

# FIELD NOTES

Weekly news update from the KPMG Agribusiness network



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**HOT OFF THE PRESS:  
KPMG AGRIBUSINESS  
AGENDA 2015 VOLUME 1**

17 June 2015

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

AgriHQ	New Zealand Farm Environment Trust
Air New Zealand	New Zealand King Salmon
Auckland Council	NZ Bio
Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES)	NZ Guild of Agricultural Journalists and Communicators
California State Water Resources Control Board	NZ National Agricultural Fieldays Society
Emerald Foods Group	PGG Wrightson
Federated Farmers	Pipfruit New Zealand
Fonterra Co-operative Group	Premium Whitebait
Hunter Downs Irrigation	Ropere Consulting
KPMG	SAFE
Landcorp Farming	Save the Bee initiative
Mahurangi Technical Institute	Syngenta
Ministry for Primary Industries	Talley's Group
Ministry of Health	The Treasury
Monsanto	Wairarapa Water Use Project

**This week's headlines**

Fieldays 2015	Key urges farmers to keep innovating [15 June/ NZ Farmers Weekly]
Agribusiness strategy	Ministry tips rebound in farm sector [10 June/ NZ Herald]
Fishing and aquaculture	Premium Whitebait: Company to farm whitebait [14 June/ Business Day]

## KPMG Agribusiness Agenda 2015: Volume 1

**Milk producers must do more to maintain relevance [10 June/ NZ Herald]** The annual KPMG Agribusiness Agenda 2015 was released at Fieldays at Mystery Creek discussing opportunities and challenges facing New Zealand's primary sector. In discussing the steep decline in milk prices, it was suggested that the belief there had been a step change in milk prices driven by insatiable demand from Asia had been shaken and as a consequence the industry needs to understand the steps in the supply chain in detail and take proactive steps to manage the flow of the product to ensure we meet the needs of the ultimate consumers of our produce. The challenge for New Zealand producers is doing what needs to be done to maintain relevance to the consumers of our products and the community. The report also discussed concerns around the sector's environmental impact and the role of foreign ownership of assets in its future. KPMG Global Head of Agribusiness, Ian Proudfoot, noted that the lack of a big vision for the primary sector should be concern given that our role in the food system is likely to evolve rapidly, driven by changes in demand and supply.

The KPMG Agribusiness Agenda 2015, volume 1, Growing Value, can be downloaded from our website [www.kpmg.com/nz](http://www.kpmg.com/nz)

## Fieldays 2015

**Bigger crowd at this year's Fieldays [14 June/ NZ Herald]** The annual NZ National Agricultural Fieldays at Mystery Creek reported attendance up 5.2% on last year's weather affected event. The total attendance over the four days of the event amounted to 126,063 people (up from 119,892 last year). Fieldays head of events said that they were very happy with visitor turnout and that feedback on the event had been really positive.

**Key urges farmers to keep innovating [15 June/ NZ Farmers Weekly]** Prime Minister, John Key, opened the 47<sup>th</sup> NZ National Agricultural Fieldays at Mystery Creek urging farmers to maintain their focus on innovation. He noted the challenging conditions in the dairy sector and said innovation provides some protection to uncontrollable cycles in commodity prices and exchange rates. Mr Key suggested that innovation was most important at the toughest points of the cycle and highlighted the work that the government was doing to support the industry. He commented that the government was doing a balancing act on health and safety as the safety record had to be improved but the laws need to be easy to understand and practical to implement.

## Agribusiness strategy

**Ministry tips rebound in farm sector [10 June/ NZ Herald]** The Ministry for Primary Industries released its annual Situation and Outlook report in the run up to the National Fieldays at Mystery Creek. Director of Sector Policy for MPI, Jarred Mair, said that cyclical lows for the dairy and forestry sectors are being partially offset by strength in the beef and horticulture sectors but there is no doubt that there are some difficult times ahead. Sector revenues are expected to fall 8% to \$35.2 billion in the year to June 2015 but MPI forecasts show steady growth in each of the following four years. Mr Mair said that despite the slump in dairy prices confidence remained amongst dairy farmers, noting they were looking through the cycle in terms of what they can do, both on the farm to increase productivity and looking at investments that deliver returns. Mr Mair said it was his expectation that the rate of consumption growth would slow in China over the next two years but the overall fundamentals will see continued growth in the market in the medium to long term, suggesting MPI expects it will take 12 to 18 months for Chinese dairy inventory to return to equilibrium. Mr Mair singled out the kiwifruit sector as one to watch, with massive growth expected over the next three to five years and noted the wine sector was in the middle of a strong growth cycle.

