NEW ZEALAND PROCESSED FOODS INDUSTRY 2013

January 2014

CORIOLIS
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iFAB 2013 PROCESSED FOODS REVIEW

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The Food and Beverage Information Project

The Food & Beverage Information Project is the first comprehensive overview of the state of New Zealand's Food & Beverage (F&B) industry. Part of the Government's Business Growth Agenda (BGA), it is an integrated programme of work focusing on the six key inputs businesses need to succeed, grow and add jobs; export markets, capital markets, innovation, skilled and safe workplaces, natural resources and infrastructure.

Essentially, the BGA Export Markets goal will require lifting the ratio of exports from today's rate of 30% of GDP to 40% by 2025. This equates to doubling exports in real terms (or tripling exports in nominal non-inflation adjusted terms). This in turn equates to achieving a 7% per annum growth rate over the next twelve years.

This five-year project analyses the main sectors in F&B, including dairy, meat, seafood, produce, processed foods, and beverages, as well as providing an overview of how the industry is fairing in our major markets. It also conducts in-depth sector reviews on a rotating basis. The information is updated annually and feedback from users shows the project is acting as a vital tool for companies looking to expand and grow exports.

Why Food & Beverage?

The Food & Beverage industry is vitally important to the New Zealand economy. Food & Beverage accounts for 56% of our merchandise trade exports and one in five jobs across the wider value chain. In addition, F&B acts as a vital ambassador for the country, being in most cases the first exposure global consumers get to "Brand New Zealand."

New Zealand's F&B exports are growing strongly and the country's export performance is strong and improving relative to peers. In the 15 years leading up to 2010, New Zealand's food and beverage exports grew at a compound annual rate of 7% per annum. So one way to look at the challenge is to ask – can we continue to grow our food & beverage exports at the same rate? To understand if this is possible we need to know what has been driving our success.

What is the purpose of the food and beverage information project?

The project pulls together the available information on the food and beverage industry into one place, in a form which is familiar and useful to business. The reports contain analysis and interpretation of trends and opportunities to materially assist with business strategy and government policy.

The information will be of vital use to businesses, investors, government, and research institutions as the industry expands and diversifies. This industry view will be very useful to government, enabling better dialogue and the opportunity to address issues collectively.

What benefit will this bring to businesses?

The Project will have many uses for businesses. These include:

- As a base of market intelligence to enable business to be much more targeted in their own market research
- Reviewing and informing offshore market development (including export and investment) strategies
- Assisting in identifying areas of innovation and R&D for the future
- Identifying strategic partners and collaborators
- Enabling a company to benchmark performance with that of its competitors
- Monitoring industry activity
- Gaining a better understanding of their own industry sector
- Identifying internal capability needs or external inputs

How will government use the reports?

This information will provide much greater insight into the industry, which is useful for a range of policy development, from regulatory frameworks to investment in science and skills and facilitating access to international markets. In particular, a single source of factual information will enable government agencies to better coordinate their efforts across the system and be more responsive to addressing industry issues.

OTHER RELATED iFAB REPORTS

This analysis of the New Zealand processed foods sector forms a part of the wider Food & Beverage Information Project

Other reports, including those from previous years, are available on the MBIE or Coriolis website…

MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT
HIKINA WHAKATUTUKI
Economic Development Information

http://www.med.govt.nz/sectors-industries/food-beverage/information-project/

CORIOLIS
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http://www.coriolisresearch.com/reports/

NOTE ON DEFINITIONS

The iFAB project splits the total New Zealand food & beverage industry into six separate sectors; to avoid double counting, products and firms are only defined and counted in one; some firms may be in another report

"NOT SUBSTANTIALLY TRANSFORMED"

DEFINED AS DAIRY, MEAT, SEAFOOD OR PRODUCE

WHAT: Whole or minimally transformed products; typically one single predominant ingredient; firms that predominantly pack these products

INGREDIENTS: Tomatoes

EXAMPLES: Kiwifruit, milk powder, frozen beef

TRADE CODES: Primarily classified in the global HS trade codes as HS02-15

EXAMPLE FIRMS:

SEE RELATED REPORTS

"SUBSTANTIALLY TRANSFORMED"

DEFINED AS PROCESSED FOODS

WHAT: Products made from a mixture or combination of ingredients, rather a single ingredient; firms that predominantly make these products

INGREDIENTS: Concentrated Tomatoes, Sugar, Salt, Concentrated White Vinegar, Food Acid (Citric Acid), Natural Flavours (Contains Garlic), Spices

EXAMPLES: Chocolate, ice cream, sauce

TRADE CODES: Primarily classified in the global HS trade codes as HS 16-21

EXAMPLE FIRMS:

THIS REPORT

DEFINED AS BEVERAGES

WHAT: Juice, fermented or not, made from a single fruit or vegetable or a mixture or combination of ingredients; water

INGREDIENTS: Reconstituted vegetable juice blend (water and concentrated juices of tomatoes, carrots, celery, beets, parsley, lettuce, watercress, spinach), contains less than 2% of: salt, vitamin c (ascorbic acid), natural flavoring, citric acid, natural flavor.

EXAMPLES: Wine, soft drinks

TRADE CODES: Classified in the global HS trade codes as HS22/2009

EXAMPLE FIRMS:

SEE RELATED REPORT

SUMMARY

Processed Foods

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BENCHMARK – EXPORT GROWTH BY SECTOR

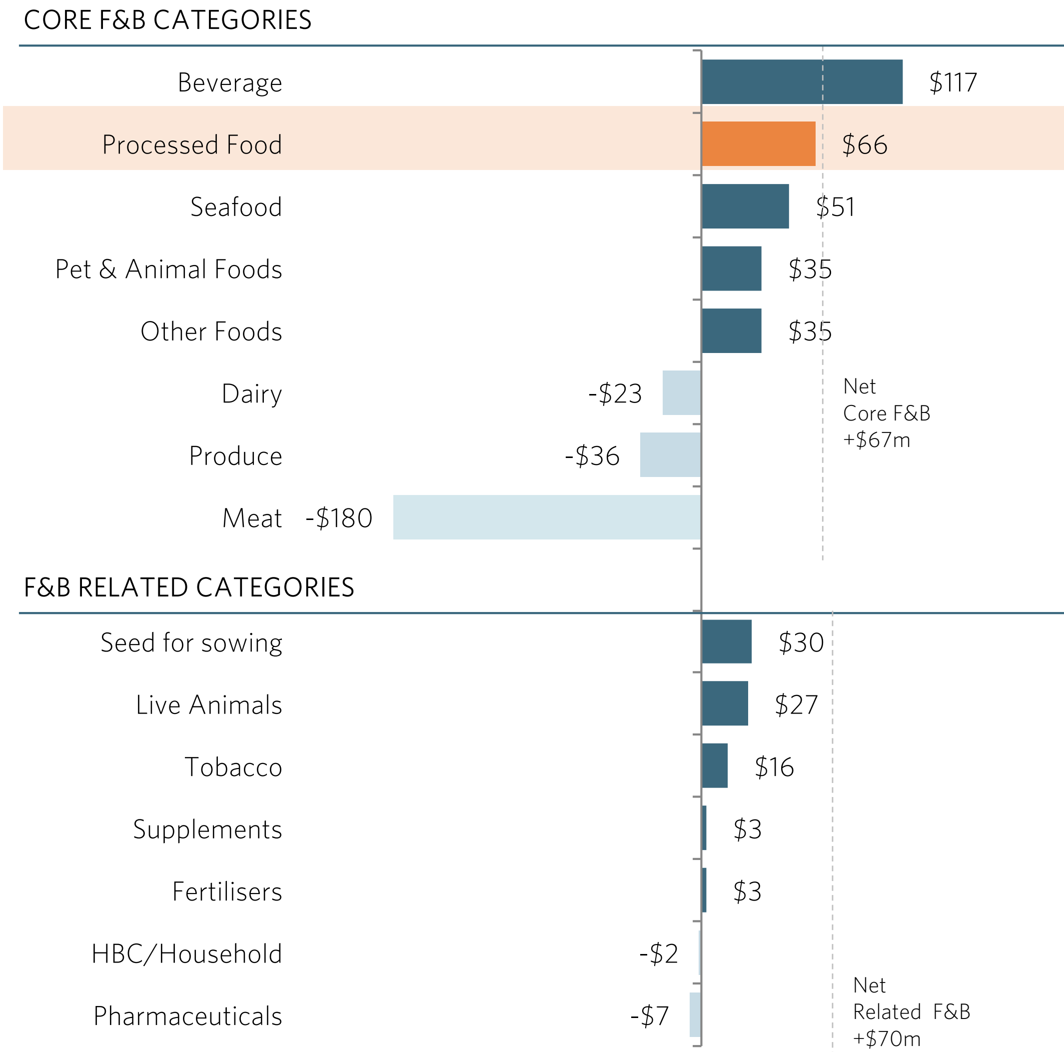
In 2012 processed foods was the second fastest growing core food & beverage super-category in absolute dollars and the fifth fastest in percent growth

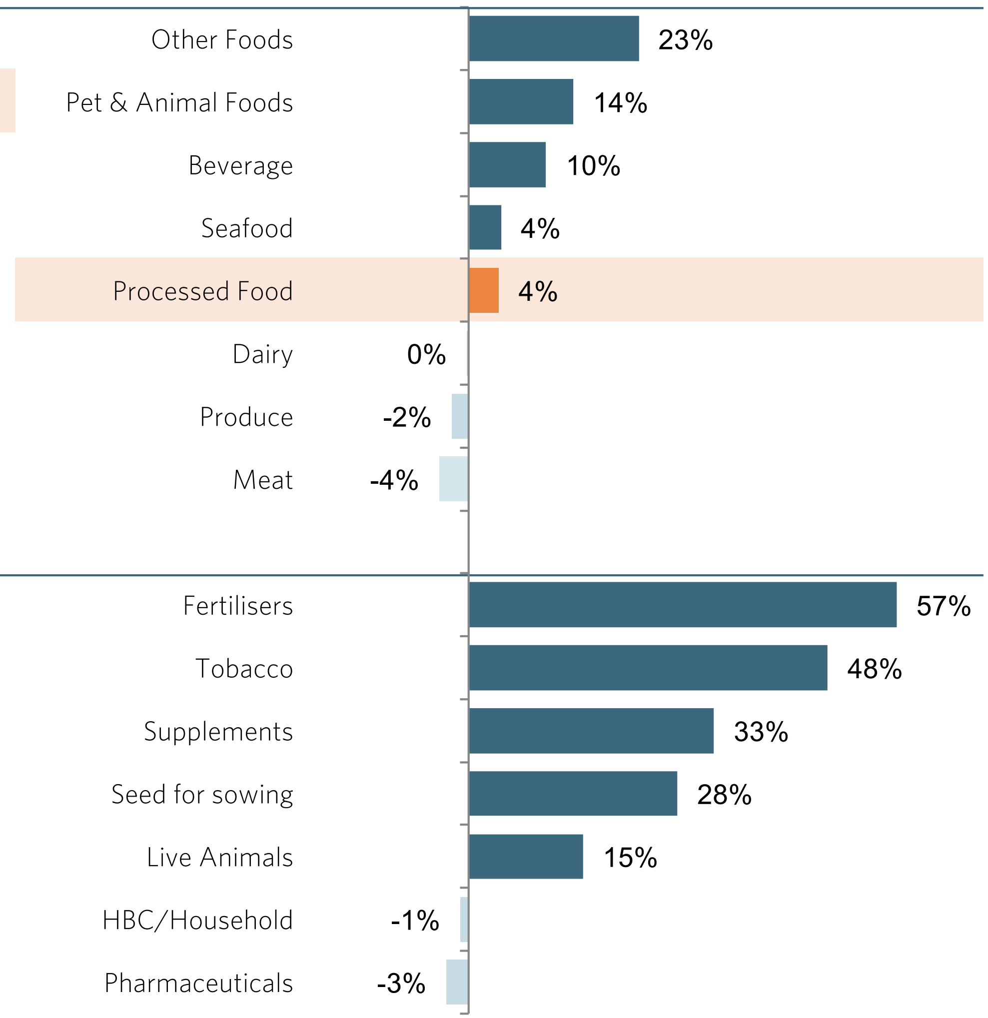
ANNUAL CHANGE IN EXPORT VALUE BY TYPE

US$; million; 2012 vs. 2011

PERCENT CHANGE IN EXPORT VALUE BY TYPE

%; US$; 2012 vs. 2011





Source: UN Comtrade database; Coriolis classification and analysis

PROCESSED FOODS – SITUATION

Processed foods have strong growth potential for New Zealand, however significant further growth will require continued capital investments, both by global multinationals and domestic firms

New Zealand

New Zealand has demonstrated capability in the production of temperate-climate food and beverages. It is the largest exporter in the world of dairy products and lamb and a major exporter of beef, kiwifruit, apples and seafood. The country is now turning more of this raw material into finished consumer-ready foods.

New Zealand has growing processed foods exports, particularly products with significant dairy-derived ingredients.

New Zealand is an attractive destination for Foreign Direct Investment; currently more than 45 major global F&B manufacturers have invested in production in the country.

New Zealand also has a strong group of domestic firms growing and achieving success in processed foods.

Competitors

New Zealand primarily competes with the other major temperate climate exporters to Asia. Key competitor countries include the United States, Australia, Canada, Germany, France and other European nations. The competition is predominantly rich countries as processed food production is highly capital intensive with defensive process or production technology.

Processed foods (unlike raw ingredients) are sold in a branded, consumer-ready form, typically on the shelf of a supermarket. As such, packaged brands compete for shelf space with other brands for the limited amount of available shelf space. Therefore, while we may articulate competition at a country level, in practice competition in any given segment is occurring between a handful of major firms (e.g. Griffins vs. Campbell/Arnotts vs. Kraft/Mondelez/Nabisco).

The New Zealand operations of multinationals also compete internally (within the firm) as one of many potential investment destinations (e.g. for a plant upgrade).

Consumers/Markets

Processed foods typically provide busy consumers with convenient solutions for meals and snacks. Products are typically ready-to-eat, ready-to-heat or partially prepared and require minimal preparation time. About 1/3 of the sales of a typical supermarket are processed foods (1/3 is fresh perishables; 1/3 is non-foods).

Processed foods are also used throughout the foodservice sector to reduce labour requirements in food preparation, particularly in fast food and mid-market operators.

Processed foods are a highly competitive industry driven by new product development and primarily price and item based promotional activity. Processed foods are primarily an area of constant low-level innovation (e.g. "cheesy garlic bread" flavour potato chips), driven by product and packaging changes, with few stand-out breakthrough products (e.g. Nestlé Nespresso).

Processed foods manufacturers constantly bring their products to the attention of consumers via various forms of advertising and in-store promotions. As many product categories are dominated by two or three firms, who typically rotate being on weekly promotion, it can be difficult for new firms and products to be able to "be noticed" get beyond being a niche player.

Source: Interviews; Coriolis

PROCESSED FOODS – SWOT ANALYSIS

New Zealand has good strengths and is well positioned relative to many competitor countries

STRENGTHS

- Abundant supply of temperate climate raw materials
- Known and trusted supplier of safe and secure ingredients to most major global food & beverage multinationals
- Major global exporter of ingredients to offshore processed foods manufacturers
- Lower cost structure than Australia or the United States
- Low/no corruption, rule of law, efficient court system
- Welcoming of foreign investment; very few rules or limits
- Strong local manufacturing/process technology skills
- Customer/consumer awareness, particularly in Asia, of New Zealand as a source of quality, wholesome foods
- Highly efficient and unsubsidised farming system

WEAKNESSES

- Small size of domestic market
- Distance to market (e.g. vs. Denmark to Germany)
- Limited pool of domestic or resident capital
- Small domestic private equity sector
- Resource Management Act (RMA) can delay new developments
- No rich food cultural heritage or tradition to draw from for new product development (vs. France or Italy)
- Limited domestic grain production
- Need to import tropical ingredients (e.g. cocoa)
- Exchange rate variability
- Limited vision of farmer-ownership of key ingredients producers

OPPORTUNITIES

- Growth of Asian middle class; increasing wealth in Asia
- Changing global weather patterns (also a threat)
- Rich countries of Europe pricing themselves "out of the game"
- Large and growing demand for products with soft characteristics (e.g. sustainable, healthy)
- Large number of alternative channels for processed foods
- Leverage success of New Zealand food industry, build on awareness of New Zealand in processed foods
- Growth of busy lifestyles and convenience foods
- Medium-sized NZ firms coordinate marketing and sales in new markets

ISSUES/THREATS/RISKS

- Competitors with lower costs and larger economies of scale
- Adoption of genetically modified animals or feed by poor countries changing international competitive dynamics
- The boom/bust economic cycle expresses itself in China

PROCESSED FOODS – POTENTIAL AREAS FOR INVESTMENT

There are a wide range of opportunities for investors in the New Zealand processed food sector; preliminary focus should be on products that leverage existing high quality/low cost New Zealand ingredients (e.g. dairy)

Products

Current success occurring in a handful of key segments which use low cost New Zealand inputs as ingredients

- Infant formula (dairy)
- Chocolate/confectionery (dairy)
- Frozen meals & sides (meat & vegetables)
- Petfood (meat & vegetables)
- Soups & condiments (vegetables)
- Biscuits/baked goods (dairy)[1]

Investors, particularly global category leaders, with strong leveragable capabilities in these or related areas should investigate greenfields investment. Past research suggests New Zealand can make a strong business case to more than half of the top 200 global F&B firms not yet in the country. For example, Germany is the second largest exporter of processed foods in the world but only one significant German firm has invested in the wider New Zealand food industry.

Smaller-scale investors should look for opportunities in the many small/mid-size segments ignored by the large scale-focused, slow moving farmer-cooperatives. Following the value chain for New Zealand raw materials should suggest the in-market opportunities.

Markets

The New Zealand domestic market is small and relatively low growth. New Zealand has a population (4.4m) similar to Singapore and a mature retail and foodservice sector. Most, if not all, major products and categories are already present in the market and me-too arrivals will need some form of leverage. This is not to say new entry is impossible (e.g. Pepsico launch of Quaker).

Therefore investors should focus on opportunities to drive strong export growth. New Zealand has significant untapped potential to produce both more product and add value to abundant existing raw material ingredient exports.

Given its location, East & South-East Asia are ideal target markets for New Zealand based processed foods production. Asian consumers also have strong awareness of NZ as a safe/secure producer of wholesome foods.

Acquisition targets

There is a relatively limited pool of potential acquisition targets. Many key firms are already foreign-owned by leading F&B multinationals. Key large New Zealand-owned firms often have committed family ownership, however many would welcome further investment. However these firms are looking for smart investment that gives them access to a global salesforce and a route to market.

As above, greenfields investment is in many cases a sensible option for firms with existing capabilities. Greenfields plant construction relatively straightforward. Obtaining Resource Consent is the major hurdle in most cases.

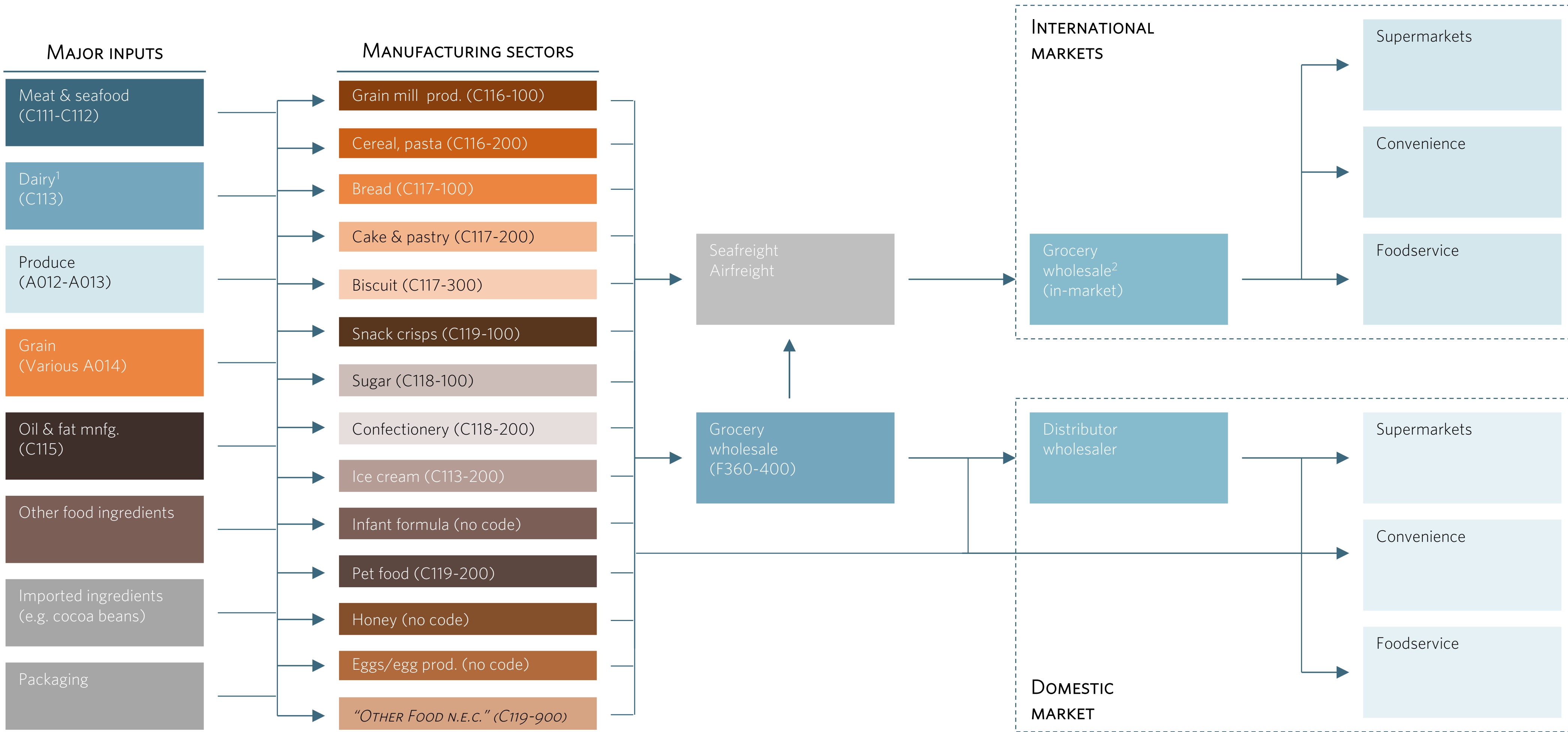
1. There is more butter in a frozen croissant than grain; Source: Interviews; Coriolis

PROCESSED FOODS – SUPPLY CHAIN

New Zealand production of processed foods has a complex supply chain manufacturing a wide range of products ready-for-consumption by domestic and international consumers

SIMPLIFIED MODEL OF NEW ZEALAND PROCESSED FOODS SUPPLY CHAIN

model; ANZSIC codes as available



1. There may be one or more layers of wholesaling, depending on product or market; some wholesale functions maybe captive inside retailers or foodservice operators; Source: Coriolis

GLOBAL

Processed Foods

iFAB 2013

WHAT ARE PROCESSED FOODS?

