

# Field Notes

Weekly news update from the KPMG Agribusiness network



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Hot Off The Press:

**KPMG Agribusiness  
Agenda 2016 Vol. 1**

19 October 2016

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

100km Foods	New Zealand Deer Farmers Association
Agrecovery Foundation	NZX
AgriHQ	OSPRI
Alliance	PGG Wrightson
Beck's Hybrids	Plant Based Foods Association
Beef + Lamb New Zealand	Progressive Enterprises
Beyond Meat	Ravensdown Fertiliser
Bostock New Zealand	Real IPM
Bridge Ventures	Red Meat Profit Partnership
Coastal Spring Lamb and Coastal Lamb	Retail New Zealand
Compac Holdings	RMPP General Manager
Dear North,	Rural Women New Zealand
Euromonitor International	Soylent
European Union	Statistics New Zealand
Farmlands	Tegel
Fieldays	Tesco
First NZ Capital	Tomra Systems
Foodstuffs New Zealand	Tyson Foods
Irish Farmers Association	Unilever
Kenepuru and Central Sounds Residents Association	University of Auckland
Marks & Spencer	Vegetarian Express
Massey University	Waikato Support Trust
Ministry for Primary Industries	World Health Organisation
New Nutrition Business	

**This week's headlines**

Dairy	<b>Fonterra's free milk for schools lifts Kiwi kids' dairy consumption</b> [18 October/ NZ Herald]
Research and Development	<b>University of Auckland: World hungry for NZ apple flour</b> [18 October/ NZ Herald]
Agri Tech	<b>Sprout Cohort Announced</b> [Sprout Stakeholder Update]
International	<b>Tyson, the Top Meat Processor, Invests in Plant Protein</b> [11 October/ The New York Times]
Farmers and Producers	<b>Secret cameras found in Waikato dairy sheds</b> [14 October/ Radio NZ Rural]

## Horticulture

**Norway's Tomra buys fruit sorter Compac** [13 October/ National Business Review] Tomra Systems has agreed to buy 100 percent of fruit Compac Holdings, an Auckland fruit sorting company, for \$70 million. The deal was subject to approval from the Overseas Investment Office and was expected to be completed in the first quarter of 2017. Compac Chief Executive, Mike Riley said the company had experienced double-digit growth over the last few years. Mr Riley added that joining forces with Tomra would enable the company to meet the increasing demand for its products and services in a more scalable manner.

**Hawke's Bay apple crop budding well** [17 October/ Rural News] Bostock New Zealand Owner, John Bostock said the company was expecting a solid season in 2017 as a result of mild weather and few frosts. Mr Bostock added that it was an exciting time for Bostock New Zealand as new varieties would start to produce fruit with more colour and a sweeter taste. Mr Bostock said the company planted about 4,000 trees a day during the winter and those trees were now starting to take off with the warmer weather. Mr Bostock noted that organic apples were seeing constant growth in export markets and the company was actively focused on keeping the quality of the fruit high.

## Fishing and aquaculture

**Public values and marine farming can co-exist, says Marlborough Sounds group** [5 October/ Business Day: NZ Farmer] Kenepuru and Central Sounds Residents Association Chairman, Trevor Offen said the group supported sustainable aquaculture in the Marlborough Sounds and initiatives to improve re-consenting, but only if it did not come at the expense of public utility values and environmental values in the Marlborough Sounds. Mr Offen added that public values changed over time, and this was exactly why marine farm resource consents were issued for a finite time period.

## Red meat

**Secret cameras found in Waikato dairy sheds** [11 October/ Radio NZ Rural] British retailer, Marks & Spencer has announced that it would no longer stock New Zealand lamb in its Scottish stores after it made the decision to only sell locally produced lamb. New Zealand exported approximately 29,000 lambs a year to Marks & Spencer in Scotland and the decision would affect about 10 to 12 lamb producers in the country. Beef + Lamb New Zealand Chairman, James Parsons said the decision could leave Scottish consumers with older meat. Mr Parsons added that other Scottish supermarkets could take the market share and business if consumers were not getting the fresh meat they wanted from Marks & Spencer.

