

FIELD NOTES

Weekly news update from the KPMG Agribusiness network

22 July 2015



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

Organisations referenced in this week's Field Notes include:

3V Asset Management AG	iFarm
A2 Milk	Irish Creamery Milk Suppliers Association
Agrocentro Uruguay	Lake Taupo Protection Trust
Aldi UK	Landcorp Farming
ANZ Bank	Livestock Improvement Corporation
ASB Bank	Manatt, Phelps & Phillips LLP
Australian Livestock Exporters' Council	Massey University
Bay Cuisine	Ministry for Primary Industries
Beef + Lamb New Zealand	Monsanto Co.
BNZ	National Farmers Union
Corelogic	Northland Regional Council
Dairy Holdings	NZX AgriHQ
Dean Foods	Otago Conservation Board
European Commission	Otago Regional Council
Federated Farmers	PGG Wrightson
Fonterra Co-operative Group	Rabobank
Freedom Foods Group	Statistics New Zealand
Green Kiwifruit Growers Association	Syngenta AG
Greenlea Premier Meats	Taieri Landcare Trust
Hawkes Bay District Health Board	Tukituki Catchment Proposal Board
Hawkes Bay Regional Investment Company	University of Iowa
Horticulture New Zealand	Westpac New Zealand
Huia Vineyard	WH Group

This week's headlines

Viticulture	Move aside for cider - global beverage markets make room [16 July/ Rabobank Press Release]
Food safety	Ministry did not know hospital was giving Bay Cuisine meat to patients [17 July/ Business Day]
Dairy	Fonterra wields the axe [17 July/ NZ Herald]
Red Meat	Promoting NZ's grass-fed beef in Taiwan [21 July/ Radio NZ Rural]
Farmers and producers	Farm mortgagee sales climbing [17 July/ Radio NZ Rural]

Horticulture

Hort NZ board [18 July/ Rural News] Green Kiwifruit Growers Association Chairman, Mike Smith and Bay of Plenty Kiwifruit Grower, John Cook have been appointed as directors to the Horticulture New Zealand board. The new board's term will begin at the organisation's annual meeting in Rotorua on July 28

Viticulture

Move aside for cider - global beverage markets make room [16 July/ Rabobank Press Release] According to Rabobank's Wine Quarterly, cider is becoming increasingly appealing to younger, more affluent male and female consumers. Rabobank Senior Beverages Analyst, Marc Soccio said the cider sector has connected to a new wave of consumers, and that the recent success of cider products tapping into growing global markets has provided further evidence of rising segmentation within alcohol industry. Mr Soccio added that the growth of the cider industry posed a threat to both the beer and wine industry. Rabobank estimated that during 2014, both global wine consumption and supply had decreased by one and five percent respectively.

Huia Vineyard wins best biodynamic winery award in New York [20 July/ The Marlborough Express] Marlborough Organic Winegrower, Huia Vineyard has won the Biodynamic Winery of the Year award at this year's New York International Wine Challenge. Huia Vineyard owner Claire Allen said the most pleasing aspect of winning the award was that the recognition had come from people within the wine industry.

Food safety

Ministry did not know hospital was giving Bay Cuisine meat to patients [17 July/ Business Day] The Ministry for Primary Industries said that while it knew Bay Cuisine had sold listeria-contaminated meats, it did not inform the Hawkes Bay District Health Board as it was unaware the company supplied its meat to its hospitals. A Ministry for Primary Industries spokesman said that as soon as the Ministry became aware that Bay Cuisine meats were being given to hospital patients and visitors, a compliance investigation was launched. Bay Cuisine, one of its directors and a staff member were fined a total of \$192,500 for their offending, which included deceiving the Ministry by omitting test results. The 2012 listeria outbreak saw four people infected, two of whom died.

Safer food centre awaits approval [18 July/ NZ Herald] Massey University is hoping to gain approval from the Ministry of Business, Innovation and Employment to establishing a new food safety science and research centre. Massey University Food Safety Professor, Nigel French said the new centre will look at ways to improve diagnostic testing of food and how to efficiently communicate with consumers if a food safety issue occurred. Mr French added that the centre will provide better insight of the country's main trading partners, which will prevent incidents and improve New Zealand businesses' ability to handle them. A decision for the centre is expected later this month.

