



AGRIBUSINESS

# Field notes

Weekly news update from the KPMG Agribusiness network

KPMG

8 May 2013

## Organisations referenced in this week's Field Notes include:

AgResearch	Meat Industry Excellence Group
Aquaculture New Zealand	Ministry of Food Safety
Beef + Lamb New Zealand	Ministry for Primary Industries
Chinese Municipal Food Safety Committee	New Zealand Green Party
Cawthron Institute	New Zealand Institute of Agricultural and Horticultural Science
Comvita	NZX
Craigs Investment Partners	Synlait Dairy
Dairy Companies Association of New Zealand	Tatua Cooperative
Dairy Woman's Network	Te Arai Estate
EastPack Kiwifruit	Westpac Bank
Federated Farmers	Wool&Prince
Fonterra Cooperative Group	Yum Brands Foods
Meat Industry Association	

## This week's headlines

<b>Biosecurity</b>	<b>Aus-NZ action plan targets foot and mouth threat</b> [3 May/ New Zealand Herald]
<b>Honey</b>	<b>Comvita opens concept store in Auckland</b> [3 May/ Radio New Zealand Rural]
<b>Meat</b>	<b>Chinese inspectors find suspicious 'NZ mutton'</b> [7 May/ Business Day]
<b>Environment</b>	<b>Sheep, beef lightens its footprint</b> [5 May/ Rural News Group]
<b>Economics and trade</b>	<b>Commodity prices at record high</b> [3 May/ New Zealand Herald]



*KPMG are proud to be supporting the Auckland City Young Farmers Club in their fundraising efforts around the ANZ Young Farmer Contest Grand Final.*

### Drought

**Drought lingers for some amid downpours** [7 May/ Radio New Zealand Rural] Although considerable amounts of rain fell over Auckland and Wellington on Monday, causing flooding and power cuts, many North Island farmers missed out on this respite to the drought. Adverse Events Spokesperson for Federated Farmers Katie Milne said that areas including parts of central Hawke's Bay and areas west of Gisborne hardly saw any rain at all. She said that the situation was desperate for these farmers and about a fifth of the Gisborne-Wairoa region was still in drought conditions, in particular an area about 30 kilometres west of Gisborne. Federated Farmers Auckland President Wendy Clark said that in most part of the Auckland region the drought has broken and that the majority of farms were in good shape as they prepare for winter. In addition, Wairarapa farmers were also moving into recovery mode as local Federated Farmers President Jamie Falloon said that farms in the area were looking pretty positive after they received about 120mm of rain over the past month. He said that grass was growing strongly in most areas, however he emphasised the importance of not being complacent with regards to cattle feed as winter approaches.

### Biosecurity

**Aus-NZ action plan targets foot and mouth threat** [3 May/ New Zealand Herald] Defences are set to be strengthened against the threat of foot and mouth disease as a new action plan is being developed between Australia and New Zealand. A Trans-Tasman foot and mouth action plan will bring the two countries closer together as precautionary measures other factors are considered and placed into succinct action plan, Minister for Primary Industries Nathan Guy and Australian Minister for Agriculture Senator Joe Ludwig said. Mr Ludwig said that foot and mouth disease posed one of the greatest threats to livestock industries and rural communities in New Zealand and Australia. Initial estimates by the Australian Government have placed an outbreak of foot and mouth disease in Australia as costing A\$16 billion to control. 2001 saw an outbreak in the United Kingdom of foot and mouth disease resulting in 2000 cases of the disease, 10 million sheep and cattle being killed, and an estimated loss of eight billion pounds sterling to the British economy. Mr Guy highlighted the action plan will build on strong relationships between the countries on animal health and biosecurity issues.

### Horticulture

**Call for Australian irradiated tomatoes to be labelled** [1 May/ Radio New Zealand Rural] Irradiated tomatoes and capsicums sourced from Australia could be arriving in New Zealand from June this year. New Zealand tomato growers say that consumers here should have the right to know whether they're biting into irradiated Australian tomatoes. Calls have been made for Food Safety Minister Nikki Kaye to ensure that all Australian tomatoes and capsicums which have been irradiated are labelled as such. This would enable consumers to be able to make informed decisions and is a much wider issue than just food safety, Chairman Alasdair MacLeod said. A spokesperson for Nikki Kaye said that the minister is still considering the issues surrounding irradiated tomatoes and no decisions have yet been made.

