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AGRIBUSINESS

FIELD NOTES

Weekly news update from the KPMG Agribusiness network

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Organisations referenced in this week's Field Notes include:	
ANZ Bank	Ministry for Primary Industries
Archer Daniels Midland	Motu Economic and Public Policy Research Group
Arla Foods	NABU International
Australian Foreign Investment Review Board	New Zealand Farm Environment Trust
Bega Cheese	New Zealand Longline
Comvita	New Zealand Winegrowers
Dairy Women's Network	Rabobank New Zealand
Deer Industry New Zealand	Rural Women New Zealand
European Union	Seafood New Zealandk
Farm Environment Awards Trust	Southland Fish and Game
Federated Farmers	Statistics New Zealand
Fonterra Co-operative Groupo	Summerfruit New Zealand
Fonterra Shareholders Fund	Synlait Farms
GrainCorp	Tamar Valley Dairy
Irrigation New Zealand	Westland Milk Products
Kiwifruit Vine Health	Yealands Estates

This week's headlines	
Viticulture	**Govt challenged over research funding for low alcohol wine** [28 November/ Radio New Zealand Rural]
Forestry	**Forestry safety: Prosecutions 'very likely'** [3 December/ NZ Herald]
Dairy	**Danone and Fonterra could end up in court** [2 December/ Business Day]
Deer	**PGP to support the deer industry** [2 December/ New Zealand Farmers Weekly]
International	**Australia rejects $2.55 billion GrainCorp takeover by ADM** [28 November/ CNBC News Group]

Horticulture

PSA contained on one Kumeu kiwifruit orchard so far [29 November/ Radio New Zealand Rural] Kiwifruit Vine Health – the organisation in charge of managing the PSA kiwifruit disease – is confident that prompt action will prevent further spread of the disease into more Kumeu orchards. The PSA disease was confirmed on an orchard in Kumeu last week which was the first positive result for the area. Kiwifruit Vine Health has carried out tests on 11 nearby orchards and they have not detected any further outbreaks. The organisation reported that it hoped that its swift response will greatly help in preventing any further spread of the disease in the region.

Sweet levy result for Summerfruit NZ [3 December/ Radio New Zealand Rural] Summerfruit New Zealand has received strong support from growers for a continuation of the commodity levy for a further six years. Approximately 35% of growers voted on renewing the levy, reflecting around 75% of the sector's orchard gate production by value, with 80% supporting the continuation of the levy. Summerfruit New Zealand CEO, Marie Dawkins, said the response to the levy vote was the best the organisation had ever had and the commitment of growers would enable the organisation to continue the extensive research programme the organisation is currently conducting. The current levy expires in September next year and an application for renewal of the levy would be made to the government in the new year.

Viticulture

Govt challenged over research funding for low alcohol wine [28 November/ Radio New Zealand Rural] More than $8 million worth of Government funding has been committed to a seven-year wine industry project through the Primary Growth Partnership (PGP) scheme. The project's goal is to identify and develop a new range of wine which has lower calorie and alcohol levels. New Zealand Winegrowers Chief Executive Philip Gregan said that the project will aim to pursue products which are not currently available to create new global market opportunities for the New Zealand wine industry.

Viticulturist South Island's top farmer [2 December/ New Zealand Farmers Weekly] Peter Yealands, the Marlborough based viticulturist, has been awarded this year's South Island Farmer of the Year award, reflecting his holistic approach to business from vine to bottle. The judges commented that Mr Yealands and his Yealands Estates business lives by his mission statement of "think boldly, tread lightly and never say it can't be done". The company has innovated in many ways to improve the sustainability of the business and biodiversity present on the estate, including the development of extensive wetlands and planting of more than 200,000 native trees. Yealands Estates now exports wine to 65 countries and is the sixth largest wine exporter in the country. Mr Yealands was also awarded the Silver Fern Farms award for customer awareness and the Lincoln University award for the best use of technology and innovation.

