitors have reported growing profits on the back of the nation's property market surge.

Fellow Queenslander Tamawood, which is that state's biggest builder of detached houses, saw after-tax earnings rise 6 per cent to \$3.57 million in the year to June 30 and the firm remains debt free.

Share prices have trebled since it went public in August 2000, with market capitalisation growing from \$11 million to \$45 million.

Villa World's after-tax profits shot up almost 47.6 per cent to a record \$19.63 million in the same period, while Sunland last month reported a doubling of its after-tax profits to \$27.2 million.

Much of Devine's 50 per cent profit fall stemmed from the ditching of its first home buyer division in New South Wales and from writing off \$7.24 million in costs incurred when the company shelved its \$225 million Georgian unit complex in Brisbane.

Mr Devine declined to discuss the project, except to say that its cancellation last November had benefited the market and there had been no lack of demand for its 433 units despite media reports of slowing sales.

In the aftermath, Devine settled a financial dispute with joint venture partner Urban Properties out of court.

CFA warms to mill's new mix



Small Business

by Louise Hattam

AUSTRALIA'S last standing coloured woollen mill, led by one of the nation's oldest businessmen, has knitted together a new contract with the Country Fire Authority.

Creswick Woollen Mills has won the \$600,000 contract to supply more than 6000 state-of-the-art fire-fighter safety blankets to the CFA for the next two years.

Despite widespread closures of woollen mills in recent years due to cheaper imports, the mill in the small Victorian town of Creswick has survived as the only coloured woollen spinning mill of its kind in Australia.

The company's Personal Protection Blankets were developed in conjunction with the CFA to comply with revised safety specifications.

Creswick had been the sole supplier of wool blankets to the CFA for more than 20 years when the upgrading of safety standards threatened this major sector of the business.

To retain the CFA business, the company embarked on a search for materials which could be blended with wool to meet stringent new requirements.

Because pure wool blankets crumble at temperatures of more than 200deg, they were no longer permitted on fire trucks.



That's a wrap: Boaz Herszfeld and Ian Zmitrowicz from Creswick Woollen Mills hand over safety blankets to CFA firemen Rob McGrath, Stephen Atkinson and Mark Spenceley. Picture: Daylesford Advocate

Creswick Woollen Mills met with the CSIRO and the CFA while searching for a tensile fibre able to resist melting at scorching temperatures.

The end result was a world-class blanket made from 88 per cent wool and 12 per cent aramid. Aramid, a form of nylon, is a flame retardant that boosts the blanket's strength when it's woven into the wool.

"After two years of research, we found specific aramid fibre that fulfilled the criteria," Creswick Woollen Mills executive director Boaz Herszfeld said. "Then we had

to construct the fabric which needed to be strong with a low heat transfer index."

He said it took another 12 months of experimenting with different weaves.

"Since March this year, we are in commercial production and are proud to still be the sole supplier to the CFA."

Mr Herszfeld said developing the new product was possible because government agencies believed in manufacturing specialised fabric products locally. "CFA took the time to develop the product in Australia," he said.

Creswick Woollen Mills is the largest private employer in the region, employing more than 50 people and 140 throughout Victoria with contractors and suppliers.

The company was founded in 1947 by Polish immigrant Paul Ryzowy, who is now 92 and is still the company's chairman.

Mr Herszfeld said innovation and diversification were the keys to the company's survival.

Its range of products is diverse, and includes woollen blankets, throw rugs, fabrics for lining sports jackets, elec-

tric blankets, theatre curtains and horse rugs.

Another of Creswick's innovations are products made from 100 per cent Australian-bred alpaca fibre, supplying them to David Jones and Country Road homeware stores.

● A free small business seminar, *Running your own show: tips and traps in small business start-ups*, will be held at CPA Congress 2003, Thursday, October 16, 5.30-7pm at Melbourne Convention and Exhibition Centre. Details: 9606 9606.

