



AGRIBUSINESS

FIELD NOTES

Weekly news update from the KPMG Agribusiness network

28 September 2016

Organisations referenced in this week's Field Notes include:

AgriHQ	New Zealand King Salmon
Alpine Origin Merino	New Zealand Merino
American Apparel & Footwear Association	Northeast Seafood Coalition
Applied DNA Sciences	Oregon Group
Arla Foods	Panera
Bi-Rite	Pew Research Centre
Broad Institute	Rabobank
Chobani	Reda
Direct Capital	Shanghai Maling
Feed Manufacturers' Association	Silver Fern Farms
First NZ Capital	Southern Clams
Flour Millers' Association	Sufferfest
Fonterra Co-operative Group	Target
Fonterra Shareholders' Council	Te Runanga o Otakou
Global Dairy Trade	Terramera
Hippeas	Tesco
Horticulture New Zealand	Umea University
IKEA GreenTech	Unilever
Irish Department of Health	United Nations
Macquarie	United States Department of Agriculture
Ministry for Primary Industries	Walmart
Mintel	Whole Foods
Monsanto	World Health Organisation
MyFarm	Zespri
Nestle	

This week's headlines

Horticulture	Zespri Board announces succession planning for new CEO [21 September/ Zespri Media Release]
Aquaculture	King Salmon IPO to issue shares at \$1.12 [23 September/ Radio NZ Rural]
Dairy	Fonterra increases forecast [21 September/ Dairy News]
Dairy	Fonterra re-jigs governance review allowing direct farmer nominations [23 September/ NZ Herald]
Economics and trade	Indonesia trade prospects good, says McClay [26 September/ Rural News]



FIELDNOTES.CO.NZ

**HOT OFF THE PRESS:
KPMG AGRIBUSINESS
AGENDA 2016 VOLUME 1**



Horticulture

Zespri Board announces succession planning for new CEO [21 September/ Zespri Media Release] Zespri has announced that it would start a search process next year to select a new chief executive officer. Current Zespri Chief Executive Officer, Lain Jager would remain in the role until the new chief executive officer started, expected to be late in 2017. Zespri Chairman, Peter McBride said the board was trying to balance continuity and renewal in the leadership of the organisation. Mr McBride added that Zespri had an experienced and stable management team in place and the board of directors would consider both potential internal and external candidates for the position.

Viticulture

MyFarm has new model for vineyard [19 September/ NZ Farmers Weekly] MyFarm is seeking \$6.5 million from investors in order to buy the \$10.5 million Patriarch Vineyard in Marlborough as part of the company's new investment scheme. MyFarm Executive Director, Andrew Watters said the vineyard had been leased to a winemaker for 10 years, with the lessee managing everything to do with the vines and grapes. Mr Watters added that the arrangement meant MyFarm was not exposed to wine or grape production or price variability. Just 40 percent of the purchase would be financed by a bank, meaning the investment returns were forecasted at more than 8 percent per annum. This was comparable to a commercial property investment, but without the depreciation. Wine Industry Professional, Paul Dunleavy said customers could not get enough Marlborough Sauvignon Blanc wine, and the amount of suitable land in the region for growing quality grapes in large volumes had almost run out.

Aquaculture

NZ King Salmon float aims to raise between \$76-82 million [22 September/ National Business Review] First NZ Capital and Macquarie have confirmed that the indicative price range for New Zealand King Salmon's initial public offering would be between \$1.10 and \$1.20. The range was between 7.75 and 8.32 times the company's earnings before interest, tax, depreciation and amortisation for the year ending June 2017. Eligible residents of the Marlborough and Nelson Bay regions were asked to register their interest for the priority offer by 12 September, while the retail offer was expected to open on 3 October. The company planned on listing on both the NZX and ASX.

