

AGRIBUSINESS

Field Notes

Weekly news update from the KPMG Agribusiness network

8 March 2017

Organisations referenced in this week's Field Notes include:

A2 Milk	Poultry Industry Association of New Zealand
Agrismart	Poutama
Animals International	Real Journeys
ANZ	Regen
Aohanga Incorporation	Riedel
Asda	Silver Fern Farms
Atihau Whanganui Incorporation	Synlait Milk
Australian Bureau of Agriculture and Resource Economics and Sciences	T&G Global
Beef + Lamb New Zealand	Taratahi Agricultural Training Centre
Chapman Tripp	Tegel Foods
Eurogroup for Animals	The European Commission
Federated Farmers	The European Union
Fonterra Co-operative Group	The Foundation for Arable Research
Food and Drug Administration	The Good Food Institute
FrieslandCampina	The Ministry for Primary Industries
Golden Shears'	The National Institute for Water and Atmospheric Research
Grandview Brokerage	The National Milk Producers Federation
Humane Society of the United States	The New Zealand Business Hall of Fame
Inghams Enterprises	The University of Auckland Business School
Kiwi Quinoa	Tierschutzbund Zürich
KPMG	Walter Peak High Country Farm
Landcorp	Westland Milk Products
LIC	Westpac
Massey University Council	Wharf42
New Zealand King Salmon	Wool Systems
Paewai Mullins Shearing	World Animal Protection
Plant Based Foods Association	YouGov
Polar Star Management Limited	Zeagold Foods

This week's headlines

Dairy	FrieslandCampina sells Synlait stake to a2 Milk [3 March/ New Zealand Herald]
Dairy	Fonterra says 'telling its own story' has lifted its corporate reputation [6 March/ National Business Review]
Poultry	Inghams, Tegel warned about chicken size [7 March/ New Zealand Herald]
Farmers and producers	Rural debt appears to have topped \$60 billion [2 March/ Stuff]
Wool	Dannevirke woman 'humbled' to be admitted to NZ's Business Hall of Fame [6 March/ New Zealand Herald]



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Hot Off The Press:

**KPMG Agribusiness
Agenda 2016 Vol. 2**

Horticulture

T&G sets eyes on the US market through joint venture [3 March/ Radio New Zealand] T&G Global has worked for years to create a joint venture with Vancouver-based Grandview Brokerage (GBL), the owner of the Oppenheimer Group. T&G expects the recently completed deal to increase export revenues and profits over time due to a strengthening of the company's North American and international businesses. The deal is expected to play an important role in growing the distribution of the company's Jazz, Envy and Pacific Rose apple brands. The arrangement will see T&G increase its share in the joint venture's United States distribution and marketing business, Oppy US, by 24 percent to just over 39 percent. T&G would decrease its share in David Oppenheimer Transport by 9 percent to 6 percent, passing the balance to GBL for \$2m and would also sell half its share in its export business, Delicia North America, to GBL for \$8.6m, allowing each partner 50 percent.

Happy 20th birthday Zespri! [6 March/ Rural News Group] Zespri Chief Executive Lain Jager said the celebration of Zespri's 20th Birthday came at a great time for New Zealand kiwifruit growers, with the industry aiming to more than double sales to \$4.5 billion a year by 2025. Over \$21 billion of premium Zespri kiwifruit has been sold since 1997. The company notes that kiwifruit is globally underdeveloped, and have set the goal of increasing overall kiwifruit consumption around the world from 0.22 percent of globally traded fruit. The kiwifruit industry is celebrating in Mt Maunganui this Friday, 10 March. The conference will be focused on the future of kiwifruit, and will include speakers on trade, economics and retail trends as well as Zespri executives. The celebrations end with a gala dinner and a presentation of the Fresh Carriers Hayward Medal.

