

AGRIBUSINESS

# Field Notes

Weekly news update from the KPMG Agribusiness network

17 May 2017

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

Archer Daniels Midland	Labour Party
ASB	McDonalds
Ashburton Trading Society	Meat & Livestock Australia
Beef and Lamb New Zealand	Meat Industry Association
BloomSky	Metservice
byFlow	National Institute of Water and Atmospheric Pressure (NIWA)
Cargill	NZ First
Chamber of Commerce	Once Upon a Farm
Changyu	QEII National Trust
Dairy Women's Network	Sainsbury
Dean Foods	Sanford
Delegat Group	Silver Fern Farms
Ellen MacArthur Foundation	Soylent
European Union	Statistics New Zealand
Fonterra Co-operative	Stonyfield
Good Karma	Taylor Preston
Hampton Creek	The Conservation Authority
Holstein Friesian New Zealand	Unilever
Inner Mongolia Yili Industrial	University of Waikato
IntraFish	Zealong Tea
Kroger	

**This week's headlines**

Horticulture	<b>NZ tea grower wins top award</b> [12 May/ Radio New Zealand Rural]
Dairy	<b>Dairy economist Nathan Penny recommends change to milk price system</b> [11 May/ Business Day: NZ Farmer]
Red meat	<b>New Zealand exporters resume lamb trade with Iran</b> [12 May/ NZ Farmer]
Environment and emissions	<b>Dairy farmers make positive moves, but wetlands still an issue</b> [15 May/ NZ Farmer]
Farmers and producers	<b>Farmers and growers get \$5 million Government quake relief</b> [11 May/ Business Day]



fieldnotes.co.nz

Hot Off The Press:

**KPMG Agribusiness  
Agenda 2016 Vol. 2**

**Horticulture**

**NZ tea grower wins top award** [12 May/ Radio New Zealand Rural] The Zealong Tea Estate has won gold at the Global Tea Championships in the USA. Zealong, which is New Zealand's only commercial tea grower, operates its 1.2 million plant operation from its estate near Hamilton and produces 20 tonnes of organic loose tea per year. Both the black and oolong tea bags received gold first place honours in their category. It was the first year that the company had entered the awards and marketing executive, Annalese Webber, said that they were extremely thrilled with the results. She added that the awards demonstrated that New Zealand could grow really great tea. The company had worked hard to grow tea in New Zealand and has now certified their product for organic and food safety standards.

**Viticulture**

**Delegat grape harvest growth slows** [10 May/ NZ Herald] Delegat Group has announced a 4 percent increase in its New Zealand grape harvest to 34,595 tonnes, while its Australian harvest grew by 6 percent to 2,760 tonnes. Delegat Managing Director, Graeme Lord said the New Zealand harvest was of very good quality despite the delayed start to the season due to late summer rains. Mr Lord added that the company had sufficient inventories to achieve further sales growth in line with forecasts. Delegat was targeting a 9 percent increase in global case sales in the 2017 financial year.

**Fishing**

**'A special moment for Sanford CEO** [11 May/ National Business Review] Since Sanford Chief Executive Officer, Volker Kuntzsch, joined New Zealand's biggest fishing company just over three years ago, its share price has increased from \$4.42 to over \$7 per share. Mr Kuntzsch said he had a vision of running the best seafood company in the world, but success would not be measured by returns to shareholders or profit per tonne of fish sold. Mr Kuntzsch explained that he instead looked at whether Sanford was the ideal supplier for customers, or whether communities were proud of its local contribution. Mr Kuntzsch said the company would continue to boost the value of its catch by selling more fresh fish rather than frozen. Mr Kuntzsch recently received the Person of the Year award from IntraFish.