King Salmon IPO to issue shares at \$1.12 [23 September/ Radio NZ Rural] New Zealand King Salmon shares would be sold at \$1.12, near the bottom end of its indicative price range of \$1.10 to \$1.20. New Zealand King Salmon Chairman, John Ryder said the company was delighted that New Zealand investors had demonstrated such strong support for the initial public offering, with demand exceeding the size of the offer at the final share price. The float of 69.2 million shares valued the company at \$154.5 million. King Salmon would get \$30 million in new capital which would be used to repay debt and fund future investment. Direct Capital sold up to \$45 million worth of shares, while Oregon Group sold a small number of shares to bring their holding down to 40 percent. King Salmon's offer documents forecasted revenue of \$130 million and operating earnings of \$19 million for the current year.

Fishing

Fishing reserve approved [27 September/ Otago Daily Times] The Ministry for Primary Industries has approved a fishing reserve in Otago Harbour after eight years of consultations and proposals. The Otakou Mataitai Reserve would prevent commercial fishing in the area. Te Runanga o Otakou Chairwoman, Donna Matahaere-Atariki said she was extremely pleased with the decision. Southern Clams Operations Manager, David Redshaw said the business had two harvesting areas in the harbour, but the Otakou Mataitai Reserve would not negatively affect Southern Clams as boundaries could be changed. Recreational Fisher, Warren Lewis said he was pleased there was now an area within the harbour that would be exempt from commercial fishing.

Red meat

NZ Merino takes full ownership of joint venture with Silver Fern Farms [22 September/ National Business Review] New Zealand Merino will take full control of Alpine Origin Merino, which it previously owned in a joint partnership with Silver Fern Farms. Alpine Origin Merino has sold the Silere Alpine Origin Merino brand since the partnership was formed five years ago. New Zealand Merino Chief Executive, John Brakenridge said Silere had been built into a successful brand in New Zealand and the United States. Mr Brakenridge added that the intention was for Alpine Origin Merino to continue to develop and build the Silere brand in niche markets globally. Silver Fern Farms Chief Executive, Dean Hamilton said it made sense for New Zealand Merino to take full control and move the merino product range forward. Mr Hamilton said Silver Fern Farms was focusing on the Silver Fern Farms brand.

Dairy

Farm sales part of adding value [19 September/ NZ Farmers Weekly] Fonterra Chief Executive, The Spierings said the co-operative's record profit proved it had the right strategy and that it was working through both good times and bad. Mr Spierings explained that the strategy had delivered the financial results, structural needs and social responsibilities the co-operative desired. Mr Spierings added that farmers had been under a lot of stress in an unstable environment and had responded with different systems and greater efficiencies. Mr Spierings noted that the whole organisation had delivered in a difficult market of low international dairy prices and political disruption. Mr Spierings said Fonterra now had to show that profitability and operational efficiency could be maintained and improved as global dairy prices rose again.

Dairy product prices inch up, whole milk powder slips [21 September/ National Business Review] The average dairy price increased by 1.7 percent from USD 2,920 to USD 2,975 at the recent Global Dairy Trade auction. The price of whole milk powder, which heavily influences payments to New Zealand farmers, fell by 0.2 percent to USD 2,782 per tonne. AgriHQ Dairy Analyst, Amy Van Ossenbruggen said futures markets had anticipated an increase of more than 11 percent. The price of butter increased by 3.6 percent, the price of cheddar rose by 2.2 percent, while the price of butter milk jumped 7 percent.

Fonterra increases forecast [21 September/ Dairy News] Fonterra has announced a 50 cent increase in the 2015/16 milk price forecast from \$4.75 per kilogram of milk solids to \$5.25 per kilogram. When the farmgate milk price was combined with the forecast earnings per share range of 50 to 60 cents for the 2017 financial year, the total payout available to farmers for the current season was between \$5.75 and \$5.85 per kilogram of milk solids. Fonterra Chairman, John Wilson said global milk supply had continued to decrease and demand had remained stable since the co-operative last reviewed its forecast milk price in August. Mr Wilson added that New Zealand milk collection was currently more than 3 percent lower than last season, while milk production growth in the European Union was beginning to flatten out. Mr Wilson explained that while there had been some improvement in Global Dairy Trade auction prices recently, the high New Zealand Dollar was offsetting some of those gains.