Aquaculture

NZ fresh food exports drive company earnings [1 March/ Radio NZ] Earnings for T&G Global and New Zealand King Salmon have increased due to New Zealand's reputation for quality fresh food exports. Fresh produce seller T&G Global has seen a two-thirds rise in full-year profit due to increased sales. The company showed a \$32.4 million net profit for the year ended December, including an almost \$12m gain on an asset sale, compared with \$19.5m in the previous year. Net profit for the six months ended December was \$8.7m, increasing from prior year's \$5.7m figure. The country's largest fish farmer, New Zealand King Salmon, has seen a 52 percent rise in its first half profit due to stronger exports. Chief Executive Grant Rosewarne said further focus on its brand and marketing helped a 19 percent rise in export volumes. The company has added retail and marketing expertise to drive business development in North American supermarket channels, initiated sales to China and has finalised a single harvest method, opening European exports and improving operational efficiencies.

Marlborough Sounds residents remain firm in opposing relocation of salmon farms [5 March/ Stuff] The Marlborough Sound's community do not want salmon farms relocated in the Pelorus Sound. In a meeting between residents of the Pelorus and Kenepuru Sounds and the Ministry for Primary Industries (MPI), the two groups failed to agree on the best solution to relocating six New Zealand King Salmon farms in the Pelorus Sound. Crail Bay resident Joop Jansen said no-one in the community, or in the government knows the consequences of the proposed farm relocation, adding no one trusts New Zealand King Salmon or MPI because they will not admit to potential problems. MPI has found the move would bring environmental and economic benefits such as contributing up to \$49 million annually to Marlborough's GDP, and up to 511 fulltime jobs over 10 to 15 years as the sites are relocated and then developed in stages. Mr Jansen's wife, Hanneke Kroon, said creating five marine reserves in the area would have more economic benefit than five salmon farms.

Dairy

New role for Fonterra's Paravacini [1 March/ Rural News Group] Fonterra's Chief Financial Officer Lukas Paravacini is changing positions to head the co-operative's global consumer and foodservice business. Mr. Paravacini will continue as CFO until June 1, with Fonterra aiming to announce its appointment of a new Chief Financial Officer in the next few months. Fonterra's Chief Executive Officer, Theo Spierings is delighted with Mr Paravacini's new position, and said he has an in-depth understanding of global brands and the importance of meeting and anticipating the needs of customers through constant innovation and world-class performance.

New chairman of West Coast's Westland Milk Products named [2 March/ New Zealand Herald] Canterbury farmer and businessman Peter Morrison was announced as the new chairman of Westland Milk Products. The co-operative has performed poorly in the previous financial year and has had difficulty increasing its pay-out, which has been sitting below the break-even line for shareholders and is less competitive than other firms, causing stern shareholder criticism. Mr Morrison said it will be the 2017-18 season before the co-operative has their pay-out back to where shareholders need it to be, and before they return to a more competitive position. Mr Morrison is a current director, and has been a Westland Milk shareholder since 2001. The new chairman remains confident in Westland Milk's future, with the pay-out already gradually increasing, and is currently undertaking restructuring to get back on track. Mr Morrison will assume his new position once the outgoing chairman Matt O'Regan steps down on 31 March.

FrieslandCampina sells Synlait stake to a2 Milk [3 March/ New Zealand Herald] Dutch dairy co-operative, FrieslandCampina, has agreed to sell its 8.17 percent share in Canterbury's Synlait Milk to the milk company A2 milk, for \$47.9 million, or \$3.275 a share. This sale amount is at a 17.5c (5.6 percent) premium to Synlait's last traded price of \$3.10 per share. A2 managing director Geoff Babidge said their investment in Synlait builds on A2's existing commercial relationship with the milk company, demonstrating a commitment to back A2's major contractor. Babidge also commented that the company sees this as a long-term holding.

Kiwi supplement and health food firms targets for Chinese takeovers as dairy deals come under increased scrutiny [3 March/ Dairy Reporter] New Zealand supplement and health food manufacturers will likely be targeted for mergers and acquisitions over the next year as Chinese firms and investors become wary of major dairy and meat deals. Chapman Tripp said there is a view among some Chinese investors that the level of scrutiny by the New Zealand Government, media and public, of Chinese agricultural investments in New Zealand is disproportionately high, which could result in Chinese investors shifting focus towards investments not involving the acquisition of sensitive land such as rural land, but instead focus on value-added foods and nutraceuticals. An important driver for Chinese investors is to develop or obtain brands, products or know-how, to export and sell to the larger Chinese market. Chapman Tripp also commented on the benefits that Chinese investment brings to New Zealand, and noted the Overseas Investment Act's criteria that the investment benefits New Zealand by way of increased employment, export receipts, marketing competition and efficiency.