**PSA hits profit of kiwifruit supplier** [6 May/ Radio New Zealand Rural] EastPack, one of the country's biggest kiwifruit packers and supplier has announced a reduced profit for the past year as the company has been impacted by the PSA bacterial vine disease. During last year, the kiwifruit cooperative merged with Satara and recorded a profit for the past financial year of \$7.5 million before tax. This is comparable to a \$10.6 million net profit that was generated in 2011 and revenue decreased from more than \$80 million to less than \$68 million. The main factors influencing the fall were directed to the reduced export crop and moves to cut costs to its growers, EastPack Chief Executive Tony Hawken said. Mr Hawken also said that EastPack was the largest packer and cool storer of the Hort 16A variety and PSA had a fairly major effect on its volumes in 2012, and an even larger effect in 2013. He added that this year's crop will also be down on earlier estimates due to the combined effect of the drought on fruit size and further losses from PSA, but in terms of fruit flavour, it's one of the best seasons ever.

**Truffle farm lure for high-end land buyers** [7 May/ New Zealand Herald] Buyers are showing interest in a private country estate North of Auckland which is home to New Zealand's largest truffle plantation. High-profile real estate developer John Sax currently owns the 500-acre farm, Te Arai Estate. He is in the final stages of gaining Council approval to start selling 25 lots over his farm plantation complex. 9300 trees inoculated with French Black Truffles or Perigord Truffles are featured on the land and grow on and around the roots of certain types of trees which have been inoculated with the spores. Although the lots being sold will not have black truffle trees growing on them, the trees will still be set among the plantation, which covers at least 17 hectares. Each tree inoculated on the plantation is capable of producing up to 1.5 kilograms of truffles which are highly sought after in the culinary world and can fetch a price upwards of \$3000 per kilogram. Variables like soil temperature and pH levels determined the harvest success, James Sax said who is currently leading the property's development on behalf of his father. The aim for Te Arai Estate at the moment is with regards to selling the lots, which could range in price from \$300,000 to \$600,000. He added that the truffle plantation could prove to be lucrative in its own right with a harvest of 10 to 15 kilograms expected this year and production increasing relatively exponentially every year.

### Honey

**Comvita opens concept store in Auckland** [3 May/ Radio New Zealand Rural] Comvita officially opened its Auckland based concept store in the Auckland Viaduct area last week. The Bay of Plenty-based natural health company specialises in manuka honey and olive leaf extracts and hopes to expand its retail presence in New Zealand. Up until now, the company has had a relatively small retail presence in Asia, Chief Executive Brett Hewlett said. Mr Hewlett is expecting the new shop to target tourists and visitors, particularly from China. He also said that Chinese residents have come to know the brand through visiting Hong Kong where Comvita has had a presence for about 20 years. Comvita is also investing in a tourism venture in the Bay of Plenty which will focus on honey and bees and will include a virtual beehive.

### Fishing and aquaculture

**Musseling up to threat** [4 May/ Business Day] The challenge of toxic algal blooms have been addressed by the greenshell mussel industry with industry commentators saying that they are well-placed to respond to the threat, Aquaculture New Zealand Media Adviser, Adam Hicks. Toxic algal blooms in the Marlborough Sounds and the effects this has on shellfish since it was released last year has been on the forefront of the industry thinking visions since a Cawthron Institute report was released, Mr Hicks said. Authors of this report predicted that algal blooms could regularly shut down shellfish harvesting from late summer until early autumn and these were likely to spread from Queen Charlotte Sound and Tory Channel. Blooms of *Alexandrium catenella* algae has so far stopped shellfish harvesting in Queen Charlotte Sound for two months this year and for up to 97 days in 2011. Mr Hicks highlighted that the industry needs to draw on its 40 years of innovation and traditional response in overcoming such situations in order to cope. He added that he was very positive about the industries' ability to get through the situation with their continued close monitoring of growing waters with world class testing systems and stringent food-safety assurance programmes in place.