**Red meat accelerator fine-tunes its work** [13 October/ Business Day: NZ Farmer] The UMR Survey, done on behalf of the Red Meat Profit Partnership (RMPP), showed that just 55 percent of red meat farmers in New Zealand regularly measure their farm's financial performance, while 30 percent do not measure lambing and calving percentages. The results showed that pasture management, animal health and fertiliser management were rated as the main tools for increasing productivity. RMPP General Manager, Michael Smith said the results showed nothing new but the survey was essential in understanding the different types of New Zealand red meat farms and the learning styles of their operators.

**Minister congratulates Food Awards winners** [14 October/ Rural News] Coastal Spring Lamb and Coastal Lamb has won the Massey University Supreme Award. Food Safety Minister, Jo Goodhew said she would like to congratulate Coastal Spring Lamb and Coastal Lamb as it was an excellent example of an innovative and successful New Zealand company which was now exporting to the world. Ms Goodhew explained that the awards celebrated the best of what the New Zealand food industry offered to New Zealand and its global customers. Ms Goodhew added that it was important that New Zealand continued to be seen as a trusted supplier of safe and suitable food around the world.

**Meat will be diverted from UK** [17 October/ NZ Farmers Weekly] Alliance Chief Executive, David Surveyor said frozen meat would be diverted from the British market this season as a result of the United Kingdom's vote to leave the European Union. Mr Surveyor explained that less meat would be sent to the United Kingdom because the significant change in the value of the pound meant New Zealand exporters received less money for their meat. Mr Surveyor added that United Kingdom retailers were becoming more protectionist and claimed they would only sell British meat.

## Agri Tech

**Sprout Cohort Announced** [Sprout Stakeholder Update] As a premium accelerator, Sprout has identified the eight successful start-ups to take part in the 2016/2017 Sprout Programme. Sprouts purpose is to advance agritech start-ups with a focus on technology; ranging from the farmers paddock to consumers lives. Their latest Stakeholder report announces the next Sprout cohort which include: **Ceratek**, redesigning how beekeepers can process honey, **Elastic Green**, developing a range of spray products for horticulture and agriculture, **HelixID**, advancing technologies for farmers to understand more about their animals, **Tribal**, to assist directions to carry the responsibility in compliance for a range of business areas, **FTek**, developing a range of automated robotic systems, **Rapid Animalside**, commercialising science in animal diagnostics, **JAG**, developing treatments for beekeepers to protect their colonies while maintaining quality of honey, and **How2**, putting knowledge to farmers in the palm of their hand on farm. The cohort came together on the 7<sup>th</sup> and 8<sup>th</sup> of October to kick off the programme. John-Daniel Trask, CEO of Raygun shared his story and inspired them for the possibilities of their new ventures.

## Dairy

**NZX futures signal whole milk powder prices will snap two declines at this week's GDT** [17 October/ NZ Herald] The price for whole milk powder, which heavily influences payments to New Zealand farmers, was expected to increase at this week's Global Dairy Trade auction according to the NZX futures market. Whole milk powder futures for October last traded at USD 2,800 per tonne, implying that prices at the Global Dairy Trade auction would increase by 0.6 percent. AgriHQ Dairy Analyst, Susan Kilsby said prices stabilised after Fonterra's announcement that production levels were decreasing.

**Rain ruins season** [17 October/ NZ Farmers Weekly] Bad weather in the Waikato-Hauraki Plains was taking its toll on farmers and stock with dairy herd mating cycles being affected. Persistent rain over the past five weeks with low sunshine hours had degraded pasture quality and high water tables, making full grass use impossible. The Waikato Rural Support Trust reported a surge in calls to its helpline from farmers, showing that the conditions were starting to affect the mental health of farmers. Waikato Rural Support Trust Chairman, Neil Bateup said many farms were running with fewer staff and people were tired and stressed with little in the bank to show for it.