Fonterra considers allowing overseas suppliers into co-operative ownership [3 March/ National Business Review] Fonterra is considering allowing overseas suppliers to become co-operative members in the future due to increasing movement towards international co-operatives and the strategic benefits it would provide Fonterra. Dairy giant Fonterra processes 23 billion litres of liquid milk equivalents annually with 17.5 billion LMEs being sourced from New Zealand and the balance from overseas. Fonterra's goal is to grow to 30 billion litres of milk by 2025, and expects growth to come from offshore suppliers given concerns regarding the environmental impact of dairy intensification within New Zealand. Fonterra believes finding models to bring cooperatives together through joint venture alliances is critical to attract synergies between those businesses to create value for both groups of farmers and also attract capital but through a different means. Talk of bringing overseas suppliers into co-operative ownership has been around for over a decade ago, however Fonterra's own global evolution, need for capital to fund growth, and the reality of operating in some key geographies around the world has made this move more likely.

Fonterra says 'telling its own story' has lifted its corporate reputation [6 March/ National Business Review] Fonterra has made a significant investment into getting their story out to the public, after research showed that less than 10 percent of New Zealanders felt they knew Fonterra well, and less than 60 percent knew Fonterra was owned by farmers. Fonterra Executive, Mike Cronin, said a decade of not telling their story has meant detractors have told it for the co-operative instead. A key research insight showed that positioning Fonterra more favourably with New Zealanders required farmers to tell the co-operative's story. A Colmar Brunton corporate reputation survey last April showed that before this campaign, 16 percent were favourable toward Fonterra and 35 percent were negative. The same survey, in December, showed improving results, shifting the favourable group to 29 percent and the negative group to 16 percent. Fonterra's corporate reputation will be re-measured in June as more "stores" are being launched.

Red meat

Telling NZ's red meat story globally [6 March/ Otago Daily Times] New Zealand's red meat sector is working to position its beef and lamb as a global premium food choice. Beef + Lamb's new market development strategy targets new and emerging markets, with the first stage involving defining the sector's story. Chief Executive of New York-based food design and innovation agency Studio Industries, Mike Lee, encourages finding an authentic food story, believing food today is linked with social bonds and personal values. Beef + Lamb New Zealand Chief Executive Sam McIvor said New Zealand's red meat producers stories would be about the richness of farming families, looking after the land, nourishing and respecting animals and caring about consumer experience, creating a strong foundation to further uncover the hidden treasures that will form the sector's story.

Deer

New Pareora venison plant a major boost to South Canterbury economy [1 March/ Stuff] A new \$7 million venison processing plant has meant the Silver Fern Farms (SFF) Pareora freezing works can now offer full-time work across 52 weeks, rather than the seasonal work of the past. The new venison plant had been built to replace the co-operative's Islington plant, and SFF co-chairman Rob Hewett said the freezing works contributed \$200m to the local economy annually. Mr Hewett noted that now that the Pareora plant covers venison, beef and lamb, SFF can leverage the opportunities for communities, shareholders and suppliers. Minister for Commerce and Consumer Affairs Jacqui Dean is proud that the meat cooperative was engaging with the local economy, and was happy to see SFF significantly investing in supplying products for the German market. Ms Dean also commented government would concentrate on getting value for local producers like SFF within high-value markets such as Germany.

Poultry

Dunedin egg producer on the block: report [3 March/ National Business Review] Dunedin-based egg producer Zeagold Foods has attracted the interest of private equity firms as potential buyers into a rumored sale process. ANZ is understood to be advising the owners on the sales process with commentators suggesting the business may attract a price of up to AUD\$400 million, however another market source is indicating that a price range of \$250-\$300 million is under consideration. Zeagold Foods was established in 1998 and has since become the country's largest egg producer, and it is understood that the business may also attract the attention of Chinese corporate buyers.