Forestry

Export log prices hold steady in July amid uncertainty about Chinese outlook [17 July/ National Business Review] According to NZX AgriHQ, the average wharf gate price for New Zealand A-grade logs held at \$86 a tonne in July. The AgriHQ Log Price Indicator fell from 89.38 to 89.17 during the last month, led by a decline in domestic log prices. AgriHQ Analyst, Emma Dent said exporters had been optimistic that prices would recover as Chinese sawmillers begin to utilise log inventories at the country's ports. Structural log prices also fell by \$1 to \$106 a tonne in the last month. Ms Dent said while demand for structural wood remained strong due to a housing shortage, building activity slows during winter causing an increase of supply on the market. Pruned log prices rose \$2 to \$163 a tonne in the past month, amid tight Central North Island supplies. According to Statistics New Zealand, the value of wood exports fell 16 percent to \$3.45 billion in the year through May.

Swamp kauri deserves NZ added value [20 July/ NZ Herald: Editorial] The Ministry for Primary Industries has announced it is to exercise greater oversight of the swamp kauri trade. The move will end loophole practices used by the industry to get around the current Forestry Act, which bans the export of swamp kauri logs unless they are made into finished products. It will also add jobs and value to the industry, which is estimated to be worth around \$25 million to the struggling Northland economy. The government's intervention will mean all finished products will have to be notified to the Ministry, and then inspected before export approval. The Northland Regional Council will now be required to be notified of all extraction activities. The Ministry will also visit all sites as part of its milling approval process. Conservation groups, along with various political parties have called for a moratorium on the trade, as it would allow the industry to be reassessed.

Water

Dry years fire up ambitious Taieri water plan [20 July/ Business Day: NZ Farmer] A proposed concept to reactivate the Taieri Landcare Trust and expand its scope to oversee an integrated water management plan for the whole of the Taieri catchment has emerged from a public forum in Middlemarch. The forum was called to explore options to safeguard the catchment's water resources, and followed water restrictions imposed by the Otago Regional Council's when river levels dropped below minimum summer flows. Otago Conservation Board Chairman, Pat Garden said the purpose of the forum was to explore with farmers the management of higher altitude tussock lands and the degree that it affected water yields. Mr Garden added that while the concept of an integrated water management plan for the Taieri was ambitious, he was encouraged by the commitment of people involved.

Decision on dam's construction likely this year [20 July/ Radio NZ Rural] Hawkes Bay Regional Investment Company said it will know by the end of the year whether construction of the Ruataniwha Dam will go ahead. No appeals have currently been lodged to the High Court on the Tukituki Catchment Proposal Board of Inquiry's decision to grant consents for the water storage scheme. Hawke's Bay Regional Investment Company Chairman, Andy Pearce said construction of the dam depended on farmers agreeing to buy 45 million cubic metres of water each year, with around 35 million cubic metres already been or close to being sold. Dr Pearce said the scheme will potentially irrigate around 30,000 hectares of farm land. Federated Farmers Hawke's Bay President, Will Foley said farmers, following the decision to grant consent, will now have more certainty around environmental levels allowing them to investigate whether they should sign up to the scheme. Mr Foley added he was surprised there were no appeals to the environmental consents, given how controversial the project has been.

Dairy

Raw milk rules 'impossible' for farmers [16 July/ Radio NZ Rural] Manawatu Raw Milk Farmer, Susan Galea said new raw milk regulations could put raw milk farmers out of business. From 1 March 2016, producers will either have to sell raw milk at the farmgate, or via door-to-door deliveries. Under the new rules farmers will not be allowed to leave milk at collection points. Ms Galea said that visiting every buyers house within 24 hours of milking would be a logistical nightmare, and that the extra cost will kill off businesses. Food Safety Minister, Jo Goodhew said it is important that raw milk is highly regulated as it can put drinkers at risk of harmful bacteria such as E-coli, campylobacter, salmonella and listeria.

Dairy price tumble 'a shock' [16 July/ Radio NZ Rural] Federated Farmers Dairy Chairman, Andrew Hoggard said the scale of the recent fall in dairy prices came as a shock. The overall average of dairy commodities at the latest GlobalDairyTrade auction fell 10.7 percent to USD 2,082 per tonne. Whole milk powder dropped 13.1 percent to USD 1,848 per tonne, to its lowest level in six years. The fall also placed further downward pressure on the New Zealand dollar, falling by around two percent against its American counterpart. Mr Hoggard said reducing milking herd numbers may help farmers cope with the price drop as input costs will be reduced.