Honey

Comvita posts $790k loss on margin squeeze [28 November/ New Zealand Herald] and **Comvita wants to produce half its own manuka honey** [29 November/ Radio New Zealand Rural] The Manuka honey health product manufacturer, Comvita, has reported a first half loss which the company said was attributable to margins being squeezed by expensive honey and by the existence of stiff competition in overseas markets. A loss of $790,000 was reported by the Te Puke-based company which translates to 2.7 cents per share, in the six months ended 30 September 2013. These results were down from the previous year's profit of $2.39 million or 7.95 cents per share with sales falling 4.6 per cent to $43.3 million. Comvita's New Zealand sales were reported as being flat at $6.9 million and a 15 per cent fall in earnings was recorded to $2.9 million. Australian revenues fell 5.1 per cent to $11.2 million and earnings decreased to $2.6 million. The company said that sales in the Hong Kong market had been severely affected by recent food security issues and that it has been running campaigns in Hong Kong to re-assure consumers about the integrity of its brand. The company said that it expected the input cost of honey to ease in 2014, together with in-house honey production increasing to approximately 30 per cent of Comvita's needs by the end of the current financial year and as much as 50% in two years time.

Forestry

Forestry safety: Prosecutions 'very likely' [3 December/ NZ Herald] Following on from nine deaths in the forestry industry in the last year, with two in the last week, the Labour Minister, Simon Bridges, has said that prosecutions are very likely for forestry business that breach safety standards. Around 150 forestry businesses have been inspected by officials to check their compliance with health and safety rules, which has resulted in 14 being shut down and Mr Bridges noted that there is one prosecution pending and other investigations continuing. Mr Bridges said that the high death rate was acceptable and that the industry record had been appalling for a very long time. He added that the industry is being given a clear warning to get their house in order as the government was stepping up regulation and needs businesses to take safety seriously. Under current laws managers and directors can face up to two years in jail if they are found to have acted recklessly, although proposed law changes will increase this to a maximum of five years. Further law changes will make forest owners responsible for safety throughout their entire supply. The recent forestry sector deaths have again sparked discussion around a corporate manslaughter charge, which the Prime Minister has noted, based on international experience, would present challenges in taking prosecutions while the opposition leader, David Cunliffe, said his party supported the introduction of the charge which would provide strong incentives for good behaviour for directors and boards.

Fishing and aquaculture

South Korean fish exports to face EU ban [2 December/ Business Day] New Zealand fish exports are at risk of being banned from European markets as a result of a warning from the EU Fisheries Commissioner that they would designate South Korea an illegal fishing nation in response to illegal fishing activities and human rights and labour abuses aboard Korean boats. If the threat is extended to a full ban it will apply to direct fish exports from Korea to Europe but also on any catch by Korean boats in New Zealand whether it is processed in China, South Korea or elsewhere. South Korean boats make up the majority of the foreign charter vessel fleet used to fish Maori quota with some still operating despite the NZ government decision to have all foreign flagged vessels reflagged to New Zealand by 2016. The South Korean government says it is trying to clean up its notorious fishing industry and they have been given six months to make progress or they will risk joining Belize, Cambodia and Guinea-Conakry on the banned list for illegal, unreported and unregulated fishing. A South Korean government source rules are being implemented to require all South Korean vessels fishing overseas to be equipped with a vessel monitoring system.

Push for better protection of Maui's Dolphin [2 December/ Newstalk ZB News] The government is continuing to come under pressure to better protect the Maui's Dolphin, with German conversation group, NABU International, encouraging people to boycott New Zealand seafood until the protection of dolphins is increased. It argues set net restrictions are not sufficient as the dolphins spend significant amounts of time outside the current exclusion zone. A campaign for dolphin protection, Christine Rose, suggests 75% of the dolphin habitat remains unprotected. She added that international conventions that have looked into the plight of the Maui's dolphin have all recommended complete protection of their habitat because their plight is so severe. NABU International proposes to challenge an inadequate approach to saving the dolphin in the High Court and is urging international consumers not to buy New Zealand seafood as the government has placed the fishing industry's commercial interests ahead of protecting the smallest and rarest dolphin in the world. Seafood New Zealand's CEO, Tim Pankhurst, has the government has been walking a fine line between protecting an endangered species and the rights of people to earn a living, adding he does not believe that many people will follow the boycott call.

