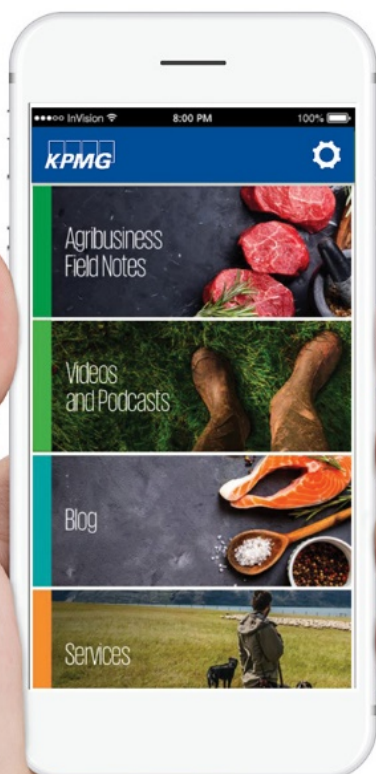


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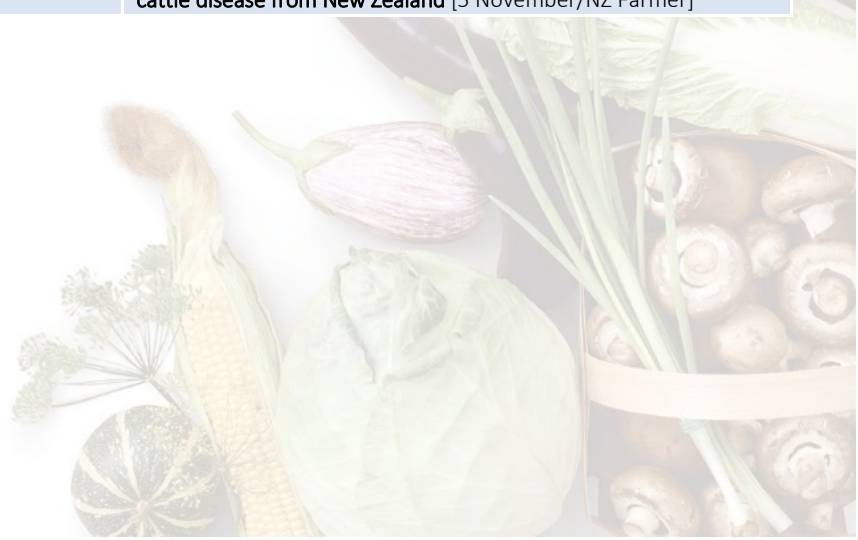
7 November 2018

Organisations referenced in this week's Field Notes include:

Alliance Group	Melody Dairies
ASB Bank	Ministry for Primary Industries
Australian Eggs	MyFarm
Ballance Agri-Nutrients	NIWA
Bayer	Pamu Farms of New Zealand (Landcorp)
Coca-Cola	PepsiCo
Colliers International	PGG Wrightson
Dairy NZ	Quin Environmental
Farmlands	Rabobank New Zealand
Federated Farmers	Real Estate Institute of New Zealand
Fonterra Co-operative Group	SoftBank
Government of Canada	Southern Pastures
Greenlea Premier Meats	Summerfruit NZ
Health Warrior	TracMap
Heliuss Therapeutics	Waikato Innovation Park
KPMG	Westland Milk Products
Lewis Road Creamery	Zespri
Maude Wines	Zume Pizza

This week's headlines:

Farmers and producers	Dry and windy conditions in store for November as El Nino approaches [3 November/NZ Farmer]
Economics and trade	Renewed FTA deal unlikely to bear more benefits for dairy industry [6 November/Radio NZ Rural]
Red meat	ASB, Greenlea claim blockchain first with meat export deal [1 November/NZ Herald]
Dairy	Guiney, McBride win Fonterra board seats [6 November/Rural News]
Biosecurity	MPI 'on the right track' in plan to eradicate Mycoplasma bovis cattle disease from New Zealand [5 November/NZ Farmer]