Fonterra wields the axe [17 July/ NZ Herald] Fonterra is to axe 523 jobs in its first stage of restructuring its finance, human resources and information systems departments. The company's second stage of restructuring will commence in August. ANZ Rural Economist, Con Williams said the impact of low dairy prices and job losses will have a big multiplier effect throughout the economy. Fonterra Chief Executive, Theo Spierings said the co-operative had to change if it was to remain competitive in the global dairy market. Fonterra said the job cuts will reduce its payroll bill by up to \$60 million. The review of the company will also include measures to improve profitability at Fonterra's loss-making Australian business as well as a series of moves across the organisation.

Council gets Coull head [20 July/ NZ Farmer Weekly] Fonterra Shareholders' Council Deputy Chairman, Duncan Coull has been elected unopposed to replace current Chairman, Ian Brown, who stood down after three years. Mr Coull applauded Mr Brown's work that guided the council through a pivotal time for the co-operative. Mr Brown will continue to represent South Waikato for the remainder of his tenure. Mr Coull owns two Otorohanga dairy farmers, milking around 600 cows and is a former rural banker.

A2 shares fall as investors weigh up funding needs [20 July/ National Business Review] A2 Milk shares fell to a three-week low as investors weighed up the company's funding needs after the board turned down a potential offer from Freedom Foods Group and Dean Foods. Salt Funds Management Managing Director, Matt Goodson said the fall in share price indicated the company will require new funding. A2 Milk Managing Director, Geoff Babidge said the company has sufficient funding capability in respect of current plans, but would look at opportunities to accelerate growth further. A2 Milk announced that its EBITDA, for the year ending June 30, sat at \$4 million and is forecasted to rise to \$12 million by 2016. The company's annual revenue grew 39 percent to \$154 million. The company raised its 2016 sales target to \$267 million on the back of increased infant formula sales growth in Australasia and China.

Penny holds out on \$5 forecast [20 July/ NZ Farmer Weekly] Following the most recent GlobalDairyTrade fall of 10.7 percent, four out of five independent dairy analysts expect the milk price forecast to dip below last seasons. ASB Rural Economist, Nathan Penny kept his \$5 forecast on the assumption that buyers had backed off temporarily due to Chinese share market concerns. NZX AgriHQ Dairy Analyst, Susan Kilsby believed the recent results may have been worse than reported, cutting her forecast to \$4.22. Ms Kilsby suggested a price of \$3.17 if all the seasons' production sold at current levels. Westpac Senior Economist, Michael Gordon said problems of oversupply and soft northern hemisphere demand was likely to have been compounded with fears of a fractured euro zone and reduced confidence from the drop in Chinese share prices. Mr Gordon assumed a \$4.30 forecast based on a season-long exchange rate of USD 0.65. All the economists said the severe weakness in prices and export earnings will cause the Reserve Bank to cut at least 0.5 percent from the Official Cash Rate.

Red meat

Beef could underpin milk money [20 July/ NZ Farmer Weekly] Greenlea Premier Meats has alerted dairy farmers to the opportunities to supplement low milk earnings by rearing bull calves through to a 100 kilogram live weight, over the next few months, before selling them to finishers. Greenlea Premier Meats Managing Director, Tony Egan said beef prices had remained very strong, and were being boosted by a weaker New Zealand dollar. Mr Egan added that the outlook for beef looked good for at least the next 22 months. iFarm Agriculture Market Analyst, Mel Croad said the beef livestock spot market looked very strong, with North Island bulls and steers priced at \$5.70 and \$5.60 per kilogram respectively. In its latest newsletter, Greenlea highlighted to dairy farmers the potential gains of bull fattening, and stated that a 100 kilogram calf would be sought after if well reared and ready by November.

Promoting NZ's grass-fed beef in Taiwan [21 July/ Radio NZ Rural] A joint marketing campaign between Beef + Lamb New Zealand and Taiwanese restaurant chain, Royal Host has been launched to help promote the health benefits of grass-fed New Zealand beef, with the ultimate goal of increasing beef exports. Beef + Lamb Chief Executive, Scott Champion said 98 percent of New Zealand beef was grass-fed, which is proving popular with health conscious Taiwanese consumers. Mr Champion added that the marketing campaign could be applied to other Asian markets.