Fonterra result 'positive' [22 September/ Dairy News] Fonterra Shareholders' Council Chairman, Duncan Coull said the co-operative's highest ever earnings before interest and tax was a positive result in a challenging environment. Mr Coull said it was pleasing to see Fonterra increasing their income from value added products. Mr Coull added that the business had operated consistently over both halves of the year. Mr Coull noted that efficiency gains had led to a strong dividend payment and a healthier balance sheet.

Fonterra's high profit and low milk price sickening, farmer Lyn Webster says [23 September/ Business Day: NZ Farmer] Northland Dairy Farmer, Lyn Webster said Fonterra's \$834 million profit was sickening when compared to the low milk price it was paying its farmers. Ms Webster added that the co-operative's good financial result came at the expense of non-shareholding dairy farmers such as herself. Ms Webster said she understood why it was important to have a milk price that reflected the international dairy market, but it was difficult for non-shareholding farmers trying to save up to buy shares when the milk price was just \$3.90 per kilogram of milk solids. Ms Webster explained that the \$3.90 milk price was not financially sustainable for non-shareholding dairy farmers.

Fonterra re-jigs governance review allowing direct farmer nominations [23 September/ NZ Herald] Fonterra has released an updated governance and representation model for its farmer shareholders. Unlike the proposal which failed to get the required 75 percent of the vote earlier this year, the updated proposal allowed farmers to directly nominate their own choice for selection to the board of directors. The new version still proposed reducing the size of the board of directors from 13 members to 11. The board would be made up of four independent directors and seven farmer directors. Fonterra Chairman, John Wilson said the fine tuning was made to ensure farmers could have confidence and trust that anyone could stand for the board at any time. Fonterra Shareholders' Council Chairman, Duncan Coull said the proposal gave farmers more choice by allowing people to sit outside the independent selection process. Shareholders would vote on the revised model at a special general meeting in Palmerston North on 12 October.

European milk output falls for first time in more than a year, Fonterra says [26 September/ National Business Review] According to data released by Fonterra, milk production in the European Union was 2 percent lower in June 2016 compared to June 2015. The data showed that New Zealand milk production decreased by 1 percent in July 2016 compared to the previous year, while Australian milk production decreased by 10 percent and United States milk production increased by 1 percent in the same period. Fonterra's New Zealand milk collection in August decreased by 5 percent, made up of a 6.4 percent decrease in the North Island and a 0.7 percent decrease in the South Island.

Environment and emissions

Views about land use change differ [19 September/ NZ Farmers Weekly] Waikato councillors have agreed that the most controversial and significant rule in the Healthy Rivers plan was Rule 7, one which prevented future dairy conversions unless a resource consent was granted. Waikato Councillor, Peter Buckley voted against the Healthy Rivers plan as it meant owners of non-converted land were tied to their existing land with few options in the future. Waikato Councillor, Alan Livingston voted for the plan as the collaborative process had involved all affected parties and the council had a responsibility to take it to the next stage for public submissions. Mr Livingston said about 60,000 hectares of land in the river's upper catchment had been converted to dairying in the past 10 years, and this trend could not continue. Mr Livingston added that he expected the rule to be approved due to this huge surge in conversions.

Biosecurity

Sniffer dogs could be used in the fight against hitch-hiking stink bugs [25 September/ Business Day: NZ Farmer] The Ministry for Primary Industries has been working with the Department of Agriculture in the United States to see if dogs could pick up the scent of dead stink bugs, as they could be used to track down rogue populations of the pests if they ever entered New Zealand. The trial in the United States had been successful, meaning American authorities could use tracker dogs from other organisations to find the bugs if they breached the borders. Ministry for Primary Industries Response Advisor, Catherine Duthie said if the stink bugs got into New Zealand, the consequences could be huge for the horticultural sector as well as home owners throughout the country.