Farmers and producers

NZ dairy farm prices drop 18% as environmental, foreign investment concerns start to bite [30 October/NZ Herald] The Real Estate Institute of NZ has released figures that indicate the median price per hectare for dairy farms has fallen 18.3% over the last 12 months. Overall, the prices across all categories of agricultural land have fallen 7% on year on year. In commentary, REINZ said that the early spring farm market for all farms was subdued with 21 fewer sales than last year, with spokesperson, Brian Peacocke, suggesting that economic issues beyond the farm gate, both political and financial, are impacting on farm demand. The results of the REINZ survey are consistent with the expectations of Colliers International, who suggested that they expect dairy farm prices in Canterbury to fall due to limits on liquidity, the threat of Mycoplasma Bovis, the removal of international purchasers, the risk of further environmental regulation and the performance of Fonterra. Con Williams, head of Investment Research at MyFarm said that dairy farm prices were on a slow burn lower, suggesting that there are properties for sale that are not shifting that quickly with the removal of foreign investment has a significant impact on the number of purchasers available for large scale operations.

Dry and windy conditions in store for November as El Nino approaches [3 November/NZ Farmer] NIWA are forecasting an 88% chance of New Zealand experiencing warm El Nino conditions over the summer period according to Principal Forecasting Scientist, Chris Brandolino. He said while it was not set in stone it is looking increasingly likely, adding the country and in particular the North Island, will need to brace for a windy November. He said while the West Coast may get quite wet, a cool and wet next three months for the whole country was looking unlikely. Conditions so far this spring have been good for many farmers and Federated Farmers Vice President, Andrew Hoggard, said the outlook for the weather is very much business as usual, noting there is always a possibility of drought and cyclones and each year there is a need to react to whatever the weather throws at you. He added that farmers need to prepare for the summer weather based on the law of averages.

Rural supplies

PGG Wrightson shareholders vote to sell [30 October/Stuff Business] PGG Wrightson's shareholders have voted 96.9% in favour of selling the Group's seed division to Danish company, DLF Seeds. The sale will see the company receive around \$413 million, of which \$292 million will be paid out to shareholders. Company deputy chairman, Trevor Burt, said that the PGW will remain a sustainable business moving into the future and a leading player in New Zealand's rural services sector with 94 stores and 2,000 staff. He did add the company would need to cut its cloth to match the business that is left, and a review is starting to look at the right structure and operating model for the business moving forward. The remaining business is expected to have an EBITDA of about \$35 million. The company result comes as PGW chairman, Alan Lai, has recently announced that he is standing down as chairman of the company. Mr Burt thanked Mr Lai for his leadership of the company since 2009, noting that it was unlikely shareholders would be sitting in a meeting today if Agria had not made their initial \$200 million investment, stabilised the company and returned it to solid, sustainable growth.

Farmlands: profit doubled, revenue up [1 November/ODT Rural Life] Rural supplies and services co-operative, Farmlands, has announced its annual results with revenue increasing more than 10% to \$2.39 billion and profit increasing to \$12.2 million. The strong financial result has enabled Farmlands to reintroduce a year-end rebate for shareholders, with \$6.1 million to be distributed split between a cash payment and a share issue. During the year shareholders also benefited from monthly rebates of \$91 million. CEO, Peter Reidie, highlighted the co-op's winning of the KPMG Customer Experience Excellence award for New Zealand as a great boost to staff morale as it demonstrates that the co-op is moving from good to great and delivering on its strategy.

Ballance Agri-Nutrients accused of 'cynical ploy' against phosphate fertiliser rival [2 November/NZ Farmer] Ballance Agri-Nutrients is seeking a permanent high court injunction against Quin Environmentals claiming that the Reactive Phosphate Rock (RPR) that Quin advertises is not RPR. Dr Bert Quin, the MD of Quin Environmentals, said the move was a very cynical ploy to block competition in New Zealand. Dr Quin imports its phosphate rock from Algeria and describes it as the best in the world, however he acknowledges that it does not always meet that test set by Fertmark for minimum citric solubility which determines whether a product can be described as RPR in New Zealand. Dr Quin argues the Fertmark test is outdated and protects the large fertiliser co-operatives who source their phosphate rock from disputed territory in the Western Sahara. Ballance argues in its action is protect farmers interests by ensuring that misleading claims were not made, adding that farmers expect marketing claims to be accurate and they need to know they are getting what they pay for in terms of nutrients and agronomic performance. A spokesperson added that the company had asked Quin to correct the claims before the actions were taken.