Dairy

Fonterra urged dairy farmers to lift their game [27 November/ Radio New Zealand Rural] John Wilson, Chairman of Fonterra Cooperative, has highlighted the various challenges that the industry has faced over the past year as testing the resilience of both the nation's largest company and its shareholders. Mr Wilson highlighted the recent botulism scare as an event which caught Fonterra by surprise. He was talking at the dairy co-operative's annual general meeting in Southland which covered various events from the botulism scare to the dairy sector's efforts to becoming more sustainable. Mr Wilson said that when it comes to food safety, Fonterra was determined to be the best in its class in addition to operating in the market as an industry leader.

Dairy price drop predicted [29 November/ Radio New Zealand Rural] Agribusiness Global Head at KPMG Ian Proudfoot has identified commodity price volatility as one of the key risks the rural sector faces and will need to plan for into the future. Mr Proudfoot was speaking at the Future Farming Conference in Wellington earlier last week and he highlighted that because of its size, New Zealand is generally not a price setter when it comes to primary products that are traded in the international marketplace. Mr Proudfoot also indicated that there was likely to be a change in the dairy price over the next 12 months, primarily driven by an increase in United States supply. He said that biosecurity will remains a significant risk to the primary industry with the PSA vine virus providing an example of what can happen when an incursion occurs.

Call for less intensive dairying [29 November/ Radio New Zealand Rural] Southland Fish and Game Operations Manager Zane Moss has directly commented on the dairy industry, saying that farmers need to start operating smarter and less intensively in order to have a softer impact on the environment. Mr Moss said that both water quality and aquatic life in the region are suffering and anglers are deserting their traditional spots due to slime and algae forming in waterways as a result of nutrient leaching. A solution Mr Moss has proposed deals with reducing the intensity of farming in the region. He said that emerging research suggested that some farms with less intensive systems were more cost effective from an individual farmer's perspective.

Westland predicts $750m in sales [29 November/ Dairy News] Westland Milk Products CEO, Rod Quin, has told the company's Annual General Meeting that the co-operative is expecting sales of more than $750 million this season and improved returns for shareholders as a result of the company's current marketing and growth strategies. Mr Quin recognised that there remained room for improvement, noting that Tatua's payout was industry leading. Mr Quin highlighted that Westland shareholders have supported retentions from the operating surplus the company generates as a means to remain competitive and grow the co-operative strategically. The retention funds are helping the company to implement strategies such as the planned expansion of its infant nutrition capacity. Looking forward, Mr Quin noted the company had a second daily milk peak on 17 November when it collected 3.69 million litres, and strong milk supply meant the company expects to produce and sell 122,000 tonnes of product which will generate a surplus of $7.60 to $8.00 per kilo milksolids before retentions. Shareholders strongly supported nine changes to the co-operative's constitution, including directors being elected at large across the organisation, and supported an increase in director's remuneration. Mr Quin highlighted that the dairy industry needs to continue to work hard to grow wealth for stakeholders and New Zealand but recognised that this must be done in the context of responsible and sustainable practices, which Westland is implementing through a code of practice that will be applied to all shareholders.