### Dairy

**Job cuts please Fonterra investors** [2 May/ Business Day] 300 corporate jobs are expected to be cut at Fonterra as the company looks to seek cost savings expected to be over \$65 million a year, before restructuring costs. After the announcement, the Fonterra unit price on the NZX increased 2.69 per cent to \$8.02 on the back of chief executive Theo Spierings' announcement that the company's support services structure was under review. Units closed 3.07 per cent at \$8.05. The main areas where jobs are under review include Fonterra's Auckland and Hamilton offices. Annual revenues for Fonterra are at a \$20 billion level and the company employs 11,000 in New Zealand and 17,000 people globally. Craigs Investment Partners Head of Research Mark Lister said that the market always liked moves to reduce costs and generate efficiencies, but he stated that the share price improvement Fonterra saw was surprising. Mr Lister said that investors may have been surprised at the size of the projected cost savings but the market was so strong at the moment that any good positive news for earnings resulted in a positive effect on share price. Fonterra's growth priorities were highlighted as benefitted mostly from the reinvestment of the cost savings from the job cuts. These would be additional to the \$60 million in cost savings the company had already committed to deliver this year.

**Greens want independent expert in food testing** [2 May/ Business Day] The New Zealand Green party is raising concern over the perceived cover-up over DCD in milk products after two leading fertiliser companies announced that they had withdrawn dicyandiamide (DCD) from sale after traces were found in milk powder. The Greens have raised their expectation for an independent expert to be involved in a dairy food testing initiative in order to prevent such situations from occurring again. It is understood that Government officials knew about the issue for months before it was made public. This has led to Dairy Companies Chairman Malcolm Bailey saying that New Zealand's food safety was good however the information provided to markets and other processing companies.

**World dairy prices drop 7.3pc** [2 May/ New Zealand Herald] The most recent online global dairy auction saw product prices fall for the first time in 10 global auctions. The Global Dairy Trade – Trade Weighted Index fell 7.3 per cent compared to the last sale two weeks ago. This was the first decline the trade measurement recorded this year. The average winning price decreased to US\$4,597 a tonne from US\$4,968 a tonne in the previous sale, the highest price level recorded on the GDT platform which began in July 2008. Whole milk powder was the largest product by volume and fell 10.2 per cent to US\$4,731 a tonne. Westpac Bank Economist Nathan Penny said that as the new season's product continued to replace this season's drought-hit offerings prices should be expected to fall further. He said that world dairy supply remained relatively tight and coupled with strong Asian demand, particularly from China dairy prices should increase on average over 2013 compared to 2012. Mr Penny added that production for the 2013 season was likely to be down 1-2 per cent as farmers attempt to improve prospects for next season's production. He added that at this stage of the season, lower production implied a lower payout at the margin. Total volume of dairy products sold at the latest auction rose to 17,237 tonnes from 15,019 tonnes two weeks ago and Fonterra is forecasting a flat change in milk production this year as New Zealand farmers dry off their herds.

**Investor grasp of Fonterra fund queried** [4 May/ New Zealand Herald] Although dairy product prices are continuing to increase, units in the Fonterra Shareholders Fund reached record highs last week. This has prompted industry commentators to question whether investors fully understand the factors at work with regards to the movements over the Fund's life. Ownership in the co-operative is not conferred onto investors who have interests in the Fonterra Shareholders Fund, they only have the right to dividend flows. However, many commentators are indicating that investors in the Fund do not understand many features of the units. The recent highs seen in the industry reflect oppositely to events seen historically, that is, high milk prices have tended to drive the dividend lower. The strength of prices in the GlobalDairyTrade (GDT) auction translates into higher milk prices which is generally a cost to the manufacturing side of Fonterra. Since last November, when the Fund was featured on the NZX, the price of units has gone radically higher on each reporting period and has surprised those in the industry as GDP prices have rallied. Units of the fund first traded on the NZX on November 30 at \$6.66 or 30 per cent higher than their issue price. On Thursday last week, the units hit their highest-ever point of \$8.06 after Fonterra announced a management shakeout aimed at savings of up to \$65 million a year. Commentators have indicated their caution towards this cost savings amount with Forsyth Barr saying that the \$65 million cost savings was unexpectedly high; however, in light of the strong run-up in the unit price, the brokerage maintained its "reduce" recommendation. Investment Banking Firm Woodward Partners has noted the behaviour of investors in the Fund with Research Analyst David Stanley saying that investors were still getting to know Fonterra, its key drivers, and that the market was freely moving with the relationship between the milk price and the unit price.

## Meat

**Quality of MIE's top posts crucial for meat industry reform** [2 May/ Business Day] A variety of meat farmers around the country have called for reforms in the red meat industry in the hope that two of the main cooperatives will merge. The Meat Industry Excellence (MIE) Group has managed to gain a mandate from farmers for reform and it is now up to the Group's Chairman Richard Young to direct the mandate down the correct path. The right people will need to be involved and a large influence will come from the quality of the Group's executive as they aim for the organisation to be nationally representative. In comparison, meat processing companies are in discussions with one-another about the best way to approach consolidation plans. Alliance Group Chairman, Owen Poole has said that the estimated time frame for talks could conclude as early as within two months. The MIE is urging farmers to consider committing their stock to one company rather than putting their lambs up to the highest bidder. In response to this, farmers are seeking the companies to compensate the loyalty with a premium price or to not reward farmers who elect to stay with the spot market.