Economics and trade

Renewed FTA deal unlikely to bear more benefits for dairy industry [6 November/Radio NZ Rural] New Zealand looks unlikely to secure a better deal for dairy exporters as part of the renegotiation of the China NZ Free Trade Agreement. The agreement currently results in NZ dairy exports being hit with higher tariffs when specified volumes have been supplied and these limits are due to expire in 2022 and 2024 but the dairy industry had hoped to bring the dates forward as part of upgrading the overall deal. Trade Minister, David Parker, who is in Shanghai for the China International Import Expo appeared to downplay the prospect of the limits being removed early having spent time with China's Vice Commerce Minister, Wang Shouwen. He highlighted that the limits are already scheduled to expire and at that point New Zealand will have the best dairy access into China of any country in the world, something he suggested it was hard for us to do better than. He stressed that the government's focus on the upgrade extended wider than dairy with a focus on upgrading for services, electronic commerce and things that did not exist when the deal was first negotiated 10 years ago.

Viticulture

Wine industry salutes tech company's efforts [6 November/Otago Daily Times] A Mosgiel based company, TracMap, has won a prestigious award at the annual Australian Wine Industry Impact Awards. The company provides grape growers with GPS guidance and mapping systems to manage activities on vineyards. The award was an indication that the technology can make a difference according to CEO, David Glen. The technology enables growers to plan, perform and report on jobs performed and understand which actions work or do not work when planning for the next season. The technology is being used by a number of wineries in Australia, including the biggest grape grower Treasury Wine Estates, and TracMap is promoting the solution in California.

Central Otago wine claims top national award [6 November/The Country] Family owned Maude Wines has won the top prize in the first edition of the New Zealand Wine of the Year Awards. The Maude Pinot Noir Central Otago 2017 won the New Zealand Wine of the Year Champion trophy as well as the Fruited Supplies Champion Pinot Noir trophy and the regional trophy for Best Wine – Central Otago. The event, held in Wellington on Saturday, had more than 450 people in attendance. Chairman of the judges, Warren Gibson, said the Maude wine was a very classy example of pinot noir in this year's competition, describing it as being a delicious and complex young wine, with beautiful refinement, powdery tannins and loads of controlled power. The awards have been run in various guises for 43 years, in recent years it has been run as two competitions but from 2018 the awards are being run as a single competition.

Apiculture

Auckland honey exporter fined \$26,000 for making false claims [2 November/The Country] Jonathan Paul Towers has been fined \$26,300 for offences under the Food Act and the Animal Products Act. The two charges related to making false therapeutic claims about honey and failing to ensure that he was registered exporter. An investigation by the Ministry for Primary Industries found that Mr Towers had exported honey between March 2014 and November 2016 when he was not registered. An MPI spokesperson said the business was being operated in a way to avoid normal regulatory controls relating to record keeping, traceability and food safety. He also made prohibited claims about the therapeutic properties of manuka honey, intended to increase the market value of the product.

Goat

Goat meat a future food for farmers [1 November/Hawkes Bay Times] The Future Foods Conference in Napier saw more than 200 people hear that the best opportunity for Hawkes Bay to develop more value-added products was through focusing on goat meat rather than plant-based alternatives. Natasha Telles D'Costa told the conference that goat meat is the world's most consumed meat with a lean, heart-healthy image. As a meat protein it lends itself to a range of different cuisines, it is a growing sector and can be processed on legacy capacity already in Hawkes Bay. Ms Telles D'Costa also noted that the goat is in short supply and uses land that can't easily be used for producing other products adding that the biggest challenge is convincing farmers that there is a market. KPMG agri-food specialist, Julia Jones, told the conference that alternative proteins and natural whole foods will exist side by side and that selecting products that have some intersections with each other could help farmers enhance biodiversity and diversity revenue. She highlighted KPMG's view that multiproduct farms are going to become the reality in the future the challenge for farmers is finding the support to start making changes.

