

**From:** [ ]  
**Sent:** Wednesday, 29 April 2026 4:51 pm  
**To:** Registrar <[Registrar@comcom.govt.nz](mailto:Registrar@comcom.govt.nz)>  
**Cc:** [ ]

**Subject:** Submission on Proposed Acquisition of Bremworth by Godfrey Hirst (Mohawk Industries)

To the New Zealand Commerce Commission,

I am writing as a New Zealand flooring retailer to express my concerns regarding the proposed acquisition of Bremworth by Godfrey Hirst, a subsidiary of Mohawk Industries.

About our business

We are an independent flooring retailer operating in New Zealand, supplying a range of residential customers, group home builders and commercial sector and working with multiple suppliers including Godfrey Hirst (Feltex brands) and Bremworth.

Key concerns regarding the proposed acquisition

1. Further consolidation in an already concentrated market

The New Zealand flooring market is already highly concentrated, with Mohawk Industries holding a significant position through ownership of major brands including Godfrey Hirst, Feltex, and Quick-Step.

From a retailer perspective, this existing level of consolidation already limits the number of genuinely independent supply alternatives available. The acquisition of Bremworth would further entrench this position by removing one of the few remaining strong, differentiated competitors in the market—particularly in the wool carpet segment.

This would materially reduce competitive tension at the supplier level.

2. Loss of a key competitive alternative

In practice, Bremworth and Godfrey Hirst are often the primary competing options we present to customers. This is especially relevant when comparing:

- New Zealand wool products (They are the only 2 NZ Wool suppliers)
- Mid-to-premium carpet offerings
- Brand-led product positioning

Removing Bremworth as an independent supplier would significantly reduce our ability to:

- Compare pricing across competing brands
- Negotiate effectively on supply terms
- Offer meaningful alternatives to customers

### 3. Growing risk of vertical integration and direct-to-consumer sales

We are already observing increased direct engagement by major suppliers with end customers, in some cases bypassing independent retailers.

With further consolidation, there is a real risk that Mohawk could:

- Expand direct-to-consumer channels across multiple brands
- Reduce reliance on independent retailers
- Increase control over pricing, distribution, and customer relationships
- Remove the NZ Wool element completely from consumers

This creates a structural imbalance where retailers lose influence while a single supplier gains greater control over the market.

### 4. Reduced retailer leverage and impact on consumers

Independent retailers rely on competition between suppliers to:

- Negotiate pricing and margins
- Advocate for customers
- Provide product comparisons and advice

If a single supplier controls a substantial share of the market, this leverage is weakened. The likely outcomes include:

- Higher prices or reduced discounting
- Less product differentiation
- Reduced ability for retailers to act in customers' best interests

### 5. Limited practical alternatives

While imported flooring products exist, they are not always effective substitutes due to:

- Freight costs and supply chain constraints
- Longer lead times
- Customer preference for New Zealand-made wool products

This reinforces the importance of maintaining strong domestic competition.

### Conclusion

The proposed acquisition would further consolidate an already concentrated market and remove a key competitive constraint. From a retailer perspective, this is likely to:

- Reduce competition at the supplier level
- Increase the risk of direct-to-consumer disintermediation
- Weaken retailer bargaining power
- Lead to poorer outcomes for consumers

For these reasons, we oppose the proposed acquisition.

We would welcome the opportunity to provide further practical insight into how competition operates at the retail level.

Yours sincerely,

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