Rural infrastructure

Growing from Uruguayan seed [16 July/ Radio NZ Rural] PGG Wrightson has taken a 50 percent stake in Uruguayan farming and rural servicing company, Agrocentro Uruguay. PGG Wrightson Chief Executive, Mark Dewdney said the deal made good business sense as it allowed the company to grow its seed business in South America. Mr Dewdney added that Agrocentro Uruguay generates revenue of more than USD 100 million.

Livestock chasing \$1b goal [16 July/ NZ Herald] Livestock Improvement Corporation is actively pursuing its goal of generating \$1 billion in revenue by 2025. Livestock Improvement Corporation CEO, Wayne McNee said the business will need to borrow to pursue its goal. Mr McNee added that an annual growth rate of 15 percent is needed to achieve the target, and will be attained through organic growth, acquisitions, partnerships and through selling its software and hardware solutions around the world. Mr McNee said the company will continue to look off shore for acquisitions, and that off-shore businesses will provide its farmer-shareholders benefits through higher revenue and dividends. Mr McNee also added that the company is looking to sell more hardware offshore, as the company had the advantage of being able to retrofit existing milk sheds.

Environment and emissions

Farmer sign-up reaches Taupo target [16 July/ Radio NZ Rural] Lake Taupo Protection Trust has signed contracts with landowners around the lake that will help it achieve its target of reducing nitrogen leaching by 20 percent or 170 tonnes a year. An \$80 million fund, set up to protect the lake, has been used to buy farms converting them to forestry. The fund is also being used to help farmers find new ways of farming. Lake Taupo Protection Trust Chief Executive, Graeme Fleming said 7500 hectares of farmland in the Lake Taupo catchment would be converted to forestry.

Agri-tech

New ways to feed the world [16 July/ NZ Herald: Steven Carden Opinion] Landcorp CEO, Steven Carden said the only way in which enough food can be produced with fewer inputs is the use of agricultural technologies. AgTech is a new class of start-up companies, with a focus on innovations and technologies designed to solve particular agricultural problems. It is believed the AgTech phenomenon, using new science and technologies, can help farmers produce more with a lot less. Mr Carden believed that New Zealand was well positioned to be a world leader in the AgTech sector, due to the country's global reputation as agriculturalists, and strong agriculture science base. Mr Carden warned that if New Zealand is to prosper as an AgTech leader, it has to act fast, as countries such as Israel are already solving issues such as being able to produce for all of its food needs.

Animal health

Farmer fined for cow deaths [20 July/ Rural News] South Waikato Dairy Farmer, Tony Clayton has been sentenced in Rotorua District Court for neglect and ill treatment of cows that became malnourished or starved to death in his care. Mr Clayton has been disqualified from owning or being the "person in charge" of animals for a period of two years. Mr Clayton also received 240 hours of community work, nine months of supervision and has to pay reparation costs of \$3,100 plus additional court costs of \$150 for both charges. Ministry for Primary Industries District Compliance Manager, Brendon Mikkelsen said the sentencing is a reminder for farmers to seek help early if they have a shortage of feed. Mr Mikkelsen added that neglect and ill treatment is normally preventable, as inspectors will often work through issues with stock owners, but would not tolerate negligence or cruelty.

International

Waste not, want not: grape growers aim to put some skin in the game [14 July/ The Australian] Grape growers are hoping to use skins, stalks and seeds left over from winemaking as a new revenue stream. University of Adelaide Researcher, Ravichandra Potumarthi said the waste, known as marc, could be used as both a health product and feed for livestock, for increased alcohol production of spirits and as an antioxidant-rich flour for cooking. Australian Wine Research Institute Scientist, Josh Hixson said the waste also has the potential to reduce livestock methane emissions and increase productivity.

Other buyers hungry for meat tipped to take rejected stock [15 July/ The Australian Financial Review] Australian Agriculture Minister, Barnaby Joyce said recent high prices showed that demand for meat was growing, meaning buyers could be found for 150,000 cattle stranded in northern Australia following Indonesia's decision to cut imports quotas. Mr Joyce said the Indonesian decision was driven by the country's desire to become self-sufficient and not because of diplomatic tensions. Rabobank Analyst, Angus Gidley Baird said that while decision would cause some heartache for cattle farmers, soaring global demand and high prices have placed the country in a good position to cope with the quota cut. Mr Joyce said a new agreement is currently in progress.