This report defines processed foods as foods made from a combination of ingredients, rather than one single or predominant ingredient

EXAMPLES: NON-PROCESSED FOODS VS. PROCESSED FOODS

2013

Note: This project also includes under processed foods a handful of foods that don't belong in the other project reports (primarily honey, sugar & eggs)

Non-processed foods

Ingredients: Kiwifruit

Ingredients: Lamb

Ingredients: Dried milk

Processed Foods

Ingredients: Milk Chocolate (Contains Sugar; Cocoa Solids (Cocoa Mass & Cocoa Butter) (33%*); Milk Powder (30%*); An Emulsifier (Soya Lecithin); Flavour); And Roasted Almonds (27%*) *Minimum Percentage.

Ingredients: Selected Meat & Meat by-products (Derived from Poultry, Lamb & Beef), Flour, Vegetable Proteins, Gelling agents, Oils, Colours, Flavours, Vitamin & Mineral Supplement

Ingredients: Nonfat Milk Powder, Lactose, High OleicSafflower Oil, Soy Oil, Coconut Oil, Whey Protein Concentrate. In addition, less than 2% of the following: Potassium Citrate, Calcium Carbonate, Ascorbic Acid, Potassium Chloride, Magnesium Chloride, Ferrous Sulfate, Choline Chloride, Choline Bitartrate, Ascorbyl Palmitate, Sodium Chloride, Taurine, m-Inositol, Zinc Sulfate, Mixed Tocopherols, Niacinamide, d-Alpha-Tocopheryl Acetate, Calcium Pantothenate, L-Carnitine, Cupric Sulfate, Vitamin A Palmitate, Thiamine Chloride Hydrochloride, Riboflavin, Pyridoxine Hydrochloride, Beta-Carotene, Folic Acid, Manganese Sulfate, Phylloquinone, Biotin, Sodium Selenate, Vitamin D_3, Cyanocobalamin, Calcium Phosphate, Potassium Phosphate, Potassium Hydroxide, and Nucleotides (Adenosine 5′-Monophosphate, Cytidine 5′-Monophosphate, Disodium Guanosine 5′-Monophosphate, Disodium Uridine 5′-Monophosphate)

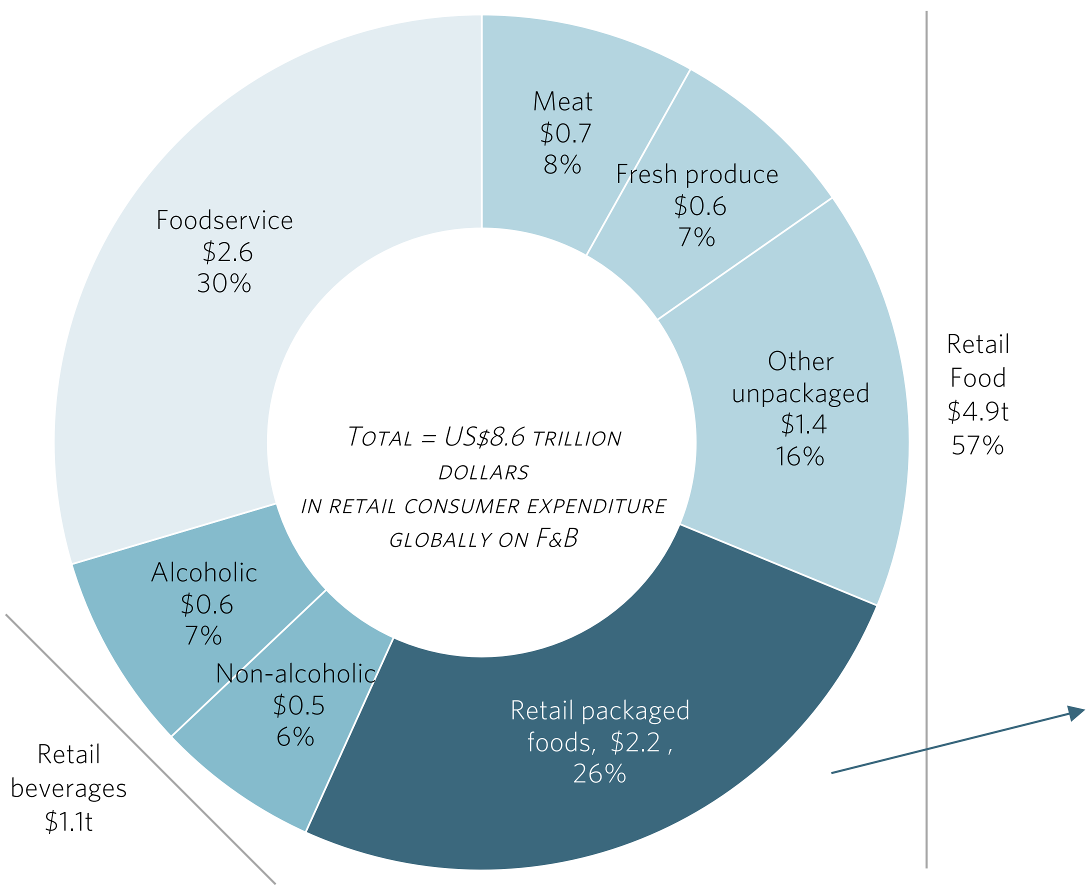
Source: various online shopping websites; photo credit (fair use; low resolution; complete product/brand for illustrative purposes)

GLOBAL F&B SALES

Packaged, processed foods (here including packaged dairy) account for about a quarter of global retail expenditure on F&B (or about US$2.2 trillion dollars)

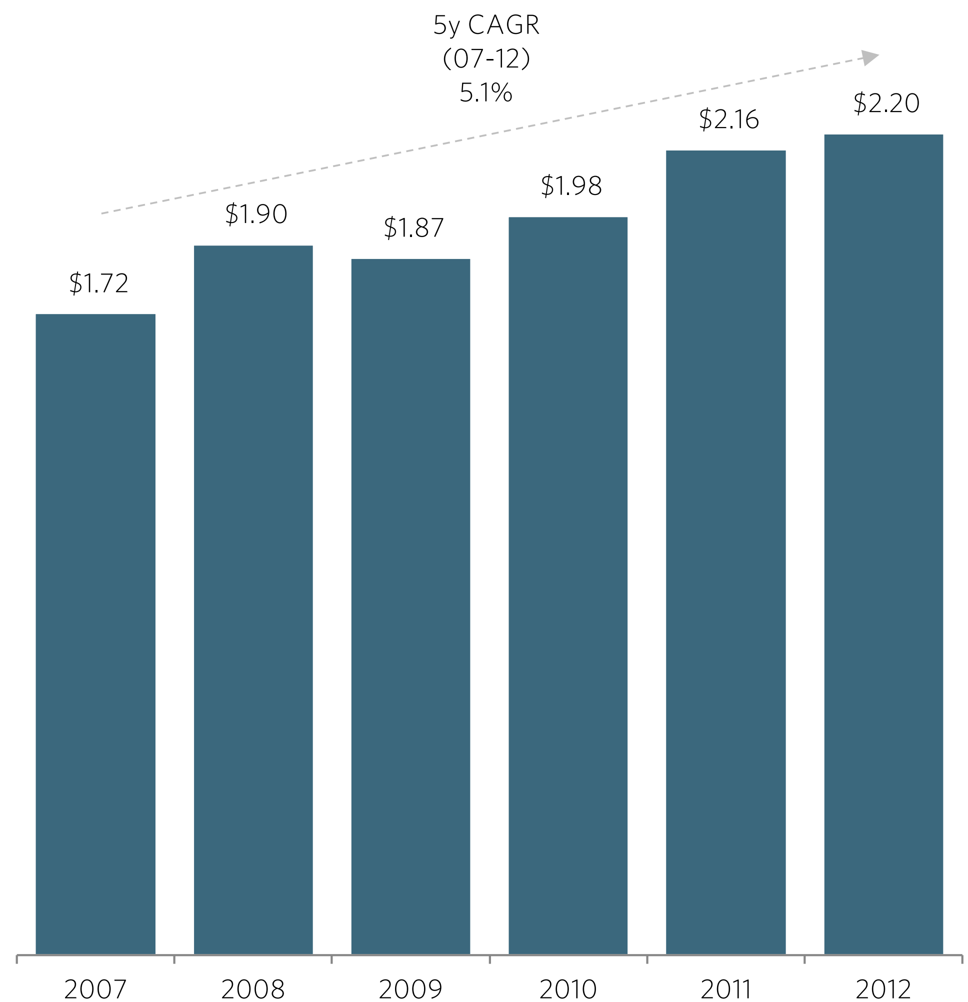
ESTIMATED GLOBAL EXPENDITURE ON FOOD & BEVERAGES

US$; trillions; 2012



GLOBAL RETAIL SALES OF PACKAGED FOODS

US$; trillions; 2007-2012



EXCLUDES: SUBSISTENCE AGRICULTURE, HOME PRODUCTION AND NON-MARKET TRANSACTIONS

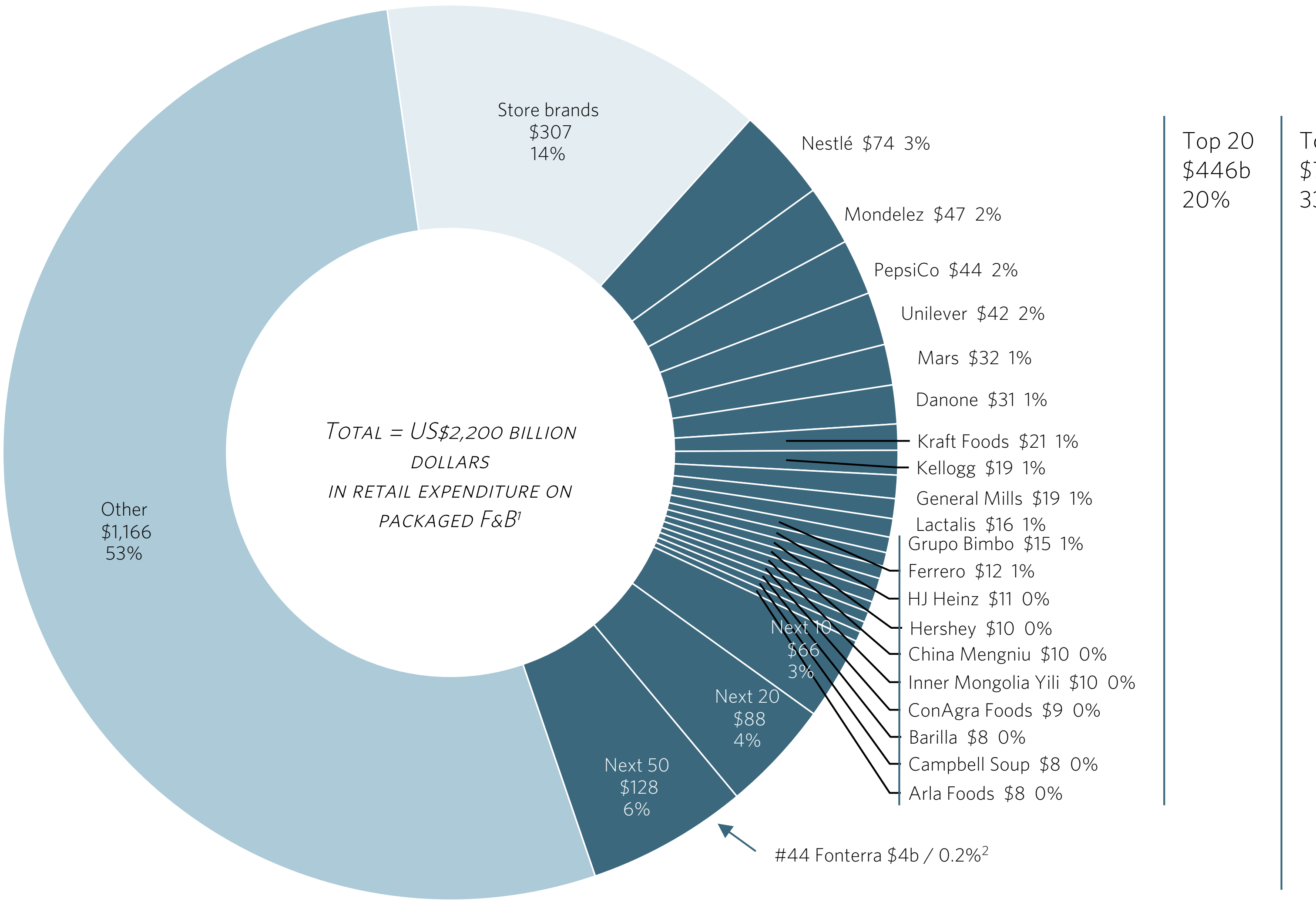
NOTE: We have significantly raised this estimate upwards since last time; key driver is in the size of the "unpackaged segment"; Source: UN FAO AgStat database; significant Coriolis estimates and analysis

PACKAGED FOOD SALES BY FIRM

Packaged foods are relatively unconsolidated at an aggregate global level with the top 20 firms only accounting for 20% of turnover and the top 100 firms for 33%

GLOBAL RETAIL SALES OF PACKAGED FOODS: TOP 100 FIRMS AND OTHER

US$; trillions; 2006-2011



1. Retail expenditure by consumers not wholesale sales into retailers; 2. this is Fonterra's retail sales of retail branded products (obviously they sell more than this, primarily ingredients to others on this list)
Source: Euromonitor; Coriolis analysis

INPUTS

Processed Foods

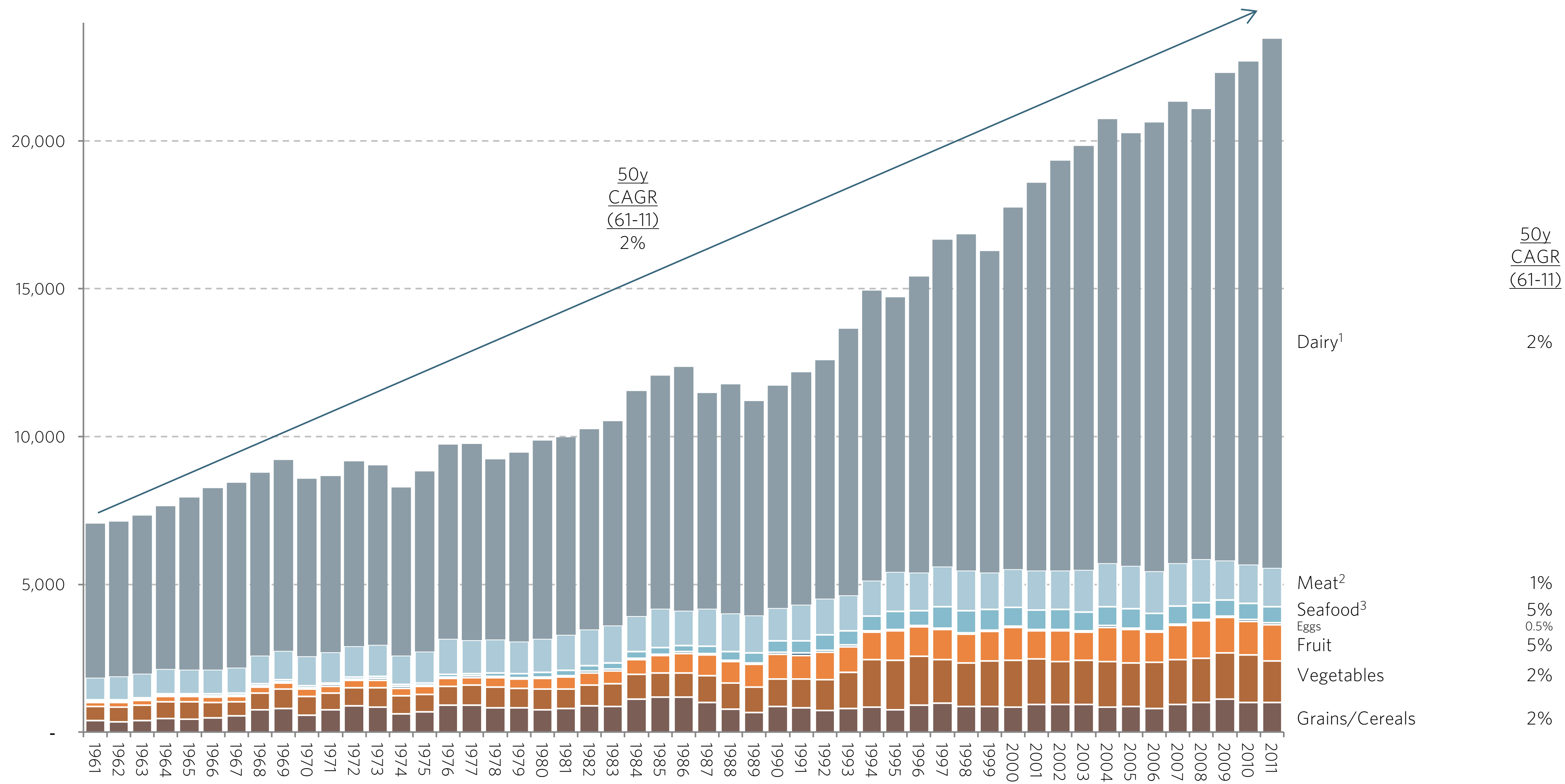
iFAB 2013

NZ – TOTAL FOOD VOLUME

New Zealand produces a large and growing amount of the raw materials for producing processed foods, particularly dairy

TOTAL NEW ZEALAND FOOD PRODUCTION VOLUME AT FARM GATE

Tonnes; 000; 1961-2011



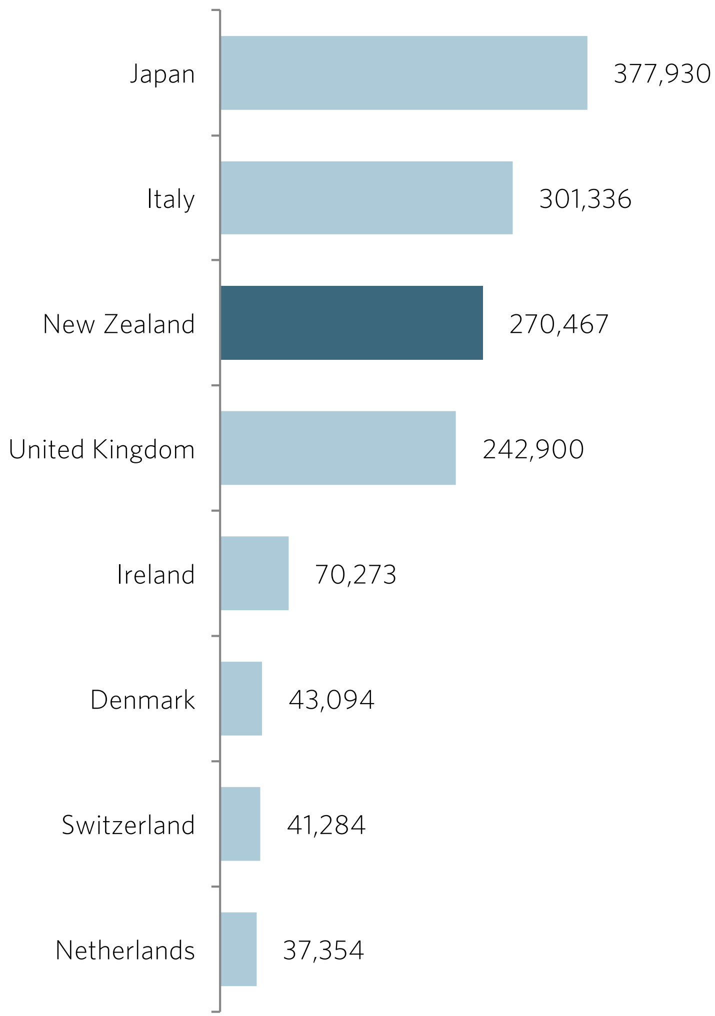
1. Not dried; 2. dressed but bone-in; 3. "green weight" as reported; Source: United Nations AgStat database; data is provided by MAF/MPI; Coriolis analysis