## Horticulture

**Apple season looks rosy for NZ growers [16 June/ NZ Herald]** Pipfruit New Zealand CEO, Alan Pollard, said that NZ apple growers had enjoyed another strong season with the industry tracking to reach its goal of \$1 billion of exports earlier than the target of 2022. The current season harvest is forecast to reach a record 551,000 tonnes with concerns about a hailstorm early in the growing season proving ill-founded. Mr Pollard noted that not only had volumes grown but the quality of product had improved. The industry has now enjoyed three good seasons in a row and sees itself as being on a very sustainable growth path, with new plantings growing the planted area by around 5% a year and over 40% of the national orchard being less than 10 years old providing potential for significant growth. New Zealand apples continue to command a premium over competitor products from Chile, the US and South Africa, with the only uncertainty in the market being the import bans Russia has imposed on product from Western nations. Mr Pollard noted that as Asia becomes the focus growers are evolving the varieties that they produce to meet consumer demand, however the US and Britain remain the largest export customers for NZ apples.

## Water

**Hunter Downs gets farmer support [15 June/ NZ Farmers Weekly]** Hunter Downs Irrigation has received majority shareholder support to proceed with continued investigations into the potential of the \$350 million scheme, which is proposed to irrigate 40,000 hectares of land in South Canterbury. Chairman, Andrew Fraser, said that the biggest concerns shareholders expressed around continuing with HDI related to the equity of funding the wider community benefits of the scheme and concerns over the scheme costings. He noted that HDI will be actively trying to access support and funding for the wider community benefits as the costs should not be solely borne by the water users. He also said that solutions are needed to reduce the scheme cost before HDI would be in a position to progress to the next capital call and construction work capital raising.

**Efficacy of irrigation fund questioned [16 June/ Radio NZ Rural]** Peter Fraser, an economist with Ropere Consulting, has questioned whether government funds provided under the Irrigation Acceleration Fund are being used properly. Questioning the \$2.3 million provided to the Wairarapa water project, he said the early investigations had been progressed with government funding without full investigation of how much farmers would be prepared to pay for water. Mr Fraser said that a lot of money was being spent without significant progress being made, while Michael Bassett-Foss, director of the Wairarapa Water Use project said the fund was about ensuring robust business cases were developed and as a consequence it is wrong to expect quick progress, when the gestation of a complex infrastructure project can be 10 years.

### Viticulture

**Air NZ picks new wine experts for its cellar [12 June/ NZ Herald]** Air New Zealand has announced that it has added two leading wine judges to the panel that select the wines drunk by its passengers. Linda Murphy, one of the world's most sought after wine judges from Sonoma County in the Californian wine region and Fongyee Walker, co-founder of Dragon Phoenix Wine Consulting and based in Beijing will be involved in selecting the almost one million bottles of wine Air New Zealand buys annually. Ms Murphy said the selection role for the airline was a great opportunity to help further promote New Zealand wines in the US, particularly as most American's drink red wine on planes, with NZ wine being perfectly suited for consuming in the air as they were more 'electric' with greater character than some old world wines. Air NZ Chief Marketing and Customer Office, Mike Tod, said Asia and the US were two critical markets for the airline and wines form an important element of the customer experience, adding Linda and Fongyee will bring an intimate knowledge of the New Zealand wine styles that will deliver greatest enjoyment to customers originating in their respective parts of the world.

### Honey

**Saving the bee through social enterprise [14 June/ Rural News]** Andy Cory, a NZ based beekeeper that oversees hives in both New Zealand and the Pacific Islands, is working with colleagues to safeguard the global bee population against colony collapse disorder and believes the answer may lie with our Pacific neighbour, Niue. A partnership has been formed between the Niue Honey Company and Might River Honey to operate a social enterprise from Niue selling bee products under the brand 'Save the Bee'. A share of the profits of the enterprise are being invested into the development of a global bee sanctuary on Niue, home to the healthiest last known and sufficiently isolated stock of Italian honey bees globally. The bee was bought to Niue from New Zealand well before the major honey bee diseases that are impacting colonies around the world and they have not been impacted by agricultural chemicals, making it a relatively isolated tropical paradise for bees. The partners suggest that preservation of the Niue bees is critical to global agriculture and provides New Zealand with an insurance policy. With mortality rates running at 42% in the US over the last year, the partners hope to fast track the development of the sanctuary, with the goal of eventually being able to export clean, healthy and gentle bees to other countries. More detail on the Save the Bee initiative is available on the crowd funding site, Indiegogo.