**Meat companies have mixed views** [3 May/ Business Day] The Tradable Slaughter Rights (TSR) proposal is viewed positively by Blue Sky Meats Chairman Graham Cooney as he is keen to see it go through to the next stage of debate. Mr Cooney said that there is a lot in the proposal which would have benefits if done right, in stock procurement and cartage, processing efficiencies, and freeing up funds for where they should be spent on things such as marketing and achieving better market prices. He said that it was fine having the European quota as the market share guide because it had worked well since it was moved to a three-year rolling average, meaning the industry always knew the starting point. The current total quota volume is 227,914 tonnes of sheep meat, although this hasn't been filled in recent years as exporters diversify to new markets. He added that the question for the tradeable rights plan now concerned the market share of an un-determined number of lambs. Significant industry change was likely to require legislation Mr Cooney said, adding that if the cost savings and value gains added up properly, then funding could be sought by companies in any required to complete industry restructuring.

**Chinese inspectors find suspicious 'NZ mutton'** [7 May/ Business Day] Mislabeled "New Zealand" mutton provided by a wholesaler that a Government website said supplies a chain of hot pot restaurants run by American firm Yum Brands is being tested by Shanghai authorities. The latest safety scare comes at a trying time after a separate report last week stated that Chinese police had busted a crime ring that had passed off more than \$1 million in rat and small mammal meat as mutton. The Shanghai authorities are currently acting on a tip as food safety inspectors raided a wholesale market on Friday and found packages labelled "New Zealand mutton" at one supplier that had no production date or list of ingredients, according to a report on the website of the Chinese Municipal Food Safety Committee. Meat Industry Association Chief Executive Tim Richie said that there had not been any cases of foreign meat being passed off as New Zealand product in recent years however if the good reputation of New Zealand mutton was being tarnished by opportunists, then the Association would take it very seriously.

## Poultry

**Farms suspected of illegal poultry operations** [2 May/ Radio New Zealand Rural] Two poultry farms in South Auckland have been raided by the Ministry for Primary Industries staff as they had reason to believe the farms have been involved in illegally killing and processing poultry and eggs. The Flat Bush farms were raided last Tuesday and 149 chickens and 700 eggs were seized in addition to commercial incubators, processing equipment and a large amount of cash. Ministry officials said that they had been monitoring the area for several months and they are currently speaking with the individuals concerned. Consequences for the farm operators could be up to two years in jail and a \$100,000 fine if convicted under the Animal Products Act.

## Wool

**Wool shirt passes 100-day sniff test** [1 May/ New Zealand Herald] American company Wool&Prince has claimed to have developed a woollen shirt that can be worn for 100 days without being washed. The company has said that because the fabric is naturally resistant to odours, the shirt can go for long periods of time without being washed in addition to the shirt's wrinkle free material. Construction of the fabric means that the shirts are able to be bent, crushed and stretched out many times while retaining their original shape. The shirts are dry-clean or gentle-wash only and use wool fibres that are able to be bent back on themselves 20,000 times without breaking, compared with cotton which only bends 3200 times. Crowd-sourcing website Kickstart was a major source of funding for Wool&Prince's shirts and investors who used this service are being offered the shirts for £63 (\$NZ114) while the normal retail prices are yet to be announced.

## Agribusiness Strategy

**Forum attacks 'bach, beach, beemer' mentality** [3 May/ Rural News Group] A one-day, case study based programme in which participants were shown the outcomes of studies of their businesses during the summer holidays by Waikato students was held recently by the Agritech Exec Forum. Different strategies on how New Zealand companies can go global were assessed by students over the summer as they looked at how companies can go beyond what Trade and Enterprise call the 'bach, beach and BMW' mentality of many companies. Students were tasked to look at the theoretical models then work with their given companies' published materials and press releases, Agribusiness Professor Jacqueline Rowarth said. She said that the students then compared the theoretical model with actual results and conclusions were reached that company results have been very predictable over time. Companies, Tatua, Synlait, Ravensdown, and NZ Farming Systems Uruguay among the companies reviewed. Tatua noted that one of the highest priorities has been relationship building and this exactly corresponds with a paper published by NZTE in 2009 'Playing to Our Strengths: Creating Value for Kiwi Firms', Ms Rowarth said. The NZTE report also indicated that innovation in businesses needs to be broken down into two sections: initiation and implementation and the implementation phase has often let New Zealand businesses down when they go global. Rowarth said that a key message from the forum was the identification of how New Zealand can get small to medium enterprises to think a bit bigger and get offshore. The New Zealand Grassland Conference that is scheduled to be held in Tauranga in November this year will have these results presented.

