

Hot Off The Press:  
**KPMG Agribusiness  
Agenda 2018**

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## AGRIBUSINESS

# Field Notes

Weekly news update from the KPMG Agribusiness network

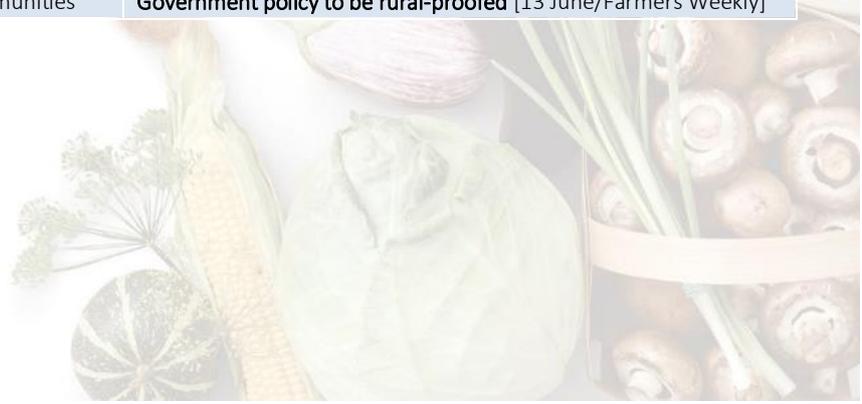
20 June 2018

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

Agritech New Zealand	Hoffman Centre
Auckland University of Technology	KPMG
Beingmate	Lincoln University
BlueNalu	Manuka Honey Appellation Society
Callaghan Innovation	Metservice
Chowbotics	Ministry for Primary Industries (MPI)
Commonwealth Scientific and Industrial Research Organisation (CSIRO)	New Zealand Avocado Growers Association
Credit Suisse	NZ Guild of Agricultural Journalists and Communicators
Dairy Farmers of Canada Association	Pastoral Greenhouse Gas Research Consortium
Danone	PF Olsen
DCVC	Ravensdown
Eastland Wood Council	Rural Support Trust
Ernsalw One	Sealord
Essentia	Specialty Food Association
Fieldays	Statistics New Zealand
Fisheries New Zealand	Synlait
Fonterra Co-operative Group	Yashili New Zealand
Forest Owners Association	Zealong
Halter	Zespri
Hikurangi Forest Farms	

### This week's headlines:

Dairy	<b>Fonterra's milk price calculations higher than competition – Commission</b> [14 June/NZ Herald]
Horticulture	<b>Zespri red kiwifruit about two years away from commercial introduction</b> [14 June/NZ Herald]
Fishing	<b>Largest vessel due for delivery</b> [19 June/Otago Daily Times]
Environment and emissions	<b>New Zealand to become the world's first zero emission food producer – James Shaw</b> [18 June/Stuff]
Rural communities	<b>Government policy to be rural-proofed</b> [13 June/Farmers Weekly]



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**NZ biosecurity top-scores in KPMG agribusiness survey** [13 June/NZ Herald] Biosecurity remained the highest ranked priority for the New Zealand primary sector according to the KPMG Agribusiness Agenda. Biosecurity incursions, environmental challenges, water quality, labour availability, trade wars and rural infrastructure all featured prominently in discussions with industry leaders. The report said unsurprisingly, against a background of Mycoplasma bovis and myrtle rust, biosecurity remained the number one priority. Delivery of high speed rural broadband was second, and food security was ranked third. KPMG's Global Head of Agribusiness, Ian Proudfoot, said last year's agenda was about opportunities in global markets, whereas this year's theme was weighted towards a range of domestic issues. Mr Proudfoot added it had been a challenging year for the industry, where the mainstream narrative was predominantly negative despite agri-food continuing to dominate New Zealand's export revenues. He noted every New Zealander had contributed to the degradation of the environment, waterways and beaches. Addressing these problems would need whole of community responses. The agenda also highlighted the need to ensure land use plans were optimised in response to community requirements and market expectations.