Red meat

ASB, Greenlea claim blockchain first with meat export deal [1 November/NZ Herald] ASB says that Greenlea Premier Meats used its new 'single trade window' service to process an export deal with a large Korean customer, a transaction the bank says is a landmark as the blockchain based service meant digital payment and paperwork for the deal were wrapped up in an hour. The transaction would normally take two to four days to document and process and given the amount of paperwork is susceptible to fraud or error. Greenlea CEO, Tony Egan, said the blockchain solution appealed because the technology was created to be un-hackable and it provided his company with a single dashboard covering elements such as payment, regulatory compliance, insurance, shipping and customs. It also enabled Greenlea to promote the products attributes better, highlighting the fact that its beef is pure grass-fed and being able to provide details about the farm of origin. Blockchain is expected to become an everyday technology that people won't think about, just as the internet is today according to Auckland University's Alex Sims. Mr Egan said it was relatively easy to get the Korean customer on board, particularly as they were partnering with a bank like ASB that has profile and reputation. The ASB solution is still a few months away from everyday adoption but Mr Egan says that he could see his company ultimately using it for all deals.

\$1.7 million loyalty payment to red meat farmers [2 November/Rural News] Alliance Group has announced that it has distributed \$1.73 million of loyalty payments to platinum and gold shareholders that supply 100% of their stock to the co-operative. This distribution for the September quarter brings the total loyalty distribution for the 2017/18 season to \$16.77 million, 9.3% ahead of the prior year. CEO, David Surveyor, said the payments illustrated how serious the co-op was about rewarding consistent and committed supply. He added that as New Zealand's only major 100% farmed owned red meat co-operative the organisation puts farmers at the heart of every decision we make, adding that Alliance is committed to delivering profits back to farmers or re-investing them in the business to deliver great value.

Dairy

Bumper spring milk flow puts pressure on payout [31 October/NZ Farmer] National milk flows are 5.6% ahead of last season as favourable weather conditions have helped production levels. The growth partly reflects the poor production achieved last year when the weather was either too dry or too wet. ASB Bank economist, Nathan Penny, said that ASB has increased its milk growth forecast from 2 to 4% while Fonterra has forecast an increase in collection volumes of 1.3%. Mr Penny added that the extra milk did mean downward pressure on prices and noted that ASB has trimmed their milk price forecast to \$6.25 per kilo milksolids although Rabobank analyst, Emma Higgins, said that they were sticking to a forecast of \$6.65 per kilo milksolids and production growth of 2%, which Ms Higgins noted was in contrast to global production levels which are slowing down following drought in the US, Europe and Australia. Westland Milk Products has also lowered its forecast range for the 2018/19 season to between \$6.10 and \$6.50 per kilo milksolids.

DIRA input sought [3 November/ODT Rural Life] Public consultation has been launched on the review of the Dairy Industry Restructuring Act 2001, the legislation which enabled the formation and operation of Fonterra. The government had announced the review was in process earlier in the year and Agriculture Minister, Damien O'Connor, launched the public consultation at a dairy farm in Outram. Mr O'Connor is looking to ensure the country's biggest export sector is fit for the future with the review covering entry and exit obligations, farm-gate milk price settings, contestability for farmer milk and incentives and disincentives to move dairy to a more sustainable, high-value producing sector. The Minister called on all those with an interest in the dairy sector to take part in a frank appraisal of the issues.

Lewis Road, Westland launch top end butter in Texas, California markets [3 November/The Country] Lewis Road Creamery, Westland Milk Products and Southern Pastures LP, New Zealand's largest dairy farmland fund, are collaborating to introduce top shelf, grass fed milk butter to US markets. 'Artisan' is being produced by Westland in Hokitika and has been launched this month at premium stores in California and Texas. Southern Pastures Chair, Prem Mann, said the future of NZ dairy was in high value branded goods, not commodities and it is initiatives such as Artisan that will return the dollars to the farmers that they deserve for producing the best dairy products in the world. Having watched Irish producers capture premium markets for years they had decided to get off the sidelines and play their own game; Artisan is the first product from New Zealand Grass Fed Milk Products LP, a joint venture between Southern Pastures and Westland, and the product was developed specifically for Lewis Road (in which Southern Pastures has a 50% interest). NZGFMP only accepts milk that meets Westland's 10 star premium standard which covers milk quality, animal welfare, human health issues, environmental sustainability and climate change mitigation.

Guiney, McBride win Fonterra board seats [6 November/Rural News] Outgoing Zespri Chairman, Peter McBride, and South Canterbury farmer, Leonie Guiney, have both been voted by farmers onto the board of Fonterra Co-operative Group. The third vacancy has been left unfilled with none of the other candidates receiving a 50% favourable vote from farmers. The result means that sitting director, Ashley Waugh, who was seeking re-election has lost his seat on the board. The other candidates that did not secure seats were Jamie Tuuta and John Nicholls. Under the rules of the co-op a second election must take place for the vacant seat and details will be communicated to shareholders in due course. Ms Guiney has previously served on the board of Fonterra from 2014 to 2017 and she was nominated by farmers rather than going through the independent nomination process.