**Fonterra's free milk for schools lifts Kiwi kids' dairy consumption** [18 October/ NZ Herald] A University of Auckland study done on behalf of Fonterra found that more children were consuming at least the recommended minimum amount of dairy products since the milks in schools programme was introduced. The study found that the proportion of children who consumed at least two servings of milk a day increased from 85 percent in 2013 to 93 percent last year. A Fonterra representative said approximately 68 percent of schools had signed up to the free milk in schools programme.

### Environment and emissions

**Emissions target "won't be easy"** [12 October/ Rural News] Climate Change Minister, Paula Bennett said New Zealand's target of a 30 percent reduction in 2005 emissions levels by 2030 was fair, but it was also ambitious and would not be easy to reach. Ms Bennett explained that large parts of the plan were already underway, and the target would be met through a combination of domestic emissions reductions, removals of greenhouse gas emissions in the atmosphere by forests, and international carbon markets. New Zealand's 30 percent reduction target was part of the Paris Agreement.

**Farmers, growers cleaning up their act** [18 October/ NZ Herald] Agrecovery Foundation Chairwoman, Adrienne Wilcox said farmers and growers across the country could be proud of their collective efforts to reduce the burning and burying of agricultural plastics. Ms Wilcox explained that farmers, contractors, growers, and other users of agrichemicals had recycled 1.4 million kilograms of plastic containers and safely disposed of 100,000 kilograms of unwanted chemicals. Agrecovery used collections from properties, recycling events, and a network of permanent collection sites to provide recycling and chemical recovery services. Ms Wilcox said these options were not available in the past, but now that they were there, farmers were using them and making good environmental choices.

### Research and development

**Targeting foods to the Chinese consumer** [15 October/ Rural News] A new research programme funded through the High Value Nutrition National Science Challenge would look at the attitudes, behaviours and lifestyles that motivated Chinese consumers to buy foods that improved their health and wellness. The research would look at four aspects of consumer behaviour including what health and wellness meant for Chinese consumers, the role of social media in influencing buying behaviours, how to convert intentions into actions when it came to developing new consumption habits, and the profile of the future Asian consumer. New Zealand food and beverage companies would be able to use this knowledge to deliver products with increased consumer appeal and promote them to the Asian market with a greater likelihood of success.

**University of Auckland: World hungry for NZ apple flour** [18 October/ NZ Herald] University of Auckland Biological Scientists, Silas Granato Villas-Boas and Ninna Granucci have created an apple based flour which could be on the local market by next year. The flour had received worldwide attention, with 14 international media organisations publishing the story after it appeared in the New Zealand Herald Brand Insight section. The flour was high in protein and low in calories, making it attractive to vegans and gluten intolerant people. Apple processing companies wanted to supply the scientists with pomace from apples to be used in the production of the flour, as it usually went to waste.

### Biosecurity

**Cruise ship biosecurity trials to begin** [12 October/ Rural News] Ministry for Primary Industries Border Clearance Services Director, Steve Gilbert said a new accreditation scheme would be introduced to reduce the biosecurity risk posed by tourists arriving on cruise ships. Mr Gilbert explained that the scheme would involve collecting background information about vessel stores, as the biggest biosecurity risk was from passengers bringing ashore snack foods from these stores. Mr Gilbert added that if the Ministry for Primary Industries knew where the stores had come from and what checks they had undergone, it could be confident that any food which left the vessel was free of pests and diseases. Mr Gilbert said the scheme would have positive benefits for cruise ship passengers as it would reduce some of the biosecurity inspections, allowing them to disembark in a shorter period of time.

**MPI still investigating palm kernel shipment** [12 October/ Radio NZ Rural] Ministry for Primary Industries Border Clearance Services Director, Steve Gilbert said the shipment of palm kernel anchored off Tauranga was still being investigated after it arrived from an unapproved facility in Malaysia. Mr Gilbert said the Ministry for Primary Industries (MPI) had been in contact with Malaysian officials to determine whether the facility met New Zealand's biosecurity requirements at the time the vessel was loaded. Mr Gilbert added that MPI and the importer had been exploring heat treatment options, with one of the issues being availability of a suitable facility to carry out the treatment. Mr Gilbert said a decision would likely be made in the next few days.