Inghams, Tegel warned about chicken size [7 March/ New Zealand Herald] Inghams Enterprises and Tegel Foods have been warned by the Commerce Commission to stop making misleading representations about the size of their chickens by including stuffing and marinade in their weight. The commerce commission said where a size 20 stuffed and marinated chicken had an asserted weight range of 1.9kg to 2.1kg, the chicken itself typically weighed 1.6kg to 1.7kg, and as low as 1.51kg. As a result of the investigation, the Poultry Industry Association of New Zealand (PIANZ) had reviewed labelling standards for fresh whole chickens and changed its approach to sizing. Inghams and Tegel have responded by making packaging changes to meet the PIANZ approach, indicating the weight of the chicken excluding marinade or stuffing.

Biosecurity

Red-clover casebearer moth found in Canterbury [3 March/ Stuff] The red clover casebearer moth has been found in two clover crops in Mid Canterbury. In Canada, the moth is considered a severe pest, and is considered an infrequent pest in Europe. The Foundation for Arable Research (FAR) are unsure of the moths effect on clover seed production, but has sent a warning to growers of the seed. The damage is caused by larvae that hatch and feed on developing clover seeds in florets. While there are parasitoids that can control the moth, the FAR have said attempting eradication of the red-clover casebearer moth is infeasible as its impossible to treat and survey every possible location of the red clover florets spread throughout the country. Farmers are encouraged to check for drill holes near the base of florets, and place any moths found in a jar in a freezer, and call FAR.

International

Asda introduces free-range milk following World Animal Protection campaign [1 March/ Food Navigator USA] UK retailer Asda has introduced Free Range Dairy Farmer's Milk into over 100 of its stores. The decision comes after pressure from World Animal Protection's Full Fact Milk campaign that has been urging supermarkets to stock free-range milk since December 2014. A 2015 YouGov poll found that over 87 percent of respondents wanted to purchase free-range milk from cows that grazed on pasture. The poll also suggested that farmers would receive a good price for supplying the demand, as 56 percent of respondents said they would pay a higher price for free-range milk. The new milk will carry a Pasture Promise label, guaranteeing the cows have grazed on pasture for at least six months every year. World Animal Protection hope that Asda will lead the way for other retailers.

FrieslandCampina looking to sell its Riedel business [2 March/Food Navigator] As part of its Route2020 strategy, Dutch dairy cooperative Royal FrieslandCampina is looking to focus on expanding its dairy portfolio by selling its fruit juices and drinks manufacturer Riedel. Netherlands-based Riedel generated about USD132m in sales last year and employs 200 people. FrieslandCampina believes Riedel must be positioned to anticipate and respond to changing customer needs and consumer habits, and noted this requires Riedel entering the next stage of development.

New rice variety YRM70 meets Middle East, Japan demand and yields grower support [3 March/ ABC] A new variety of cold tolerant, short season and water efficient medium grain rice, YRM70, has been labelled a game changer by Australian industry. YRM70 is being trialled by a selection of both conventional and organic growers and is expected to provide growers with the option to sow as late as November and even into December, creating an option to save on water costs for irrigation. Breeder Peter Snell said the new variety has met medium grain rice export market demand, and added the market for a bigger medium grain in the Middle East and Japan is very lucrative and is where Australian-grown rice needs to be. Development of YRM70 has taken seven years, and is expected to be released to growers as early as next season.

Can Japanese be the next Greek? Morinaga preps ALOVE Japanese-style yogurt launch in US [3 March/ Food Navigator USA] With the launch of its ALOVE aloe vera yogurt, which will debut at the Expo West trade show in Anaheim, CA, Japanese dairy giant Morinaga is entering the US dairy market. Food trend forecasters have noted an increased interest and familiarity with Japanese foods and beverages, with a Morinaga spokesperson commenting that 80 percent of target yogurt consumers show a strong demand to try new products. Morinaga President and CEO, Hiroyuki Imanishi, said Greek yoghurt expansion is slowing down and aloe is becoming more popular, creating a good time to enter the market.