TOTAL FOOD VOLUME

Peer group benchmarking suggests New Zealand has ample capacity to increase or intensify food production volume for the foreseeable future

COUNTRY AREA: NZ VS. SELECT PEER GROUP

km²; 2013



TOTAL FOOD PRODUCTION VOLUME AT FARM GATE

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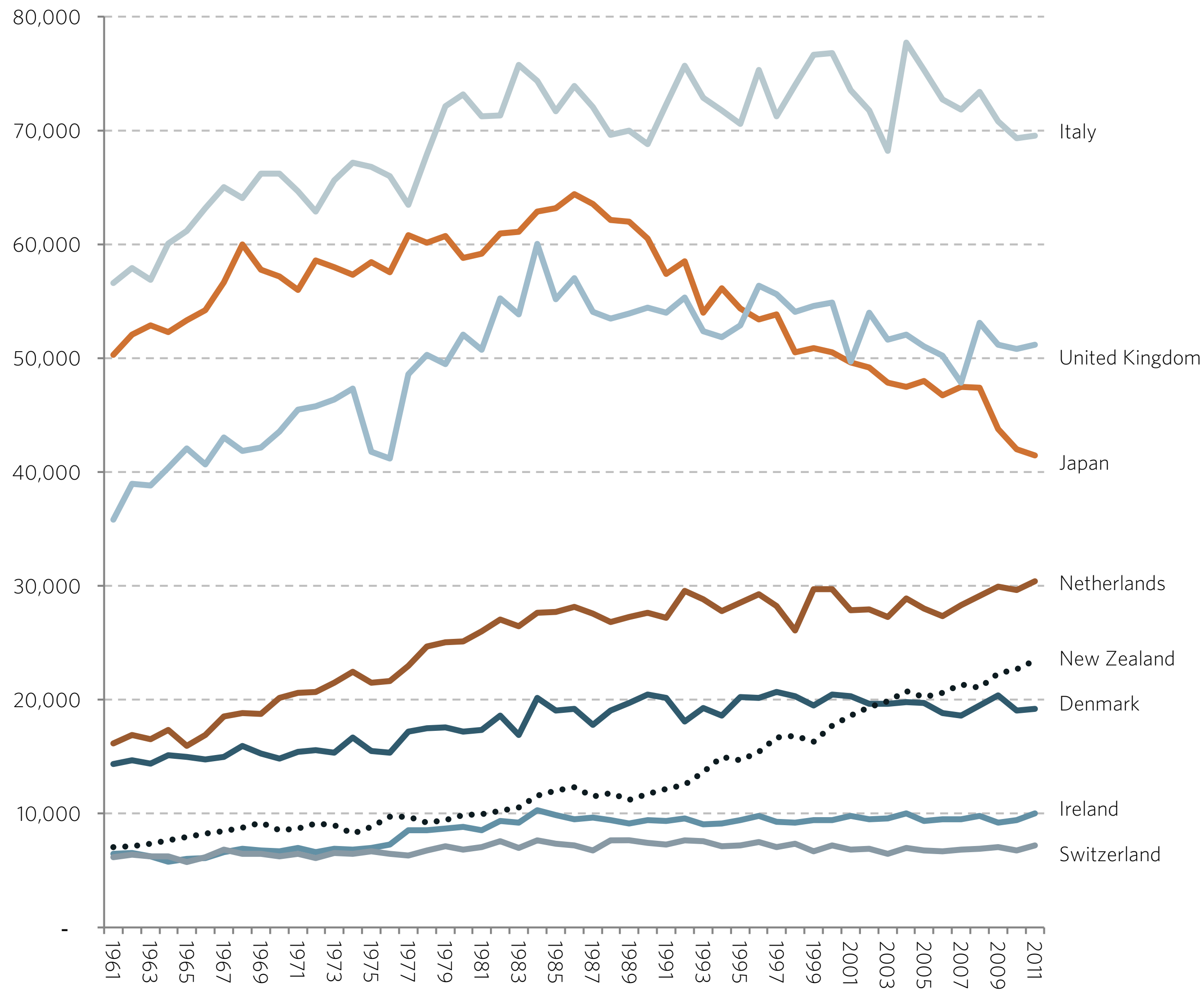


Source: United Nations AgStat database; Coriolis analysis

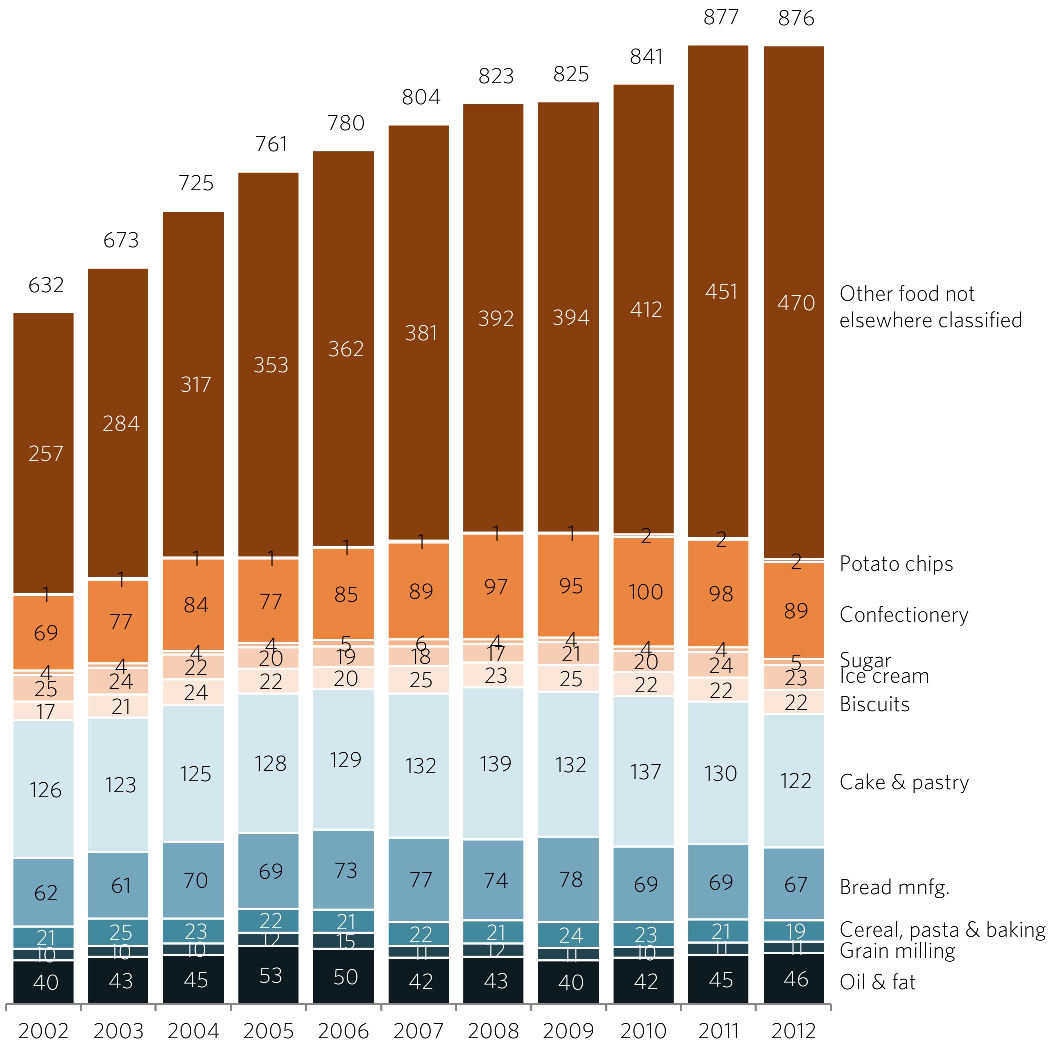

FIRMS
Processed Foods
iFAB 2013

NUMBER OF FIRMS

The number of processed foods processing firms has grown over the past decade but stabilised in 2012

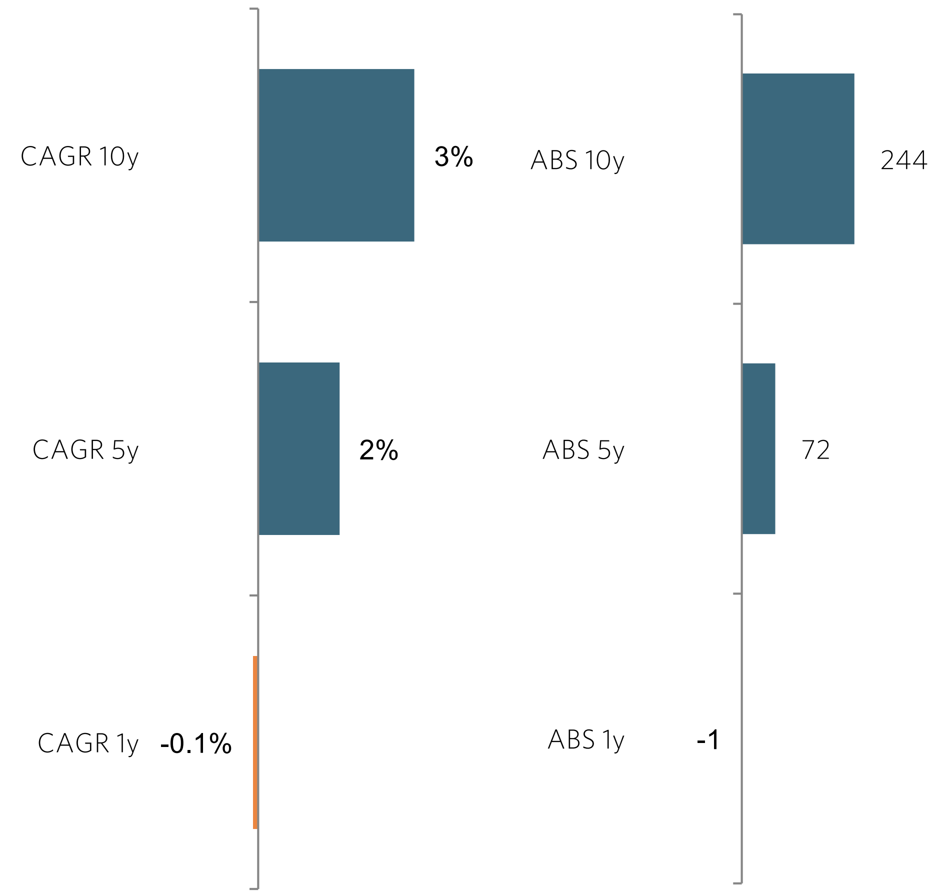
NUMBER OF PROCESSED FOODS PROCESSING ENTERPRISES

Enterprises; 2002-2012



CHANGE IN NUMBER OF PROCESSED FOODS PROCESSING ENTERPRISES

CAGR; absolute change; periods as given



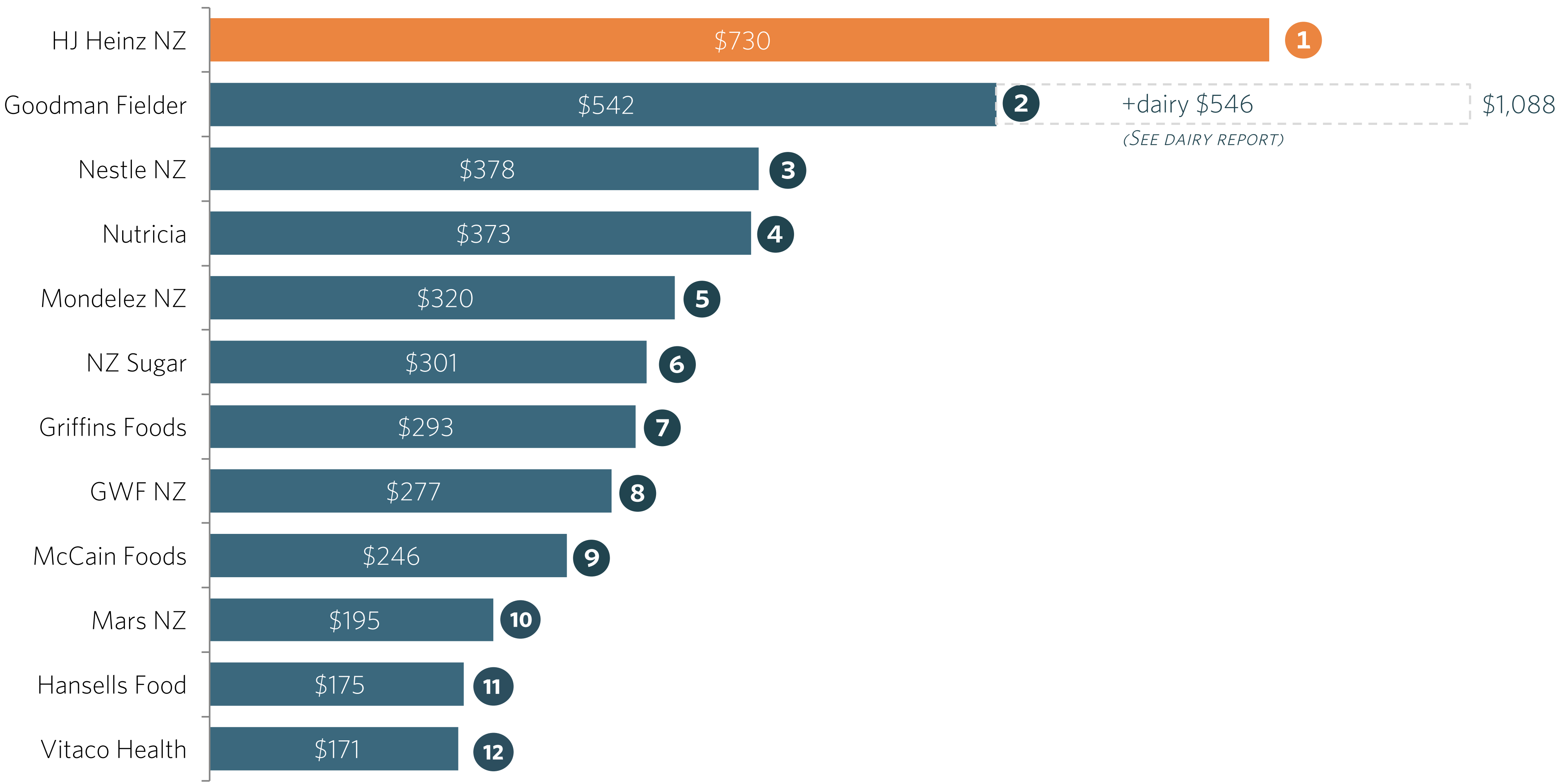
Note: 2012 data latest available as of October 2013; Source: Statistics NZ business demographics database; Coriolis analysis

iFAB TOP TWELVE PROCESSED FOODS FIRM TURNOVER

Heinz continues as the largest processed foods firm in New Zealand

ANNUAL TURNOVER BY TOP 12 PROCESSED FOODS FIRMS

NZ$m; FY2012



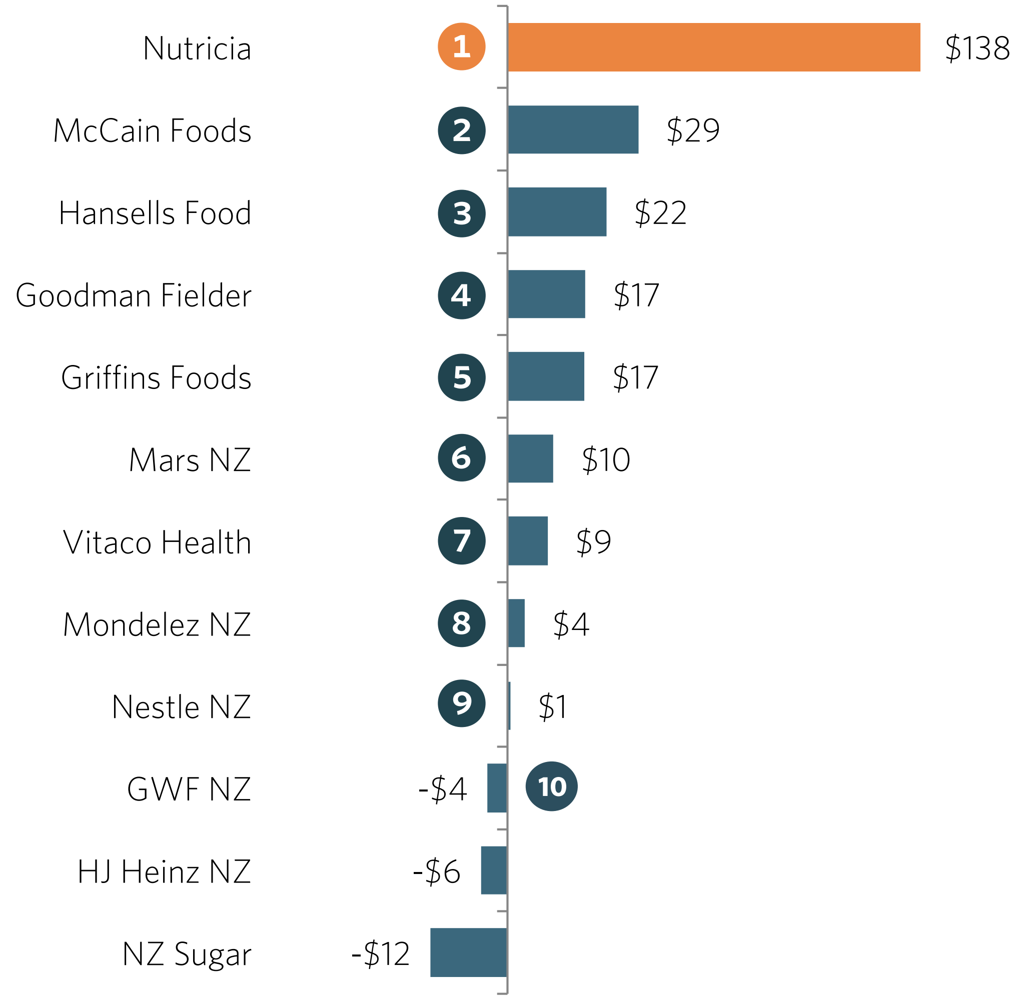
Source: various company annual reports; NZCO; Coriolis estimates and analysis

iFAB TOP TWELVE PROCESSED FOODS TURNOVER CHANGE FY12

In FY2012 Nutricia, McCain & Hansell's led for absolute growth and rate of growth