Tourism 'flippant' on biosecurity [26 September/ Rural News] Horticulture New Zealand Biosecurity and Trade Policy Manager, Richard Palmer said the tourism sector posed a biosecurity threat due to the arrival of passengers, but the tourism sector was not taking it the risk it posed to the economy seriously. Mr Palmer was making a submission to Biosecurity 2025, a consultation forum on biosecurity being drafted by the Ministry for Primary Industries. Mr Palmer said New Zealand had to work on changing the attitudes of tourists so they grasped the importance of biosecurity to New Zealand.

International

Arla Foods looks to different innovation for consumers [16 September/ Dairy Reporter] Arla Foods Head of Strategic Innovation, Sven Thormahlen said consumers were looking at the company to provide them with healthy, nutritious and natural products. Mr Thormahlen added that they wanted to consume products as nature intended, as if they came directly from the farm. Mr Thormahlen explained that because of this, the company was trying to look at the safety requirements needed to process the milk as minimally as possible so that it came closest to what the farmer produced on the farm. Mr Thormahlen noted that Arla was also working on increasing the shelf life of its products.

Chobani CEO unveils 2016-17 incubator class: 'I don't think there's ever been a better time to be a food start up' [20 September/ Dairy Reporter] Chobani Founder, Hamdi Ulukaya has selected six entrepreneurial food companies to participate in Chobani's food incubator scheme designed to help them disrupt their respective categories. Mr Ulukaya said he did not think there had ever been a better time to be a food start up in this country, and Chobani was excited to help like-minded companies take off. The six winners, selected from a shortlist of over 400 entries, would spend six months working with Chobani's leadership team, getting advice on team building and scaling, branding and marketing, packaging and pricing, sales and retail strategy, innovation and manufacturing, food quality and safety, and nutrition and food labelling. In addition, the six companies would be granted USD 25,000 to help grow their business. Mr Ulukaya said Chobani was not taking a stake in any of the start-ups, although the company would not rule out a business partnership down the line.

Experts say there is a lack of transparency around the way superbugs could spread throughout the food supply [21 September/ The Guardian] Infectious Diseases Physician and Microbiologist, Peter Collignon said a lack of transparency on antibiotic use by the Australian farming industry was undermining efforts to prevent superbugs from developing and spreading through the food supply. Mr Collignon added that while antibiotic resistance in humans through the over prescription of drugs was part of the problem, the use of antibiotics in the food industry was being widely abused around the world. Mr Collignon explained that there were a lack of appropriate controls in Australia for antibiotic use in food, and consumers had no way to tell which antibiotic was given to which animal and in what volume. Mr Collignon's comments came as the United Nations held a meeting to develop a plan to fight the threat of antibiotic resistance.

Panera Seeks Advantage Over Fast-Food Rivals With 'Clean Bacon' [21 September/ Bloomberg] Panera, the North American sandwich chain, has spent the last year working with suppliers to remove artificial nitrates and preservatives from the bacon it uses on sandwiches and salads at its 2,000 cafes. The move was part of the American company's goal to remove artificial flavours, colours, preservatives and sweeteners from its menu by the end of the year. Panera's results have been better than most competitors this year, with same store sales growing by 4.2 percent during the second quarter of 2016.

US, Canada broker agreement to share dwindling cod fishing [22 September/ NZ Herald] The United States and Canada have agreed to share what's left of the North American cod fishing business in the Atlantic. The Atlantic cod population has been in decline due to overfishing and warming ocean temperatures. The countries have agreed to set the total allowable catch at 730 metric tonnes next year, with the United States being allowed to take 146 metric tonnes and Canada being allowed to take 584 metric tonnes. The deal represented an 8 metric tonne increase for the United States and a 96 metric tonnes increase for Canada. Northeast Seafood Coalition Executive Director, Jackie Odell said the sharing agreement hadn't worked out very well for the United States.