**Rural sector must fight back** [13 June/Farmers Weekly] KPMG Global Head of Agribusiness, Ian Proudfoot, said the unbalanced narrative surrounding primary industries was no longer an inconvenience or annoyance but was putting the sector at risk and needed to be addressed. This would be done through telling positive stories about the agri-food sector in New Zealand according to the 2018 edition of the KPMG Agribusiness Agenda. It was not only the social licence to operate under threat, but how customers perceived New Zealand products compared to competitors. Mr Proudfoot added the predominant narrative around the sector was costing farmers, growers, processors and their supply chain partner's real money every day. Farmers commented on the lack of appreciation for what they do in society. The Agenda noted intensive production systems had impacted ecosystems and caused environmental degradation. KPMG noted entrenched positions on water and irrigation were such that the opportunity to unlock a diversity of higher value land was lost. KPMG suggested the agri-food sector needed to move quickly to a collective commitment over swimmable rivers and lakes. Survey respondents welcomed the Government's forestry initiatives.

**Listen to Ian Proudfoot talking to Susan Murray of Radio New Zealand at Fieldays on the Agribusiness Agenda:**

<https://www.radionz.co.nz/national/programmes/countrylife/audio/2018649477/kpmg-agribusiness-agenda-2018>

The KPMG Agribusiness Agenda 2018 is now available for you to download and read from our website for free.

The report can be accessed by clicking here <https://home.kpmg.com/nz/en/home/insights/2018/06/agribusiness-agenda-2018.html>

**Agri-tech**

**Callaghan Innovation & Agritech New Zealand announce 2018 Silicon Valley Agritech Immersion Program & Conference** [13 June/Agritech New Zealand Press Release] Agritech New Zealand was excited to work with Callaghan Innovation to support kiwi agritech businesses wanting to attend the Silicon Valley Agritech Immersion Program and Conference. It would be the third year New Zealand will be taking a major delegation to learn more about Silicon Valley's rapidly expanding agritech innovation and investment space. Over 40 New Zealand businesses have attended the program over the past two years. Investors from leading worldwide agritech businesses have also made the trip back to New Zealand. The New Zealand delegation would join 100 other international delegates for the four day event. The focus of this year's program is around horticulture and cropping.

**Halter announces \$8 Million Series A capital raise from Silicon Valley investors** [14 June/Halter Press Release] Halter has raised \$8 million in Series A funding to guide and manage livestock using artificial intelligence, sustainably increasing production at New Zealand dairy farms while saving billions in labour costs, improving environmental compliance and animal welfare. It announced it would commercialise its patented technologies that shift and manage livestock, starting with cows, an AI-powered point and click application in combination with proprietary Cowgorithm which controls how the cows are moved around the farm. Halter had developed a solar powered intelligent neck band to direct cows. Using its app, farmers could set schedules where herds are guided to and from the milk shed, receive alerts when cows were showing signs of poor health, and set virtual fences keeping cows out of rivers and drains. The financing round was led by DCVC. Halter founder and CEO, Craig Piggott, said they were looking to provide technology for the future of dairy farming globally.

**Dairy**

**Van der Heyden backs Fonterra chairman John Wilson after Shane Jones calls for resignation** [14 June/NZ Herald] Former Fonterra Chairman, Sir Henry van der Heyden, has given his backing to the current chairman of the co-op, John Wilson. He said no New Zealand farmer would argue with the current milk price forecast in response to comments from Regional Development Minister, Shane Jones, who said the company should stop being political and instead focus on its business. Fonterra had issued its nine month business update which featured a strong farmgate milk price and also highlighted downward pressure on its earnings. Sir Henry noted he thought Mr Wilson had done a good job. However he said work was needed to improve dividends which would be impacted by high milk prices, its investment in Beingmate and the Danone legal settlement. Current chairman, Mr Wilson, and directors Ashley Waugh and Nicola Shadbolt are due to retire this year by rotation.