### International

**Tyson, the Top Meat Processor, Invests in Plant Protein** [11 October/ The New York Times] Tyson Foods, the largest meat producer in the United States, has announced that it would invest an undisclosed amount for a 5 percent stake in Beyond Meat, a Californian company that made 'meats' from protein sources such as soy and peas. Tyson Foods Senior Vice President, Monica McGurk said the quality of the Beyond Burger was amazing and the product was a game changer that gave the company exposure to the fast growing plant based food sector. Plant Based Foods Association Executive Director, Michele Simon said Tyson Food's investment was the first she knew of in which a big meat producer took a stake in a plant-based company.

**Why Impact Investor Bridges Ventures Invested in Vegetarian Express** [12 October/ AgFunder News] Bridge Ventures, a specialist impact investor firm, bought a majority stake in Vegetarian Express, a United Kingdom plant-based ingredients supplier. The four main areas Bridge Ventures wanted to make an impact in were health and wellbeing, education and skills, sustainable living, and underserved areas. Vegetarian Express supplied over a thousand products including tofu, tempeh, quinoa, nuts and spices to a range of food service companies, making it fit within the goal of sustainable living for Bridge Ventures. Bridges Ventures Investment Manager, Emma Thorne said a key challenge the company wanted to address within its sustainable living theme was climate change, and livestock production was one of the major drivers of greenhouse gas emissions.

**W.H.O. Recommends Taxing Sugary Drinks** [12 October/ The New York Times] The World Health Organisation has urged countries to impose a tax on sugary drinks to battle the growing obesity epidemic. World Health Organisation Department for the Prevention of Noncommunicable Diseases Director, Douglas Bettcher said a 20 percent tax on sugary drinks would decrease consumption by 20 percent and save lives. World Health Organisation Department of Nutrition for Health and Development Director, Francesco Branca said sugary drinks were a major source of unnecessary calories and he recommended people drink no more than one serving a day. The World Health Organisation also found that subsidising the price of fruit and vegetables by 10 to 30 percent would increase consumption of them.

**Monsanto's Smaller Rivals See Big Opportunity Amid Seed M&A** [12 October/ Bloomberg] Beck's Hybrids Head, Sonny Beck said the consolidation of seed companies was actually an opportunity for smaller seed companies. Mr Beck explained that many customers would leave the big companies because they wanted a more personalised service and products developed for local soils and climates. Mr Beck was referring to three massive deals within the global seed and chemical industry, including Bayer's recent purchase of Monsanto. The National Farmers Union had met legislators in September to protest against the deals.

**A winning formula? Free-from snacks are safest bet for food start-ups** [13 October/ Food Navigator] Research from New Nutrition Business found that snack start-ups were the most likely to succeed with a 64 percent success rate, while beverage start-ups came in second with 56 percent of ventures still thriving. Dairy was the only category in which more start-ups failed than succeeded, with just 43 percent of start-ups still in the market. New Nutrition Business Senior Market Analyst, Joana Maricato said this was because a lot of dairy start-ups connected their products with benefits that were not logical fits to the category. Ms Maricato added that dairy products were also more challenging in terms of retailing.

**Unilever/Tesco row: Are Nestle & Ferrero next? Says Euromonitor** [13 October/ Dairy Reporter] Tesco has rejected a request from Unilever to increase prices by up to 10 percent to reflect the fall in the value of the pound. Tesco has taken Unilever products off its website and the supermarket chain said it would not replenish stocks once existing supplies ran out. Euromonitor International Senior Food Analyst, Pinar Hosafci said Britain's vote to leave the European Union had been the trigger that started this and it was likely that other companies which were reporting in Euros would follow suit.