Hippeas organic chickpea puffs explode out of the blocks as founder predicts revenues could go from zero to \$35m by the end of 2018 [22 September/ Food Navigator] Hippeas organic chickpea puffs have already secured shelf space at 18,500 stores throughout the United States and the United Kingdom after being released in the middle of 2016. Hippeas Creator, Livio Bisterzo said talks were progressing with major retailers in both markets. Mr Bisterzo added that Hippeas could reach wholesale revenues of USD 35 million by the end of 2018 if it continued on its current trajectory.

CRISPR gene editing cabbage grown and cooked for the first time [22 September/ Food Navigator] Umea University Professor, Stefan Jansson said cabbages genetically modified with CRISPR-Cas9 have been harvested and cooked for what was believed to be the first time. Mr Jansson explained that a segment of the cabbages DNA was removed to alter growing patterns. Mr Jansson said he was unable to confirm whether the intended changes occurred, since the seeds were modified in a lab in an anonymous country. Mr Jansson added that the technology could be used to increase food quality by inactivating gene coding for unwanted proteins. Umea University said in a statement that this was the first step towards a future where science could better provide farmers and consumers with healthy, beautiful and hardy plants.

Food for seniors: The million dollar opportunity that industry is in denial about [22 September/ Food Navigator] Mintel Analyst, Richard Cope said the food industry hasn't woken up to the fact that almost 20 percent of the global population would be over 60 years old by 2030. Mr Cope said the older generations did not want pureed vegetables and unadventurous ingredients they associated with their parents, but rather food that made them feel confident, competitive and energised in the workplace and their personal lives. Mr Cope explained that people did not want to be reminded of how old they were and how their health was deteriorating.

Broad licenses genome-editing to Monsanto; Deal will allow its use in seed development at agricultural giant [23 September/ The Boston Globe] Monsanto has licensed the genome editing technology known as CRISPR-Cas9 for use in seed development. The technology would accelerate and simplify the creation of crops that were resistant to drought or had other properties that would please consumers, such as soybean oil containing fats as healthy as those in olive oil. Broad Institute Chief Business Officer, Issi Rozen said the use of genome editing technology in agriculture raised important ethical and safety concerns. Mr Rozen said Monsanto could not use the technology for gene drive, a method in which genome editing altered the normal inheritance process so that traits were always passed on to offspring.

Ireland launches national obesity plan [23 September/ Food Navigator] The Irish Government has launched a national obesity plan that would include a sugary drinks tax, maximum portion sizes, marketing restrictions and reformulation targets. The Irish Department of Health would be responsible for the policies and would work with international organisations such as the World Health Organisation, the European Union and Northern Irish institutions. The plan aimed to establish a downward trend in excess weight levels of adults and children of 0.5 percent per year.

IKEA GreenTech invests in game changing technique to replace today's synthetic conventional pesticides [23 September/ IKEA GreenTech] IKEA GreenTech, a corporate venture capital company, has announced that it has invested in Terramera, a Canadian company with a unique technology for pest and disease control. Using biological material such as plant extracts for disease and pest control in agriculture was better for the environment than traditional synthetic pesticides, but was often not as efficient or stable. Terramera's Inspirium technology increased the performance of biological materials, allowing them to perform more efficiently. The Inspirium technology meant Terramera had a sustainable product that worked better than conventional chemicals at protecting plants from pests and diseases.

DNA Testing Could Put an End to Fake Egyptian Cotton [23 September/ Bloomberg] United States retailers and manufacturers have sent shirts, sheets, and other textiles to Applied DNA Sciences for testing in order to determine whether they were made of the premium cotton their labels claimed. The testing came after Target recalled 750,000 fake Egyptian cotton sheets and pillowcases after discovering they contained a less expensive form of cotton. American Apparel & Footwear Association Senior Vice President, Nate Herman said customers and retailers had been paying too much for the lower standard products, while brand reputation had also been harmed.