**Fonterra's milk price calculations higher than competition – Commission** [14 June/NZ Herald] The Commerce Commission said Fonterra's estimated risk in calculating the cost of financing milk processing operations was too low, which resulted in it calculating a higher milk price than its competitors. The cost of financing feeds into the calculation of the milk price Fonterra paid its customers. Commerce Commission Deputy Chair, Sue Begg, said Fonterra had been unable to provide sufficient evidence to convince them that using a lower asset beta than comparable processors was justified. Ms Begg acknowledged the differences between the risks faced by Fonterra and its comparable producers, however they did not consider them sufficient. The purpose of the milk price monitoring regime was to incentivise Fonterra to operate efficiently while providing for contestability in the market. It also provided transparency on information about how Fonterra sets the farmgate milk price. Fonterra's current forecast for the current season was \$7 per kilogram of milksolids.

**Fonterra powders earn premium price over rivals' same products: chairman** [13 June/NZ Herald] Fonterra Chairman, John Wilson, said its dairy ingredients were selling for \$100 to \$400 per tonne more than the same milk powder products of its competitors which could significantly boost the milk price. He added its Trusted Goodness quality seal marketing initiative was responsible for the price spike which was noticeable on the Global Dairy Trade Auction. Mr Wilson said it was extraordinary however wanted to ensure it was sustainable going forward. He wanted to know whether it was because of the seal or because of things happening in the market. He noted they had to wait until the end of the year to see but it was highly beneficial to farmers if there was a sustainable premium for Fonterra ingredients. The Trusted Goodness programme was launched last year.

**Danone invests in Yashili New Zealand** [12 June/Dairy Reporter] Danone and Yashili signed a memorandum of understanding where Danone have indicated an intention to acquire 49 percent of the shares in the dairy company Yashili New Zealand Dairy Co. The terms of the sale are yet to be finalised. Yashili said such agreements could include a share purchase agreement, a shareholders agreement and other documents necessary or desirable to implement the proposed transaction. Danone and Yashili already had close ties as in 2016 Yashili New Zealand sold \$18.7 million of base powder dairy products to Danone. Danone Asia already owned 20 percent of Yashili International. Infant milk producer, Yashili, had listed on the Hong Kong stock exchange in 2010. Yashili announced a collaboration at the Pokeno plant in 2016 as part of a wider deal to buy Danone's Dumex infant formula business.

**Winston Peters pins \$2B-plus 'losses' to NZ on Fonterra** [18 June/NZ Herald] Deputy Prime Minister, Winston Peters, said the country's largest business, Fonterra, was costing the economy more than \$2 billion from food safety and animal welfare scares. He added we would not become a great, first world trading nation until we faced some blunt commercial facts, and that he believed in commercial accountability. Mr Peters continued New Zealand First's attack on Fonterra, launched when Regional Economic Development Minister, Shane Jones, called for Fonterra's chairman to resign over the co-op's commercial performance. Mr Peters noted the cost of Fonterra's decisions to the economy had been \$1.383 billion, including \$100 million of taxpayer's money. He said a further \$800 million cost was apparent due to the cost of the programme to eradicate the mycoplasma bovis bacteria. A review of the DIRA rules relating to Fonterra's operations is currently underway and Mr Peters noted it was possible that conclusions could emerge from the review that weren't apparent the time when the terms of reference were set.

#### Horticulture

**Zespri red kiwifruit about two years away from commercial introduction** [14 June/NZ Herald] Zespri said the world was waiting for a good red kiwifruit, and that they hoped to deliver this in a few years. Chief Executive, Dan Mathieson, said Fieldays visitors could sample the fruit, but it would take time before its commercial introduction so the fruit would be viable from orchard right through to the markets. Its target storage time was 12 weeks but it was only currently at 8 weeks. The fruit was two years into a five year pre commercial trial stage. Years of development was wiped out by the Psa disease in 2010-2011. When commercialised, the fruit would be available to growers in many regions of the country. The red fruit's appeal is not just its colour and taste, but the fact that it could be harvested as early as late February. It would add value to the total New Zealand kiwifruit variety pool.