**More protection needed for whitebait species** [13 May/ Radio NZ Environment] The Conservation Authority has requested that the Department of Conservation consider what more can be done to insure the future of Whitebait, a native fish species. The regulations have not changed since the mid 1990's despite four of the five species being categorised as threatened. Authority Chair, Warren Parker, said that there was awareness of about the sustainability of current catches and a lack of information about the size of catches. Experts noted that introducing catch limits would be a more sustainable approach to managing the fishery. Currently the West Coast is the only region that had specific whitebaiting regulations, it has a shorter season. The Authority also asked DOC to investigate whether MPI Fisheries Officers could be utilised to ensure that the rules are enforced.

**Dairy**

**Fonterra offers sweeteners to Oz milk suppliers** [10 May/ Rural News] Fonterra has announced that its Australian suppliers would receive between AUD 5.70 and AUD 6.10 per kilogram of milk solids in the new season commencing 1 July 2017. Fonterra Australia Managing Director, Rene Dedoncker said the co-operative would announce its opening payout for the season in the coming weeks to allow farmers to plan ahead with confidence. Mr Dedoncker explained that the business was in a stronger position and could pay a competitive milk price to its farmers due to current exchange rates and the rebalancing of global supply and demand. Mr Dedoncker added that the co-operative had invested in world class assets, improved its product mix, and exited non-strategic businesses.

**Dairy economist Nathan Penny recommends change to milk price system** [11 May/ Business Day: NZ Farmer] ASB Rural Economist, Nathan Penny said Fonterra should introduce a quarterly based milk price system in order to reduce price volatility and decrease the risk of farmers going out of business. Mr Penny added that if farmers knew what price they would be paid at the end of the quarter, they would know more accurately how much milk to produce. Mr Penny explained that under the current system, Fonterra usually provided a conservative forecast early in the season as it did not want to overpay farmers, but that this caused farmers to under produce. Mr Penny noted that a quarterly payment system would allow Fonterra to be more precise and therefore provide a less conservative forecast, encouraging farmers to produce more.

**Canterbury farmer is the Fonterra Dairy Woman of the Year** [12 May/ Business Day: NZ Farmer] Rakaia Dairy Farmer and Fonterra Shareholder Councillor, Jessie Chan-Dorman has been announced as the Fonterra Dairy Woman of the Year. Ms Chan-Dorman was a director of the Ashburton Trading Society and was on the Holstein Friesian New Zealand External Affairs committee. Dairy Women's Network Chief Executive, Zelda de Villiers said Ms Chan-Dorman was a worthy recipient of the title as she was a positive role model for others in the rural sector and had the ability to work across all aspects of the dairy industry. Ms Chan-Dorman said she saw herself further influencing change by being involved at a governance or representation level in co-operatives and advocating for the next generation to get involved in the industry.

**Fonterra introducing trial weather stations for dairy farmers** [15 May/ Dairy Reporter] Fonterra has announced that it will be working with farmer shareholders to trial a new weather technology that is hoped to bring greater precision to farmers. The co-operative is working with Metservice and Bloomsy (a smart camera based hyperlocal weather station solution) to provide more detailed forecasting and seasonal insights to users of the Agrigate platform. The plan is to install 70 Bloomsy weather stations across the country. With weather being one of the more significant risks that impacts a farming operation, the provision of real time information to an app has huge potential to improve farming practices.

**Red meat**

**National sheep numbers drop by 5%** [11 May/ Radio NZ Rural] Statistics New Zealand figures showed a 5 percent decrease in sheep numbers, a 7 percent decrease in deer numbers, and a 2 percent rise in the number of dairy cattle in 2016. Sheep numbers have declined from an all-time high of over 70 million in 1982 to under 28 million in 2016. Beef and Lamb New Zealand Chief Executive, Sam McIvor said the fall in sheep numbers was unsurprising and reflected the challenges farmers faced two years ago which led them to cull stock.

**Speculation Silver Fern Farms Ashburton plant might close** [12 May/ Business Day: NZ Farmer] Management of the Silver Fern Farms Fairton Plant in Ashburton has notified workers of a meeting, causing speculation that the sheep meat processing plant might close and put more than 300 jobs at risk. Last year the Fairton Plant's bobby calf processing unit was shifted to the Pareora Plant, while sheep supply has been falling throughout the year. A Silver Fern Farms spokesperson said it would be inappropriate and unfair on employees to comment on the issue before the meeting took place. NZ First Leader, Winston Peters said the plant looked likely to be axed, while Labour Primary Industries Spokesman, Damien O'Conner said a closure would not surprise him as some processing moved to China.