**Soylent recalls bar, but cause of 'gastrointestinal issues' remains a mystery** [13 October/ Food Navigator] Soylent has temporarily halted shipments of its new Soylent bar due to reports that a small number of customers had experienced gastrointestinal issues after consuming it. The Los Angeles based company said in a blog post that the cause of the health issues remained a mystery. The blog post added that the company was deeply sorry to any customer who had negative experiences after eating a Soylent Bar and any customer in such a position would be offered a full refund. The blog post noted that products would not be shipped until Soylent was absolutely certain its products were safe.

**Between farm and fork, new distribution business grows** [13 October/ The Globe and Mail] 100km Foods Founder, Paul Sawtell said chefs wanted to buy from local farmers but did not have time to visit farms, while farmers wanted to sell to chefs but were not interested and often not able to deliver their products to a range of restaurants. Mr Sawtell explained that this was what led to the creation of 100km Foods, a distribution company that bridged the gap between farmers and chefs. The company now sold, marketed and distributed products from 80 small and medium sized farms to more than 300 restaurants, independent retailers and institutions throughout Greater Toronto. Mr Sawtell said the company bought products from farmers and sold them on to its customers for a profit. Mr Sawtell added that in 2008 the company had a single truck and revenue of USD 243,000, while this year it was projecting revenue of USD 5 million using 10 trucks, 25 employees and a warehouse.

**Kenya's mango farmers ditch chemicals to boost exports** [13 October/ The Guardian] Small Kenyan farmers produced thousands of tonnes of mangoes each year, but an overwhelming fruit fly problem meant up to 60 percent were wasted. Western countries would not import Kenyan mangoes due to the biosecurity risk the fruit flies posed. However, some producers were starting to reduce their reliance on chemicals and use alternative fruit fly controls in the hope of meeting quality standards for exporting to western markets. Real IPM was a business which developed fruit fly traps based on a common insect-killing fungus. The traps would not kill the fruit flies immediately, letting them fly away to infect others before dying. Mango Grower, Henry Ngari said he was previously spending a lot of money on chemicals and labour, while it was now just one person putting a trap in place. Mr Ngari explained that he had not applied any chemicals to the plants since 2006 and he was now selling between 90 and 95 percent of the crop.

**Is Salmon Jerky the Next Million-Dollar Snack Food?** [14 October/ Bloomberg] Bags of Dear North salmon jerky bites would reach Whole Food supermarket shelves in Northern California this month, as the United States' appetite for snack foods continued to grow. Dear North was developed by a tourism company, Huna Totem, in an attempt to diversify its business so that it wouldn't face low revenues every winter. The company wanted to create a product made from Alaskan resources that would appeal to the rest of the United States. The company expected the products to be sold in 700 stores across the United States by the end of the year, with the business able to break even by 2018.

**Snake farms should be regulated for safety** [14 October/ China Daily] According to a news briefing, 200 highly venomous snakes escaped from a snake farm in Eastern China between 26 August and 29 August. Around 150 of the cobras had been caught or killed so far, meaning 50 were still loose in the residential areas of the city. After the snakes escaped, the local government did not inform residents for two months, endangering public safety. Farming snakes in China required no qualification and there was no monitoring of snake farms.

**Ever wondered if you can melt a potato? Meet chato, the cheese-like food of the future made from potato** [17 October/ Business Day: NZ Farmer] Melbourne Inventor, Andrew Dyhin has worked out how to melt a potato to create what he considered the food base for the future. Mr Dyhin said the product, which he called chato, acted like a cheese, looked like a cheese, and melted like a cheese. Mr Dyhin added that in terms of food security and waste reduction, the product was amazing. Mr Dyhin explained that approximately 25 percent of every potato crop was lost between the paddock and the plate, all of which could be used in the production of chato.