No longer low-cost milk 'down under' [29 November/ Dairy News] A new report from Rabobank says traditional low cost pasture based production regions, such as New Zealand, have lost their cost advantage as input prices have risen and now have similar costs of production to producers using more intensive farming systems. The report, "No Longer Low Cost Milk, Down Under" says low cost producers have seen their costs rise off the back of volatile global feed prices and increasing use of feed in traditional pasture-based regions. The report notes that milk producers will need to structure their businesses to withstand ongoing high price volatility – for both inputs and commodity outputs. Author, Hayley Moynihan, suggests lower cost regions have already capitalised efficiency gains into the price of land and other assets. Ms Moynihan notes that efficiencies in downstream processing and marketing through established supply chains will likely play a greater role in differentiating competitive export companies and industries into the future. This suggests the New Zealand industry should be focusing on staying ahead of competitors in areas such as supply chain efficiency, market access, marketing and sensible regulation. It is noted that between 2002 and 2012, the NZ dollar has strengthened 75% against the US dollar which has accelerated the convergence of production costs and has made US exporters relatively more competitive.

Fonterra spends another A$14.7 million to lift Bega stake [29 November/ National Business Review] Fonterra has spent another A$14.7 million to lift its stake in Australian dairy company, Bega Cheese, buying 3 million shares at A$4.89 a piece. Fonterra now holds a 9.06% stake in Bega, a stake that has been developed while Bega has been involved in the takeover battle for Warrnambool Cheese and Butter (although Bega's offer for the company has been bettered by a preferred bid from Canada's Saputo and a higher bid from Murray Goulburn). Fonterra CEO, Theo Spierings, told shareholders that reshaping the Australian business is a key priority for the co-operative as the dairy sector enters a period of consolidation across the Tasman. The company has recently completed its purchase of Tamar Valley Dairy in Tasmania from the businesses administrators.

Danone and Fonterra could end up in court [2 December/ Business Day] Fonterra CEO, Theo Spierings, has told the Fonterra Shareholders Fund annual meeting that months of talks with Danone over losses from the whey protein concentrate recall have failed to reach a conclusion and there is the potential that the issue may end up in court. Danone has estimated the cost of the recall in its third quarter results at EUR350 million while Fonterra is holding a provision of NZ$14 million. Mr Spierings said the company had worked very hard on a commercial solution for some months but it appears that the route is not working out, however added he was confident should the issue be tested in court it would show that Fonterra have no liability in the contract. It was noted of the eight customers impacted by the recall, Fonterra has agreed commercial outcomes with all but Danone, which have included extensions of supply contracts and volume increases. Other discussion during the meeting included questioning over the potential conflict between milk prices to farmers and trying to lift earnings, the impact of the drought and the environmental and animal welfare practices of New Zealand dairy farmers.

Meat

Lamb kill at 50 year low [29 November/ New Zealand Herald] The 2013/14 export lamb kill will be the lowest in 50 years because of last summer's drought according to a seasonal update from Beef+Lamb New Zealand. The organisation says that the spring 2013 lamb crop is set to be down 7.7% (2.1 million lambs) partly due to reductions in breeding stock and partly due to a reduction in lambing percentages of around six or seven percent. This will result in the export lamb slaughter falling by around 10% to 18.6 million head. Despite the fall in export volumes, Beef+Lamb are forecasting a 10% rise in value compensating farmers, with prices for a 18.4kg lamb expected to average $98 a head up 16% of the price of $84.60 for 2012/13.

Deer

PGP to support the deer industry [2 December/ New Zealand Farmers Weekly] The Deer industry is to receive a significant injection of research funds from the government as a result of the launch of an $8.3 million Primary Growth Partnership. Deer Industry New Zealand Chairman, Andy Macfarlane, said that the money would contribute towards a three stage programme to lift average 12 month carcase weight, lift average schedule price and rollout a new marketing model to increase the focus on chilled products into new markets. The acceptance of the proposal follows a rejection of a previous application on the grounds that it was insufficiently market focused, however Mr Macfarlane said the current proposal had been reviewed and was considered strongly market focused and incremental to the existing work being done by companies in the industry. He added it was hoped the strategy may have a positive impact on land use by improving the returns from deer farming and providing a choice to dairy and dairy support. The market components of the PGP will involve co-operation from the five major venison exporters.