**New Zealand exporters resume lamb trade with Iran** [12 May/ NZ Farmer] New Zealand meat processor, Taylor Preston, is poised to become the first company to resume lamb exports to Iran after a gap of almost 20 years. Taylor Preston will ship 60 tonnes of frozen cuts as part of the first shipment, but CEO, Simon Gatenby, said that the company hopes to do more business with Iran. Farmers supplying the late season lambs were being paid a premium of \$6.10 per kilogram. At the heyday of the lamb trade with Iran, the country took around 25% of total supply which amounted to more than 100,000 tonnes of frozen carcasses a year. The renewed trade follows a visit to Iran by the Minister for Primary Industries, Nathan Guy, who signed a veterinary agreement to enable chilled and lamb and beef exports to the Islamic Republic. Meat Industry Association CEO, Tim Ritchie, noted that New Zealand cut its teeth on developing the expertise to service the needs of Muslim customers in Iran, a trade which now accounts for around 25% of exports.

**McDonald's buys \$238 m of New Zealand food** [14 May/ Stuff National] McDonald's has revealed that its New Zealand business bought more than \$150 million of local produce for use of in its restaurants to feed New Zealanders. The grocery list includes 5,700 tonnes of beef, 3,190 tonnes of chicken and 315 tonnes of hoki fish. The beef sales included 600 tonnes of Angus beef. The company also purchased bread products, fries and hash browns, cheese and dairy products from New Zealand suppliers. In addition to the products the McDonald's buys to use in New Zealand, the international network also purchased \$238 million of beef, chicken, hoki, cheese to its international restaurant network. New Zealand CEO, Dave Howse, said that almost 10% of New Zealand's beef exports were delivered to McDonald's restaurants.

## Environment and emissions

**Farmers spend \$25 million a year to protect native lands** [12 May/ Radio NZ Rural] A University of Waikato study found that QEII National Trust covenanting landowners were spending an estimated \$25 million of their own money to protect native species, forests, and wetlands every year. QEII Trust Chair, James Guild said the report showed the hard work, philanthropy, generosity and passion of the thousands of landowners who voluntarily elected to covenant special places on their land with the National Trust. Mr Guild added that the landowners were making a significant contribution towards the protection and enhancement of New Zealand's threatened ecosystems and biodiversity. Mr Guild explained that the biggest cost for landowners who established covenants was fencing the covenanted areas, controlling weeds, and work to restore plantation and wetlands.

**Dairy farmers make positive moves, but wetlands still an issue** [15 May/ NZ Farmer] The dairy sector is making positive progress in managing its impact on water according to the three year report of the Sustainable Dairy Water Accord, released this week. The black smudge on the report card related to issues in protecting wetland, which DairyNZ put down to a lack of clarity from regional councils on the definition and regulation of wetlands. A Forest and Bird spokesperson suggested that the industry's excuse was poor, adding that the industry is nowhere near achieving the goal of excluding all stock from registered regionally significant wetlands which had been targeted for 2014. The report highlighted a drop in significant non-compliance of dairy effluent systems to the lowest recorded level of just above 5% and more than 97% of dairy cattle were recorded as being fenced off from waterways on farm. Minister for Primary Industries, Nathan Guy, applauded the efforts of farmers but highlighted new swimmable rivers legislation would require a further 56,000 kilometers of fencing. The report has been independently audited by Telarc. DairyNZ CEO, Tim Mackle, said it was heartening to see what farmers had achieved in three years to make a positive difference, although he recognised that there remains more work to do. Federated Farmers Dairy Chair, Andrew Hoggard, noted he was pleased in the fall in non-compliance of effluent systems, but noted some farmers need to do more. He added that an individual farmer can control what happens on their farm but can't control the entire catchment.