## Economics and trade

**Food prices decline** [13 October/ National Business Review] Statistics New Zealand data showed that New Zealand food prices decreased by a seasonally adjusted 0.2 percent in September, following a 1.3 percent increase in August. Fruit and vegetable prices fell by 5.1 percent in September after rising by 5.8 percent in August, led by lower prices for bananas, tomatoes, capsicums and cucumbers. Banana prices fell by 13 percent to \$3.05 per kilogram after reaching a record high of \$3.51 per kilogram following a 22 percent jump in August. Chicken prices fell by 4.2 percent to \$13.52 per kilogram, the lowest level since October 2007.

**South East Asia FTA to be reviewed** [17 October/ Radio NZ Rural] The Government was set to review the ASEAN-Australia-New Zealand Free Trade Agreement before a comprehensive review of the agreement by all parties took place next year. Trade Minister, Todd McClay said the agreement had helped increase trade with the region by 25 percent to \$15 billion since 2010, but not all businesses were using the agreement when exporting to South East Asia meaning they could be paying unnecessary tariffs. Mr McClay added that exporters of both goods and services faced an increasing number of non-tariff barriers in South East Asia, including import quotas, subsidies, customs delays and technical barriers. Submissions would close on 2 December.

## Farmers and producers

**Secret cameras found in Waikato dairy sheds** [14 October/ Radio NZ Rural] Waikato Federated Farmers President, Chris Lewis said a number of Waikato dairy farmers had discovered cameras in their milking sheds. Mr Lewis said he could not comment further as the matter was under investigation by the police. SAFE said the cameras did not belong to it, while another animal rights group, Farmwatch, would neither confirm nor deny whether they installed the cameras. Waikato Farmer, Mike Moss said farmers looked after their stock and it was not acceptable for someone to trespass onto a farm and install a hidden camera.

**NAIT open to new uses, Edge says** [17 October/ NZ Farmers Weekly] OSPRI Chief Executive, Michelle Edge said NAIT was set up to ensure food safety rather than catch criminals. Ms Edge explained that NAIT captured data through individual animal movements in order to validate food safety for traceability through the supply chain, and it was not set up for daily GPS tracking of animal. Ms Edge's statement came after the organisation was criticised for not being able to trace stolen livestock. Ms Edge added that although this was not NAIT's purpose, OSPRI would help where it could and was open to using more technology to prevent further thefts if that was what farmers wanted.

**Brexit angst for Irish farmers** [18 October/ Rural News] Irish sheep and beef farmers have been blaming the United Kingdom's vote to leave the European Union for the lower than usual prices they received for their stock. Irish Farmers Association President, Joe Healy said Brexit had created a high level of uncertainty because no one had any idea of the terms for the United Kingdom's exit from the European Union. Irish Beef Cattle Farmer, Tom Connolly said it was virtually unprofitable to farm these days given the low prices due to the significant change in the value of the pound since Brexit.

## Agribusiness education

**Enterprising Rural Women Awards entrants for 2016** [17 October/ Rural News] Rural Women New Zealand would soon hold their annual Enterprising Rural Women Awards to showcase rural women who ran their own successful businesses. Six businesses would compete in three categories, with each category winner receiving \$1,000 in prize money and the supreme winner receiving a further \$1,000 for being an exceptional rural business woman. Rural Women New Zealand National President and Judge, Wendy McGowan said there had been some very dynamic businesses emerging in the regions this year.

## Agribusiness strategy

**Supermarkets join forces to fight obesity** [17 October/ NZ Herald] Foodstuffs New Zealand and Progressive Enterprises have proposed changes including removing confectionary from checkouts, giving away free fruit, and rolling out a health star rating for products in an attempt to reduce childhood obesity. The supermarket chains have committed to reviewing their branded products and reducing sugar, salt and saturated fat where necessary to give consumers healthier options. Foodstuffs New Zealand Managing Director, Steve Anderson said the company had a role to play in helping support the Government's Childhood Obesity Plan and creating healthier communities that would thrive in the long term. Retail New Zealand General Manager for Public Affairs, Greg Harford said the supermarkets were keen to work with the Government to encourage healthier communities.