**Holy guacamole! Avocado price sets new records** [13 June/NZ Herald] According to Statistics NZ, avocado prices rose 37 percent in May to record levels. Prices for other fruits and vegetables such as mandarins and broccoli fell. The price of avocados this year was up 50 percent from May 2017. The latest price movement reflected both higher prices and smaller fruit. Statistics NZ Prices Manager, Matthew Haigh, said seasonality impacted avocado prices. They typically peaked in July and August. According to the New Zealand Avocado Growers Association, harvest volumes were down around half of that for the previous season. Overall, food prices remained flat in May, falling 0.1 percent after seasonal adjustment. There were increases in restaurant meals, ready to eat food and non-alcoholic beverages.

#### Emerging markets

**Zealong Tea debuts 'The Transformer' at Fieldays** [14 June/NZ Herald] Zealong made its debut at Fieldays with a world first tea farming machine nicknamed The Transformer. The tea estate made a wide variety of export teas from oolong to botanical beverages. It worked with a French manufacturer to develop the custom tractor. Zealong General Manager, Gigi Crawford, said it could do almost everything on the 80 hectare estate except picking. The machine got its name from its system of moving parts and attachments. It can straddle two rows of tea as it trims, prunes, mows, weeds, ploughs, or spreads fertiliser. Zealong R&D Manager, Fabien Maisonnette, noted due to strict organic regulations they were unable to use conventional methods. He added they had to think outside the box and use expertise from several countries to develop the machine. It attracted interest from vineyard operators and orchardists at Fieldays.

#### Biosecurity

**Biosecurity onus on all of us, says Minister of Agriculture Damien O'Connor** [13 June/NZ Herald] Agriculture and Biosecurity Minister, Damien O'Connor, said all New Zealanders needed to participate in biosecurity as a reflex action. He told KPMG's Fieldays Agribusiness Leaders' Breakfast about the Government's Biosecurity 2025 direction. An important part was to create better understanding of the importance of biosecurity for every New Zealander. He noted thinking about and participating in biosecurity needed to become fundamental to New Zealanders. MPI's initiative targets three quarters of adults to understand what biosecurity meant and why it was important, and for half a million New Zealanders to regularly take action to control plant or animal pests in their communities. Mr O'Connor said community engagement was critical to the future of the primary industries. It ensured that when policymakers designed rules they took into account the factors that affected rural communities.

**Apiculture**

**Battle to protect manuka honey to cost \$5.5m** [13 June/Radio NZ] The battle to protect New Zealand's manuka honey industry from international competitors was expected to cost \$5.5 million over 10 years. An industry group said the best way to defend New Zealand's manuka product would be to trade mark the term and then fight for a Geographical Indication. The honey was used in wound dressing and medical gels, in beauty products, and as a food product. The trade was currently worth \$180 million to New Zealand, but this could double if the brand is protected. Business advisor, John Hill, said the cost to trademark the term and gain a geographical indication sign was a small price to pay to protect the industry. Australia was already trying to enter the manuka industry with over 80 species of the plant used to make the honey. John Rawcliffe of the Manuka Honey Appellation Society noted manuka was a Maori name and consumers expected it to come from New Zealand.

**Fishing**

**Largest vessel due for delivery** [19 June/Otago Daily Times] New Zealand's largest fishing vessel, the Tokatu, was due to arrive in Nelson follow its six week delivery voyage from Norway. The state of the art vessel is the first purpose built ship to be added to New Zealand's deep water fleet in more than 20 years and was designed to fish for all species. The vessel was built for Sealord over 16 months in Norway. Sealord Chief Executive, Steve Yung, said it was equipped with energy production equipment that would allow it to be driven by electricity. It also had fuel saving technology and new precision seafood harvesting technology. It will complete final testing in Nelson before going to work. It requires around 50 crew for each voyage plus a full turnaround crew of 50 more onshore. The name comes from the Maori proverb Te toka tu moana which means the rock that stands in the ocean.