## Research and development

**Ag scientist critical of content in list of challenges** [2 May/ Radio New Zealand Rural] New Zealand Institute of Agricultural and Horticultural Science past president John Lancashire has indicated his concern over the Government's merging of two diverse fields in its National Science Challenges document. A Government science panel initially identified 12 key challenges and biosecurity and biodiversity were separate. The Government panel agreed to merge the biodiversity and biosecurity fields in order to leave another proposal behind, reducing the total number of challenges to 10, Science Minister Steven Joyce said. Mr Lancashire said that the New Zealand economy was currently facing a catastrophic decline in its biodiversity – which is one of the key drivers of tourism and the economy.

## Farmers and producers

**Grant to help get women on board** [1 May/ Business Day] The New Zealand Government has put forward a \$180,000 grant dedicated to helping women develop leadership roles in the dairy industry. The Dairy Women's Network will develop the first leadership programme for women working in the dairy industry during a three-year project. Partners to the project include AgResearch and DairyNZ, and will help women to develop their leadership skills in the dairy environment said Chairwoman Michelle Wilson. She said that women made up 50 per cent of the dairy industry and strong leadership was essential during times of economic, environmental and social volatility.

**Harvard buys Otago dairy farm** [3 May/ Business Day] The successful purchase bid by Harvard University to buy a large dairy farm in Otago and the Overseas Investment Office's (OIO) granting of approval has been met by criticism by New Zealand First Leader Winston Peters. People wanting to invest in sensitive New Zealand assets are required to apply through the Office, and it has cleared Dairy Farms Partnership to buy a 1300 hectare farm in the Maniototo district near two dairy farms it already owns. The Dairy Farms Partnership is an investment company owned by Harvard University. However, Mr Peters said that if New Zealand's good land is taken out of domestic ownership, then the country will struggle to survive. He added that the functions of the OIO were working against New Zealand's long term economic and social interest.

## Environment

**Sheep, beef lightens its footprint** [5 May/ Rural News Group] Developments in the sheep and beef sector have meant that today's environmental footprint has become much lighter than what has been recorded in the past. Dr Scott Champion, Chief Executive of Beef + Lamb New Zealand, said that Dr Alec McKay published a paper comparing the relationship between inputs (eg livestock numbers and nutrients) and outputs (eg meat and fibre, greenhouse gas emissions and nitrate). The Ministry for Primary Industries' Sheep and Beef farm monitoring models were used in the research also, covering hard hill country (Gisborne and Central North Island) and easy hill finishing (Manawatu) for the period measured over the last 20 years. Mr Champion indicated that a 47 per cent increase in saleable product per hectare, a 21 per cent reduction in nitrate leaching per kilo of saleable product, and a 40 per cent reduction in the greenhouse gas emissions per kilo of saleable product was seen. He said that the sheep and beef industry's enormous productivity gains over the last 20 or more years have been made through a combination of new technologies including advances in animal genetics and health and improvements in farm practices, such as nutrients, pasture, and animal management. Mr Champion said that overall greenhouse emission from the beef and sheep industry were down on 1990 levels, with production remaining relatively constant.

## Economics and trade

**Exporters back Japan's TPP move despite doubts** [2 May/ National Business Review] Japan's acceptance into the Trans Pacific Partnership will be positive for the Partnership with some commentators hoping the country's acceptance will yield greater returns in the future. It is hoped that Japan will lower their barriers against food imports in the short-term, with those in New Zealand highlighting just how detrimental these tariffs have been. The red meat sector spent \$93 million on tariff payments last year from \$338 million of exports, most of it beef, which incurs a 38.5% tariff rate, increasing to 50% if certain volumes are exceeded. New Zealand exports a large proportion of its total horticulture products to Japan, which is just behind Australia in terms of total exports by volume. These horticulture products faced tariffs of about \$34 million, ranging from 3 per cent for squash and capsicums, more than 6 per cent for kiwifruit to as high as 23 per cent for apple juice. Trans Pacific Partnership critic, Professor Jane Kelsey said that she doesn't think that Trade Minister Tim Groser will be able to achieve his goals of a comprehensible, high-standard agreement. She said that Japan's involvement may end up upsetting the Partnerships in the long run. Mr Groser indicated the decreasing volume of exports New Zealand is sending to Japan, with levels being 25 per cent less than they were 20 years ago.