Sheep milking

Sheep milk lays foundation for doubled growth with new plant [5 November/NZ Herald] Four companies (Nu-Mega Ingredients, Pamu Farms, Dairy Nutraceuticals and Food Waikato) are partnering together in the creation of new vehicle, Melody Dairies, to jointly finance and build a new \$50 million spray dryer to support the growth in the sheep milking sector. The dryer, the second to be constructed at the Waikato Innovation Park, is expected to generate export returns of \$129 million a year according to the Park's CEO, Stuart Gordon. Pamu Farms CEO, Steven Carden, said the investment would help future proof the company and mitigate the commodity cycle that the company is often held hostage to while also supporting the group's joint venture operation in the sheep milk sector, Spring Sheep Milk, and providing capacity for the company to process other specialist milks targeted at premium market sectors (such as pure organic milk powders) which lack the scale needed for processing in most of the dryers in New Zealand. The first dryer at the Waikato Innovation Park is currently running at capacity.

Water

The Vision is Clear – Dairy NZ's new waterways movement [1 November/The Country] Dairy NZ has launched The Vision is Clear, a new movement about water quality which it is hoping that all New Zealanders will get behind. The initiative came about from dairy farmers desire to be better understood and supported by the wider population according to CEO, Tim Mackle. Dr Mackle said the views the wider population held of dairying were important to farmers and the industry needs their support and understanding. The industry recognises that producing milk has an impact on the environment and the industry has been on a journey to understand this impact and ensure it is mitigated, however Dr Mackle noted that while a lot of progress has been made there is still a lot of work to do. Cleaning up rivers is not something the dairy industry can do on its own, it needs a collective effort to deliver swimmable waterways across New Zealand for the future. The campaign includes tips for urban people wanting to do their bit to make a difference to our waterways. Dr Mackle said that everyone will benefit from this vision of having great waterways right throughout New Zealand.

Select committee recommends Waimea dam local bill be passed with amendments [6 November/Nelson Mail] The report of the Governance and Administration Select Committee has recommended that the local bill designed to enable the construction of the Waimea Dam is passed. Nelson MP, Dr Nick Smith, welcomed the Committee's unanimous support for the bill's passage, noting that they were strongly influenced by the strength of submissions from Council, Environmentalists and Water Scientists that the dam was necessary to address minimum water flow and water quality issues in summer. He added the evidence presented also highlighted that the project was in the best economic interests of the region. The bill will enable the inundation of 9.67 hectares of conservation land in Mt Richmond State Forest Park and transfer an area of crown riverbed to the Council to enable the dam to be built. The Committee has recommended a change to the easement provisions in the bill to protect public access as well as an extension to the time period in which construction has to start to 2025.

Biosecurity

MPI 'on the right track' in plan to eradicate Mycoplasma bovis cattle disease from New Zealand [5 November/NZ Farmer] MPI believe that they will know by early December whether they are on the right track to eliminate Mycoplasma bovis when the latest round of bulk milk testing will be completed and the results analysed by a team of international experts. There are currently 33 infected properties and 42 properties which MPI has lifted the infected property status freeing the farmers to start farming again. MPI's Director of Response, Geoff Gwyn, said that the number of infected farms is moving in the right direction adding that while things look encouraging that is not a reason to think those properties under regulatory control across New Zealand are not feeling the strain of having or potentially having M bovis. Mr Gwyn said the latest round of testing had highlighted only three new infected properties, all of which were already part of a network under surveillance, which was also encouraging. He also explained that MPI was no closer to understanding how the disease had entered New Zealand but investigations are continuing.

Horticulture

Zespri chairman Peter McBride stands down [31 October/NZ Farmer] Zespri chairman, Peter McBride, has announced that he will resign for the role in February next year and will not seek re-election to the board when his term expires in the middle of next year. Mr McBride had previously told Fonterra shareholders, were he is running for election to the board, that he is coming to the end of his governance career at Zespri and but believes that he has the experience, credibility, energy and personal commitment to make a significant contribution to NZ agribusiness and Fonterra. He has been on the Zespri board since 2002 and has led the company during the period that the industry has recovered strongly from the PSA incursion. Zespri have subsequently announced that the board will be looking to appointment Bruce Cameron, the current deputy chairman, as chairman to replace Mr McBride.