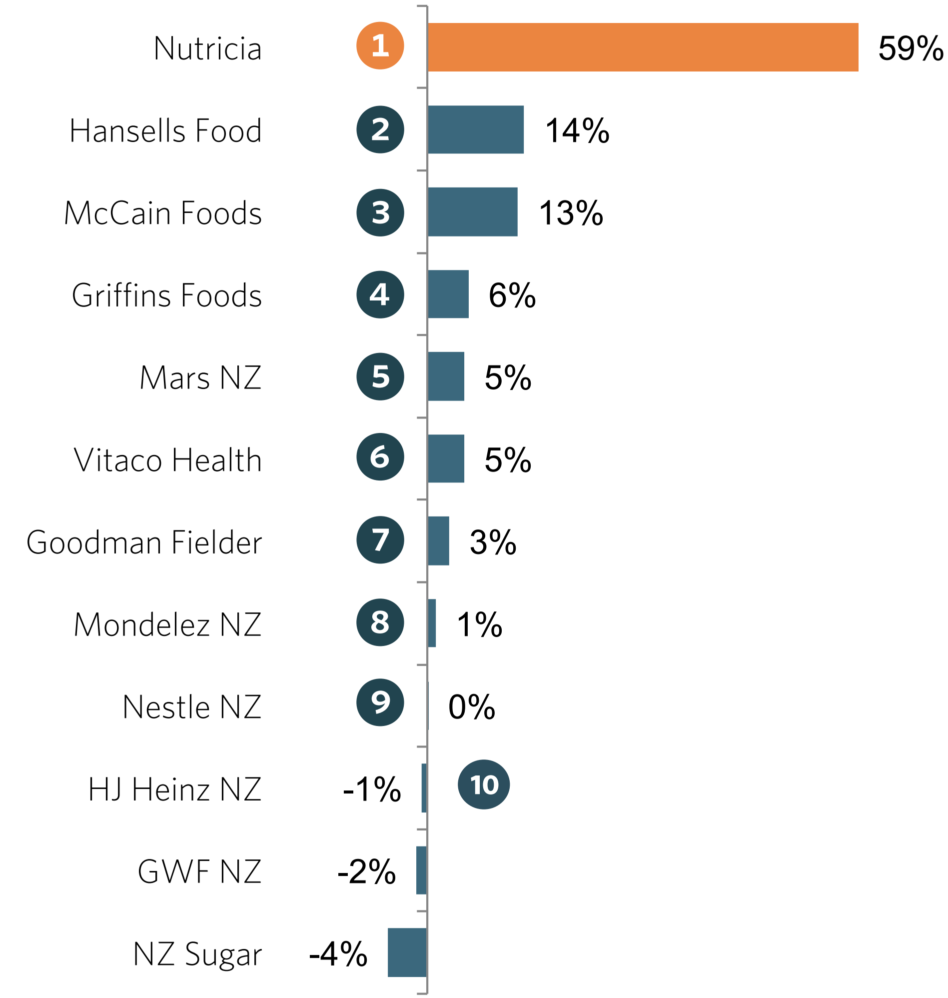
CHANGE IN ANNUAL TURNOVER BY TOP 12 PROCESSED FOODS FIRMS

NZ$m; FY2012 vs. FY2011



ANNUAL TURNOVER % GROWTH BY TOP 12 PROCESSED FOODS FIRMS

NZ$m; FY2012 vs. FY2011



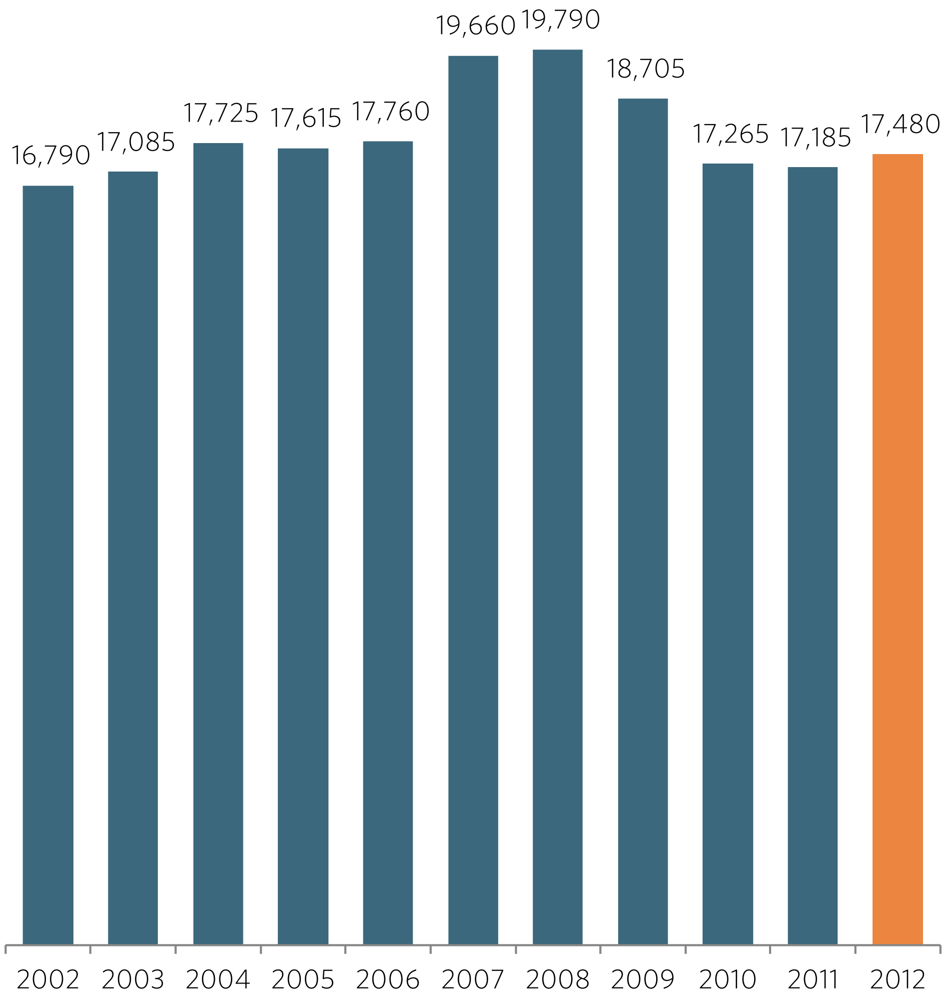
Source: various company annual reports; NZCO; Coriolis estimates and analysis

KEY PRODUCTION METRICS

The processed foods processing industry is achieving very limited total employment growth, suggesting productivity improvements

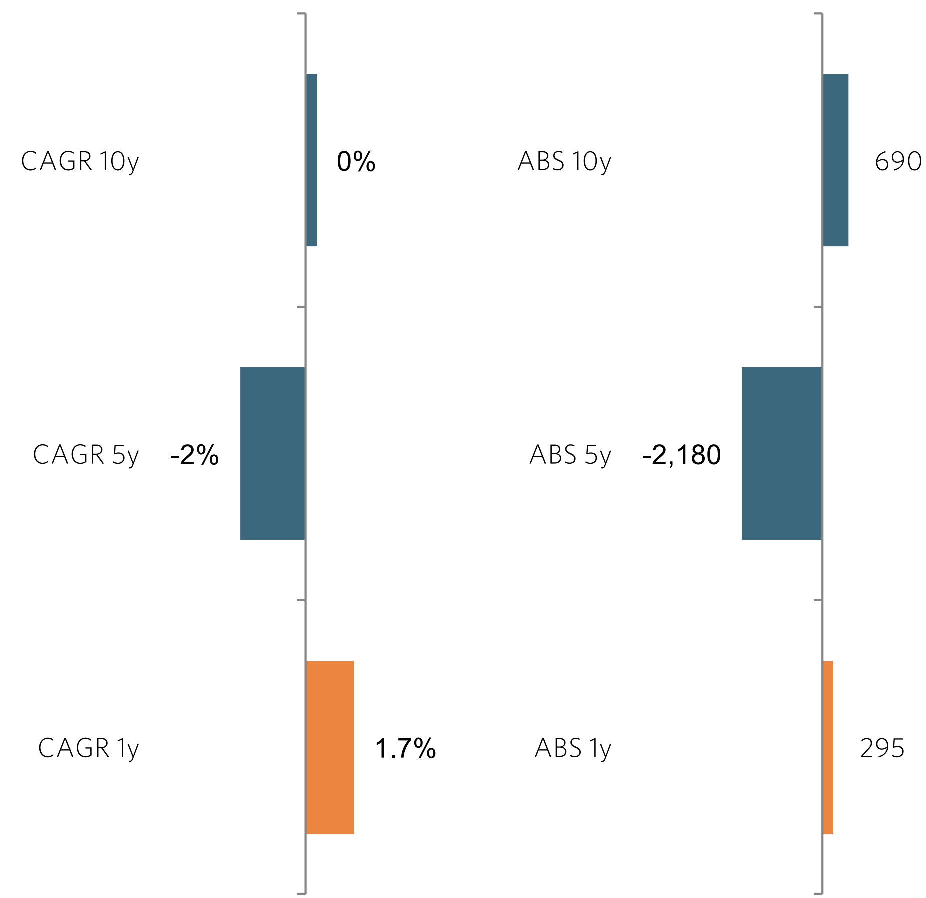
TOTAL EMPLOYMENT BY PROCESSED FOODS PROCESSING ENTERPRISES

Headcount; as of Feb; 2002-2012



CHANGE IN PROCESSED FOODS PROCESSING EMPLOYMENT

CAGR; Absolute change; periods as given



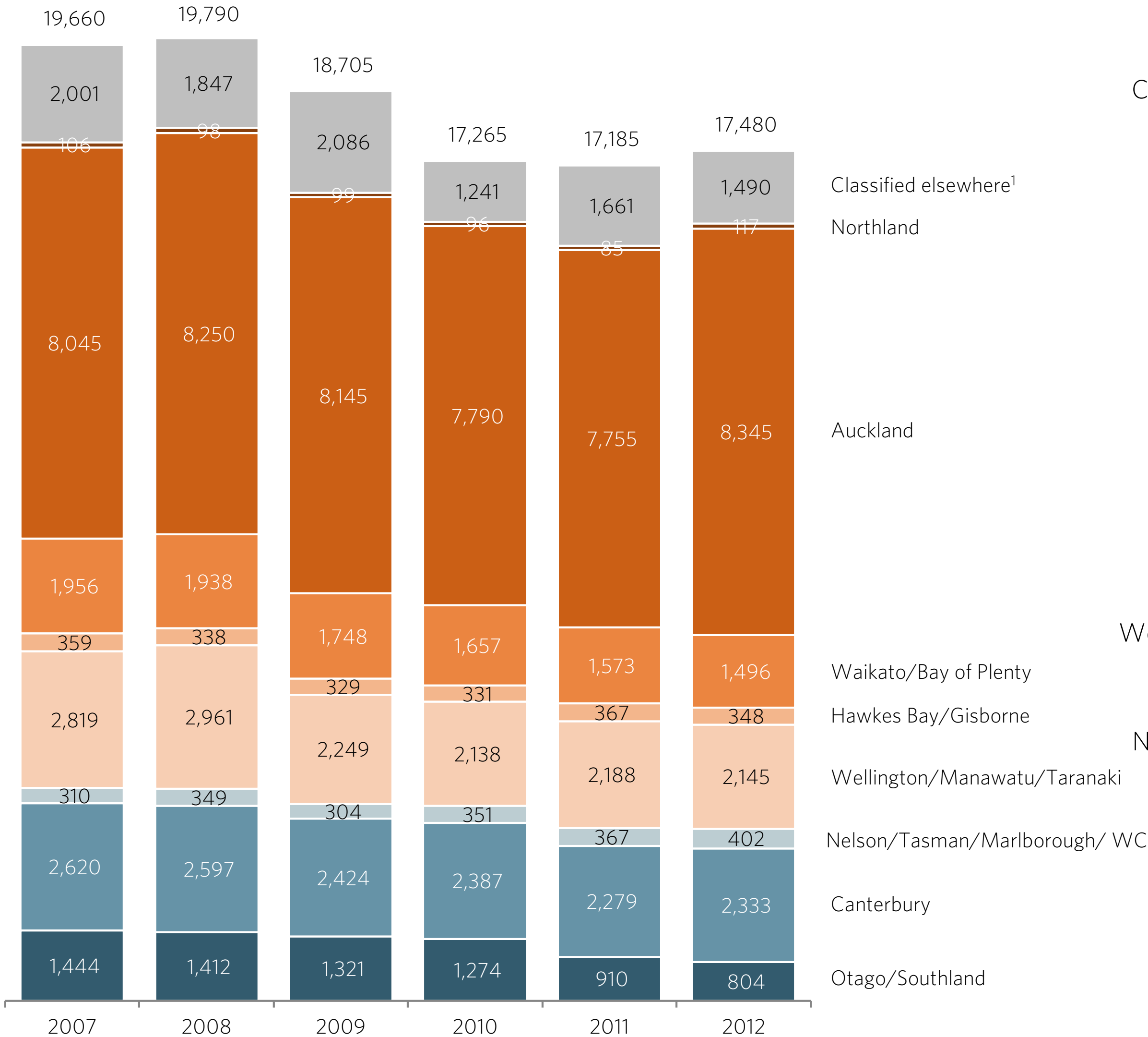
Note: 2012 data latest available as of October 2013; 1. Defined as C113-100 Milk & Cream processing and c113-300 Other processed foods processing; Source: Statistics NZ business demographics database; Coriolis analysis

EMPLOYMENT BY REGION

Processed foods processing employment growing primarily in Auckland over the last five years; flat to down elsewhere

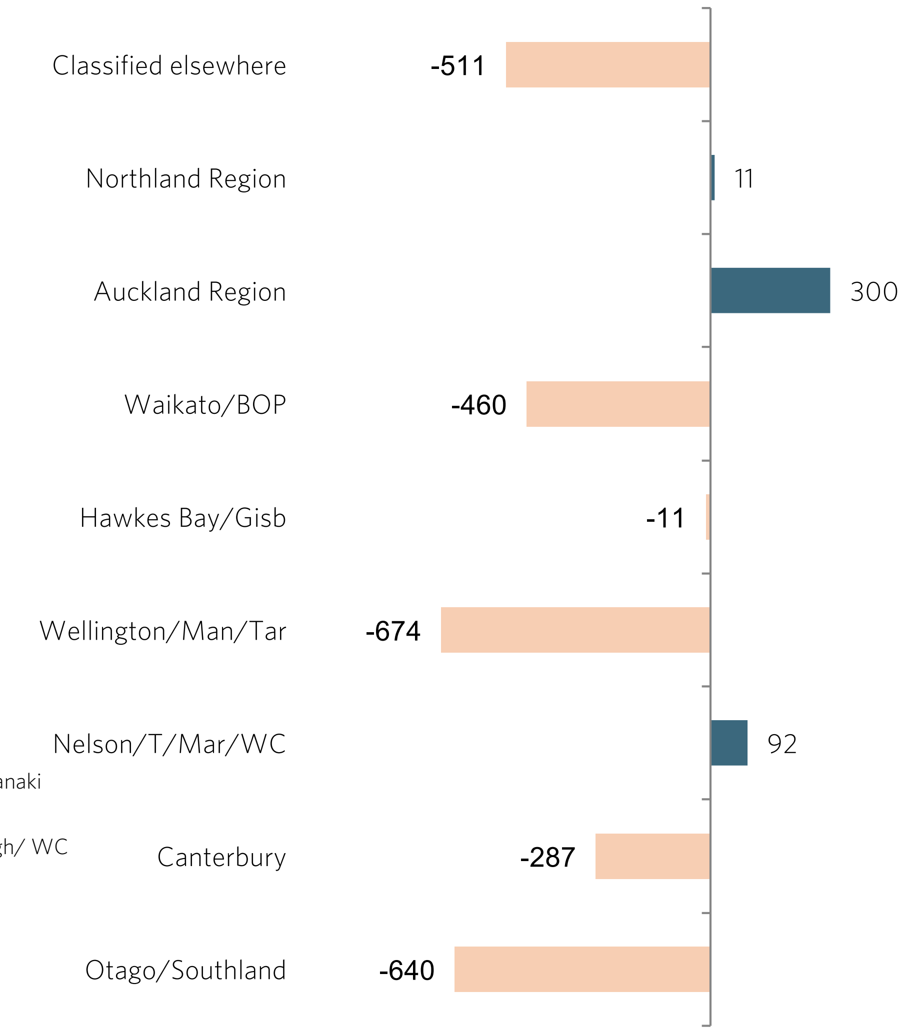
PROCESSED FOODS PROCESSING EMPLOYMENT BY REGION

Headcount; as of Feb; 2007-2012



5 YEAR CHANGE IN EMPLOYMENT BY REGION

CAGR; Absolute change; 2007-2012



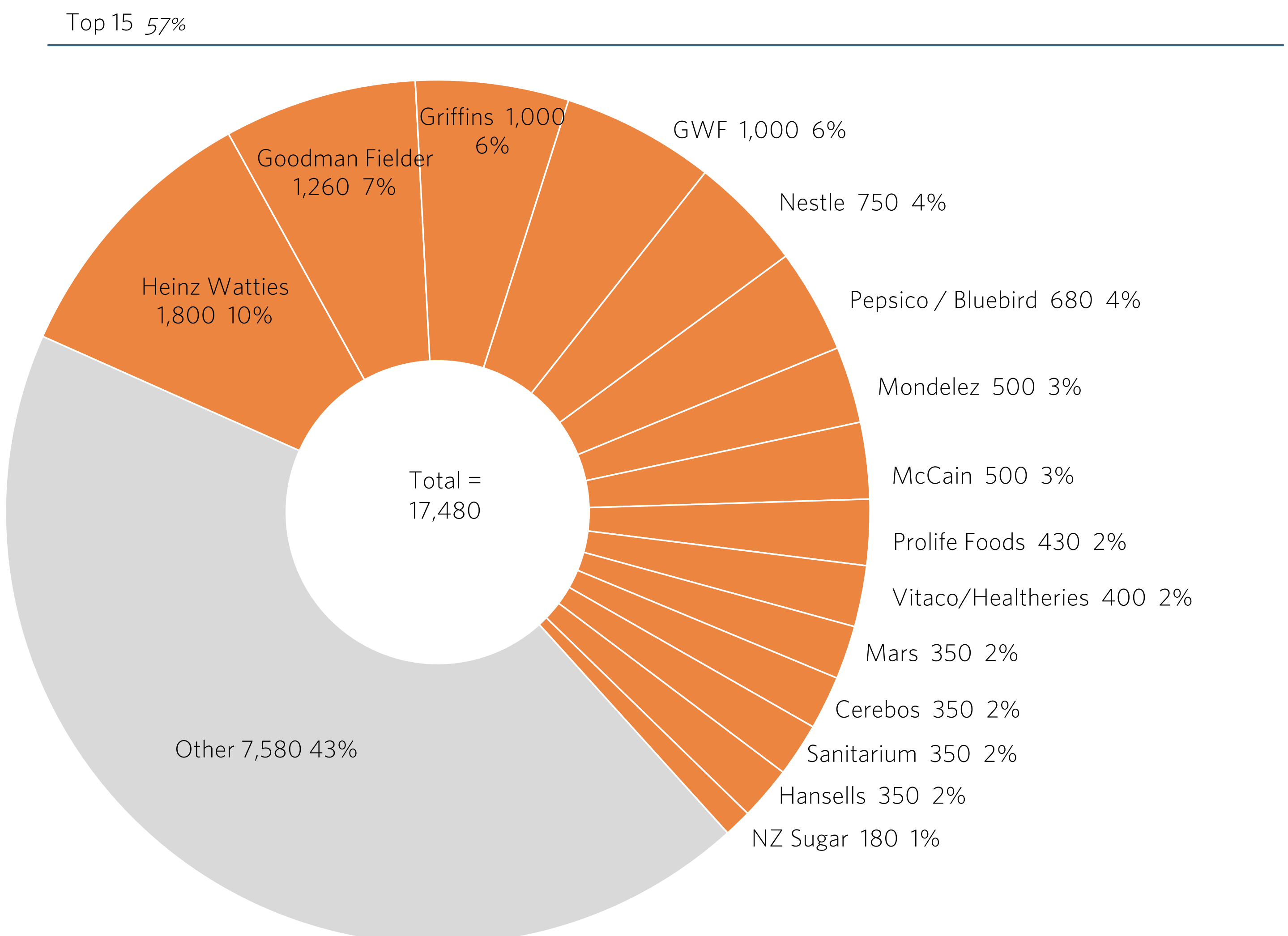
WC Westcoast; 1. Data is geographic level; classified elsewhere would include non-processed foods processing activities (e.g. wholesaling); Source: Statistics NZ

EMPLOYMENT BY FIRM

The top fifteen processed foods firms account for 57% of industry employment

PROCESSED FOODS PROCESSING EMPLOYMENT BY KEY FIRM

Headcount; 2012, 2013



Source: SNZ business demographics 2012; Kompass; various firm websites; published articles; Coriolis interviews & analysis

iFAB TOP NINE NEW PROCESSED FOODS INVESTMENTS

A range of investments have occurred in the New Zealand processed food industry

IDENTIFIED MAJOR INVESTMENTS IN NEW PLANT/EQUIPMENT

As of October 2013

ADDITIONAL INFANT FORMULA INVESTMENTS IN DAIRY DOCUMENT

Rank	Announced	Investment	Firm	Facility	Location	Opened/planned
1	August 2010	$20m	McCain Foods	Upgrading its vegetable and prepared meal production plant new freezers and additional packing configuration, and a new bean processing capability; 151 permanent and 200 seasonal (the sole frozen vegetable plant in Australia and NZ)	Hastings	Feb 2011
2	2012	N/A	Comvita	Opened a new high-tech medical honey extraction facility (increased the number of hives by 50%)	Wanganui	2013
3	2011	$10m	New Image Group	New plant, nutritionals and IF plant	South Auckland	July 2011
4	2012	$10m	New Image Group	New plant #3, with technology for colostrum-based drink targeting Asia; 20 staff use automated can making machine and high pressure treatment processor to make 200 units/min in Penrose	Penrose, Auckland	April 2012
5	April 2012	$10m	Farmers Mill	Canterbury plant upgrade to process 28,000 tonnes of flour/year, serving baked goods producers in South Island	Timaru	May 2013
6	2012	$8m	Manuka Health	Upgrade to Te Awamutu bioactives facility	Te Awamutu	N/A
7	April 2012	$10m	Farmers Mill	Canterbury plant upgrade to process 28,000 tones of flour/year, serving baked goods producers in South Island	Timaru	May 2013
8	2013	N/A	Avocado Oil NZ	Waikato Innovation Plant developing a spray dryer to dry avocado pulp into high value powder for use in cosmetic, nutraceutical and food products	Waikato	May 2013
9	May 2013	N/A	Zealong Tea	NZ's only tea producing company, successfully propagating tea plants in NZ	Hamilton	2013

Source: Coriolis from various published articles, annual reports and interviews

iFAB TOP FOUR PROCESSED FOODS ACQUISITIONS

Four major acquisitions have been identified

IDENTIFIED MAJOR ACQUISITIONS INVOLVING NEW ZEALAND PROCESSED FOODS FIRMS

As of October 2013

Rank	Acquirer	Target	Price	Date	Details
1	Berkshire Hathaway & 3G Capital	Heinz	US$28b (incl. debt)	Jun 2013	Berkshire Hathaway owned by Warren Buffett and 3G both engage in diverse business activities
2	GrainCorp + Gardner Smith	Integro Foods NZ (Goodman Fielder NZ)	A$170m gross	Oct 2012	Edible fats and oils refiner
3	Nisshin Flour milling Inc (parent Nisshin Seifun Gp)	Champion Flour (Goodman Fielder NZ)	NZ$55m	Feb 2013	GF NZ milling business
4	Pencarrow Private Equity	Bell Tea	N/A	Sep 2013	Foodstuffs Cooperative; markets Bell, Gravity Coffee, Native Infusions, Burton's, NZ Live, and Jura; Twinings (license)

Source: Coriolis from various published articles, annual reports and interviews

MORE PROCESSED FOODS ACQUISITIONS

In addition, a range of smaller acquisitions occurred

IDENTIFIED MAJOR ACQUISITIONS INVOLVING NEW ZEALAND PROCESSED FOODS FIRMS

As of October 2013

Acquirer	Target	Price	Date	Details
Comvita	Organic Olives (Aust)	N/A	Jan 2013	Acquisition of the olive estate business in Queensland through its fully owned Au subsidiary; increase leaf supply for Olive Leaf Extract (OLE)
Comvita	Kiwi Honey Ltd	N/A	Oct 2012	Acquisition of apiary business of Whanganui-based Kiwi Honey Ltd to strengthen its supply of Manuka (Leptospermum) honey
Comvita	Waikato Honey Products	N/A	Nov 2011	Acquisition of the Te Awamutu based apiary to strengthen its supply of Manuka (Leptospermum) honey
DKSH (Swiss)	Brandlines Ltd & FNZ Brands	N/A	Sept 2011	DKSH acquire then merge full service sales and marketing companies Brandlines (165 staff) and FNZ (55 staff)
Tate & Lyle	BioVittoria	N/A	Aug 2012	J&J owned McNeil Nutritionals launches Nectresse Natural No Calorie Sweetener (from monk fruit); Global Ingredients Company
Prolife Foods	Donovans Chocolate	N/A	Apr 2011	Merging two Hamilton operations; Prior to Donovans, family sold HB confectionery to Nestle in 1987; 25 employees
Retail Food Group (Au)	Evolution Coffee Roasters	$4m	Sept 2011	Roasting facility manufacturing and distribution; 170 t/yr inc 60t to Esquires Asia and Middle East and coffee products
John Yarrow	Yarrows The Bakers	N/A	Oct 2011	In receivership; includes the New Zealand operations at Manaia and the business and assets of Giles Bakery, based in Rotorua, which is not in receivership; previously run by brother Paul Yarrow.