### Fishing and aquaculture

**Premium Whitebait: Company to farm whitebait [14 June/ Business Day]** Premium Whitebait, a new company established to sell farmed whitebait, hopes to be able to provide year round supply of the fish delicacy and eliminate shortages forever. The company will initially sell farmed whitebait to restaurants but hopes to eventually sell through retail outlets and create export markets for the product. It has signed an agreement to use technology developed by the Mahurangi Technical Institute in Warkworth to breed whitebait in captivity. Premium Whitebait CEO, Jeremy Gardiner, said he expected the first captive bred whitebait to hit the market in September or October although traditional operators expressed scepticism about the venture as the commercial operators were taking large quantities. They expressed concerns about the potential impact the new business would have on prices. Whitebait stocks have been in steady decline over the years and the developers at MTI believe captive farming will ease pressure on wild fish and could avoid the day when commercial, wild catch fishing has to be stopped completely to protect the species. Researchers have succeeded in breeding large numbers of young giant kokopu fish in captivity, although Mr Gardiner noted that the company would not be able to turn out sufficient volume to impact price in the first few years it would mean that whitebait will be available year round, rather than just in the traditional August to November season.

**New Zealand leading the way with sustainable salmon [10 June/ Marlborough Express]** Grant Rosewarne, CEO of New Zealand King Salmon, said that natural geographic advantages and kiwi ingenuity are to credit for the NZ salmon industry being identified as a global leader in a new sustainability report, the Global Salmon Initiative Sustainability report. The report which analyses 14 salmon companies globally highlights NZ King Salmon's low levels of fish escapes, antibiotic use and incidences of sea lice compared to other salmon companies, although fish mortality levels remain comparatively high. Low levels of disease in our environment enable the company to use low levels of antibiotics, none of the around 300 known salmon diseases had spread to New Zealand Mr Rosewarne explained. He added he sees the NZ salmon industry leading the world in terms of sustainability some of which is due to good fortune, given our isolation, but much of it is due to good husbandry. The initiative is the first time a global food sector had collectively reported on sustainability performance indicators in such a transparent manner, with Mr Rosewarne noting the exercise had helped the company to get tips and ideas from international companies to further enhance their environmental management practices.

**'Vulnerable' toothfish sold at bargain prices [15 June/ Business Day]** It has been reported that Guyton's fish shop in Nelson, a business owned by the Talley's Group, has been selling Antarctic toothfish at a price of \$3.90 for a 185g portion. The Antarctic toothfish is a premium product usually exported to be sold in high end restaurants; it is a controversial species as it caught in the Ross Sea. The fishery is certified as sustainable under the Convention of Antarctic Marine Living Resources. The fish are often sold internationally for over \$60 a kilogram. Representatives for Guyton's said that they had the opportunity to introduce this premium species to New Zealand consumers due to some over production by its supplier and without an established market it was necessary to attract consumers to try the experience. However some conservation groups that oppose fishing in the Ross Sea have suggested that having Antarctic toothfish for sale in a fish shop is like offering kiwi for sale in a supermarket poultry section, adding that it "beggars belief that we treat something like that". The fishery remains controversial with US supermarket chain, Safeway, removing the product from sale due to consumer concerns over how the fishing process was damaging the marine ecosystem.

### Dairy

**Higher NZ milk production, increased 2015 payout to boost NZ economy by \$1.8bn, AgriHQ says [10 June/ NZ Herald]** New predictions from the AgriHQ NZ milk production predictor forecasts growth of about 2.5% in milk solids production in the 2015/16 season on the back of a 3% growth in the season just ended. The higher production is estimated to bring a boost to the economy of around \$1.8 billion according to AgriHQ. Analyst, Susan Kilsby, said that they expect dairy farmers to be looking for ways to maximise production without adding significant cost to their business, making farmers focus on effective pasture production and the number of cows in milk. NZ milk production growth has averaged 5.5% per annum over the past five years with productivity gains accounting for half the growth while increases in the stocking rate and land area used for dairy has made up the rest.