New apricot's a 'shot in the arm' [1 November/Rural News] A new grower co-operative, which is currently a subcommittee of Summerfruit NZ's board, is being set up to commercialise three new apricot varieties in coming seasons. The fruit which currently have no brand names and the company which is yet to have a trading name established is being launched with the intention of arresting a decline in the apricot industry which has continued for a number of years. Interim board chair, Nigel Hinton, said some of the varieties are showing excellent characteristics and he is confident that they will assist in a revitalisation of the sector. The breeding programme has been underway for 20 years but chair of Summerfruit NZ, Tim Jones, said it was exciting to see the results. The new fruit will vary New Zealand's production season and put the fruit into a window when it is not competing with domestic fruit in the key Australian export market.

Zespri sues for \$70 million over trademark breach in China [6 November/Radio NZ Rural] Zespri has filed proceedings in the High Court in Auckland seeking an award of damages against a grower who illegally supplied the Sungold kiwifruit plants to China. Zespri is arguing the supply of the plants breached its intellectual property rights over the variety and was trademarked. The company had it had discovered 160 hectares of Sungold planted in China but recognises that there could be more plantings. The plantings represent an infringement of proprietary rights in China, which Zespri said it takes very seriously. The company is claiming \$70 million in damages which has based on the impact the infringement has on the value of Sungold licenses in New Zealand and the loss of opportunity for the company to license the fruit in China. The company noted that no decision has been what legal action if any will be commenced in China itself.

Emerging markets

Cannabis start-up Helius Therapeutics lands Auckland's first cultivation license [31 October/NZ Herald] The Ministry of Health has informed Helius Therapeutics that its application for a cannabis cultivation license has been successful. The company becomes the third company to be issued a license but the first based in Auckland. The company recently secured \$15 million in investment from a small group of investors, led by Kiwi tech billionaire Guy Haddleton. The cofounder of the start-up, Paul Manning, said gaining the license was the result of nearly a year's work and significant investment and will allow the company to shift a gear and move into the next phase of its development. The company plans to cultivate the plants across two large scale grow sites and a nursery within its Auckland property, based in East Tamaki. The company has secured access to 10,000 sqm hydroponic greenhouse in Kumeu. The cultivation license only allows a recipient to grow the plant for research purposes at the current time, it does not permit product to be produced for sale. Mr Manning acknowledged that his company was a start-up in a start-up industry but says as an early mover they plan to stay ahead of this nascent industry, with plans to produce products for sleep disorders, anxiety, arthritis and chronic pain.

Hemp cookies to hit market as NZ legalises sale of seeds as food [6 November/Stuff Business] The government announced on Tuesday that hemp seeds will in future be treated as just another edible seeds as the Misuse of Drugs (Industrial Hemp) Regulations 2006 and the Food Regulations 2015 will be amended from Monday 12 November. Hemp flowers and leaves will not be permitted to be sold as food. While some growers said the changes being made did not go far enough as the flowers and leaves are just as nutritious as the seeds, they saw the move as a step in the right direction. There will be advertising restrictions on the product which will include not displaying hemp leaves on the packaging. Growers noted that hemp is one of the few complete plant proteins containing all the amino acids as well as being environmentally sustainable. Food Safety Minister, Damien O'Connor, said that regional economies would be the biggest winners from the rule changes as well as providing the opportunity to create new export revenues.

International

Government of Canada announces new working groups for dairy sector [30 October/Dairy Reporter] The Canadian Government has announced new working groups that will collaborate with government on developing mitigation strategies to fully and fairly support farmers and processors to adjust to the impacts of the new US-Mexico-Canada Agreement (USMCA) and the Comprehensive and Progressive Trans Pacific Partnership Agreement. There will also be a group that will work on creating a path forward for the dairy sector to innovate and remain an important source of jobs and wealth for future generations. The Minister of Agriculture and Agri-Food, Lawrence MacAulay, said that the government recognises the hard work that has gone into growing dairy businesses and the importance of the farming economy to Canada. He added that the groups will be representative of the industry and together they will contribute to making sure the sector remains strong, stable and competitive well into the future.