Source: Coriolis from various published articles, annual reports and interviews

FOREIGN INVESTORS

There is strong foreign investment in the processed food sector, much of it long term

FOREIGN INVESTMENT IN NEW ZEALAND PROCESSED FOODS FIRMS

As of October 2013

Date	Investor	Origin	Investment	Investor description
1890	Nestle	Swiss	Nestle NZ	Largest food company in the world with CHF 92.2b sales (US$100b)
1930	Unilever	UK/Netherland	Unilever NZ	Anglo Dutch consumer goods company with revenue of €51.3b
1930	Mondelēz International	USA	Cadbury	American multinational confectionery, food and beverage conglomerate, employing around 100,000 people globally (Kraft Foods and Cadbury merger then split in 2012)
1950	Associated British Foods (majority Weston Family)	UK	GWF	A multinational food processing and EU based retailing company with sales of £12.3b; George Weston Foods entered NZ in 1950s
1956	Bakels Edible Oils/Bakels	Switzerland	EMU (Bakels)	Baking based private company with 40 companies worldwide
1968	Goodman Fielder	Australia	Goodman Fielder NZ	Trans-Tasman A$2b company formed in 1986 with the merger Allied Mills Ltd and Goodman Group, Quality Bakers established by Patrick Goodman in 1968
1983	Mars	USA	Mars NZ/ Masterfoods	USA family owned confectionery, foods conglomerate with global sales of ~US$30b
1984	Gardner Smith/GrainCorp	Australia	Gardner Smith	Port bulk storage, stock feed, oil processing company (bid by USA Archer Daniels Midland)
1990	McCain	Canada	McCain NZ	Canadian based family owned producer of frozen foods, with revenue of ~CAD$6.5b; Global number two frozen french fry manufacturer
1990	Suntory	Japan	Cerebos	Major Japanese brewer
1992	H.J. Heinz	USA	Watties	A USA based food conglomerate with almost US$12b in sales (acquired Watties from Goodman Fielder)
1998	General Mills	USA	General Mills NZ (ex Pillsbury)	USA based food conglomerate, revenue of ~US$15b; entered NZ when acquired Pillsbury in 2001

Source: Coriolis from various published articles, annual reports and interviews

FOREIGN INVESTORS

... continued

FOREIGN INVESTMENT IN NEW ZEALAND PROCESSED FOODS FIRMS

As of October 2013

Date	Investor	Origin	Investment	Investor description
2001	Jack Link	USA	Jack Link	US based beef jerky company offices in 7 countries
2003	Simplot	USA	Simplot NZ	USA based private company manufacturing frozen vegetables and foods, tuna, fertilzers; sales office remaining; (sold Mr Chips operation in 2013)
2006	Pepsico	USA	Bluebird	Largest global potato/snack chip manufacturer, revenue of US$65.5b; acquired Bluebird (from Goodman Fielder)
2006	Pacific Equity Partners	Australia	Griffins	Private Equity investors across primarily AU and NZ
2008	Tate & Lyle	UK	Sales office	UK based agribusiness and sugar company; revenue of £3b; provides products to NZ manufacturers, acquired BioVittoria in 2012
2009	Kasisuri (Supachok)	Thailand	Hansells	Kamolkij Group from Indochine producing oils, rice animal feed products
2010	Wilmar	Singapore	Chelsea	Asia's leading agribusiness group – from palm oil to grains processing; over 450 plants and 93,000 staff
2013	Nisshin Seifun Group	Japan	Champion Flour	Multinational conglomerate, Nisshin Flour Milling Group acquired Goodman Fielder Milling business NZ (Champion Flour)

Source: Coriolis from various published articles, annual reports and interviews

PROFILES

Processed Foods

iFAB 2013

TOP 10+2 PROCESSED FOODS FIRM PROFILES

1	2	3	4
HEINZ WATTIES	**GOODMAN FIELDER NZ LTD** 	**NESTLE NZ** 	**NUTRICIA NZ**
Michael Gibson Chief Executive Officer	**Peter Reidie** Managing Director GFNZ	**Veronique Cremades-Matias** Country Manager & CEO	**Mark Mitchell** Manufacturing Director
DESCRIPTION: Two plants in Hawkes Bay, one in Canterbury producing processed vegetables, foods, sauces	DESCRIPTION: Manufacture, marketing and distribution of food products in NZ, Australia and Asia-Pacific	DESCRIPTION: Manufacturer and Importer of Culinary, Confectionery, Beverages, Milks, Breakfast cereals, Snacks, Infant Nutrition and Petfood products. HO in Auckland, 3 regional sales offices; 3 factories: Culinary, Confectionery and Petfood.	DESCRIPTION: Manufacturer of infant formula
KEY PRODUCTS: Frozen vegetables, sauce, soups, jams, meals, processed meat-based foods, petfood	KEY PRODUCTS: Baking, dairy, meals, bread, biscuits, smallgoods, dressings	KEY PRODUCTSCoffee, Tea, Nourishing drink, Creamer, Chocolate, Confectionery, Culinary, Snacks, Breakfast cereals, Infant Nutrition, Milks and Petfood	KEY PRODUCTS: Infant formula and related dairy nutritionals
OWNERSHIP: USA: Private (HJ Heinz; Berkshire Capital & 3G)	OWNERSHIP: Australia: Public (ASX/NZX) wholly owned subsidiary of Goodman Fielder Ltd	OWNERSHIP: Swiss; public listed (Nestle)	OWNERSHIP: France; Listed (Euro: BN)
COMPANY NUMBER: 540128 562309 (H.J Heinz Company (NZ) Ltd	COMPANY NUMBER: 1508360	COMPANY NUMBER: 46423	COMPANY NUMBER: 711745
ADDRESS: 46 Parnell Road, Parnell, Auckland	ADDRESS: 2/8 Nelson Street, Auckland Central, Auckland	ADDRESS: Level 3 Buildings 1 & 2, Carlaw Park Commercial, 12-16 Nicholls Lane, Parnell, Auckland	ADDRESS: 37 Banks Road, Mount Wellington Auckland
PHONE: +64 9 308 5000	PHONE: +64 9 301 6000	PHONE: +64 9 367 2800	PHONE: +64 9 570 0970
WEBSITE: www.heinzwatties.co.nz	WEBSITE: www.goodmanfielder.com.au www.goodmanfielder.co.nz	WEBSITE: www.nestle.co.nz	WEBSITE: www.nutriciababy.co.nz www.nutricia.co.nz www.danone.com
YEAR FORMED: 1934/1992	YEAR FORMED: 1968 / 1986	YEAR FORMED: 1926 NZ	YEAR FORMED: 1996
STAFF EMPLOYED: 1,800	STAFF EMPLOYED: 1,260 processed, baking, oils (plant & allocated*) (GF total NZ = 2,190)	STAFF EMPLOYED: 750	STAFF EMPLOYED: 100
REVENUE: $730m (FY12) $773 (FY13)	REVENUE: Total NZ$1,088m (FY12) segmented into processed $542m and dairy^ $546m (see dairy report)	REVENUE: $378m (FY12)	REVENUE: $373m (FY12)
COMPANY HIGHLIGHTS: Decision in 2011 by Heinz to move manufacturing of select processed vegetables and sauces from AU to NZ; 2013 shift Infant formula production from England to NZ, parent HJ Heinz acquired by Warrens Buffett's Berkshire Capital and 3G Capital for US$28b	COMPANY HIGHLIGHTS: In 2012 announced selling Integro Foods and NZ Milling business to focus on core business; Wilmar acquires 10.1% of GF in 2012	COMPANY HIGHLIGHTS: Integration of Wyeth Infant Nutrition acquired in December 2012; 2013 selling its Jenny Craig business (pending); Opening of Nespresso second boutique in Wellington;	COMPANY HIGHLIGHTS: Impacted in 2013 by Fonterra's WPC80 Precautionary Recall (Whey Protein Concentrate).

* Allocated includes HO staff, freight, supply chain, sales and merchandising staff; dairy includes meats; Source: annual reports, company websites, company data, NZ Companies Office, interviews, Coriolis estimates

TOP 10+2 PROCESSED FOODS FIRM PROFILES

5	6	7	8
MONDELEZ NZ	**NZ SUGAR COMPANY**	**GRIFFIN'S FOODS**	**GWF NZ**
			
Alastair de Raadt Managing Director	**Bernard Duignan** General Manager	**Ron Vela** Chief Executive Officer/ Executive Chairman	General Manager – Baking Division NZ
DESCRIPTION: Global confectionery and dairy company; primarily confectionery manufacturing based in Dunedin	DESCRIPTION: Sugar refining company based in Auckland; Blends Sugar, dairy and other ingredients for export; importer and distributor of alternative sweeteners and oils	DESCRIPTION: Auckland based manufacturers and marketers of biscuits, salty snacks and muesli bars producing 200m units pa	DESCRIPTION: GWF Bread manufacturing at two bakeries, Weston Milling at three locations, Purity Foods (Big Ben) and Jasol (Cleaning products)
KEY PRODUCTS: chocolate, sweet/sugar confectionery	KEY PRODUCTS: Refined sugar, "Simply" oils and fats, "equal" artificial sweetener	KEY PRODUCTS: biscuits,(Griffins, Huntley and Palmers…) chips (ETA), muesli bars (nice & natural)	KEY PRODUCTS: bread (Tip Top, Ploughmans, Burgen, Golden) Big Ben pies
OWNERSHIP: USA Public (MDLZ)	OWNERSHIP: 75% Singapore; listed (Wilmar International) and 25% AU co-operative (Mackay Sugar)	OWNERSHIP: Australia; Private Equity: Pacific Equity Partners Fund III (PEP)	OWNERSHIP: UK; listed; Associated British Foods UK (Weston Family)
COMPANY NUMBER: 204724	COMPANY NUMBER: 91943 / 3252111	COMPANY NUMBER: 4932 / NZ Snack Food Holdings 1774272	COMPANY NUMBER: 52216
ADDRESS: 494 Rosebank Road, Avondale, Auckland 1026	ADDRESS: 60 Colonial Road, Birkenhead, Auckland	ADDRESS: Tower B Level 5, 100 Carlton Gore Road, Newmarket, Auckland	ADDRESS: Building 3, Level 2, 666 Great South Road Ellerslie, Auckland
PHONE: +64 9 820 2600	PHONE: +64 9 481 0720	PHONE: +64 9 354 9500	PHONE: +64 9 919 3500
WEBSITE: www.cadbury.co.nz	WEBSITE: www.chelsea.co.nz	WEBSITE: www.griffins.co.nz	WEBSITE: www.gwfbaking.co.nz
YEAR FORMED: 1868 / 1930	YEAR FORMED: 1884	YEAR FORMED: 1864	YEAR FORMED: 1950s
STAFF EMPLOYED: 500	STAFF EMPLOYED: 180	STAFF EMPLOYED: 1,000 (850 FTE)	STAFF EMPLOYED: 1,000
REVENUE: $320m (FY12)	REVENUE: $301m (FY12, includes Sucrogen revenue)	REVENUE: $293 (FY12)	REVENUE: $277 (FY12)
COMPANY HIGHLIGHTS: Cadbury changed name to Mondelez globally; 2012 amalgamation of Kraft, Cadbury & Natural Confectionery Co.	COMPANY HIGHLIGHTS: $21m profit on the back of increased exports and reduced costs; Wilmar acquired in 2010 via CSR's Sucrogen business	COMPANY HIGHLIGHTS: $20.5m net profit for calendar year 2012; successful "Dear Griffin's" campaign; international division now generating 30% of group turnover, exporting to over 26 countries. Invests $70m in Auckland plants to support growth.	COMPANY HIGHLIGHTS:

Source: annual reports, company websites, company data, NZ Companies Office, interviews, Coriolis estimates

TOP 10+2 PROCESSED FOODS FIRM PROFILES

9	10	11	12
MCCAIN FOODS	**MARS NZ**	**HANSELLS FOOD GROUP**	**VITACO HEALTH GROUP**
Louis Wolthers Regional President SANZAR	**Gerry Lynch** General Manager	**John McKay** CEO	**Geoff Norgate** Chief Executive Officer
DESCRIPTION: Frozen vegetable manufacturer based in Timaru (potato processing) and Hastings (vegetables); supplied by 150 growers	DESCRIPTION: Manufacturer and distributor of packaged food, confectionery, and petfood	DESCRIPTION: Manufacturers of a wide range of processed foods	DESCRIPTION: Health and wellness products manufacturer of branded and contracted supplements, vitamins, Infant formula, health foods (baking, cereals, teas etc.)
KEY PRODUCTS: Frozen vegetables and meals	KEY PRODUCTS: chocolate confectionery, petfood (Whiskas, Pedigree), rice (Uncle Bens), Masterfoods	KEY PRODUCTS: puddings, deserts, spices, flavours, soups, beverages	KEY PRODUCTS: nutritional supplements, sports nutrition, health foods, infant formulas
OWNERSHIP: Canada: Private (McCain family)	OWNERSHIP: USA; private (Mars family)	OWNERSHIP: Mixed NZ/Thailand (Kasisuri, Supachok)	OWNERSHIP: Mix: NZ Private (Thompson 64%; Norgate 8%,others) AU Private Equity (Next Capital 6%)
COMPANY NUMBER: 459976	COMPANY NUMBER: 117682	COMPANY NUMBER: 97884	COMPANY NUMBER: 1885808
ADDRESS: Meadows Road, Washdyke, Timaru or Omahu Road, Hastings,	ADDRESS: Building 14, 666 Great South Road, Penrose, Auckland, 1051	ADDRESS: 17 Botha Road, Penrose, Auckland	ADDRESS: Cnr Kordel Place and Accent Drive, East Tamaki, Auckland
PHONE: +64 6 873 9030	PHONE: +64 9 261 0900	PHONE: +64 9 279 7199	PHONE: +64 9 272 3838
WEBSITE: www.mccain.co.nz	WEBSITE: www.mars.com	WEBSITE: www.hansells.com	WEBSITE: www.vitaco.co.nz
YEAR FORMED: 1987	YEAR FORMED: 1983	YEAR FORMED: 1934	YEAR FORMED: 1957 /2006
STAFF EMPLOYED: 400-500 (seasonal)	STAFF EMPLOYED: 350	STAFF EMPLOYED: 350	STAFF EMPLOYED: 400 (370 FTE)
REVENUE: $246m (FY12)	REVENUE: $195m* (FY12)	REVENUE: $175m (FY12) $189m (FY13)	REVENUE: 171m (FY12) $184m (FY13)
COMPANY HIGHLIGHTS: Holds McDonalds French fries contract; closes potato factory in Australia	COMPANY HIGHLIGHTS:	COMPANY HIGHLIGHTS:	COMPANY HIGHLIGHTS:

* Estimate; Source: annual reports, company websites, company data, NZ Companies Office, interviews, Coriolis estimates

OTHER PROCESSED FOODS FIRM PROFILES

Company	MD/CEO	Business description	Ownership Company #	Formed	Revenue	Staff	Address	Website
Bluebird Foods Ltd/ PepsiCo NZ Holdings	Sean Goodwin General Manager	Global beverage and snack foods manufacturer; all beverages contract packed by Frucor	163343/ 1882013 USA; listed (NYSE: PEP)	1947	$144m	680	124 Wiri Station Road, Manukau, Auckland 64 9 262 8800	www.bluebird.co.nz; www.pepsico.com
Prolife Foods	Andrew Smith CEO	Contract manufacture bulk bin and packaged dry foods and nuts; Alison pantry, Mother Earth brands	334376 NZ; Private (Crosbie, others)	1983	$100-120m*	430	100 Maui Street Hamilton, Waikato 64 7 834 3333	www.prolifefoods.co.nz
Cerebos Gregg's	Brendan Downey-Parish GM Marketing & Innovation	Coffee, beverages, sauces, gravies business	247266 Singa; listed (SIN: C20; Suntory 83%)	1984	$152m (FY12)	350	291 East Tamaki Road, East Tamaki, Auckland 64 9 274 2777	www.cerebos.co.nz
Sanitarium Health and Wellbeing	Pierre van Heerden General Manager	Manufacturers of nutritional and innovative health foods (Cereals, spreads, beverages)	NZ; charity (Seventh-day Adventist Church)	1900	$150m*	350	124 Pah Road, Royal Oak, Auckland 64 9 625 0700	www.sanitarium.co.nz
Jack Links	Maurice Crosby CEO	Dried meat products - jerky	1142997 USA: (Link Snacks)	2001	$113m (FY10)	250	159 Montgomerie Road Airport Oaks, Mangere Auckland 64 9 275 3711	www.jacklinks.co.nz
Delmaine Fine Foods	Rick Carlyon Managing Director	Manufacturer of chilled pasta, soups, dips, etc.; repacks imported antipasto, cheese, etc.; wet fill sauces	1210413 NZ; Private (Carlyon, Smith, others)	1980 / 2002	$70m (ws)	220	5 Reliable Way Mount Wellington Auckland 64 9 262 1348	www.delmaine.co.nz
Tasti	Simon Hall Executive Chairman	Manufacturer of muesli bars, baking & nut products, cooking oils	44114 NZ; Private (Hall)	1932	$120-140m*	200	25-41 Totara Road Te Atatu Peninsula Auckland 64 9 839 1060	www.tasti.co.nz
GMP Pharmaceuticals	Minesh Patel General Manager	Contract packer of infant formula, supplements and pharmaceuticals	1151040 NZ; private (Qing Ye)	2002	$30m	200	12 Averton Place East Tamaki 64 9 272 1111	www.gmp.net.nz www.gmp.com.au
Alpha Laboratories (NZ)	Jean Shim Managing Director	Contract packer of infant formula, supplements and pharmaceuticals	945421 NZ; private (Shim)	1999	$30m	200	16-18 Bowden Road Mount Wellington Auckland 64 9 573 0866	www.alphalabs.co.nz

* Estimate based on number of employees and type of business activity; Source: annual reports, company websites, company data, NZ Companies Office, interviews, Kompass, Coriolis estimates

OTHER PROCESSED FOODS FIRM PROFILES

Company	MD/CEO	Business description	Ownership Company #	Formed	Revenue	Staff	Address	Website
Bell Tea and Coffee Company	Mark Hamilton Chief Executive	Manufacturer of tea and coffee	143103 NZ; private equity (Pencarrow)	1852	$60m (article)	200	43 Crooks Road Highbrook East Auckland 64 9 274 7018	www.btcc.co.nz
Yarrow (The Bakers) 2011 Ltd.	John Yarrow Managing Director	Manufacturer of frozen dough and baked goods	654958 NZ; Private (Yarrow)	1923	$40-60m*	190	38 South Road Manaia 64 6 274 8195	www.yarrows.co.nz
Emerald Foods	Shane Lamont Managing Director	Manufacturer of ice cream	1130375 NZ; private (Foreman)	1988	$40-60m*	170	1 Accent Drive East Tamaki, Auckland 64 9 274 6168	www.icecream.co.nz
Barker Fruit Processing	Michael Barker Managing Director	Manufacturer of jams, chutneys, fruit syrup, & industrial fruit-based ingredients	135218 NZ; private (Barker)	1969	$40-60m*	170	72 Shaw Road South Canterbury 64 3 693 8969	www.barkers.co.nz
Sutton Group	Brent Sutton Managing Director	Manufacturer of infant formula and other foods	347333 NZ; private (Sutton)	1987	$50-70m*	150	56-58 Aintree Avenue Airport Oaks Mangere 64 9 257 1572	www.suttongroup.co.nz
Comvita New Zealand	Brett Hewlett Chief Executive	Manufacturer of honey-based products and other nutraceuticals	1413464 NZ; listed (NZX)	1974	$96m (FY12)	140	23 Wilson Road South Paengaroa, Te Puke 64 7 533 1426	www.comvita.co.nz
Couplands Bakeries	Carol Adrienne Chief Executive	Manufacturer of bread; chain of retail bakeries	140230 NZ; private (Coupland)	1971	$20-40m*	150-200	Corner Carmen & Buchanans Roads Hornby 64 3 982 8526	www.couplands.com
Breadcraft (Wairarapa) Ltd./Cockburn Bakery Holdings	Peter Rewi Chief Executive	Manufacturer of bread and baked goods	4220/941641 NZ; private (Riwi; Cockburn	1942	$20-30m*	130	85 Judds Road Masterton 64 6 377 4164	www.bwl.co.nz
Hubbard Foods	Rob White Chief Executive	Manufacturer of breakfast cereals	383027 NZ; private (Hubbard; Rotorua Trust)	1988	$40-50m*	110	43 Mahunga Drive Mangere Bridge 64 9 634 2510	www.hubbards.co.nz