China lifts ban on US beef products [23 September/ China Daily] Chinese authorities have lifted the 13 year ban on the import of boneless beef and beef on the bone. The removal of the ban would apply to cattle that were under 30 months old, while the beef must comply with China's traceability and quarantine requirements. United States cattle futures increased by just under 1 percent after the announcement. China had banned imports of most beef from the United States in 2003 due to concerns over the spread of the mad cow disease.

Could ants be the solution to antibiotic crisis? Bacterial defences of fungus-farming ants could help in medical battle against superbugs [24 September/ The Observer] Scientists have found that some species of ants use bacteria to defend their nests against invading fungi and microbes. The bacteria contained chemicals that scientists have found to have powerful antibiotic effects, and researchers were now preparing to test them in animals to determine whether they could be used in medicines for humans. Doctors have said new antibiotics were urgently needed as superbugs became more resistant to standard medicines.

Gluten sensitive cheer a new beer; Sufferfest finds a gluten-free beer niche in San Francisco [25 September/ The San Francisco Chronicle] Sufferfest Founder, Caitlin Landesberg has created a gluten-removed beer that has become the best selling beer at Bi-Rite grocery stores in San Francisco. Bi-Rite Alcohol Buyer, Trac Le said the grocery store did not have a successful gluten free option until it started buying Sufferfest. Whole Foods Regional Beer and Spirits Buyer, Taylor Cathala said he already sold a number of beers for gluten sensitive drinkers, but Sufferfest caught his eye because no other options were local and focused on being of a high quality. Mr Cathala said he wasn't sure that Sufferfest's success was just because it was a gluten-removed beer, as it was possible gluten-tolerant drinkers were picking up the beer on their way to the park without realising that it was gluten-removed. Ms Landesberg created the beer by using the Brewers Clax enzyme to remove prolamins, the enzyme responsible for issues in people who were gluten intolerant. Sufferfest was now on track to sell about 100,000 cans of beer by the end of its first nine months on shelves.

Investors urge food companies to shift from meat to plants [26 September/ Reuters] A group of 40 investors who were managing over USD 1.25 trillion in assets have launched a campaign to encourage 16 global food companies to change the way they sourced protein for their products in order to help reduce environmental and health risks. The investors wrote to the food companies on 23 September, asking them to respond to the risk of industrial farming and to diversify into plant based sources of protein. Australian Ethical Investment Ethics Analyst said the need to change food production models was essential to help limit climate change. The companies contacted included Nestle, Unilever, Tesco and Walmart.

Farmers and producers

Farmers' confidence in rural economy rises [22 September/ Radio NZ Rural] A Rabobank Rural Confidence Survey showed that farmers' confidence was the highest it has been in three years, with 48 percent of those surveyed expecting the rural economy to improve. Around 67 percent of dairy farmers expected conditions to improve, the highest level of confidence within the group since 2007. Rabobank Country Banking General Manager, Hayley Moynihan said the overall survey results were due to the increase in confidence among dairy farmers, while confidence among sheep and beef farmers had dropped. Ms Moynihan explained that sheep and lamb prices had not shown the typical seasonal improvement, while farmers expected beef prices to decrease over the coming year.

Economics and trade

Indonesia trade prospects good, says McClay [26 September/ Rural News] Trade Minister, Todd McClay said he was encouraged by future prospects for New Zealand's beef and horticultural exports to Indonesia after meeting with Indonesian Trade Minister, Enggartiaso Lukita. Mr McClay said demand for beef in Indonesia exceeded domestic production and New Zealand could play a role in addressing this imbalance. Indonesia used to be New Zealand's second largest beef export market, but restrictive regulations had seen beef exports fall by over 80 percent. Mr McClay said Indonesia had since made a number of changes to their regulations, and following the meeting he was optimistic beef exports would start to recover.