## Rural infrastructure

**Farmlands criticised after \$9m loss** [14 October/ Otago Daily Times] Farmlands has announced a \$9 million loss for the 2015-16 year, compared to an \$11 million profit in the previous year. The announcement came after the rural supplies co-operative advised shareholders in April that it would not be returning a bonus rebate this year because conditions would not allow it. Farmlands Chief Executive, Peter Reidie said the result was disappointing, but shareholders had been well prepared for it. Farmlands Chairman, Lachie Johnstone said the co-operative was on track for a recovery in 2017 on the basis of what it had experienced in the first three months of the new financial year. North Otago Farmer, Chris Dennison said Farmlands' scale of operation and shareholder base of 60,000 meant it should have a substantial advantage over its competitors, yet PGG Wrightson and Ravensdown Fertiliser were both performing well and Farmlands was not.

## Poultry

**Chicken glut seen as depressing Tegel shares ahead of Inghams float** [12 October/ National Business Review] First NZ Capital Analyst, Kar Yue Yeo said Tegel Holdings' low share price was due to weak prices for fresh and frozen poultry resulting from an oversupply of chicken. Mr Yeo added that he expected the oversupply in the domestic market to decrease over the next few months as some operators were beginning to adjust their production to market conditions. Tegel's share price had increased from the \$1.55 issue price to its highest level of \$1.80 in August, but has since fallen to \$1.44 per share.

## Field days

**Low dairy payout hits Waikato Fieldays revenue** [13 October/ Business Day: NZ Farmer] According to the Fieldays 2016 Economic Impact Report, revenue from the event dropped 13 percent from \$143 million in 2015 to \$124.5 million in 2016. The report added that equipment sales for Waikato firms dropped by 9 percent from \$75 million in 2015 to \$68 million in 2016. Fieldays Chief Executive, Peter Nation said the lower revenue figure was due to more people visiting for just one day as a result of the subdued dairy prices. Nationally, Fieldays generated \$430 million in sales for New Zealand firms, a 9 percent increase on last year.

## Deer

**Exporters back single QA standard for deer farms** [14 October/ Deer Industry New Zealand Media Release] All five major venison marketing companies and the New Zealand Deer Farmers Association have backed the introduction of a revamped quality assurance programme for farmed deer. The companies agreed on a single standard for deer that would eliminate duplication between companies running their own quality assurance programmes. The deer standard was included in the New Zealand Farm Assurance Programme, meaning farmers who produced beef, lamb or goats along with venison would have all their species covered by a single standard and the same audit process, reducing paperwork for farmers.

## Livestock

**Stock thefts on the rise in central North Island** [17 October/ Business Day/ NZ Farmer] Whanganui Farmer, Alisdair MacLeay said he had been moving his stock away from the road to stop it becoming someone else's Christmas dinner. A Ministry for Primary Industries spokeswoman said there had been a series of cattle thefts from farms across the central North Island, including Whanganui, Taranaki, Taihape and Rangitikei. The spokeswoman added that there was concern the stolen cattle could end up as illegal homekill meat sales. The spokeswoman explained that there were numerous health risks associated with these sorts of purchases, because unlike regulated meat which was purchased from a butcher, it had not been subject to strict hygiene and inspection controls. Federated Farmers Manawatu and Rangitikei President, James Stewart said he would like to see tougher punishments for stock thieves.

## Rural communities

**Rick Powdrell to speak at Taranaki rural crime prevention roadshow** [17 October/ Business Day: NZ Farmer] Federated Farmers Rural Security Spokesman, Rick Powdrell would talk to Taranaki farmers at two rural crime prevention seminars next month. Mr Powdrell said stories from farmers at previous roadshows had shown that recording information about suspicious activity and unfamiliar vehicles and reporting it to police led to arrests. Mr Powdrell added that rural residents should take practical steps to reduce crime, such as closing gates, locking doors, and taking keys out of quad bikes. Mr Powdrell noted that rural support trusts provided a good way for people to talk to each other about how to combat common security problems and to make connections with local police officers.

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## Field Notes

Weekly news update from the KPMG Agribusiness Network – 19 October 2016

7

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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