* Estimate based on number of employees and type of business activity; Source: annual reports, company websites, company data, NZ Companies Office, interviews, Kompass, Coriolis estimates

OTHER PROCESSED FOODS FIRM PROFILES

Company	MD/CEO	Business description	Ownership Company #	Formed	Revenue	Staff	Address	Website
Bakels Edible Oils NZ Ltd.	Mark Caddigan Managing Director	Manufacturer of edible fats and oils	203554 Private; Swiss (Bakels family)	1980	$120m (FY12)	105	5 Hutton Place Mount Maunganui 64 7 575 9285	www.beobakels.co.nz
McCallum Industries	Muir McCallum General Manager	Manufacturer of canned corned beef, soups and baby food	331055 NZ; private (McCallum)	1987	$30-50m*	100	21-27 Mihini Road Henderson, Auckland 64 9 839 0292	www.onlyorganic.co.nz www.palm.co.nz
Food Partners (Leader Products)	Robert Keen Director	Manufacturer of frozen meat based meal solutions & frozen processed meat products	896656 NZ; private (Keen, Crabb, Davidson, others)	1998	$30-40m*	100	50 Luke St, Otahuhu, Auckland 64 9 276 3879	www.leadernz.co.nz
Rainbow Confectionery	Rodney Thornton Director	Manufacturer of sugar confectionery	1142447 NZ; private (White; Thornton)	2001	$30-50m*	94	459 Thames Highway Oamaru 64 3 437 1847	www.rainbowconfectionery.co.nz
NZ Bakels Limited	Brent Kersel General Manager	Manufacturer & distributor of baking ingredients	50453 Private; Swiss (Bakels family)	1953	$54m (FY12)	80	Corner Church Street East & Industry Road Penrose 64 9 579 6079	www.nzbakels.co.nz www.bakels.com
J H Whittaker & Sons	Andrew Whittaker Director Brian Whittaker Director	Manufacturer of chocolate and sugar confectionery	3440 NZ; private (Whittaker)	1896/ 1937	$70-80m*	80	24 Mohuia Crescent Elsdon, Porirua 64 4 237 5021	www.whittakers.co.nz
General Mills NZ	Geoff Dunn General Manager	Manufacturer of processed foods	939916 USA; listed (NYSE: GIS)	1998	$33m (FY13)	80	46 Greenmount Drive East Tamaki, Auckland 64 9 272 9720	www.naturevalley.co.nz www.generalmills.com.au www.generalmills.com www.oldelpaso.com.au
Unitech Industries	Keith Bell Operations Manager	Contract packer of infant formula, supplements and pharmaceuticals	79460 Netherlands; listed (DSM)	1970	$25-30m*	80	38-44 Bruce McLaren Rd. Henderson, Auckland 64 9 835 0835	www.unitech.co.nz
RJ's Licorice	Roger Halliwell Managing Director	Manufacturer of confectionery	29214 NZ; private (Halliwell)	1974	$20m*	75	5 Tiro Tiro Road Levin 64 6 366 0270	www.rjslicorice.co.nz

* Estimate based on number of employees and type of business activity; Source: annual reports, company websites, company data, NZ Companies Office, interviews, Kompass, Coriolis estimates

OTHER PROCESSED FOODS FIRM PROFILES

Company	MD/CEO	Business description	Ownership Company #	Formed	Revenue	Staff	Address	Website
Cookie Time	Michael Mayell Director/Founder	Manufacturer of biscuits	428412 NZ; private (Mayell)	1983	$25-35m*	70	789 Main South Road Christchurch 64 3 349 6161	www.cookietime.co.nz
Manuka Health	Kerry Paul CEO	Natural health foods and products company (primarily honey)	1542649 NZ; private , PE (Paul,Thompsons ,others	2004	$25m (12)	70	1 Carlton Street, Te Awamutu, Waikato 64 7 870 6555	www. manukahealth.co.nz
ABE's Real Bagels	Ron Curteis General Manager	Manufacturer of bakery products	812309 NZ; private (Whimp, Nicoll, others)	1996	$15-20m*	45	30 Hannigan Drive Saint Johns, Auckland 64 9 527 3736	www.abesbagels.co.nz
Dad's Pies	Edward Grooten Director	Manufacturer of meat pies	260093 NZ; private (Grooten; Welch)	1981	$15-25m*	70	57 Forge Road Silverdale 0932 64 9 421 9027	www.dadspies.co.nz
Quality Foods Southland	Andee Gainsford Chief Executive	Manufacturer of bakery products	1183342 AU; private equity (Jesinta, others)	1990	$23m (FY12)	65	1 Baker Street Invercargill 64 3 211 6116	www.qfs.co.nz
Original Foods	Jane Mayell Director	Manufacturer of bakery products	500932 NZ; private (Clifford)	1991	$20-25m*	60	89 Sturrocks Road Redwood, Christchurch 64 3 354 4456	www.originalfoods.co.nz
GELITA NZ	Gary Monk Plant Manager	Manufacturers of edible pharmaceuticals and technical gelatins	120971 Germany; private (Koepff; Stoess families)	1881/ 1913	$17m (FY11)	60	30 Barton Street Woolston Christchurch 64 4 384 3093	www.gelita.com
Homecare Health Management	Songchuan Huang Director	Manufacturer, packer/canner of infant formula and nutraceuticals	2172658 NZ/China; (Huang; Shengjie Industrial Group)	2008	$10-20m*	60	26 Waipareira Ave, Henderson, Auckland 64 9 973 4011	www.homecarenz.co.nz
Taura Natural Ingredients	Peter Tinholt Chief Executive	Manufacturer of processed fruit-based products	193225 Australia	1978	$24m (FY12)	50	16 Owens Place Mount Maunganui 64 7 575 2119	www.taurarc.com
Milligans Food Group	Bruce Paton Managing Director	Manufacturer and distributor of a wide range of food ingredients	565193 NZ; private (Patton)	1896	$15-25m*	50	1 Chelmer Street Oamaru 64 3 434 1113	www.milligans.co.nz

* Estimate based on number of employees and type of business activity; Source: annual reports, company websites, company data, NZ Companies Office, interviews, Kompass, Coriolis estimates

OTHER PROCESSED FOODS FIRM PROFILES

	Company	MD/CEO	Business description	Ownership Company #	Formed	Revenue	Staff	Address	Website
	The Goodtime Food Company	Phillip Pollett Managing Director	Manufacturer of baked goods	165304 NZ; private (Pollett and Davis families)	1978	$10-15m*	50	27a Austin Street, Onekawa, Napier 64 6 843 8699	www.goodtime.co.nz
	Kaye's Bakery	Evan Penniall Director	Manufacturer of baked goods	157890 NZ; private (Yarrow & Penniall family)	1978	$10-15m*	50	19 Onslow Street Newfield, Invercargill 64 3 216 6065	www.kayes.co.nz
	New Image Group	Graeme Clegg Chairman	Manufacturer of infant formula and nutraceuticals	1021680 NZ; listed (NZX)	1984	$75m (FY12)	40	19 Mahunga Drive Mangere Bridge Auckland 64 9 622 2388	www.newimageasia.com
	Cedenco Foods New Zealand	Tim Chrisp Managing Director	Manufacturer of fruit and vegetable based ingredients	2523300 Japan (Imanaka)	1986/ 2010	$49.6m (FY12)	40-400	Level 2, 12 Heather Street, Auckland 64 9 362 0800	www.cedenco.co.nz www.cendeco.com www.imanaka.co.jp
	Harraways & Sons	Deans Hudson Director	Manufacturer of breakfast cereals	144029 NZ; private (Hudson)	1893	$15-20m*	40	165 Main South Road Green Island, Dunedin 64 3 488 3073	www.harraways.co.nz
	Kiwi Ice Cream	Marcus Moore Managing Director	Manufacturer of ice cream	544626 NZ; private (Moore)	1992	$15-20m*	40	232 Archers Road, Glenfield, Auckland 64 9 441 8211	www.kiwiicecream.co.nz www.icecreamland.co.nz
	Murdoch Manufacturing	Steve Anderson Director	Manufacturer and packer of processed foods	108688 Co-op; Foodstuffs South Island	1920	$10-20m*	40	167 Main North Rd, Christchurch 64 3 353 8700	www.foodstuffs-si.co.nz
	Arataki Honey	Pam Flack Managing Director	Honey processor	159950 NZ; proivate (Berry family)	1944/ 1954	$20-30m	40	66 Arataki Road, Havelock North, Hawke's Bay 64 6 877 7300	ww.aratakihoneyhb.co.nz 20,000 hives
	Smartfoods	Justin Hall Managing Director	Manufacturer of breakfast cereals and snacks	1345128 NZ; private (Hall; others)	2004	$10-15m*	30	3 Farmhouse Lane, St Johns, Auckland 64 9 578 5028	www.smartfoods.co.nz

* Estimate based on number of employees and type of business activity; Source: annual reports, company websites, company data, NZ Companies Office, interviews, Kompass, Coriolis estimates

OTHER PROCESSED FOODS FIRM PROFILES

	Company	MD/CEO	Business description	Ownership Company #	Formed	Revenue	Staff	Address	Website
	Thos Corson Holdings/Corson Grain	John A Corson Managing Director	Manufacturer of grain based ingredients for the food industry	151321 NZ; private (Corson)	1902	$10-20m*	30	415 Gladstone Road Gisborne 64 6 869 1320	www.corson.co.nz
	Elite Food Group	Paul Fisher Director	Manufacturer of baked goods	2176650 NZ; private (Fisher)	2008	$10-20m*	30	6-8 Stuart Street, Blenheim	www.elitefoodgroup.co.nz
	Pita Bread Ltd.	Daniel Eliahu Director	Manufacturer of baked goods	427902 NZ; private (Eliahu)	1989	$10-20m*	30	14a Arwen Place, East Tamaki 64 9 274 1839	www.pitabread.co.nz
	Waikato Valley Chocolates	Hans Vetsch Managing Director	Manufacturer of chocolate panning and moulding	658131 NZ; private (The Warehouse; Razey; others)	1975	$10-20m	30	5 Borman Road, Hamilton 64 7 855 8733	www.waikatovalleychocolates.co.nz
	NZ Honey Ltd	Warren Reynolds General Manager	Manufacturer and distributor of honey	847696/141375 NZ; cooperative	1981	$12-15m*	30	39 Laughton Street, Washdyke, Timaru +64 3 688 7380	www.nzhoney.co.nz Honeymark, Hollands, 3 bees, Sweet meadow brands
	The Wrigley Company (N.Z.)	Kate Morton Country Manager	Manufacturer of confectionery	44585 USA; private (div of Mars) (Mars family)	1940	$45m (FY12)	27	45 Banks Road Mount Wellington Auckland 64 9 579 9063	www.wrigley.co.nz
	Watson and Sons	Denis Watson CEO	Producer and marketer of honey and honey based medicines	1515653 NZ; private (Watson)	2003	$30-50m	12	17 Edwin Feist Place Masterton, Wairarapa 64 6 370 8824	www.watsonandson.co.nz 15,000 beehives

* Estimate based on number of employees and type of business activity; Source: annual reports, company websites, company data, NZ Companies Office, interviews, Kompass, Coriolis estimates

MARKETS

Processed Foods

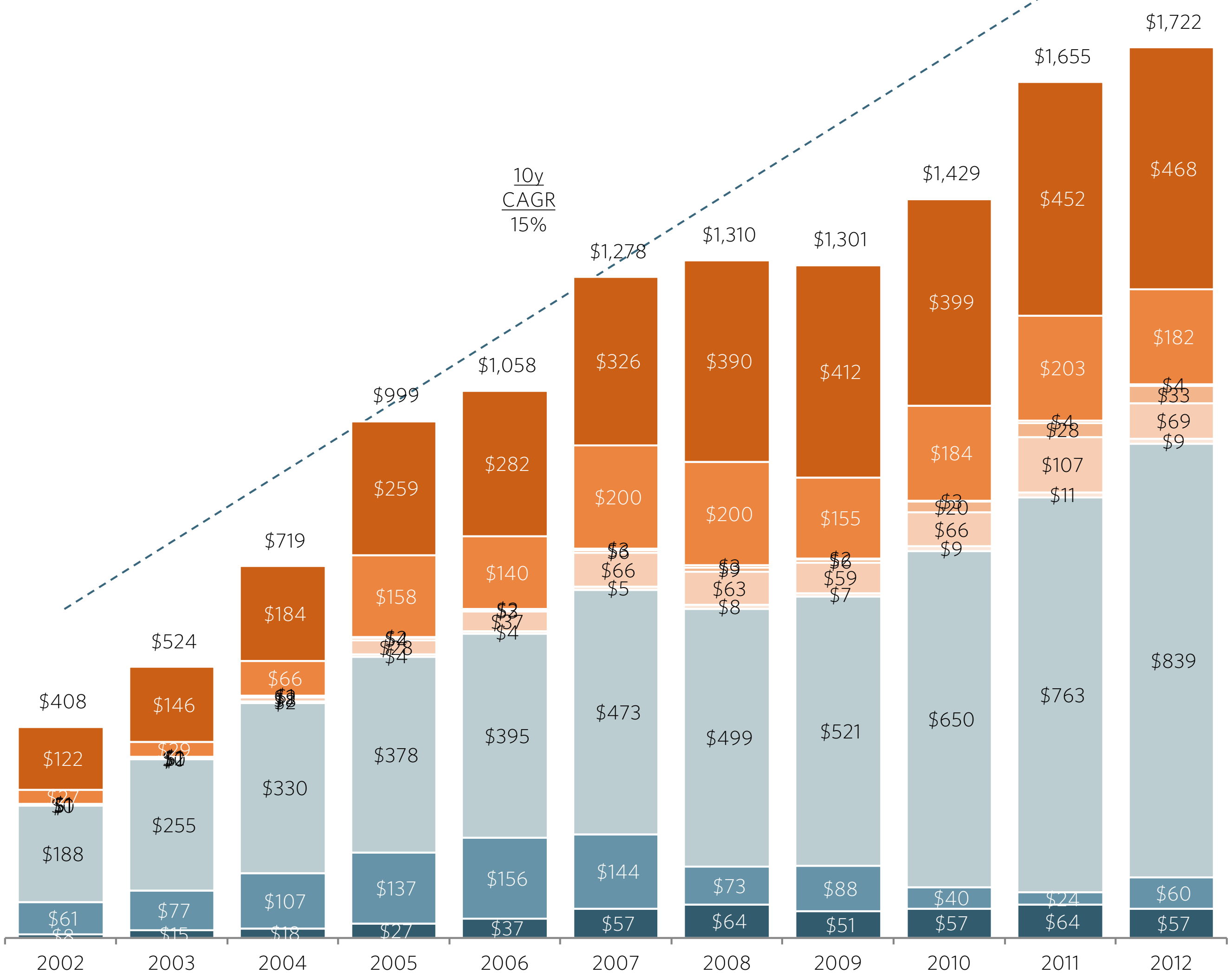
iFAB 2013

PROCESSED FOODS – EXPORTS BY REGION

Over the past decade New Zealand processed foods exports have achieved strong growth driven primarily by Australia and the developing world

10 YEAR NEW ZEALAND PROCESSED FOODS EXPORT VALUE BY SUPER-REGION

US$m; 2002-2012



	10 Year CAGR	10 Year Absolute
TOTAL	15%	+$1,314m
E Asia	14%	+$347m
SE Asia	21%	+$155m
Indian Sub	24%	+$4m
NA/ME/CA	36%	+$31m
SS Africa	58%	+$68m
C/S America	59%	+$9m
Australia/ Pacific Is.	16%	+$651m
N. America	-0%	-$1m
Europe	22%	+$49m

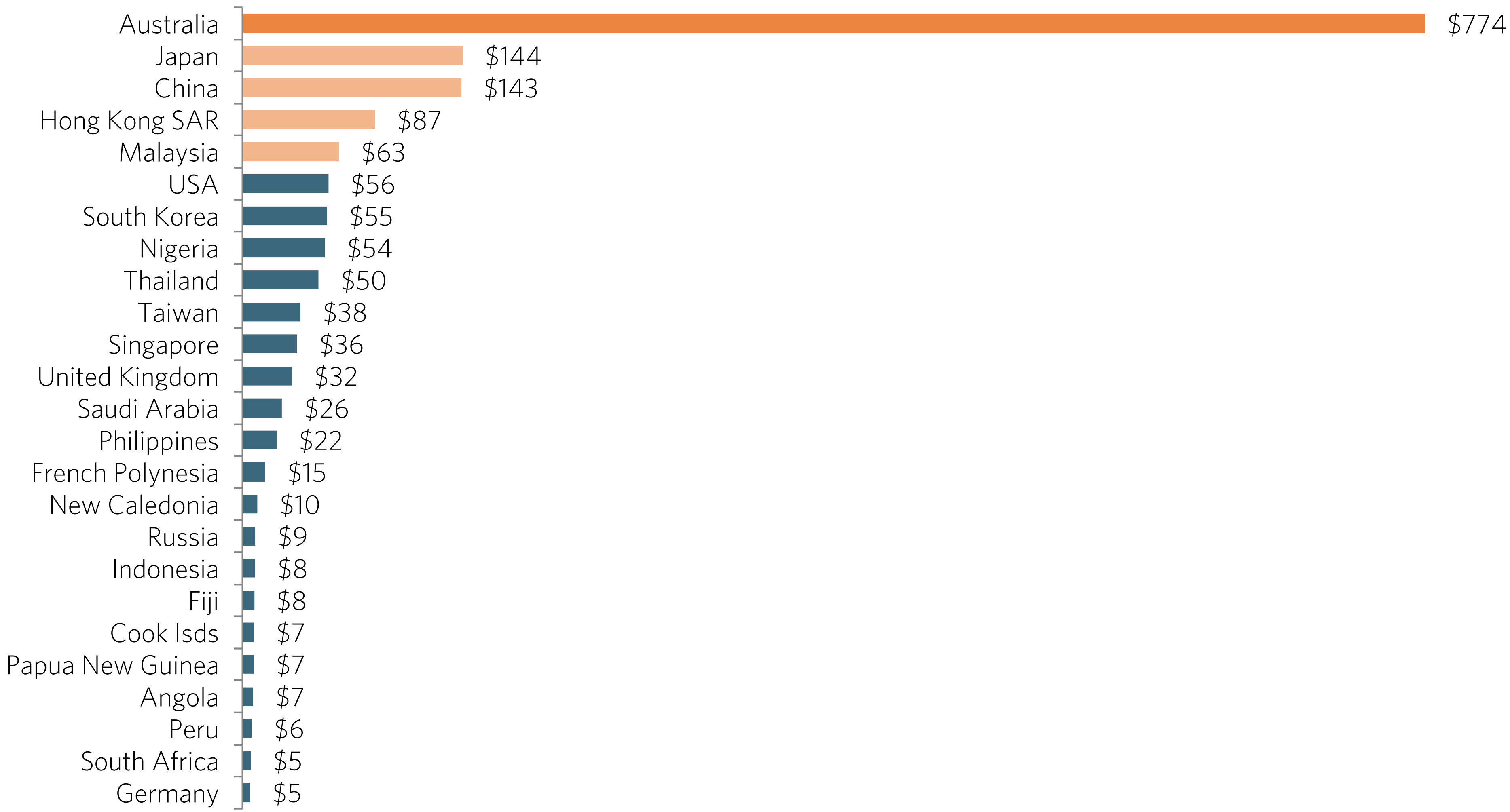
Source: UN Comtrade database; Coriolis analysis