Rural infrastructure

Irrigator repair tensions rise as land dries out [29 November/ Business Day] Soil remains dry as most irrigator systems remain unrepaired in the Canterbury area. Tension is building in advance of the arrival of summer, as approximately 50 to 80 per cent of the 800 or more irrigator units out of action are just coming online and into serviceable shape. This figure is expected to rise to around 90 per cent by Christmas with farmers still out of action hoping for some relief from rainfall expected in the area. Federated Farmers North Canterbury President Lynda Murchison said that the rain was probably too late and not in significant enough amounts for irrigating farmers. Irrigation New Zealand Chief Executive Andrew Curtis said that the rain that fell earlier in the week would give only light relief for farmers waiting for irrigation repairs. Rain in the Canterbury area was minimal with 9 millimetres recorded on Monday overnight at Rakaia and 8 millimetres recorded at Darfield. Ms Murchison said that the large windstorm that battered the Canterbury region recently reinforced the need for farmers to assess the vulnerability of their operations.

Environment and emissions

Better management could cut farm emissions - study [29 November/ Radio New Zealand Rural] Improvements to how farmers manage their properties and utilise new available technology could significantly cut greenhouse gas emissions, a new study has shown. The Motu Economic and Public Policy Research Group has analysed data from more than 260 farms to estimate the potential for reducing emissions and nitrogen leaching into the surrounding environment of farms. Motu Senior Fellow Dr Suzi Kerr said that the research found the best dairy farm operators were getting up to twice the milk production for each kilogram of nitrogen released. With much debate surrounding the best way forward in reducing nitrogen leaching, Dr Kerr said that total leaching could be reduced by around 30 per cent if all farmers began running their farms at the same level as what the best farmers run at.

Sustainability not an add-on [29 November/ Rural News] The winners of the 2013 Ballance Farm Environment Awards, Roz and Craige Mackenzie have delivered a clear message to agribusiness and industry leaders – sustainability must be built into everyday farming and not bolted on. The Mackenzie's were on a five day triporganised by the NZ Farm Environment Trust to meet with a variety of industry leaders as well as the Primary Production Select Committee and sponsors of the farm awards. Mre Mackenzie highlighted that an important part of running a sustainable operation is the ability to plan for and adapt to change and she noted many of the business leaders they had met with were interested to gain ideas on how they can shape their businesses for long run. They noted that the tour also provided the opportunity to give personal perspectives on issues and opportunities facing farmers, particularly improving the access farmers have to the good scientific work being done. They also discussed the importance of adopting technology to deliver better outcomes, highlighting the benefit they obtain from using variable rate irrigation and other precision agricultural technologies on their intensive arable farm in Canterbury. The Mackenzies also noted that many farmers are doing a really good job of environmental management and the industry should be singing this from the rooftops and explaining what is being done to more fully to urban neighbours.

Biosecurity

No sign of invasive pest [3 December/ Business Day] The surveillance programme implemented after the black grass seed spill in mid Canterbury has to date discovered no seeds according to the Ministry for Primary Industries. More than 2000 seeds of the invasive seed split in July having been found in a consignment of red fescue grass seed imported from Europe. Surveillance is being carried out between Methven and Ashburton in response to the truck spill with three rounds completed to date and six further rounds scheduled over the next five months. Contractors have also applied herbicide to areas thought to be at high risk for black grass to establish. A Ministry official noted that while the response is going well the area was not out of the woods yet, with a further two and half years of surveillience and treatment before the response can be called successful. MPI is leading the response supported by Federated Farmers, Foundation for Arable Research, Environment Canterbury, Ashburton District Council, the New Zealand Grain and Seed Trade Association and PGG Wrightson.