Auctions

- ST ALBANS** 36 Bent St 4rms \$182,250 Westside
- ST ALBANS** 6 Fairfax Cr. BV 3rms 550sqm \$210,000 John Kontek
- ST ALBANS** 43 Mulhall Dve BV 4rms 15x35m \$238,000 Bells
- ST ALBANS** 5 Jacinta Way BV 4rms 18x30m \$308,000 Metro RE
- ST ALBANS** 39 Eddie St v/land 15x38m \$140,000 Metro RE
- ST ALBANS** 24 Trafalgar St BV 3rms 15x35m \$196,000 Metro RE
- ST ANDREWS** 30 Buttermans Track MB 10rms 8ha \$650,000 res \$765,000 Ken Buckland
- ST KILDA EAST** 4 Young St WB 4rms 7.6x25m \$473,000 Hocking Stuart
- ST KILDA EAST** 8/52 William St B 3rms strata \$239,000 Hocking Stuart
- ST KILDA EAST** 9 Godfrey Ave B 5rms 223sqm \$485,000 Wilson Pride
- ST KILDA EAST** 10/36 Brighton Rd B 4rms stratum \$236,000 res \$259,500 Wilson Pride
- ST KILDA WEST** 3/77 Park St B 4rms strata \$385,000 Biggin & Scott
- ST KILDA WEST** 310 Canterbury Rd B 5rms 8x22.1m undisc Buxton
- ST KILDA** 18/16A Chapel St B 3rms strata \$225,000 to \$230,000 res \$242,500 Hocking Stuart
- ST KILDA** 24/16A Chapel St B strata 3rms \$225,000 res \$235,000 FMR RE
- ST KILDA** 15/6 Marine Ave B 2rms strata \$225,000 res \$235,000 Wilson Pride
- ST KILDA** 2/66-68 Chapel St B 4rm strata \$271,500 Hocking Stuart
- ST KILDA** 3/197 Inkerman St 1 BR strata \$227,000 Ray White Elstermwick
- ST KILDA** 7 Marriott St B 6rms irreg \$510,000 Hocking Stuart
- STRATHMORE** 103 Mascoma St WB 5rms \$545,000 Nelson Alexander
- SUNSHINE NORTH** 29 Albert St WB 5rms 15x31m \$248,000 to \$250,000 res \$260,000 Barry Plant Doherty
- SUNSHINE NORTH** 39 Dunkeld St B/clad 5rms 580sqm \$202,500 John Kontek
- SUNSHINE NORTH** 100 Phoenix St BV 5rms 15x33m \$280,000 Douglas Kay
- SUNSHINE NORTH** 75 Clayton St BV 3rms 15x40m undisc Stockdale & Leggo
- SUNSHINE NORTH** 8 Craddock Cr. BV 3rms 16.5x30.5m \$287,500 res undisc Stockdale & Leggo
- SUNSHINE NORTH** 1 Bradley St BV 5rms 15x42m \$340,000 Sweeney
- SUNSHINE WEST** 36 Bardsley St WB 5rms 15x39m undisc Barry Plant Doherty
- SUNSHINE WEST** 73 Joan St BV 6rms 680sqm \$282,000 res \$300,000 John Kontek
- SUNSHINE WEST** 6 Darwinia Cr. BV 6rms 580sqm \$325,000 John Kontek
- SUNSHINE WEST** 2/21 Raymond St BV 3rms strata \$241,000 Metro RE
- SUNSHINE WEST** 28 Whitesides Ave BV 3rms 15x42m \$238,000 Stockdale & Leggo
- SUNSHINE WEST** 4 Frank St BV 5rms 15x36m \$263,000 Sweeney
- SUNSHINE** 26 High St WB 5rms 15x33m \$290,000 res \$320,000 Douglas Kay
- SUNSHINE** 5/26 Forrest St BV 1rm strata \$115,000 S Douglas Kay