Investigation reveals 'horrific' export of livestock 'tortured' in the Middle East [3 March/ Global Meat News] The European Commission has been accused of failing to uphold EU welfare regulations after an investigation into Europe's livestock exports. The eight-month investigation led by Animals International (AI), Tierschutzbund Zürich (TSB) and Eurogroup for Animals showed footage of supposed EU livestock in the Middle East, subject to transfer and slaughter methods outlawed in the EU, revealing EU officials failure to monitor live animal exports. The group said they will provide evidence to the European Commission and EU ministers, and call for an EU-wide strategy to phase-out all live animal transfers and rather use carcase and meat trade. If this does not occur, the groups asked for reduced transportation timing of live animal exports to countries outside the EU and a government-registered vet following livestock sea shipments. An EU spokesman said the EU has some of the highest welfare standards globally for transport, which European farmers mostly comply with, otherwise they face sanctions.

Africa's Top Hedge Fund Starts Food-Focused Private-Equity [3 March/ Bloomberg] Polar Star Management Ltd runs one of the best performing African and Middle East hedge funds, and plans to start a private-equity unit that will invest in agriculture to exploit rising demand for food. The firm intends to use its own funds to purchase small farms and processing companies in South Africa this year before increasing efficiency through consolidation and improved management. The firm is aiming to raise ZAR1.5 billion, and is looking to purchase commodities such as grain while seeking an internal rate of return between 8 and 12 percent. Polar Star Director, Murray Derksen, said the increase in corn demand globally, which is about twice South Africa's annual production, and such growth will need to access land and infrastructure in Africa.

Mayo, wings, butter: 'Fake milk' is the latest food fight [4 March/ New Zealand Herald] Dairy producers are criticising almond, soy and rice milks, saying they are disguised as the real thing, clouding the meaning of milk. The Good Food Institute, a plant-based products advocate group, has asked the Food and Drug Administration to allow terms such as milk and sausage so long as they are modified to clarify what is in the product. The National Milk Producers Federation says it has been asking the FDA to enforce the standard since 2000, and believes the lack of enforcement has caused many imitators to play fast and loose with dairy terms. The Plant Based Foods Association commented that these standards of identity were created to stop companies delivering cheaper ingredients to customers, which is not what soy, almond and rice milk producers are doing. An attorney for the Humane Society of the United States, Matt Penzer, said the standards are being used by the established players to fend off competition and innovation.

LGV to launch innovative "farm shop" in Vienna [6 March/ Fruitnet] The vegetable division of Austrian food co-operative, LGV, Fresh Vegetables is launching a "farm shop" supermarket in Vienna to test its grower's new vegetable and convenience products. The shopping concept will be financed through crowd funding and plans to sell produce from over 100 different LGV cooperative growers, with thirty already agreeing to supply the store. The idea is to combine a market square atmosphere with traditional farming culture, while developing products, with extensive product information, to meet customer demand. The store plans to sell rare varieties of products, as well as offering new packaging solutions. The cooperatives chairman Florian Bell said feedback from customers will form the foundation for product innovations or new packaging, benefitting our long-term partners in the trade. The store plans to open in Wieden, Vienna in May 2017.

ABARES Outlook: Value of Australia's agriculture sector to peak after three years of strong growth [7 March/ ABC] The value of Australia's agricultural sector is expected to see an AUD63.8 billion peak this financial year. The annual Australian Bureau of Agriculture and Resource Economics and Sciences (ABARES) Outlook predicts the value of Australian farm production to ease in 2017-18 and decline in 2020-21 to AUD59.6 billion. ABARES said overall farm production values will remain above the 5-year average, with wheat and barley harvests driving a more valuable farm sector this year. Livestock production value is down 2.6 percent, and exports are expected to increase due to increased crop production. ABARES sees a recovering global dairy market to help aid a more favourable export return for Australian cheese and skim milk powder, as well as an expected horticultural production increase due to new and larger export markets. Australia's farm exports total value is predicted to reach a record AUD48.7 billion in 2016-17, however a slowing Chinese economy, uncertain United States policy, and potential risks associated with Brexit and the French and German elections make forecasts unpredictable.