International

Australia rejects $2.55 billion GrainCorp takeover by ADM [28 November/ CNBC News Group] The Australian government has declined to approve the A$2.8 billion takeover bid by United States agribusiness giant Archer Daniels Midland for Australian agribusiness giant, GrainCorp. Australian Treasurer Joe Hockey said that he was rejecting the proposal on national interest grounds after Australia's Foreign Investment Review Board failed to reach a consensus recommendation. Sydney reporters received a statement from Mr Hockey outlining the fact that many Eastern Australia growers had expressed concern that the proposed acquisition could reduce beneficial competition and impeded growers' ability to access grain storage, logistics, and distribution networks. Shares in GrainCorp closed on Thursday last week at A$11.20 compared to Archer Daniels Midland's A$12.20 per share bid, or A$13.20 per share including dividends payable by GrainCorp.

Arla joins global dairy trade auction [3 December/ Radio New Zealand Rural] Arla Foods has announced that it will become a seller on the Global Dairy Trade auction platform at the next sales event. Arla will be selling British produced skimmed milk powder through the site, produced by the British dairy farmers that are part of the Scandanavian based co-operative. Arla said that it hoped selling the product through GDT would enable it to gain more access to lucrative markets in China and the Middle East, were prices are around 5% higher than in Europe, with higher growth potential than Europe. Dairy analyst, Hayley Moynihan, said Arla is one of the largest dairy companies in the world and its entry onto the GDT platform will add strength to the auction.

Economics and Trade

Record exports push down Oct trade deficit [27 November/ New Zealand Herald] The smallest trade deficit recorded since the mid-1990s was posted by New Zealand as milk powder, butter and cheese shipments drove exports to a record for the month of October. A narrowing of the trade deficit existed for October with a value of $168 million being recorded, down from $216 million in September. This narrowed the annual trade gap to $1 billion from $1.55 billion as reported by Statistics New Zealand last month. Exports increased by 23 per cent ($783 million), to $4.2 billion in October compared to the same time last year. $690 million of this value reflected increased exports of milk powder, butter and cheese, which increased by 85 per cent to $1.5 billion. On the importing side, imports increased 5.7 per cent to $4.4 billion which was led by vehicles, parts and accessories. China was the largest source of imports, rising 9.2 per cent to $797 million and imports from Australia decreased 1.9 per cent to $613 million.

Commodity prices down as aluminium, milk powder drop [3 December/ NZ Herald] The ANZ Commodity Price Index fell in November ending a four month run of price gains. The index was impacted by falls in the prices for aluminium and whole milk powder, although a lower kiwi dollar shielded local producers from the decline. The index fell 0.4% to 326.7 but is still 21% ahead of the same time last year. In addition to a 3% fall in WMP prices, butter fell 2%, kiwifruit fell 1% and lumber and casein fell 0.5%. Balancing these, pelts were up 5% at a 16 year high and skimmed milk powder, cheese, lamb, beef, wool and logs were all up. In local commodity terms the index rose 0.4%. Analysts noted that they expect commodity prices to come under downward pressure in 2014 as global supplies of commodities increase, however the fundamental strength in demand for food from developing market economies should limit the downside risk.

Korea suddenly wants in to TPP, resumes FTA talks with NZ [3 December/ National Business Review] An announcement from South Korea has created new opportunities to engage in free trade talks with South Korea. The Korean government has announced that they are interested in joining the 12 countries currently negotiating the Trans Pacific Partnership (TPP) free trade agreement and that they would be resuming negotiations with New Zealand on an FTA. The move comes ahead of the next round of talks due this month and speculation that China may also be looking to join the TPP talks. Chair of the New Zealand International Business Forum, Sir Graeme Harrison, said the timing of Korea's admission to the negotiations would have to be discussed as the first phase of TPP expansion is drawing to close with the focus being on finalising a high quality, ambitious and comprehensive outcome. Sir Graeme noted that Korea's involvement would enhance the partnership's credibility as an instrument for delivering a new framework for trade and investment in the Asia Pacific region. Trade Minister, Tim Grosser, said that the lack of a formal free trade agreement with South Korea has put New Zealand exporters, including the beef and kiwifruit sectors, at a significant disadvantage to many of our competitors. The FTA negotiations are expected to resume in February.