- SUNSHINE** 21 McLean St WB 5rms irreg \$280,000 Bells
- SUNSHINE** 57 Hertford Rd BV 5rms 18x33m \$353,000 Sweeney
- SUNSHINE** 19/36 Ridley St BV 3rms strata \$118,500 John Kontek
- SUNSHINE** 1 Gertrude St WB 5rms 15x35m \$240,000 Douglas Kay
- SUNSHINE** 15 Duke St BV 6rms 810sqm \$336,000 John Kontek
- SUNSHINE** 22 Braim St BV 5rms 600sqm \$280,000 John Kontek
- SURREY HILLS** 17a York St BV 6rms 400sqm \$612,000 Noel Jones
- SURREY HILLS** 1/7 Beatrice Ave BV 5rms strata \$585,000 res \$615,000 Hocking Stuart
- SURREY HILLS** 16 The Avenue B 8rms 16x44m \$720,000 Jellis Craig
- SURREY HILL** 3/39 Park Rd BV 5rms strata \$310,000 Ray White
- SURREY HILLS** 11 Elm St B 8rms irreg \$501,500 Collins Simms
- SYDENHAM** 17 Harness Cr. BV 5rms 450sqm \$242,500 John Kontek
- SYDENHAM** 8 Roadhouse Wynd rend 6rms 620sqm \$273,000 Bells
- TAYLORS HILL** 17 Treasury Pl BV 7rm 703sqm \$320,000 res undisc Barry Plant Doherty
- TAYLORS HILL** 49 The Glades BV 5rm s/div \$237,000 Barry Plant Doherty
- TEMPLESTOWE** 103 Foote St BV 5rms 840sqm \$370,000 res \$440,000 Barry Plant Doherty
- TEMPLESTOWE** 7 Winifred Cr. BV 10rms \$1.28M res \$1.3M Fletchers
- TEMPLESTOWE** 8 Chiswick Cr. BV 5rms \$365,000 Philip Webb
- TEMPLESTOWE** 4 Tramore Cl BV 8rms \$510,500 Philip Webb
- THOMASTOWN** 187 Edgars Rd BV 5rms irreg \$245,000 res undisc Love RE Thomastown
- THOMASTOWN** 148 Main St BV 6rms irreg \$230,000 Barry Plant Doherty
- THOMASTOWN** 36 Catalina Dr B 7rms land irreg \$250,000 Ray White Thomastown
- THORNBUARY** 346 St Georges Rd B/WB 4rms 7.6x39.6m no bids res undisc Barry Plant Doherty
- THORNBUARY** 4/379 Station St BV 4rms \$250,000 res \$270,000 Love
- THORNBUARY** 113A Harold St BV 4rms \$315,000 res \$350,000 Love
- THORNBUARY** 7/44 Strettle St 3rms t/house strata \$210,000 Thomas Quixley
- THORNBUARY** 5 Raleigh St Tim BV 4rms 15x35m \$455,000 Thomas Quixley
- THORNBUARY** 401 St Georges Rd B 4rms 12x36m undisc Wilson Pride Brunswick
- THORNBUARY** 37 Speight St WB 5rms 10.9x45.1m \$505,250 Barry Plant Doherty
- THORNBUARY** Rossmoynne St WB 5rms undisc Barry Plant Doherty
- THORNBUARY** 35c Clapham St 4rms \$335,000 LJ Hooker
- THORNBUARY** 1/64 Woolton Ave B 4rms \$205,000 Love
- THORNBUARY** 4/9 Hammond St B 3rms \$175,000 Love
- TOORAK** 4/36 Grange Rd B 3rms strata undisc \$250,000 res \$265,000 Hooper RE
- TOORAK** 42/145 Canterbury Rd B 1rm strata \$170,000 Marshall White & Co
- TOORAK** 4/14 Woorigoleen Rd B 3rm strata undisc Marshall White & Co