EXPORT DOLLARS

Australia continues to be the number one processed foods export market

TOP 25 PROCESSED FOODS MARKETS BY EXPORT VALUE

US$m; 2012



Source: UN Comtrade database; Coriolis analysis

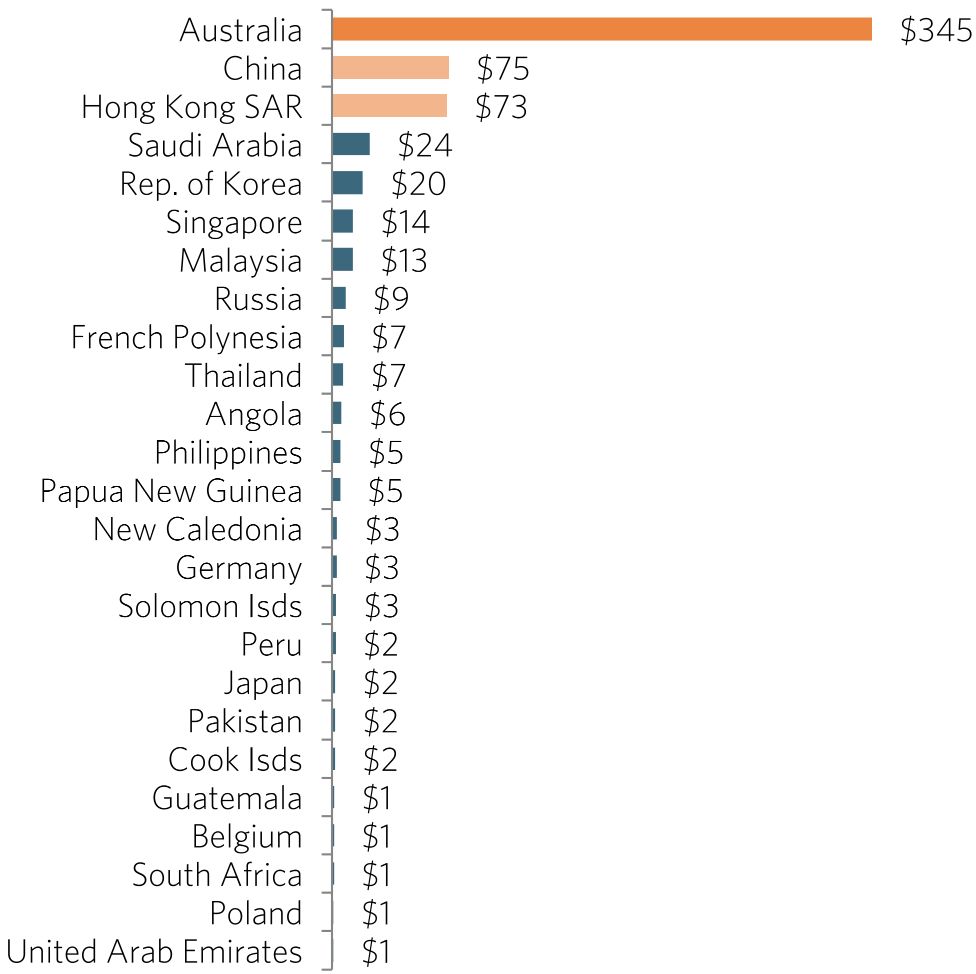
EXPORT DOLLAR GROWTH

Australia, Hong Kong/China & wider Asia-Pacific region driving dollar value growth; interestingly US strong last year (though down over last five years; suggesting recovery)