## International

**Hampton Creek CEO Fires Top Execs After Fundraising Struggles** [3 May/ Bloomberg] According to people who were familiar with the matter, Hampton Creek Chief Executive Officer, Josh Tetrick has taken action to cut costs by dismissing his Chief Financial Officer, Chief Operations Officer, Human Resources Chief, and the heads of finance and logistics. The move came after the vegan food company only managed to raise USD 7 million towards its goal of USD 150 million in funding. Mr Tetrick said he was looking for leaders who were very resilient, and he had recently hired two new vice presidents and a dual Chief Financial and Operating Officer. Mr Tetrick added that the dismissed employees all helped build the company, but changes had to be made for both structural and performance reasons.

**Agribusiness ADM to expand in Europe amid global shake up: company** [4 May/ Reuters] Archer Daniels Midland Spokeswoman, Jackie Anderson said the United States agribusiness planned on growth in Europe this year through acquisitions and expansions. Ms Anderson added that the growth included the acquisition of Chamtor, a French sweetener and starch producer. The growth was despite the company reporting difficulties in turning a profit on grain sales internationally due to worsening market conditions. Ms Anderson noted that there were no plans to cut operations in the United Kingdom, Spain and Ireland despite earlier reports stating otherwise.

**Australia exhibits 3D printed meat – in pictures** [5 May/ Global Meat] Meat & Livestock Australia have worked with scientists to create a 3D printer that made edible protein from liquid offal and mince. Industry insiders explained that the printer could become as common as barista-style coffee and add value to secondary cuts of meat and offal. The machine was unveiled at the 3D Food Printing Conference Asia-Pacific after being built by Dutch company, byFlow.

**Soylent gains \$50M in series B funding round** [8 May/ Food Dive] Soylent has completed a USD 50 million funding round, bringing total investment in the food replacement company since its 2013 launch to USD 74.5 million. Soylent Founder and Chief Executive Officer, Rob Rhinehart said the funding would enable the company to expand its current product offerings and support its expansion into traditional retail and international territories. Mr Rhinehart added that the investment allow Soylent to further its goal of providing its products to people around the world.

**Flaxseed flexes its muscles: Good Karma Foods strikes minority investment from Dean Foods** [8 May/ Dairy Reporter] Dean Foods has announced a minority investment in Good Karma, a Colorado company that specialises in plant-based beverages. Dean Foods Chief Executive Officer, Ralph Scozzafava explained that the investment in Good Karma was a good way to increase exposure to the plant-based sector as the company focused on diversifying beyond the dairy sector. According to a joint statement from the two companies, Good Karma would continue to operate as an independent company led by its existing leadership team. Dean Foods would utilise its experienced sales team to support Good Karma's growth plans.

**China is Building a Disney World for Wine** [10 May/ Bloomberg] Changyu, China's largest winery, has built a network of winery castles across the country, each inspired by a different European winemaking country. China has been the world's biggest consumer of red wine since 2013, and the castles were a sign of the company's ambitious plans for the country's wine industry. The company's largest project to date was Wine City, a USD 870 million wine production facility that doubled as a tourism attraction. A Changyu tourist guide claimed that Wine City was the largest wine production site in the world with storage capacity exceeding 40,000 tonnes and production reaching 450,000 tonnes a year at its peak.

**Is single-serve packaging also a health-halo?** [10 May/ Food Navigator] According to a new study in the Journal of Business Research, serving sizes of packaged food could affect a consumer's perception about the healthiness of the product. Research found that consumers perceived bite-sized snacks to be significantly healthier than larger sized products. The study also found that consumers would eat less of products they deemed healthy if they were served in a single pack. The researchers said that public policy officials should be paying significantly more attention to how healthy products were packaged.