KPMG a lead partner of new Food Agility CRC [7 March/ KPMG] KPMG in Australia has been announced as a founding 'Lead Partner' in Australia's Food Agility Cooperative Research Centre (CRC). The CRC has built over \$160 million in cash and in-kind commitment from partners committed to supporting the fast tracking of the digital transformation of Australia's food and agricultural sector. The CRC Programme supports industry-led collaborations between researchers, industry and the community, and works to develop new technologies, products and services to help solve economic, environmental and social challenges. The Food Agility CRC will work with some of KPMG's strategic accounts and alliance partners over the next 10 years, providing KPMG to support the commercialisation of new solutions and ideas. The Federal Government has announced it will additionally fund the CRC \$50 million over ten year, highlighting the large economic potential of food and agriculture.

Economics and trade

NZ commodity prices rise in February, meat, dairy and steel gain [3 March/ New Zealand Herald] The ANZ Commodity Price Index rose 0.2 percent to 282.3 in February, up 20.9 percent on an annual basis. 10 of the 17 commodities experienced a fall in local returns due to a strong New Zealand dollar against the US dollar. Wool prices dropped 4.2 percent month-on-month and February dairy prices rose 1.2 percent. The meat and fibre group price rose 4.4 percent, with beef and lamb prices increasing by 11.3 and 0.5 percent respectively. Aluminium gained 4.2 percent while forestry rose 1.5 per cent in the month. Log prices increased by 1.8 percent and wood pulp prices were up 2.8 per cent. Overall seafood prices have increased 15 percent since 2016, however February seafood prices decreased 0.5 percent, with the overall decline being driven by a 5.8 percent fall in rock lobster prices. ANZ agri-economist Con Williams said Chinese import demand remains strong and this is expected to help underpin market fundamentals.

US protectionism will hurt NZ - Fed Farmers [4 March/ Radio NZ] Federated Farmers claim that President Donald Trump's readiness to ignore international trade conventions would create implications for New Zealand exports. Federated Farmers president William Rolleston said sidelining these conventions cannot be afforded due to New Zealand's size, and such actions will take global trade backwards and be as damaging for the US as anywhere else. New Zealand's standard of living is linked directly to the country's ability to export goods and services. New Zealand is currently in the process of attempting to develop free trade agreements in Europe, as well as with Mexico and a number of other countries. Dr Rolleston is urging the New Zealand government to ensure the country has good resources in our foreign trade sectors, and is proactive on maintaining conventions.

Farmers and producers

Rural debt appears to have topped \$60 billion [2 March/ Stuff] Agricultural debt has likely risen above \$60 billion over the last few years. Westpac's manager of corporate agribusiness at Palmerston North, Dave Hutchison, believed the downturn in dairy returns experienced over the past few seasons had contributed to an increase in agricultural debt, noting that a lot of dairy farmers are taking a cautious approach and waiting for cash to come through, as farmers aim to reduce their debt and overdraft levels with any additional cash flow. Mr Hutchison also noted that building and sustaining businesses which can operate with volatility in price is an ongoing challenge, but banks have been supportive and realistic, and farmers are conscious of volatility and are not eager to change their systems yet. A positive outcome of the latest pay-out downturn was that there had been a good response by dairy farmers in controlling farm working expenses.

Agri-tech

Agri-tech finalists bring digital age to Fonterra farmers [2 March/ Stuff] After winning over a panel of Fonterra farmers, management, shareholder councillors and leaders from LIC and Wharf42, Agri-tech development companies Regen, Wildeye and Agrismart will travel to Wellington in attempt to win a prize including being invited to take a Fonterra funded place at an agri-tech conference in Silicon Valley, a spot at the Farming 2020 trade show and access to Fonterra's decision makers. Logging software, Agrismart, removes the hassle of physical timesheets for farmers that typically work overtime in remote locations, allowing a more convenient online system to track hours worked. Regen, a mobile online monitoring system app, removes farmers risk from their day-to-day decisions by notifying farmers of the best times to irrigate their land. Founder of Wharf42 and Activate judge Peter Wren-Hilton said the competition shortlisted this year have products already been validated by their target markets and can analyse and present data to allow farmers to act easily.