- TOORAK** 52 Bruce St \$1.215M Kay & Burton
- TORQUAY** 12 Deal Ave BV 5rms 665sqm \$350,000 res \$380,000 Torquay Realty
- VERMONT** 2 Glenora Dve BV BV 5rms 681sqm \$410,000 Hocking Stuart
- VIEWBANK** 45 Martins Lane B/WB 7rms strata \$282,000 Barry Plant Doherty
- WANTIRNA** 128 Cathies Lane WB 1104sqm \$438,000 Wilson Pride
- WANTIRNA** 378 Mountain Hwy BV 3rms 981sqm \$330,500 Stockdale & Leggo
- WARRANTYTE NORTH** 25 Kangaroo Ground Rd Tim 7rms 1.4ha \$579,000 V Gardiner & Assocs
- WATSONIA NORTH** 16 Binnak Dve BV 7rms 631sqm \$420,000 Morrison Cleeman
- WATSONIA** 16 Powley Pde WB 8rms 858sqm \$335,000 Darren Jones
- WATSONIA** 36 Elder St BV 4rms 700sqm \$331,500 Buckingham
- WERRIBEE** 4 Grouse Cr. BV 4rms \$187,000 res \$190,000 Ray White
- WERRIBEE** 9 Richmond Crs BV 6rms \$180,000 Ray White
- WERRIBEE** 2 Magpie Cr. BV 4rms \$176,000 Ray White
- WERRIBEE** 2 Oriole Dve BV 4rms \$191,000 Ray White
- WESTMEADOWS** 43 Koala Cres B 5rms 520sqm \$330,000 Raine & Horne Gladstone Park
- WESTMEADOWS** 1 Hytton Cls BV 6rms irreg \$280,000 Raine & Horne Gladstone Park
- WESTMEADOWS** 25 Linga St conc 5rms \$173,500 Stockdale & Leggo
- WESTMEADOWS** 15 Copeland Rd BV 5rms 528sqm \$253,000 res \$270,000 Barry Plant Doherty
- WESTMEADOWS** 12 Haven Cr. BV 6rms irreg \$210,000 Barry Plant Doherty
- WHEELERS HILL** 2 Adele Cl BV 8rms 710sqm \$518,000 Judd White
- WILLIAMSTOWN** 6 Thompson St WB 8rms 18x34m \$875,000 Williams
- WILLIAMSTOWN** 91 Railway Cres WB 5rms 6x40m \$370,500 Sweeney
- WILLIAMSTOWN** 34 Hanmer St WB 5rms 204sqm \$570,000 Sweeney
- WILLIAMSTOWN** 182 Melbourne Rd BV 6rms 461sqm \$500,000 Compton and Green
- WILLIAMSTOWN** 37 Cole St BV 6rms 283sqm undisc Compton and Green
- WILLIAMSTOWN** 32 Power St WB 6rms 12x27m \$425,000 Williams
- WYNDHAM VALE** 13 Melview Dve BV 5rms \$177,500 res \$210,000 Ray White
- WYNDHAM VALE** 14 Marine Ave BV 5rms \$175,000 Ray White
- YARRAVILLE** 248 Williamstown Rd DFWB 4rms 10x28m \$322,000 Sweeney
- YARRAVILLE** 7/18 Tongue St B 3rms strata \$212,500 Hocking Stuart
- YARRAVILLE** 6/18 Tongue St B 3rms strata \$190,000 Hocking Stuart
- YARRAVILLE** 5 Cecil St DFWB 4rms 9.14x21.34m \$356,000 Jas H Stephens
- YARRAVILLE** 56 Williamstown Rd DFWB 4rms 10.06x27.43m \$306,000 Jas H Stephens
- YARRAVILLE** 10 Sturt St DFB 5rms 9x25m \$400,000 Sweeney
- YARRAVILLE** 22 Julian St B 5rms 500sqm \$487,500 Hocking Stuart

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