Aldi leads backing of UK farmer-friendly 'fruit and veg pledge' [15 July/ The Guardian] Aldi has become the first supermarket chain to sign the National Farmers Unions' pledge to boost business conditions for growers and suppliers. The pledge includes a commitment to supply seasonal British fruit and vegetables, while stripping out bureaucracy and unfair charges such as penalty rates to reclaim money when sales fail to live up to expectations. The company also agreed not to charge suppliers for late deliveries or make deductions for customer complaints. National Farmers Union Chief Horticultural Adviser, Dr Chris Hartfield said the pledge is a breakthrough as it reduces market volatility for small suppliers. Dr Hartfield hoped other supermarkets, such as Tesco, would sign the agreement. Aldi Managing Director of Buying, Tony Baines said the company has always and will continue to treat suppliers equally and fairly.

Canada, Russia unite to ban Arctic fishing [16 July/ The Globe and Mail] The United States, Denmark, Norway, Canada and Russia are expected to sign a moratorium agreement on commercial fishing in the High Arctic. The agreement will prohibit the five countries from fishing in the central Arctic Ocean until the completion of a full scientific assessment of fish stocks and how they can be sustainably harvested. While the agreement will not stop boats from China, Japan, South Korea and the European Union from entering the region, it will halt the five countries from fishing beyond their northern 320 kilometre exclusive economic zones until the studies have been completed.

Why Monsanto, Syngenta Could Merge [16 July/ The Wall Street Journal] Manatt, Phelps & Phillips LLP Antitrust Litigation Partner, Lisl Dunlop said the proposed merger between Monsanto Co. and Syngenta AG could go ahead, even if there are current antitrust concerns. Syngenta AG had argued that a merger would be blocked by antitrust regulators. Ms Dunlop said blocking the deal outright was unlikely, and that set limits was a more likely approach. Monsanto also has pledged to sell Syngenta's seed business to reduce any competition concerns. The company has also published an analysis by four law firms which argued that its planned divestitures would neutralize any concerns over increased market share, and that there would be very few, if any, competitive issues created by adding Syngenta's weed killers, insecticides and fungicides to Monsanto's franchise. The report also stated that the companies' combined market share in both seeds and chemical treatments would generally be too low to harm competitors. Syngenta feared that such regulatory strings attached to any deal with Monsanto could constrain a combined company, and that the price offered by Monsanto was too low.

French farmers face bankruptcy [18 July/ Daily Telegraph] French Agricultural Minister, Stéphane Le Foll has urged consumers in the country to buy French produce to help rescue 25,000 Gallic farmers who are on the verge of bankruptcy. Mr Le Foll said farmers have been hit by a triple crisis of low dairy prices, cheap foreign pork and lowered beef demand. French Senate President, Gérard Larchet warned that French farmers require a bail-out plan of debt reduction on a par with the European Union's Greece bail-out.

China's hunger for pork leaves bad smell in southern US [18 July/ The Times] China's increased demand for safer, North Carolinian pork has exacerbated the issue of the stench caused by the states 10 million swine. The stench has long been an issue, but it appears to have grown worse as North Carolina's pig farmers begin to raise hogs number for China. Substances that waft from factory pig farms include hydrogen sulphide and ammonia, both potential irritants. A University of Iowa study found that local residents have suffered from symptoms which included burning eyes, breathing difficulties, headaches, anxiety and elevated blood pressure. The study also found that the hazards posed by swelling lagoons of pig manure are worsened because nearby populations tend to be poor. In the past year, locals have filed twelve lawsuits complaining about the smell against pig farms owned by Chinese company WH Group.

Souring milk market may drive many farmers out of dairy [18 July/ The Irish Times] Irish farmers are bracing themselves for further falls in dairy prices, with the fear that the current market slump may drive many out of the industry. The crisis has prompted Irish Agriculture Minister, Simon Coveney to call for an urgent increase of the European Union's intervention price for milk to avert a full-blown crisis in rural Ireland. The European Commission agreed to extend the timeframe for processors to sell into intervention beyond the original September 30th deadline. The Irish Creamery Milk Suppliers Association estimated that Irish dairy farmers generated EUR 748 million in revenue for the first five months of this year, EUR 218 million less than same period last year. Irish Creamery Milk Suppliers Association Deputy President, Pat McCormack said farmers are now losing money on every litre of milk sold.