Drought

Another El Niño could be on its way [2 March/ Radio NZ] The National Institute for Water and Atmospheric Research (NIWA) said models predicted a more than 50 percent chance of a return to El Niño conditions between August to October. El Niño conditions typically include stronger, frequent western winds in summer that may typically lead to drought in east coast areas and increased rain in the west. Forecaster Chris Brandolino said stage one of an El Niño developing can be seen as sea temperatures had warmed off the South American coast.

Arable

Quinoa, the new crop that might be a goldmine [3 March/ Stuff] While most of New Zealand's quinoa is imported from Bolivia with some seed also coming from Peru and Chile, Kiwi Quinoa are the only producers of quinoa in New Zealand having invested in 10 hectares of the crop. Kiwi Quinoa said it differentiates itself by using sustainable farming methods, with their quinoa not being processed, polished or heated as imported products often are. Their quinoa does not contain bitter saponins found in many other quinoa varieties producing a whole, unadulterated grain.

Agri-tourism

Real Journey's planned \$20 million Walter Peak upgrade [2 March/ Stuff] Queenstown tourism company Real Journeys will spend \$20 million upgrading its Walter Peak High Country Farm facilities. The company has applied for resource consent to build a new amphitheatre for visitor farm demonstrations. Plans also include restoring the historic Ardmore House to create a new restaurant and events facility, as well as a multi-denominational chapel with Lake Wakatipu views. Staff accommodation will be upgraded, and over time will be extended to cater for up to 50 workers. Chief Executive Richard Lauder said much of the Farm's existing infrastructure will also be replaced. Walter Peak has already undertaken the award-winning Walter Peak Land Restoration Project, which has currently removed thousands of tonnes of invasive wilding pines, and planted over 6000 native shrubs and trees in replacement. Final proposals include a new working kitchen garden, landscaping to an extended farmyard, further native planting and a playground.

Field Notes

Weekly news update from the KPMG Agribusiness Network – 8 March 2017

Wool

Dannevirke woman 'humbled' to be admitted to NZ's Business Hall of Fame [6 March/ New Zealand Herald] Dannevirke's Mavis Mullins is to be inducted to the New Zealand Business Hall of Fame. Ms Mullins was the only women, and only person from outside of the Wairarapa, to serve as the Golden Shears' president, and started out in business running the long-time Paewai family shearing contracting firm. In addition to Paewai Mullins Shearing and wool industry offshoot Wool Systems, Ms Mullins has taken governance roles in Landcorp, 2degrees Mobile, health boards, Massey University Council, Aohanga Incorporation, Atihau Whanganui Incorporation, Maori business development trust Poutama and Taratahi Agricultural Training Centre. Ms Mullins was made a member of the New Zealand Order of Merit in the 2002 Queen's Birthday Honours, for services to the wool industry, and has also received Business Woman of the Year at the University of Auckland Business School Maori Business Leaders Awards in 2015 and rural honours at last year's Westpac Women of Influence Awards.

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Contact Us

Auckland/ Audit

Ian Proudfoot

09 367 5882

021 656 815

iproudfoot@kpmg.co.nz

Christchurch

Andrew Hawkes

03 353 0093

027 508 0135

ahawkes@kpmg.co.nz

Ashburton/ Private Enterprise

Maurice Myers

03 307 0768

027 208 3405

mauricemyers@kpmg.co.nz

Taxation

Greg Knowles

09 367 5989

021 307 332

gknowles@kpmg.co.nz

Financial Advisory Services

Gary Ivory

09 367 5943

021 932 890

givory@kpmg.co.nz

Farm Enterprise

North Island

Roger Wilson

07 858 6520

027 281 9575

rogerwilson@kpmg.co.nz

Tauranga

Robert Lee

07 571 1773

027 451 1035

relee@kpmg.co.nz

Management Consulting

Simon Hunter

09 367 5881

027489 9737

simonhunter@kpmg.co.nz

Julia Jones

07 858 6553

027 524 8901

juliajones1@kpmg.co.nz

Wellington

Graeme Edwards

04 816 4522

027 296 5050

gdedwards@kpmg.co.nz

Hamilton/ Private Enterprise

Hamish McDonald

07 858 6519

021 586 519

hamishmcdonald@kpmg.co.nz

South Island

Brent Love

03 683 1871

027 528 1537

bllove@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.

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