**Brexit exposes threat to UK Cheddar supply** [10 May/ Politico Europe] Brexit will potential put imports of Britain's favourite cheddar cheese at risk as Irish producers contemplate switching their production to mozzarella given the risks to their markets from Britain leaving the EU. Ireland is highly dependent on the British market and exports 78,000 tonnes of cheddar to the UK every year but a hard Brexit represents a nightmare scenario for Irish food producers, particularly if Britain introduces WTO tariffs on cheddar imports. As a consequence, Ireland is advancing plans to switch production to products that will sell better in the EU free trade area, with a preferred option being increasing mozzarella production. Cheddar destined to the UK currently uses around 20% of Irish milk supply and producers are focused on diversifying the markets that they supply to. Some of the major Irish dairy companies have already constituted teams that are working on post Brexit scenarios should tariffs be placed on products being exported to the UK. One option for companies is to increase the production they perform in UK but this will be challenging as milk is sourced from Ireland. It will not be easy for Irish producers to pivot to new products as supply chains between Britain and Ireland are so intricately woven that raw materials often go back and forth across the border several times during processing.

**Unilever develops technology to prevent billions of plastic sachets from entering into oceans** [11 May/ The Independent] Unilever has developed a new technology to recycle the hundreds of billions of single-use sachets that it packaged products in each year. Through a new system called CreaSol, the plastic sachets would be recovered and used to create new ones for Unilever products. The system was part of Unilever's pledge to ensure all of its plastic packaging was fully reusable, recyclable or compostable by 2025. Unilever would open a pilot plant in Indonesia, a country that produced 64 million tonnes of waste every year, of which 1.3 million tonnes ended up in the ocean. Predictions by the Ellen MacArthur Foundation predicted that there would be more plastic than fish in the ocean by 2050 unless companies had a rethink about their packaging.

**China's dairy giant Yili to bid for Danone's Stonyfield** [11 May/ China Daily] With Groupe Danone's acquisition of Whitewave Foods, it has announced that it is putting organic yogurt producer, Stonyfield, on the market and Inner Mongolia Yili Industrial, China's biggest dairy group, plans to bid for the entire company, which is valued at around USD850 million. Yili said in an announcement that the bid is in its early stages and their success will be determined by many uncertain factors. This bid follows Yili withdrawing from a RMB4.6 billion bid for a 37% stake in China Shengmu Organic Milk. New Hampshire based Stonyfield is the world's largest organic yogurt producer with sales of around USD370 million and net profits of USD50 million. Analysts have suggested that an acquisition of this nature would shift the industry landscape for low temperature dairy products in China and raise awareness of Chinese dairy brands worldwide.

**Commodity trader Cargill expects grain glut to last a long time** [12 May/ Reuters] CEO of Cargill, one of the large ABCD agribusiness traders, David MacLennan said he expects grain markets to remain oversupplied for a long time due to bountiful harvests and a rise in storage. He noted that there had several strong seasons back to back with near perfect growing conditions across North and South America and as a consequence there was plenty of product in storage. He added he does not see much volatility in markets in the near future to up commodity prices. US Government figures suggest that global corn, wheat and soybean inventories have increased some 48% since 2012/13 compared to production growth of 18% and consumption growth of 17% over the same period. Cargill has been shifting its business to focus on higher margin products in recent times, including the announcement that it would be exiting its US cattle business in favour of investments into food ingredient opportunities. He also added he was optimistic that the Trump administration would not have any negative impact on trade flows.

**Kroger and Once Upon a Farm partner to test coolers in baby aisle** [12 May/ Food Navigator USA] US retailer, Kroger, is commencing an experiment to put coolers in the baby food aisle to support the delivery of fresher baby food products to parents. The store will be working with Once Upon a Farm, a producer of fresh baby foods that uses HPP to kill pathogens and then requires its pouch products to be kept in a cool supply chain. Historical baby food has been supplied in shelf stable jars, but the placement of fridges directly in the baby food aisle will make the alternative choice very apparent to parents. Once Upon a Farm products are also stocked in Whole Foods, Wegman's, HEB and Hy Vee despite the founders originally targeting the specialty and natural products channel.