**Diane Foreman's Emerald Foods sold to foreign interests [10 June/ NZ Herald]** It has been announced that Emerald Group, owned by Diane Foreman, has been sold to a Hong Kong based company, Emerald Foods Group (HK) for an undisclosed amount. The transaction has been approved by the Overseas Investment Office as the company owns sensitive land in East Tamaki. The ice-cream manufacturing business owns the New Zealand Natural Ice Cream brand with revenues being estimated by Coriolus to be in the region of \$40 to \$60 million a year. The acquiring vehicle is 80% owned by Australian interests, with US and other overseas people owning the balance and the new owners plan to develop the business to grow exports to China through investing its assets in New Zealand, according to the OIO report.

**Fonterra confirms many jobs to go [15 June/ NZ Farmers Weekly]** The Fonterra board is expected to consider a blueprint for restructuring the company on 1 August following the co-operative confirming that it has employed McKinsey's to work with management to review the business in response to weaker returns and lower milk prices. Theo Spierings, CEO, said once the plan had been approved by the board it would be discussed with staff and farmer-shareholders. He added the review is about strengthening sales and marketing while reducing the scale of support and group functions, with commentators suggesting that it could lead to hundreds of redundancies, particularly at the Group's Auckland head office. Mr Spierings said the review was intended to better trim Fonterra's sails, with every stone being turned over and pressure tested to ensure the co-op is better able to drive cash back to the farmers.

#### Animal welfare

**Sheep on ship well cared for, says broker [12 June/ Radio NZ Rural]** Peter Walsh, the livestock broker that arranged a shipment of 50,000 live sheep to Mexico says the animals will be well cared for on their journey. The ship is also carrying 3,000 cattle. Animal rights group, SAFE, feared many animals would not survive the trip and suggested that there was no guarantee as to what would happen once the animals landed in Mexico. Mr Walsh said the ship could carry 110,000 sheep so there was plenty of space and the sheep had been clipped to keep them cool. He added the air was being consistently changed and the animals would be kept well fed and watered. Shipments of live animals for slaughter are banned from New Zealand and the sheep are being sent to Mexico for breeding purposes. On supplier of sheep to the shipment was confident the sheep would be well treated, noting as well that it Mexico wanted meat there are far cheaper ways to access it than the long haul shipment from New Zealand.

#### Research and development

**NZ Bio backs fresh debate over new biotechnologies, including genetic modification [15 June/ National Business Review]** Following on from a speech made by Treasury Secretary, Gabriel Makhoul, at the National Fieldays at Mystery Creek, NZBio has waded into the debate over using new biotechnologies including genetic modification. Mr Makhoul said it was important that NZ makes informed decisions about natural resources highlighting that are current systems deny people the choice of whether they use technologies our competitors are adopting. NZBio CEO, Will Barker, said that the Hazardous Substances and New Organisms Act needs urgent revision so new organisms are covered by better conceived legislation as there are considerable benefits that new genetic technologies can offer New Zealanders. Mr Makhoul quoted the example of a new breed of high yielding eucalyptus tree that delivers a 15% increase in wood from the same area and reduces costs and delivers environmental benefits, which has been approved in Brazil but there is no flexibility in the NZ system to enable us to consider if this is a technology we could use in New Zealand, despite the benefits it would have to the pulp and paper sector. Mr Barker said that decisions on biotechnologies, including GM, should be subject to an appropriate risk-based assessment.

#### International

**Biosecurity barriers saving farmers millions [10 June/ The Australian]** A report from the Australian Bureau of Agricultural and Resource Economics and Sciences has suggested that the country's strict biosecurity regime saves the average farmer \$17,500 a year by preventing direct production and export market losses. The report suggests that removing measures that target foot and mouth disease would erode beef, dairy and sheep enterprise profits by 8 to 12%. The report highlights the financial impacts of other risks including Mexican feather grass, Karnal bunt, citrus greening, red imported fire ants and the highly pathogenic avian influenza. ABARES Executive Director, Karen Schneider, said biosecurity management presents Australian businesses with significant trade advantages and helps maintain access to valuable export markets.