Foreign investment in food raises fears over loss of control [26 September/ Radio NZ Rural] The multi-million deal between Silver Fern Farms and Shanghai Maling has been approved by the government, based on its belief that the purchase would substantially benefit New Zealand. Agricultural Consultant, Ross Hyland said Shanghai Maling, rather than New Zealand farmers, would benefit from the deal. Mr Hyland explained that Shanghai Maling would control all the company's major decisions, and could take the majority of Silver Fern Farms' products into its retail chains for cheap prices in order to secure most of the profits. Mr Hyland said he estimated 55 percent of the beef sector and 45 percent of the sheep industry were owned by foreigners.

New data and rhetoric show unexpected US support for TPP [27 September/ National Business Review] United States Vice President, Joe Biden said the only real chance to pass the Trans Pacific Partnership was during the lame duck session before the new president was inaugurated. Mr Biden said there was less than a 50 percent chance that it would be passed during this period, but it was possible. A Pew Research Centre survey showed 40 percent of Americans supported the Trans Pacific Partnership, while 35 percent were against the deal. Japan Prime Minister, Shinzo Abe said he was eager for the deal to be ratified early.

Wool

NZ Merino hits record profit result [22 September/ Radio NZ Rural] New Zealand Merino has announced an 18 percent increase in its full year profit to \$2.7 million. Shareholders would receive a total dividend which represented a 38.3 percent return on the current share price. New Zealand Merino Chief Executive, John Brakenridge said this year’s financial success was due to the company’s business model. Mr Brakenridge explained that the business model was market focused, market shaping, and driven to make a difference to the company’s brand partners and growers. Mr Brakenridge noted that New Zealand Merino’s \$5 million deal with Reda, an Italian company, had really helped the company after it was completed earlier this year.

Arable

Poultry boom good for grains growers [26 September/ NZ Farmers Weekly] Feed Manufacturers’ Association Executive Director, Michael Brooks said the grain industry’s top customer remained the poultry sector due to a large increase in egg exports, rising demand for poultry meat, and growth in the free range sector. Mr Brooks added that grain grown in New Zealand was superior in quality compared to imported Australian wheat, but transport costs were letting local arable farmers down. Mr Brooks explained that it was cheaper for Inghams to import wheat from Perth than from the South Island. Flour Millers’ Association Executive, Garth Gillam said South Island mills used only domestic grain, while North Island mills imported about 98 percent of their grain, mainly from Australia. Mr Gillam said the New Zealand arable sector had to stay ahead of the healthy eating trend in order to compete globally. Mr Gillam added that the industry should focus on traceability from paddock to plate in order to grow in value.

Subscribe

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

Contact Us

Auckland/ Audit

Ian Proudfoot

09 367 5882

021 656 815

iproudfoot@kpmg.co.nz

Taxation

Greg Knowles

09 367 5989

021 307 332

gknowles@kpmg.co.nz

Tauranga

Robert Lee

07 571 1773

027 451 1035

relee@kpmg.co.nz

Wellington

Graeme Edwards

04 816 4522

027 296 5050

gdedwards@kpmg.co.nz

Christchurch

Andrew Hawkes

03 353 0093

027 508 0135

ahawkes@kpmg.co.nz

Financial Advisory Services

Gary Ivory

09 367 5943

021 932 890

givory@kpmg.co.nz

Management Consulting

Simon Hunter

09 367 5881

027489 9737

simonhunter@kpmg.co.nz

Hamilton/ Private Enterprise

Hamish McDonald

07 858 6519

021 586 519

hamishmcdonald@kpmg.co.nz

Ashburton/ Private Enterprise

Maurice Myers

03 307 0768

027 208 3405

mauricemyers@kpmg.co.nz

Farm Enterprise

North Island

Roger Wilson

07 858 6520

027 281 9575

rogerwilson@kpmg.co.nz

Julia Jones

07 858 6553

027 524 8901

juliajones1@kpmg.co.nz

South Island

Brent Love

03 683 1871

027 528 1537

blove@kpmg.co.nz

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

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

© 2016 KPMG, a New Zealand partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (KPMG International), a Swiss entity. All rights reserved. The KPMG name and logo are registered trademarks or trademarks of KPMG International Cooperative (“KPMG International”).

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