PepsiCo announces acquisition of Health Warrior, expanding presence in on trend Plant-Based space [31 October/PepsiCo Inc Release] PepsiCo has announced it has acquired Health Warrior, a producer of products that use plant-based superfood ingredients and have a lower sugar content. PepsiCo said that the acquisition expands the Group's nutrition portfolio to offer consumers additional options in a growth category. Health Warrior was founded in 2011 by a group of college friends who wanted to make nutrient dense foods more accessible to more Americans. The current CEO, Shane Emmett (one of the founders) noted that the acquisition provides the opportunity to put nutrient dense products in reach of significantly more people. The company will be the first investment that will dock into The PepsiCo HIVE, a newly-created entity within the company focused on growing emerging, smaller brands. PepsiCo noted that this will enable the Group to build the brand at a deliberate and sustainable pace while leveraging its entrepreneurial expertise and talent across the wider group's product portfolio.

Coca-Cola launches Global Ventures group to integrate acquisitions [1 November/Food Dive] Coca-Cola has created a new global ventures group to ensure that the group adequately connects with and scales globally its key acquisitions, investments and partnerships. The business unit, to be led by experienced executive Jennifer Mann (currently Coke's Chief People Officer), will focus on ensuring maximum value is secured from acquisitions and investments, including Costa Coffee and Monster Beverages. The group will also "partner with colleagues around the world" to identify and nurture the next series of fast-growing opportunities. The acquisitions are part of Coca-Cola's total beverage company strategy as it transitions from being dominated by selling sugary soft drinks; CEO, James Quincey, said during an earnings call that it is critical that the company continues to figure out what works and what doesn't in respect of acquisition.

Bayer CEO says would consider glyphosate settlement depending on costs [2 November/Reuters] Werner Baumann, CEO of Bayer AG, has indicated that the company might consider settling lawsuits relating to Monsanto's glyphosate containing weed killers if court costs rise to high but defended the combined group against claims the products cause cancer. He said the group would consider settling if the defence costs become higher than the potential settlement amounts. The comments were made in a session with German media who were visiting the facilities Bayer has acquired from Monsanto in St Louis. The comments come after a case in August, where a San Francisco jury awarded damages of USD289 against the Group for failing to warn a school grounds keeper about the cancer risks posed by Round-Up and Ranger Pro. The award has subsequently been reduced to USD78 million and the company is appealing the findings. Mr Baumann indicated that Bayer had experience in defending products claims and had revised its defence strategy following the integration of Bayer and Monsanto in August.

Robot pizza maker reportedly takes USD375 million investment from SoftBank [2 November/CNBC] SoftBank is reported to have committed to a USD 375 million into robotic pizza maker, Zume Pizza, from its USD100 billion Vision Fund, which is partly backed by Saudi Arabia's Public Investment Fund. The filing on the investment by the company did not name the investor but the Wall Street Journal has reported that the investment, which values Zume at USD2.25 billion, has come from the Japanese bank. Zume employs a mix of robots and humans to create and deliver food and is exploring using trucks that carry remote controlled ovens to cook pizzas on route to customers; switching the ovens on from the cloud bypasses rules that prevent food preparation in moving vehicles. The company delivers pizza to a number of suburbs in Silicon Valley.

Pastured eggs the new 'free range' for consumers worried about animal welfare [5 November/ABC News] Consumer concern over animal welfare is driving consumers to demand pasture raised eggs in Australia as an alternative to both caged and free range products. The definition of pastured raised eggs is based on the way that eggs are produced, the chickens have to be outside, they have to be farmed in a mobile system with pasture rotation and the soils and pastures have to also be properly managed. The production systems are more labour intensive which does mean the eggs are more expensive but they are an alternative to both caged and intensive free range systems. Australia's appetite for eggs has seen demand increase 54% over the last decade with around 6.2 eggs being eaten in the last year, with more being produced in free range systems than caged systems for the first time. Research has shown that the industry faces trust issues with consumers but MD of Australian Eggs, Rowan McMonnies, said that for many consumers the only eggs that they can afford are caged and it is important that these producers stand behind their animal welfare practices so that a range of price points remain available to egg consumers. Mr McMonnies noted the scale of pasture raised eggs is hard to determine as much of the business is done outside of traditional retail channels but he does believe the sky is the limit in terms of pricing if you've got a local story and a farm that people can go to and believe in.

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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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