**Monsanto gets tough with Syngenta – US seed company starts making its takeover pitch directly to Syngenta investors [11 June/ Wall Street Journal]** Monsanto executives are hosting meetings with its shareholders and shareholders of Syngenta to pitch its USD45 billion cash and stock bid to key investors to pressure the Syngenta board to enter into a discussion. To date the Syngenta board has rejected the bids suggesting that they undervalue the company and overestimate the chances of a combination passing regulatory muster. Scott Partridge, vice president of strategy for Monsanto, said they were willing to talk to anybody that could help them figure out what needs to be done to get Syngenta to engage. He added that the company has no plans to increase its current offer, which represents a 43% premium to Syngenta's share price before deal talks were reported in late April. He said if there were formal talks and an ability to undertake due diligence, then it is possible that the offer could be raised, as Monsanto refined its view on what represented value. A spokesperson for Syngenta noted that the companies compete in a number of areas and it would be madness for the group to open its books without adequate assurance over the very considerable regulatory risk to a combination.

**Palau burns Vietnamese boats caught fishing illegally [13 June/ Yahoo News]** The tiny Pacific Island nation of Palau has taken bold steps to prevent illegal fishing in its territorial waters, burning four Vietnamese boats caught poaching sea cucumbers and other marine life within its territorial waters. The country wishes to protect most of its waters by making them into a national marine sanctuary with bans on commercial fishing with some exemptions for domestic fisherman and tourists. The country's president, Tommy Remengesau Jr, said the country wishes to send a tough message to pirates who steal their natural resources. Palau authorities have caught 15 boats illegally fishing in their waters in the last year with loads of sharks and shark fins, lobsters, sea cucumber and reef fish. The nation, made up of a 250 island archipelago around 1,000km east of the Philippines, has 621,600 square kilometre area of territorial water and it is battling to protect its marine life. It is estimated that around a fifth of the global market for marine products caught and sold are illegal, with a value of USD23.5 billion per annum.

**Decades old water rights in California halted amid drought [13 June/ NZ Herald: AP]** Orders from California state regulators have left more than 100 senior water rights holders unable to take water from their historical water claims for the first time in decades. The instructions come as the major waterways in California's agricultural rich Central Valley are too dry to meet demand. The senior water rights holders have been historically shielded from cuts until now, with some claims on water dating back to before 1914 and having provided near guaranteed access to water. The cuts to water in some districts in California has led to farmers taking legal action against the authorities, particularly those growing perennial crops, with lawyers arguing the 100% cuts imposed on farmers could send them out of business and they are far more severe than the 25% cuts being imposed on city dwellers. Executive Director of the State Water Resources Control Board, Thomas Howard, said the board has the legal authority to make the cuts during the worst drought on record, but suggested that there were other options for each farmer but it was likely to be a different solution for each farmer.

**Fruit from overseas takes on fresh appeal [13 June/ South China Morning Post]** Demand in China is rising sharply for foreign grown fruits, such as avocados, lemons and blueberries, as families seek out safer food than that produced locally. One consumer noted that when they were a child, buying fruit meant choosing from apples, pears and bananas but now her family spends around HKD1,200 a month on Avocado's from Mexico, cherries from California and kiwifruit from New Zealand. The choices available are much wider than before with far larger amounts of fruit being imported without the risks from excessive use of pesticides and swelling and ripening agents. Imports of avocados have increased by 400% in the last three years, lemon and limes 300% and blueberries 160% while mainland farmers are having to throw away fruit they have been unable to sell. In the major cities, many growers and retailers are embracing traceability systems to track manufacturing and processing to try and deliver consumers' confidence on the quality of local supply, which has seen new brands develop such as Chu Oranges (produced by tobacco king, Chu Shijian) and Liu Kiwis (named after Liu Chuanzhi, founder of Lenovo) however well-known brands are few and far between.

#### Environment and emissions

**Auckland signs up for Farm Environment Competition [15 June/ NZ Farm Environment Trust Press Release]** An agreement between Auckland Council and the NZ Farm Environment Trust will see farmers in the Auckland region able to enter the prestigious Ballance Farm Environment Awards for the 2016 year. Auckland is home to the largest urban market in New Zealand but also large and diverse agricultural businesses covering a wide range of activities from dairying, sheep and beef farming through to horticulture. Councillor Penny Webster said the awards presented Auckland farmers with an opportunity to show the urban population that they take their responsibilities to the environment seriously. There are now 11 regions across the country in which farmers are competing for Ballance Farm Environment Awards, with NZFE chair, Simon Saunders, noting the addition of Auckland to the scheme was a huge step towards the goal of offering a national programme.