Farmers and producers

Cook Strait quakes still affecting Marlborough farmers [28 November/ Radio New Zealand Rural] The 6.6 magnitude earthquake that struck the Marlborough region in August has led market commentators to highlighting the increased pressure that it will put on local farmers. Ian Blair is the South Island's Rural Trust field facilitator and he has said that the pressure on farmers has been immense, with some showing signs of depression as they struggle to repair their farms and homes. Mr Blair said that farmers need to remember that help is available from various organisations including the Rural Support Trust and Victim Support.

Business confidence holding at its highest level in 14 years [29 November/ New Zealand Herald] ANZ Bank's saw continued highs recorded in its recent business confidence survey. 53 per cent of those who responded to the survey expected their own activity to increase in the coming year while six per cent expected significant decline. In total, the net 47 per cent positive increase is a figure unchanged on last month and remains at the highest level the measure has been at for 14 and a half years. The agriculture sector moved into a 39 per cent positive level while retailers were the most optimistic of the business outlook at 53 per cent. Profit expectations and hiring intentions hit 19 year highs as well, ANZ Bank Chief Economist Cameron Bagrie said. These figures were backed up by Bank of New Zealand Economist Craig Ebert, with him saying that the rise of hiring intentions that came through in the September household labour force survey was not a "one-off" event.

Italian pasta kings buy farm for $25m [30 November/ New Zealand Herald] The Barilla family from Italy, founders of the world's largest pasta company have received approval to acquire a South Island dairy farm. The property in Rakaia will be purchased from Federated Farmers Dairy Chair, Willy Leferink, and his wife, Jeanet. The Barilla family will pay $25 million for the farm and have committed to making additional capital investment and developing significant indigenous biodiversity. The price represents a premium of around 33% to the median dairy farm price at around $66,000 per hectare. In another approval, the OIO granted New Zealand Longline consent for two deals worth $8.1 million and $5 million involving its purchase of fishing quota from various holders and spieces including red crab, giant spider crab, king crab, ling, blue shark and ray beam. New Zealand Longline is 25% owned by Nippon Suisan Kaisha of Japan consequently OIO approval was required.

Women-in-farming groups have new leaders [2 December/ Business Day] Rural Women New Zealand and Dairy Womens Network have both recently announced new national leaders. Rural Women New Zealand have announced that Wendy McGowan has assumed the role of National President at the recent AGM. Mrs McGowan has previously served as the national vice-president and has been the national councillor for Bay of Plenty/ Coromandel for the past eight years., having been a member of Rural Women for 39 years. In her role as president she hopes to make the branch structure more visible to help grow membership and build on the organisation's goals and aspirations to be dynamic, vibrant, leading, innovative and visible at all levels. Dairy Women's Network has announced the appointment of Zelda de Villiers as the Trust's new CEO, starting in January. Ms de Villiers is currently the Managing Director of De Laval and has more than 20 years experience in the international agricultural industry.

Synlait Farms shareholders keen to cash in [2 December/ New Zealand Farmers Weekly] It has been announced that more than 90% of the shareholders in Synlait Farms have accepted the takeover offer from SFL Holdings to acquire the business, satisfying a key condition of the takeover offer. The acceptance have been received well inside the original closing date of 6 December despite the closing being extended to 20 December. The transaction needs regulatory approval from the OIO and Shanghai Pengxin also need to obtain approval from the Chinese government, and although both approvals are expected the timing is uncertain. Within the terms of the transaction there is an arrangement for a slight price escalation after the 90% threshold is achieved until regulatory approvals are obtained.

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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.

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