Australia close to major live export cattle deal with China [21 July/ Business Day: NZ Farmer] Australian Agriculture Minister, Barnaby Joyce has signed off on key protocols that will allow up to one million live cattle to be exported to China annually. The approval followed Indonesia's decision to dramatically reduce the number of cattle it will take. Mr Joyce said the deal will be worth between AUD 1 billion and AUD 2 billion annually, with the first exports of around 50,000 live cattle taking place next year. Mr Joyce added that the agreement will open up the Chinese market to Australian beef farmers, and will build up to around a million cattle being supplied. Australian Livestock Exporters' Council Chief Executive, Alison Penfold said the agreement was a major breakthrough for the industry and that it improved market diversification for Australian exporters and producers.

Agribusiness strategy

Intimacy is the new reality [16 July/ NZ Herald: Mike Petersen Opinion] Former Beef+Lamb New Zealand Chair and current Special Trade Representative for Agriculture, Mike Petersen, believes customer intimacy is the new reality within the primary sector, and that it provides exporters great opportunities to expand beyond country strategies. Mr Petersen said that new technologies allowed farmers to be personally connected with consumers, at a time when consumers are desperate to connect with the source of their food. Mr Petersen warned that with greater transparency posed greater risks, as it allowed more scrutiny around areas such as sustainable farming and animal welfare. Mr Petersen believed that the New Zealand primary sector had a bright outlook, amongst short term difficulties, and that companies must adapt to volatility if they are to succeed.

The value-added approach [16 July/ NZ Herald: Hamish Gow Opinion] Massey University Professor of Agribusiness, Hamish Gow said that there are three key strategic disciplines that will allow the New Zealand agricultural sector to add value to its products. Mr Gow believed companies must excel in either operational excellence, product leadership or customer intimacy, to add value to their products in a sustainable way. Mr Gow added that any agribusiness should learn the strategic value discipline of their marketing channel, and then align their company with that discipline.

Farmers and producers

A competitive advantage [16 July/ NZ Herald: Graham Turley Opinion] ANZ Commercial & Agri Managing Director, Graham Turley believes that the New Zealand dairy sector has to take its efficiency to the next level if it is going to thrive in the long term. Mr Turley added that efficiency needed to be improved if the country is going to succeed against countries such as the United States, whom are taking advantage of scale, state-of-the-art technology and advances in feed technology to become more globally competitive. Mr Turley believed that farm operating efficiency was a main issue for New Zealand dairy farmers, and that most should take note of farmers who featured in the most recent Dairy Business of the Year competition and those who are investing in on-farm management, pasture productivity and new technologies which drive down the cost of production.

Farm mortgagee sales climbing [17 July/ Radio NZ Rural] According to Corelogic, the amount of farm mortgagee sales has increased to 19 sales in the past three months. Rural Debt Negotiator, Janette Walker said the government needed to introduce debt mediation legislation, as around 40 percent of dairy farmers will not break even this year. Farming Consultant, Doug Avery suggested that farmers should adapt their business models if they were not working, with a potential option being to sell-up. Rabobank Country Banking Director, Hayley Moynihan said the downturn in dairy prices was well signalled and the bank had been talking with farmers about the best way to weather it. Ms Moynihan added that some farmers will have to sell, with cases being assessed on a case by case basis. BNZ National Manager for Agribusiness, John Janssen said that more than half of the country’s dairy farmers would lose money this season, but that the vast majority were financially stable. Mr Janssen said he had an open mind on mandatory debt negotiation, but warned that it did not always work in the farmers favour.

Dairy Holdings: simple business model maintaining a competitive advantage [21 July/ Business Day: NZ Farmer] Dairy Holdings Chief Executive, Colin Glass said the company’s simple business model allows it to generate cash each year, while also reducing risk. Mr Glass said the company based its operations on efficient on-farm irrigation and managed nutrient limits to allow its farms to grow the feed needed, winter cows and maintain a competitive advantage. Another part of the company’s philosophy is career progression, which allowed staff to build stock and grow on the farm they are working on, increasing staff capability and herd quality. Mr Glass believed the company’s simple pasture approach allowed it to be more productive, and that it was a trend he had noted within the industry.

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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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