**Closure of scallop fishery to be extended in South Island** [12 June/Radio NZ] Fisheries New Zealand planned to extend the closure of the southern scallop fishery in the top of the South Island. The Ministry for Primary Industries said a critical downturn in stocks forced the closure in Tasman, Golden Bays and the Marlborough Sounds in 2016. The closure was extended to Port Underwood last year. Surveys showed the areas were at their lowest recorded biomass. The ministry sought public feedback on extending the closure before the season was due to open next month. Fisheries New Zealand also commissioned comprehensive research to investigate the decline. The results were expected later this year.

**Agribusiness strategy**

**NZ missing a trick when it comes to selling our food overseas** [18 June/Stuff] Lincoln University Agribusiness Management Senior Lecturer, Nic Lees, said the Government needed to invest in a national food brand. He added Synlait's infant formula sold in the U.S. was branded as coming from New Zealand grass fed dairy cows, but most New Zealand products were unbranded despite research that showed western consumers viewed New Zealand food as the next best thing to their own. He noted New Zealand was not taking advantage of the positive perception of the quality and safety of its food products. The Government spent around \$100 million a year on Tourism NZ, but there was little money for food marketing. Mr Lees' research showed most New Zealand exports were unbranded commodities that entered the manufacturing or food service sectors. When New Zealand products were branded such as wine and kiwifruit, they captured a premium.

**Environment and emissions**

**New Zealand to become the world's first zero emission food producer – James Shaw** [18 June/Stuff] Climate Change Minister, James Shaw, has a vision for New Zealand to become the first food producer to be emissions neutral. This could create a powerful brand in the international market for New Zealand's primary produce. Previously, talks about shifting farming to lower its emissions was seen as too difficult, however Mr Shaw noted this changed for him at a United Nations conference last year. It became clear that other countries were looking to New Zealand to find a solution to agricultural emissions for them to copy. Pastoral Greenhouse Gas Research Consortium General Manager, Mark Aspin, added there were a range of options in development to curb livestock emissions, but there was no silver bullet. Mr Shaw was comfortable with this. He said the settings could be changed once the science became clearer.

**Forestry**

**Forestry companies to attend meeting on debris damage** [18 June/Radio NZ] Three forestry companies appeared to have a change of heart over their attendance at a community meeting following the Tolaga Bay floods. Eastland Wood Council Chief Executive, Kim Hollands, said Ernsalw One, PF Olsen, and Hikurangi Forest Farms were not going to attend the meeting. However, New Zealand Forest Owners Association Spokesperson, Don Carson, said that was not the case, and they would make an appearance. Tolaga Bay farmers were disappointed the companies were refusing to meet and feared lives were at stake unless the forestry debris issue was addressed immediately. Tolaga Bay farmer, Mike Parker, was disappointed and disillusioned by the refusal. He noted it showed their lack of social conscience for human safety. A report by Auckland University of Technology warned forestry practices would create long term economic and environmental burdens unless more sustainable methods were used. AUT Senior Researcher, David Hall, said planting subsidised pine forests was a timely example of how it should not be done.

**Farmers and producers**

**Gisborne flood is an adverse event** [12 June/Farmers Weekly] The Government has declared the flooding around the Tolaga Bay area a medium scale event according to Agricultural and Rural Communities Minister, Damien O'Connor. MetService forecast heavy rain and severe gales for parts of northern and central New Zealand including parts of Gisborne where significant damage was caused. Mr O'Connor said the second storm in a week was bringing more intense rainfall to the area. He added the area's infrastructure, farmland and plantation forestry was significantly damaged with silt and forestry debris washing up over farmland and damaging bridges. People were evacuated to safety and stock were reported as lost. Mr O'Connor noted getting farmers, their families, workers, animals and businesses safely through the next few days was paramount. When the storm has passed, they were ready to focus on clean up and recovery.

**Winner – Ravensdown Agricultural Communicator of the Year** [14 June/The New Zealand Guild of Agricultural Journalists and Communicators Inc.] New Zealand Special Agricultural Trade Envoy, Mike Petersen, was named the 2018 Ravensdown Agricultural Communicator of the Year. He received a trophy and a cash prize. This was the 32<sup>nd</sup> year the title had been awarded. Mr Petersen was described as a superb communicator who was always able to deliver his messages in tune with his audience in any location anywhere in the world. He was involved in leadership positions in the agri-food sector for nearly 20 years. He had spoken at hundreds of meetings which provided an opportunity for farmers to engage with their organisation and discuss opportunities for the sector. Over the past five years, he spent a significant amount of time in the role of New Zealand Special Agricultural Trade Envoy which was a ministerial appointment to advocate for the various sectors of our agri-food industry.