**US, China agree first steps under 100-day plan** [12 May/ Reuters] Following on from the meetings between US President, Donald Trump, and Chinese President, Xi Jinping, the US and China have agreed to take rapid access to increase access for US financial services firms and beef and chicken exporters to China. US Commerce Secretary, Wilbur Ross, said the measures announced will help to reduce the trade deficit between the US and China. China has agreed to allow US imports for beef no later than 16 July 2017 and the US will issue a proposed rule to allow Chinese cooked chicken products to enter US markets. Despite strong anti-Chinese rhetoric during his election campaign, President Trump has softened his position in the past month, expressing admiration for Xi and saying he wanted Beijing to help deal with the North Korean nuclear threat. China is the top export market for US agricultural products with the total value of exports rising by more than 1,100% since 2000 to USD 21.4 billion. China lifted its longstanding import ban on American beef last year, although few transactions have been made. The ban dated back to 2003 due to a case of bovine spongiform encephalopathy (BSE) in Washington State.

**Sainsbury's launches banana 'rescue stations'** [15 May/ Eurofruit] UK supermarket chain Sainbury is launching banana rescue stations in its stores to encourage consumers to use overripe fruit and reduce the 1.4 million bananas that are thrown away every day in the UK. The company will place the stations in 500 of its stores across the country and provide shoppers with the recipe inspiration for banana bread as well the ingredients, equipment and storage solutions needed. In addition, the retailer will expand on its instore banana bread trial which sees unsold or bruised fruit used by the in store bakery teams as an ingredient into cakes. A spokesperson for Sainbury's said that they have created an area in store dedicated to get Britain baking with banana's. The store is also providing use to banana consumers about how they can use overripe fruit in their everyday lives. The banana initiative is part of the supermarket's GBP10 million Waste less, Save More initiative.

## Farmers and producers

**Farmers and growers get \$5 million Government quake relief** [11 May/ Business Day] Civil Defence Minister, Nathan Guy said the Government was fully committed to helping Kaikoura's farming sector move forward and flourish after the November earthquake. Mr Guy announced a \$5 million recovery package that would be used over the next three years to support projects investigating long term land use and restoration. Mr Guy added that the Government would be working with the Chamber of Commerce to provide business assistance packages. My Guy encouraged people to come forward with their needs in order to get the region back up and running.

## Water

**New swimmable standard 'less stringent' – NIWA** [11 May/ Radio NZ Rural] According to a report conducted by the National Institute of Water and Atmospheric Research (NIWA), the new Clean Water Package released by the Government in February has a less stringent minimum acceptable standard for swimmable waters than the 2014 National Policy Statement it would replace. The Government has denied this, claiming that the standards had been made tougher and were now more closely aligned with United States and European Union guidelines. The new standards would allow the limit of 540 E. coli per 100 milliliters to be exceeded 20 percent of the time, rather than the 5 percent standard currently used.

## Economics and trade

**NZ food prices fall in April as higher vege prices offset by lower grocery costs** [11 May/ National Business Review] According to Statistics New Zealand, food prices decreased by a seasonally adjusted 0.2 percent in April. A 9.1 percent decrease in vegetable prices was offset by a 2.1 percent increase in the price of grocery items. Statistics New Zealand Consumer Prices Manager, Matthew Haigh said vegetable prices were influenced by seasonal increases as well as heavy rain affecting some crops. The vegetables that saw the largest increase in price were tomatoes, lettuce, cucumbers and avocados. The average price for pork chops was the lowest since May 2008 at \$13.84 per kilogram.

## 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

### Farm Enterprise North Island

**Roger Wilson**

07 858 6520

027 281 9575

**Julia Jones**

07 858 6553

027 524 8901

### South Island

**Brent Love**

03 683 1871

027 528 1537

# Field Notes

Weekly news update from the KPMG Agribusiness Network – 17 May 2017

mauricemyers@kpmg.co.nz

rogerwilson@kpmg.co.nz

juliajones1@kpmg.co.nz

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.

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.