#### Rural infrastructure

**PGGW performance 'held up well' [16 June/ Otago Daily Times]** PGG Wrightson CEO, Mark Dewdney, said the Group's trading performance had held up well over the second half of the financial year despite challenging conditions in the farming sector. The Group lifted its full year forecast for operating earnings before interest, tax, depreciation and amortisation to between \$66 and \$69 million up from a range of \$62 to \$68 million. Mr Dewdney noted that while long term fundamentals remain sound, there is widespread acceptance that the sector is moving into a more difficult period and as a consequence farmer confidence, particularly in dairy and lamb, had fallen creating more uncertainty than usual regarding spending intentions for next season. He highlighted this created risk to future trading but noted that there remained improvements to be made across the business and believed that PGGW was well placed to trade through any weakness in the market.

#### Economics and trade

**Reserve Bank interest rate move – a relief to farmers [12 June/ Radio NZ Rural]** Federated Farmers President, William Rolleston, has welcomed the Reserve Bank's decision to lower the base lending rate saying it will ease pressure on farmers, particularly in the dairy sector, facing low payouts and high debt. The OCR was reduced from 3.5% to 3.25% and also led to the NZ Dollar falling against key currencies. Mr Rolleston noted that the lower dollar will help balance returns for farmers. He added that the rate reduction will help all farmers with any sort of debt but warned that it is not an excuse for using lower interest rates to justify higher farm prices. Mr Rolleston said he believed that farmers were well aware that the next 12 to 24 months are going to be tough.

#### Farmers and producers

**Programme to address rural depression [11 June/ Otago Daily Times]** Health Minister, Jonathan Coleman, and Minister for Primary Industries, Nathan Guy, announced the launch of a national programme to address rural depression at the Farmers Big Breakfast at the National Fielddays at Mystery Creek. The programme, which has received a one-off funding boost of \$500,000, reflects the challenging times farmers are facing, particularly in the dairy sector, and aims to get farmers talking about mental health. Minister Coleman said that rural depression was a significant issue and could be caused by many factors including isolation and the uncertainties of being reliant on the land and needed different approaches to those adopted in urban areas. The Ministry of Health will work with the Ministry for Primary Industries to develop the programme. Mr Guy noted that while farmers are really good at looking after their land, animals and machinery they traditionally aren't as good at looking after themselves and the programme is intended to help them realise they are not alone and help is available.

**Waipukurau farm consultant, Chris Garland, named agricultural communicator of the year [12 June/ NZ Guild of Agricultural Journalists and Communicators Inc Press Release]** Chris Garland has been awarded the 2015 Landcorp Agricultural Communicator of the Year prize. Chris is a director and shareholder of Baker and Associates and has been since it was formed in 1986, and worked for the MAF Advisory Service for six years prior to this. NZ Guild of Agricultural Journalists and Communicators President, Graeme Peters, said that Mr Garland was held in high regard by farmers around the country and he is able to communicate the most complex messages to farmers and agribusiness owners using skills honed over many years. Mr Peters added that Mr Garland's ability to communicate with farmers at all levels and on all aspects of agriculture and life are recognised by this award.

**Low payout no barrier to Landcorp dairy development [14 June/ Business Day]** Despite the drop in dairy prices and call from the Greens for a moratorium on dairy conversions, Landcorp Farming is continuing its plans for the large scale conversion of the Wairakei Estate from forestry to farming. The company so far has converted nine farms covering around 5,000 hectares with the plan to have 39 dairy farms on 25,000 hectares by 2021. Steven Carden, Landcorp’s CEO, said the company was looking at a range of different land use options beyond dairy for parts of the development, including sheep milking and sheep and beef farming. He said the company had set itself high standards on environmental impacts of the conversions and was continuously reassessing plans to ensure it did the best by the community and the environment. Mr Carden said sheep milking was not on the radar 12 months ago, but the company is keeping an open mind about what is strategically best for Landcorp and for the environment. Mr Carden said the company was investing heavily in monitoring farm discharges and planned to make the data available as well as developing one of the farms as a showcase. He noted that Landcorp planned to build two sheep milking farms in the next three years to export products to Asia but is focused first on developing the markets rather the production base.

**Landcorp post for former MP [16 June/ NZ Herald]** Former Invercargill MP and farmer, Eric Roy, has been appointed to the board to New Zealand’s largest farmer, state owned Landcorp Farming. Mr Roy retired from parliament last year having been a National MP for around 20 years. The government also announced that Traci Houpapa, who has been acting in the role of chairwoman since May 2014, has been appointed to the role full time. Ms Houpapa has been on the board of Landcorp since May 2010 and also chairs the Federation of Maori Authorities.

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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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