#### Rural communities

**Government policy to be rural-proofed** [13 June/Farmers Weekly] Rural communities would be at the heart of all Government decision making under a new Rural Proofing policy. Minister for Rural Communities, Damien O'Connor, said those living in rural communities could enjoy excellent lifestyles but they faced unique challenges that needed to be reflected in Government policy. He added this year alone had seen drought, floods and cyclones as well as Mycoplasma bovis which caused stress across rural communities. The policy would ensure policy makers would take the unique factors that affected rural communities into account. Rural Support Trust Chairperson, Neil Bateup, welcomed the move and said he worked on putting rural proofing together and talked about how the second biggest city in New Zealand was the rural community.

#### International

**US's olive tariffs already hurting Spanish producers, says EU; European commission says 'unacceptable' Spanish olive tariffs are having major impact** [14 June/The Guardian] The European Commission said the simply unacceptable imposition of high tariffs by the U.S. on Spanish olives was having a major effect on producers in southern Spain. The move covered all types and varieties of olives. Spain's Agriculture Minister, Luis Planas, said the tariffs were unjust and he would raise the matter at a meeting of EU agriculture ministers. He added it not only affected Spanish producers, but could also challenge the common agricultural policy. The Secretary General of Asemesa, Antonio de Mora, called on the EU commission to defend the sector on the political stage as forcefully as it had defended steel and aluminium. The issue of U.S. tariffs had been a cause for concern in Brussels for months, with the commissioners for both trade and agriculture working behind the scenes to protect the Spanish industry. The final U.S. decision on the imposition of the tariffs was expected to be made on 24 July.

**Chowbotics raises USD11 million to move its robot beyond salads** [14 June/Tech Crunch] Chowbotics is looking to expand the capabilities of its salad making robot. It raised USD11 million in Series A funding led by the Foundry Group and Techstars. The money was planned to be used to extend its selection of foodstuffs beyond leafy greens, where the robot had been successful. It wants to produce grain bowls, breakfast bowls, poke bowls, acai bowls and yoghurt bowls. The company is interested in food served in bowls. This made sense as the current robot essentially was a vending machine that dropped different ingredients into the same bowl. However, it would be more complicated than that. Founder/CEO of Chowbotics, Deepak Sekar, said the major challenges were finding special technical solutions for dispensing different shapes and sizes of ingredients. The company would also use the funding to add a range of senior roles.

**Smart water company Essentia, which has a proprietary water ionization process, puts itself up for sale** [14 June/CNBC] Premium water company, Essentia, has hired Credit Suisse to auction the company. It could generate up to USD500 million or more in the sale. The water brand which had a proprietary ionization process that provides better hydration has revenues of around USD100 million. It was likely to catch the eye of the biggest global beverage brands. Beverage companies achieved an average valuation of 16 times EBITDA in 2017, which was a six year high. The company was founded by Ken Uptain in 1998 and was one of the earlier water drinks to claim special health benefits.

**Specialty foods sales surge to record USD140.3 Billion in 2017** [13 June/Food Dive] According to the Specialty Food Association, specialty food sales increased 11 percent between 2015 and 2017. They achieved a record USD140.3 billion last year. The category was growing faster than all food sold at retail. The specialty food categories that had the highest dollar growth were water, rice cakes, refrigerated RTD coffee and tea, and jerky and meat snacks. Interest in specialty foods spanned generations from Generation Z shoppers, millennials, Generation X shoppers, and baby boomers all buying the products. The report detailed that product innovation, growing consumer and retail interest, and a greater availability of the foods at mainstream outlets were the drivers of the increase. President of the Specialty Foods Association, Phil Kafarakis, said consumers of all ages were embracing specialty foods and making purchases everywhere from convenience stores, big box retailers, online as well as traditional gourmet shops and groceries.