**Commodity prices at record high** [3 May/ New Zealand Herald] ANZ's commodity price index hit an all-time high last month but Fonterra's auction yesterday saw prices give up almost half of April's gains. The ANZ index saw its largest monthly rise in its 27-year history as the index rose 12.6 per cent. This change was influenced by a 26 per cent rise in dairy prices which make up 44 per cent of the index and without which the rise would have been only 0.2 per cent. The New Zealand dollar in terms of the basket of export commodities was up 10.2 per cent over the month, to be 17.4 per cent higher than a year ago. Skim milk powder prices surged 39 per cent, whole milk powder 32 per cent, butter 15 per cent and cheese 8 per cent. Forestry products saw prices decrease in addition to aluminium, beef and lamb meat. Westpac Bank Economist Nathan Penny said that the new season's dairy output – with contracts for delivery in four to six months – now accounted for the majority of the product on offer at the auction. Mr Penny also emphasised the continuing effects of the drought throughout New Zealand agriculture for the rest of the year.

## Field Notes

Weekly news update from the KPMG Agribusiness Network – 8 May 2013

6

**New Zealand must make most of opportunities in China** [7 May/ Otago Daily Times] Oritain Global Chief Executive Dr Helen Darling has said that although China's business development on the international scene is at the strongest level it has ever been, New Zealand needs to get its priorities sorted in terms of trade and business with the Asian giant. Dr Darling was part of a high-level business mission and cultural delegation on an official visit to China last month to celebrate the 40<sup>th</sup> anniversary of diplomatic relations with China and the fifth anniversary of the China and New Zealand Free Trade Agreement. She said that while other countries were trying to get the Chinese business that New Zealand has an advantage in, it was still particularly important for New Zealand to keep diplomatic relations strong. Dr Darling said that it was a large privilege to be part of the delegation and that the benefits did not just exist for Oritain Global, which independently and scientifically certifies the origin of food products, but for other companies represented and for New Zealand. Dr Darling emphasised a main point drawn from the delegation was the fact that the Chinese were very interested in authentic products and that real drive for authenticity came across not just in the food sector, but also in other sectors like tourism and education. She added that China was very impressed with New Zealand and that the opportunities for trade relationships were certainly present.

### Subscribe

To subscribe to future editions of Field Notes please [click here](#).

### Contact Us

#### Auckland/ Audit

**Ian Proudfoot**

09 367 5882

021 656 815

iproudfoot@kpmg.co.nz

#### Hamilton/ Taxation

**Rob Braithwaite**

07 858 6517

021 586 517

rbraithwaite@kpmg.co.nz

#### Tauranga

**Robert Lee**

07 571 1773

027 451 1035

relee@kpmg.co.nz

#### Wellington

**Michael Day**

04 816 4599

027 293 8338

michaelday@kpmg.co.nz

#### Christchurch

**Paul Kiesanowski**

03 371 4832

021 272 7087

pkiesanowski@kpmg.co.nz

#### Financial Advisory Services

**Gary Ivory**

09 367 5943

021 932 890

givory@kpmg.co.nz

#### Risk Advisory Services

**Jamie Sinclair**

09 363 3460

021 475 735

jpsinclair@kpmg.co.nz

#### Business Advisory Services

**Hamish McDonald**

07 858 6519

021 586 519

hamishmcdonald@kpmg.co.nz

Field Notes presents a summary of some of the media comment on the Agribusiness sector in the last week. The views expressed do not necessarily represent the views of KPMG but are summaries of the articles published.

The information provided herein is of a general nature and is not intended to address the circumstances of any individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received nor that will it continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2013 KPMG, a New Zealand partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (KPMG International), a Swiss entity. All rights reserved. The KPMG name, logo and "cutting through complexity" are registered trademarks or trademarks of KPMG International Cooperative ("KPMG International").

KPMG and the KPMG logo are registered trademarks of KPMG International Cooperative ("KPMG International"), a Swiss entity.