**'A clear vision is needed': Breaking the 'vicious cycle' of food, climate and nutrition** [13 June/Food Navigator] According to a report from Chatham House, the food sector was locked in a vicious cycle of increased production, environmental degradation and a mounting of public health crisis. The report was published by the Hoffman Centre and highlighted the challenges facing global food production. The need for vegetation, soils and oceans to be preserved was stressed to prevent catastrophic climate change. Reliance on a limited number of crops, produced in a relatively concentrated area increased food insecurity. A limited number of crops dominated agricultural production and wheat, rice and maize accounted for over half of the world's calorie consumption. The majority of these crops were produced in the U.S, Brazil, Russia and Ukraine. Government subsidies supported increased production of these crops at the expense of biodiversity and convergence in global diets. The report highlighted key areas of efficiency such as food waste where efficiency gains could be made. The food system was responsible for a toll on human health and failed to deliver nutrition security.

**Australians not eating right types or quantities of protein: CSIRO research** [14 June/Food Navigator] Research by the Commonwealth Scientific and Industrial Research Organisation showed that Australians were not eating enough of the right types, or quantities of protein for healthy weight loss. The analysis from the survey showed people with low-quality diets obtained eight times more of their protein from junk foods than people with high-quality diets. Principal Research Scientist, Manny Noakes, said everyone's protein needs were different, and not all foods that contain protein are good for you. The analysis showed junk foods, such as pies and burgers with processed meats, were the second highest contributor to protein intake for people with low diet scores. In contrast, leaner people with higher quality diets ate protein sourced from healthier whole foods. Professor Noakes added a personalised approach to health and nutrition was important.

# Field Notes

Weekly news update from the KPMG Agribusiness Network – 20 June 2018

**Canada struggles to agree on dairy industry regulations** [18 June/Dairy Reporter] At the G-7 summit in Quebec, President Trump spoke about high tariffs on Canadian dairy trade, which promoted an industry wide debate across Canada. The U.S. paid up to 300 percent on exported dairy products to Canada. Mr Trump suggested a tariff free trade zone with G-7 members, which spark Canadian concerns of the U.S. flooding the Canadian market with low priced dairy surplus, threatening the livelihood of Canadian dairy farmers and processors. President of the Dairy Farmers of Canada Association, Pierre Lampron, said Canadian dairy farmers were concerned by the sustained attacks by Mr Trump with an aim of wiping out Canadian dairy farmers. Since 1970, Canada had tightly controlled its dairy industry with a supply management system. The Government decides and regulates how much dairy to produce each year. Mr Lampron took issue with Mr Trump's implication that the Canadian dairy tariff was abnormally high.

**BlueNalu enters 'cellular aquaculture' space with funding from New Crop Capital** [16 June/Food Navigator] BlueNalu is a new startup in the cultured meat sector which emerged this month and aimed to enter the cellular aquaculture field with cell cultured seafood products after raising a significant sum from New Crop Capital. BlueNalu was founded by Chris Somogyi, Chris Damman and Lou Cooperhouse. According to Mr Cooperhouse, it had brought together a team with expertise in cell biology, tissue engineering, intellectual property, food innovation, technology commercialisation and consumer marketing to develop seafood products directly from fish cells. The company was looking to develop partnerships with players that already had strong brands in foodservice and retail to take products to market. He added the plant-based meat industry had paved the way for the cultured meat industry. He added that given the long list of problems linked to the seafood industry, you could argue that seafood was even more compelling than beef.

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## 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

**Craig Jakich**

03 307 0769

021 0600 553

cjakich@kpmg.co.nz

### Farm Enterprise

#### North Island

**Roger Wilson**

07 858 6520

027 281 9575

rogerwilson@kpmg.co.nz

**Julia Jones**

07 858 6553

027 524 8901

juliajones1@kpmg.co.nz

### South Island

**Brent Love**

03 683 1871

027 528 1537

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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