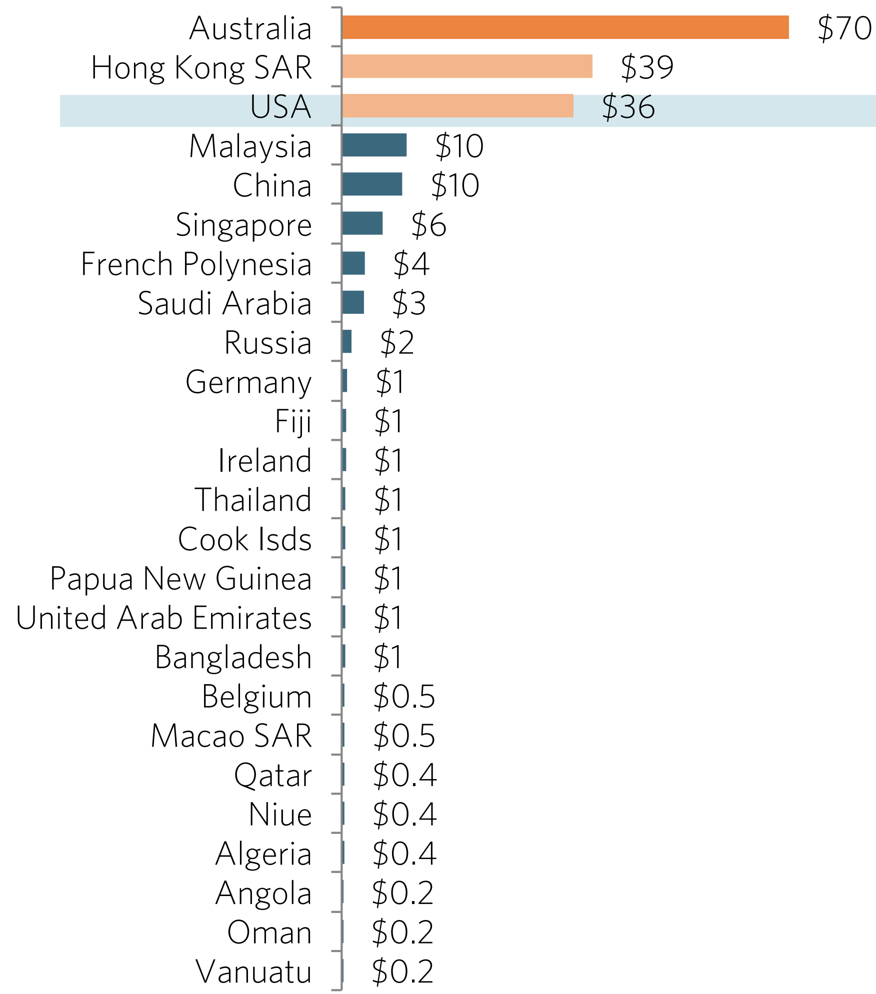
TOP 25 PROCESSED FOODS MARKETS BY CHANGE IN EXPORT VALUE

US$m

5 YEAR CHANGE; 07-12



1 YEAR CHANGE; 11-12



Source: UN Comtrade database; Coriolis analysis

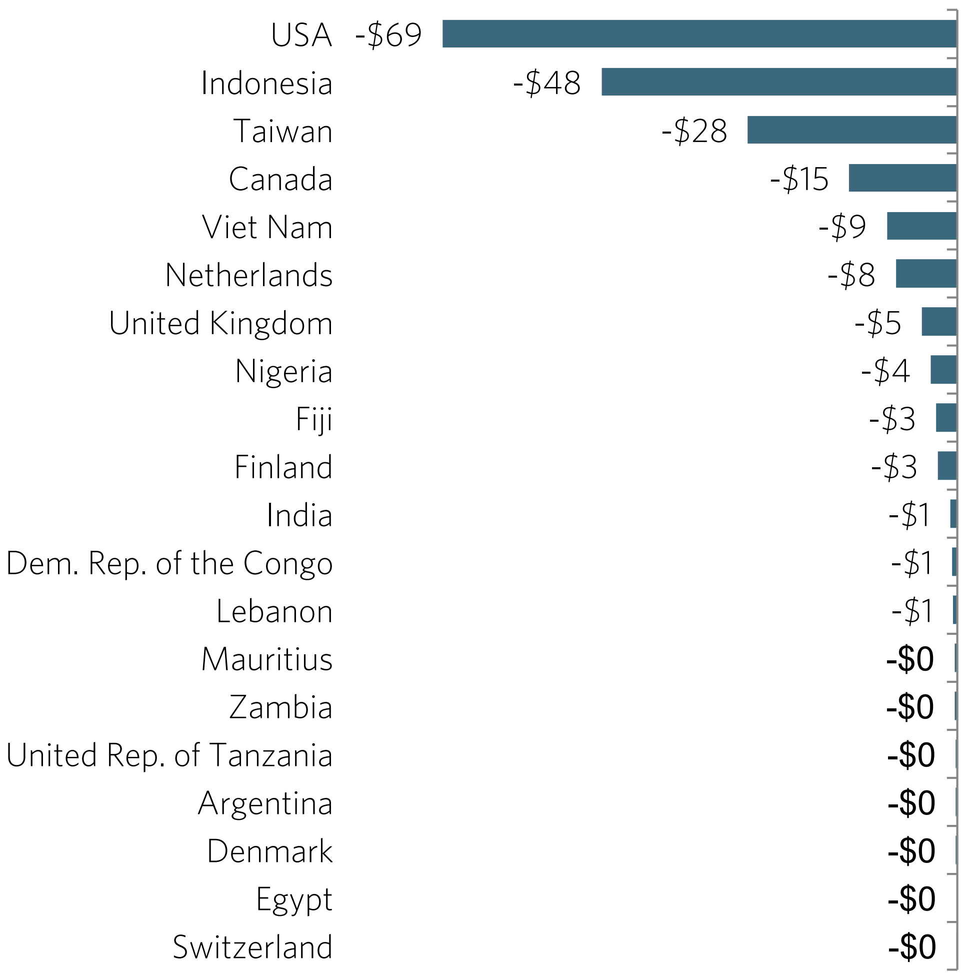
EXPORT DOLLAR DECLINE

Nigeria, Indonesia and South Korea leading declining markets by value

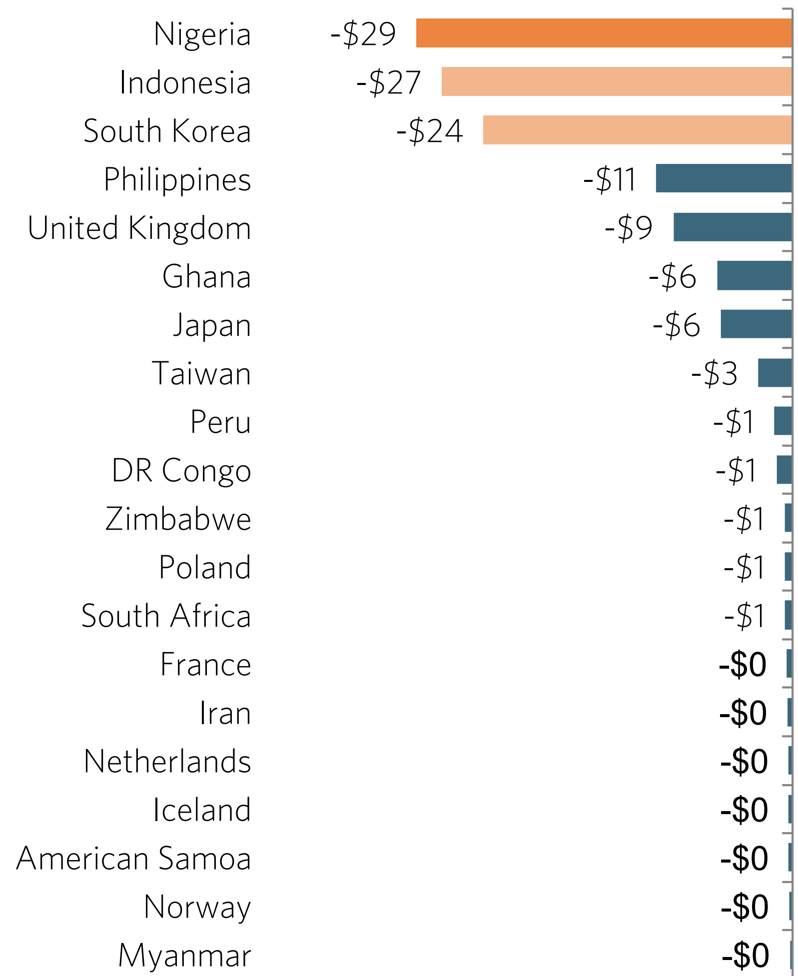
BOTTOM 25 PROCESSED FOODS MARKETS BY CHANGE IN EXPORT VALUE

US$m

5 YEAR CHANGE; 07-12



1 YEAR CHANGE; 11-12



Source: UN Comtrade database; Coriolis analysis

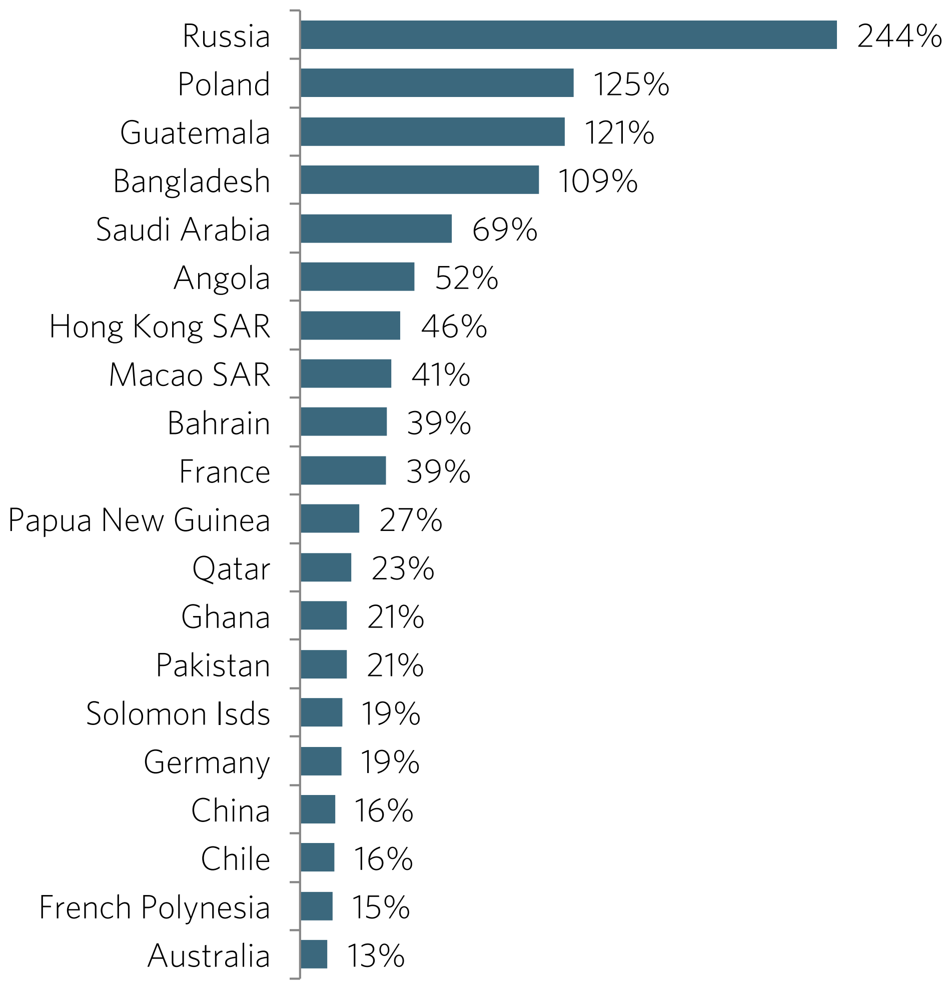
PERCENT GROWTH

Strong growth rates coming out of a wide range of countries

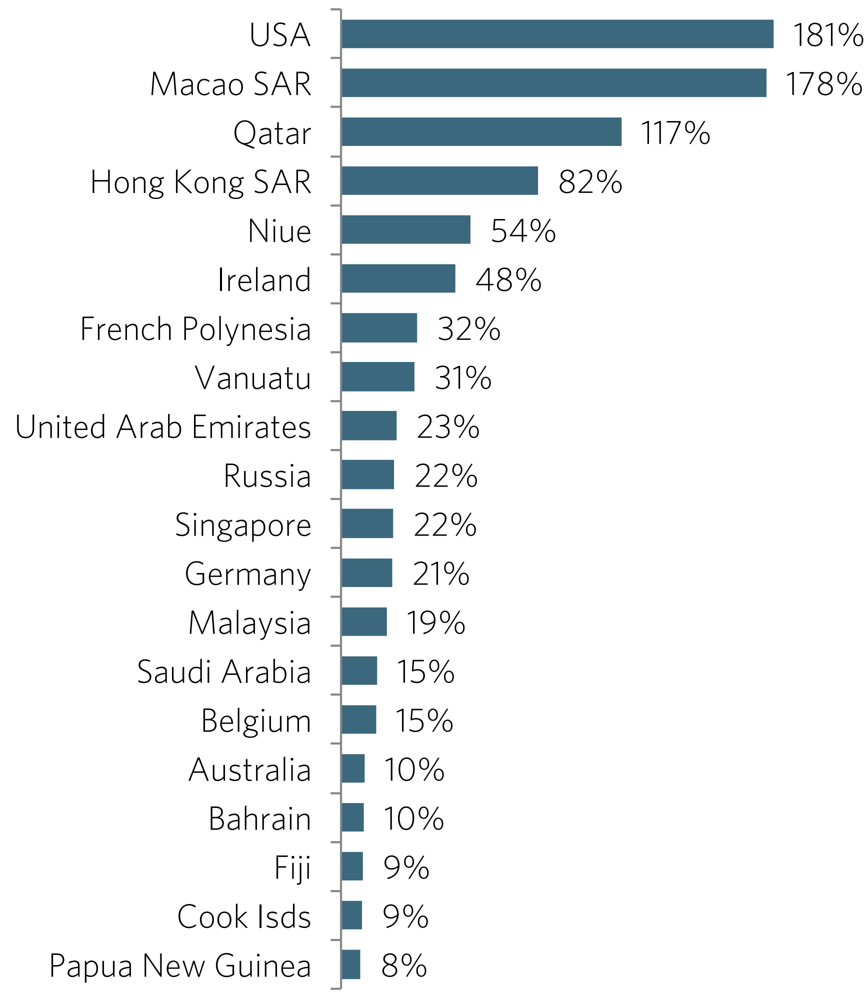
TOP 25 PROCESSED FOODS MARKETS BY CAGR PERCENT CHANGE IN EXPORT VALUE

US$m; %

5 YEAR CAGR; 07-12



1 YEAR CHANGE; 11-12



Source: UN Comtrade database; Coriolis analysis

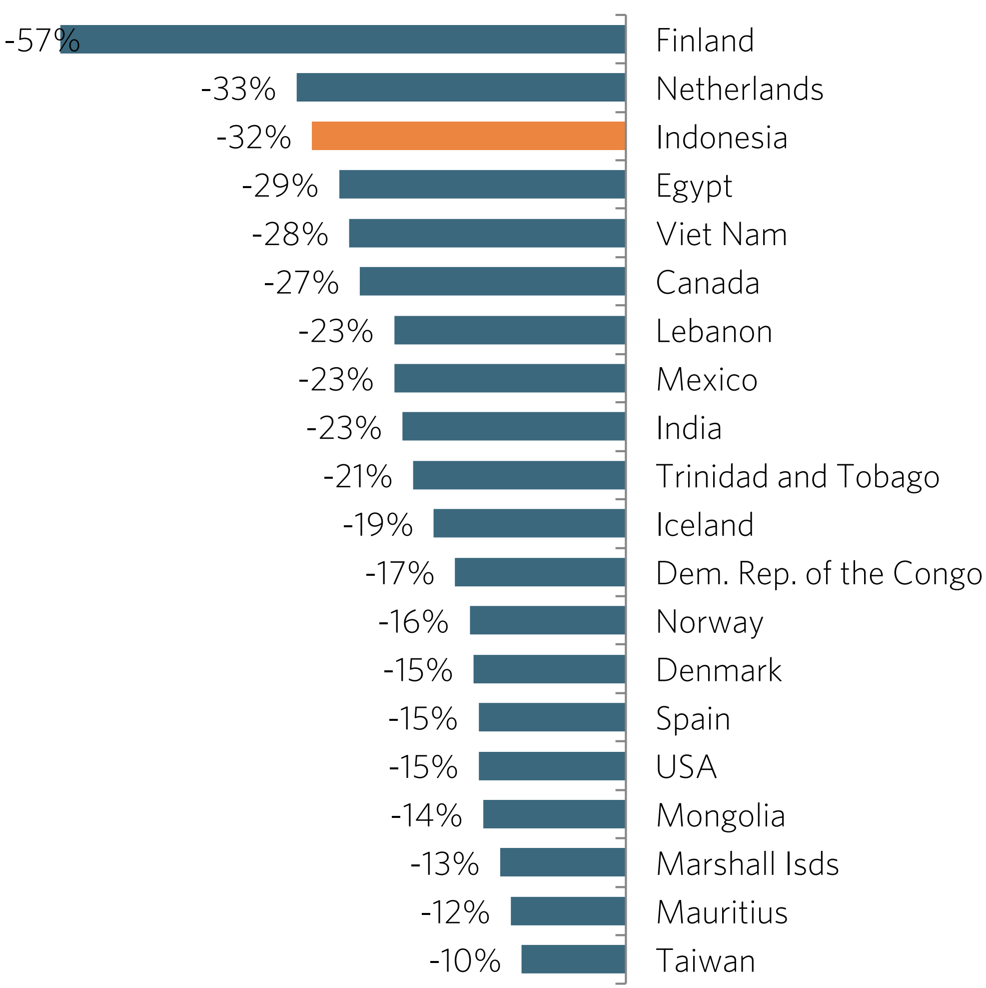
PERCENT DECLINE

Indonesia and parts of Africa stand out in declining markets

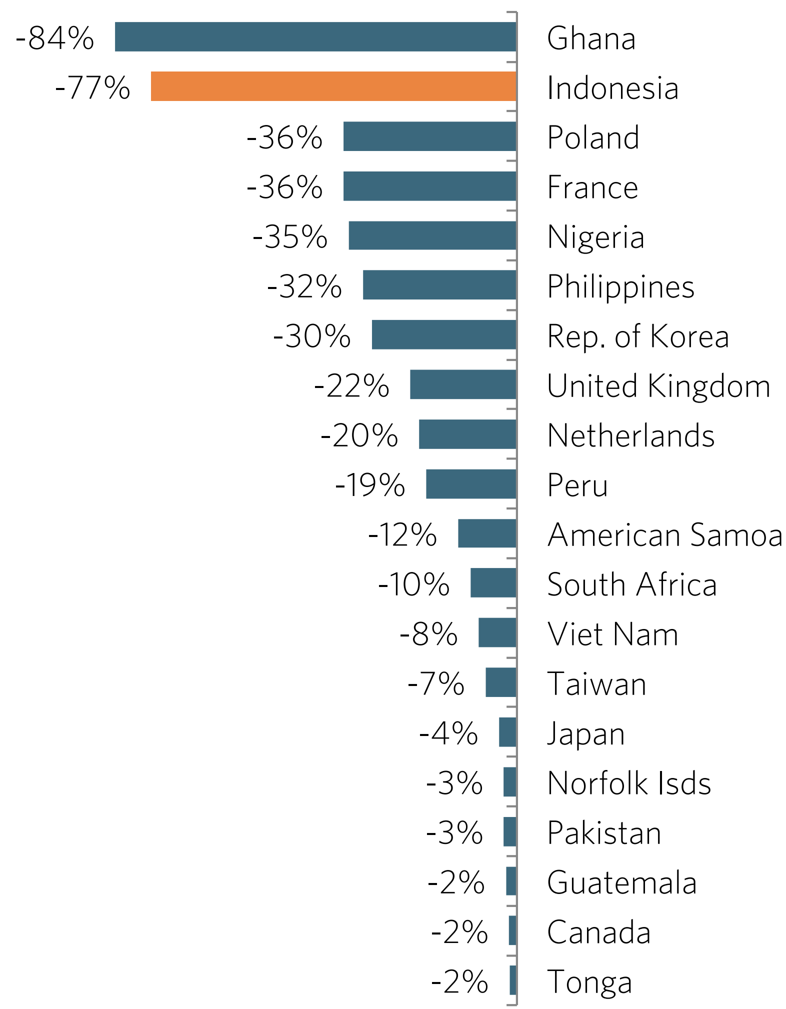
TOP 25 PROCESSED FOODS MARKETS BY CAGR PERCENT CHANGE IN EXPORT VALUE

US$m

5 YEAR CAGR; 07-12



1 YEAR CHANGE; 11-12



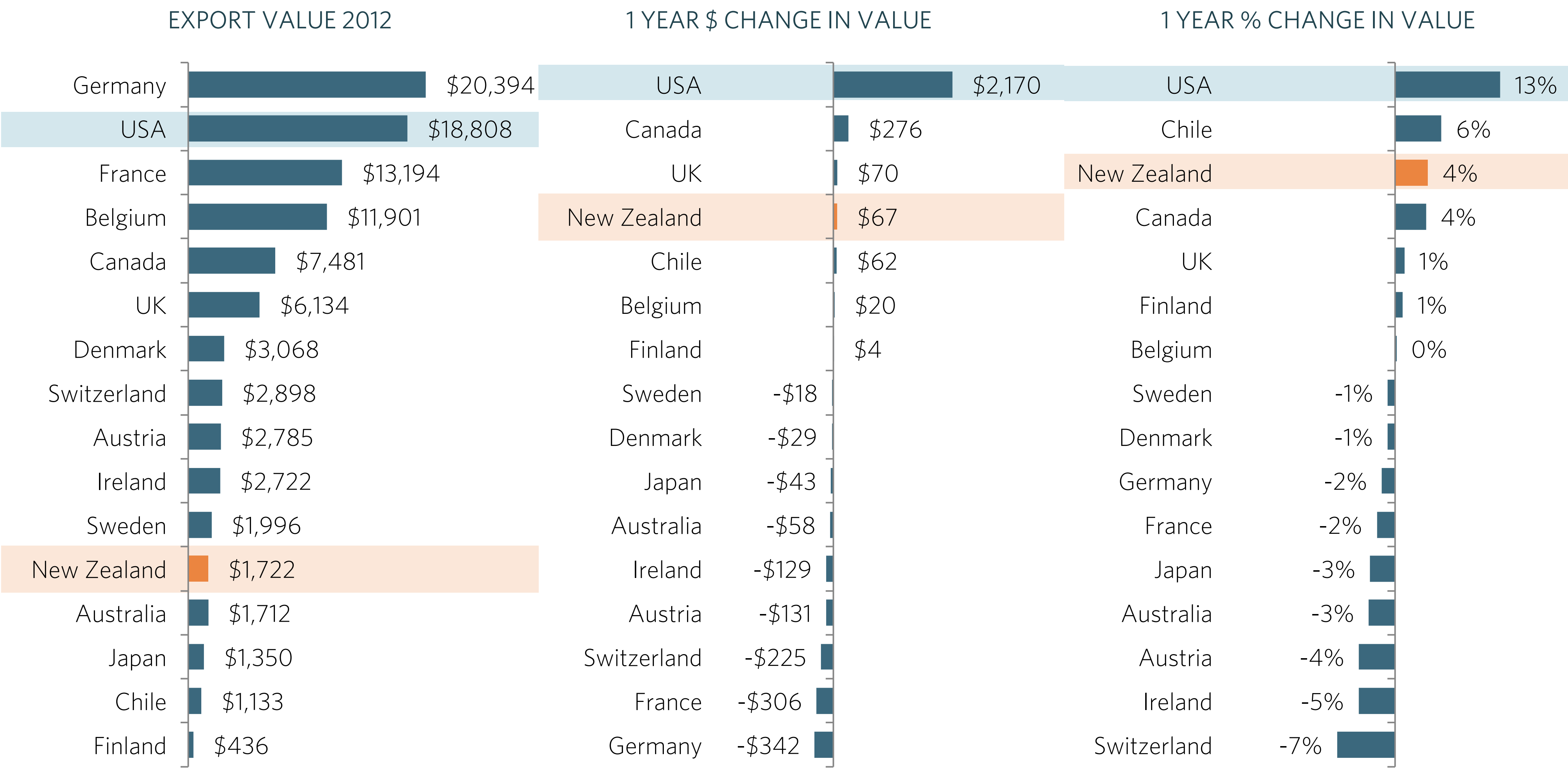
Source: UN Comtrade database; Coriolis analysis

BENCHMARK – EXPORT GROWTH VS. COMPETITORS

New Zealand's performance in a difficult year globally was good relative to many key competitors, though poor relative to the US which put on a stunning performance (discussed next page)

TOTAL PROCESSED FOODS EXPORT VALUE IN 2012: NZ VS. COMPETITORS

US$m; 2012; 2012 vs. 2011



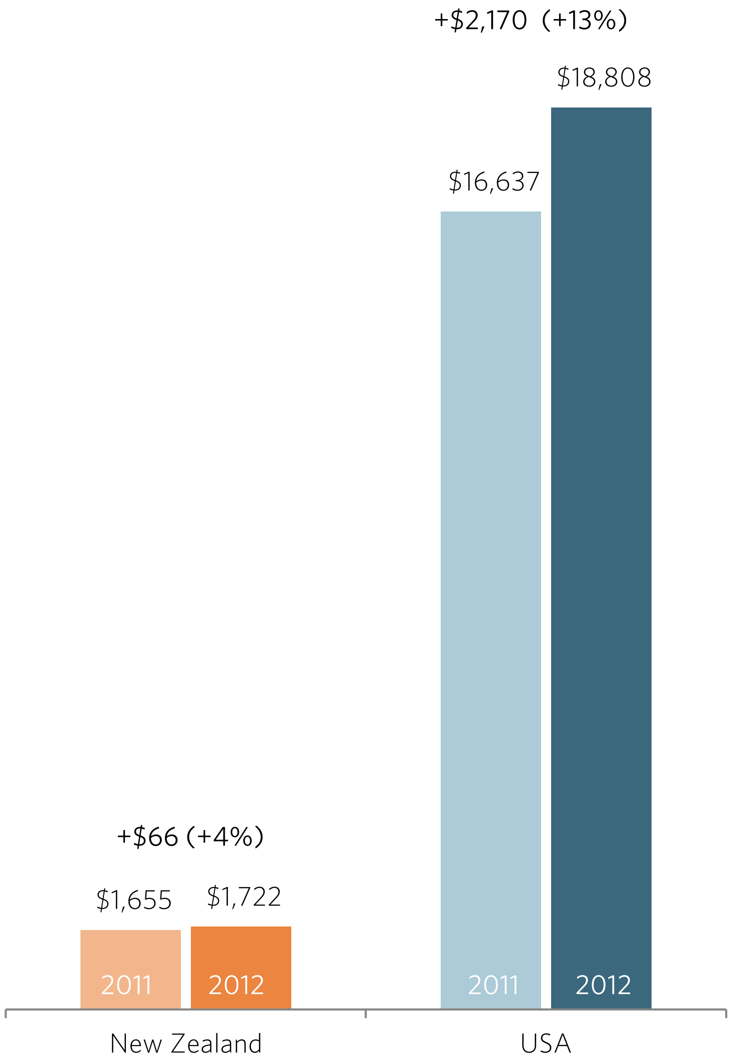
Note: Non-NZ countries use a slightly different definition for ease of calculation; not material to results; Source: UN Comtrade database; Coriolis analysis

FOCUS – NZ VS. USA

The United States achieved strong growth in its processed foods exports to a wide range of markets, whereas New Zealand is really only achieving traction in Australia, Hong Kong and a few other Asian markets

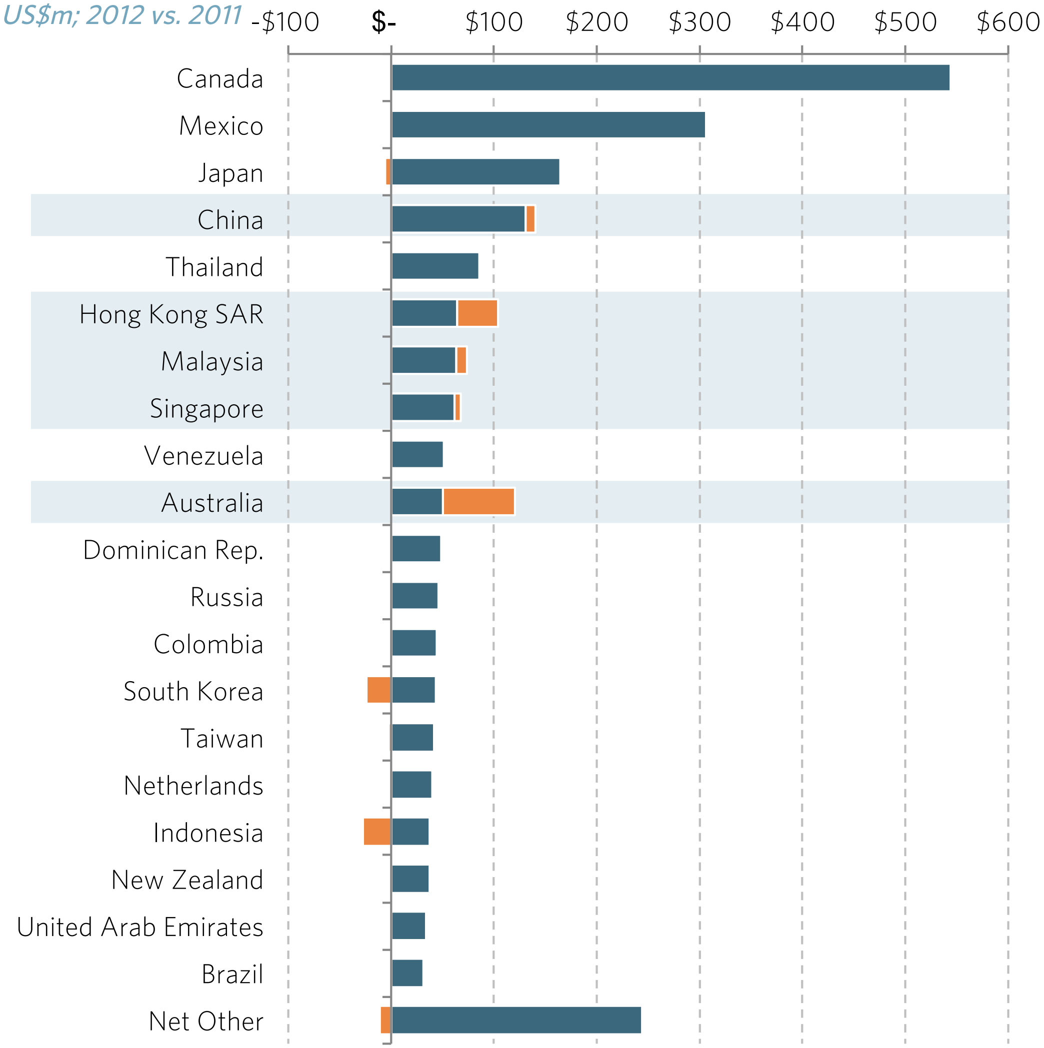
PROCESSED FOODS EXPORT VALUE: NZ VS. USA

US$m; 2011-2012



TOP 20 USA PROCESSED FOODS MARKETS BY 1Y VALUE GROWTH VS. NZ

US$m; 2012 vs. 2011



Note: Non-NZ countries use a slightly different definition for ease of calculation; not material to results; Source: UN Comtrade database; Coriolis analysis


PRODUCTS
Processed Foods
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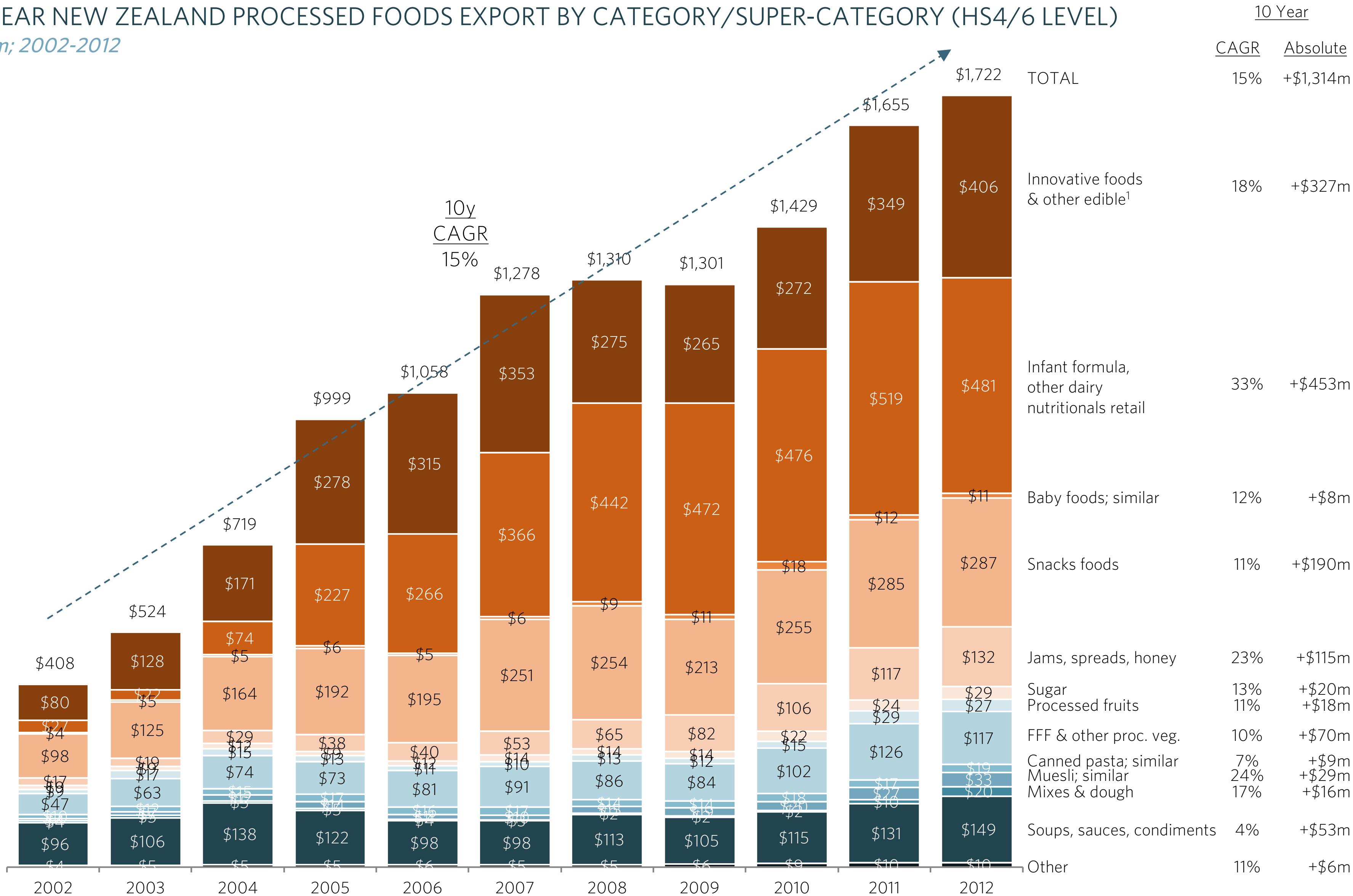
PROCESSED FOODS – EXPORTS BY TYPE

New Zealand processed foods exports have achieved strong overall growth in the past decade

10 YEAR NEW ZEALAND PROCESSED FOODS EXPORT BY CATEGORY/SUPER-CATEGORY (HS4/6 LEVEL)

US$m; 2002-2012



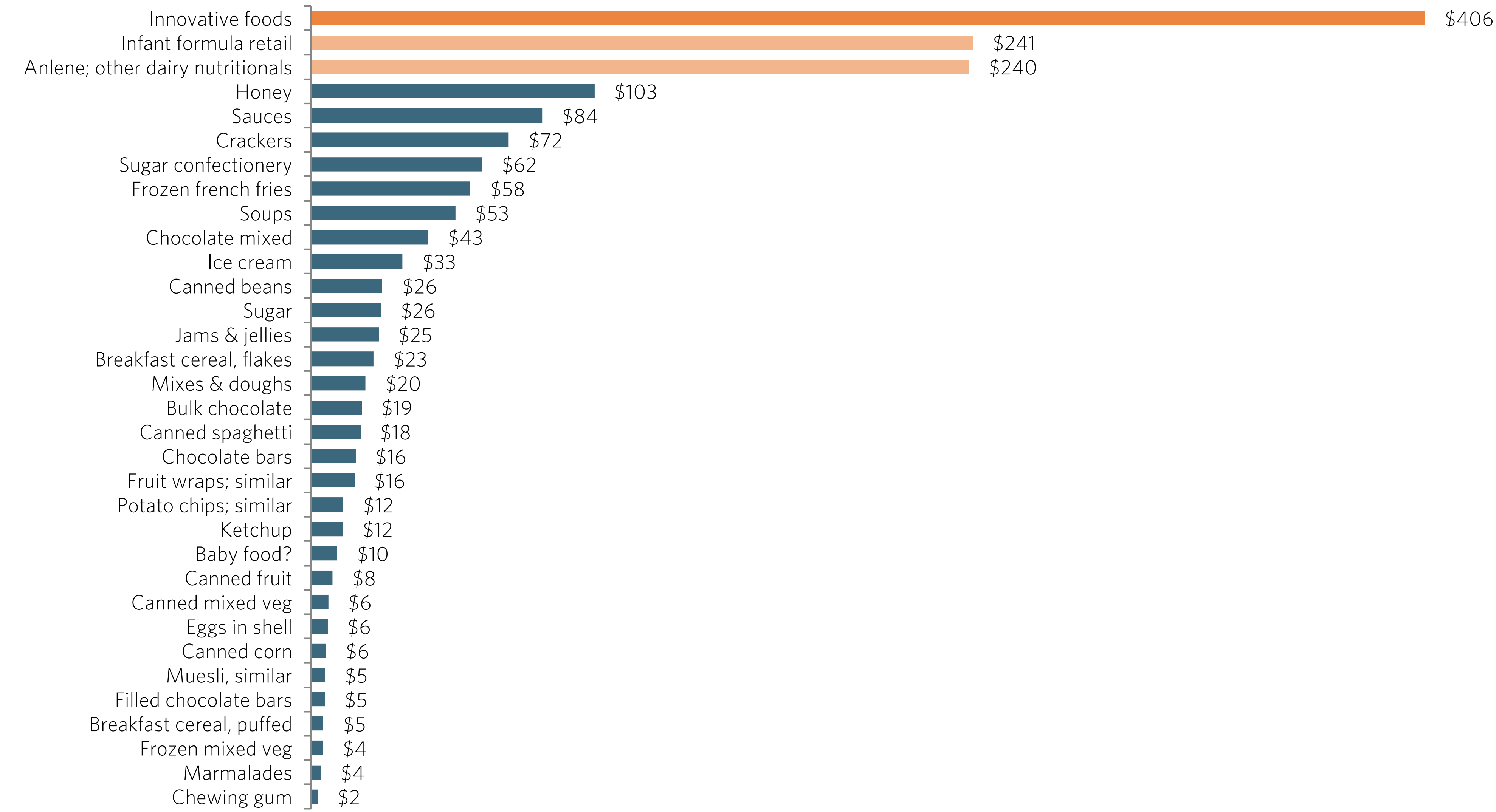
1. Innovative foods are processed foods not elsewhere classified (i.e. not in existence when the trade codes were last revised); Source: UN Comtrade database; Coriolis analysis

EXPORT DOLLARS

Innovative foods[1], infant formula and other retail dairy nutritionals were the largest processed foods export categories

EXPORT VALUE OF TOP 33 PROCESSED FOODS PRODUCTS (HS6 LEVEL) EXPORTS IN 2012

US$m; 2012



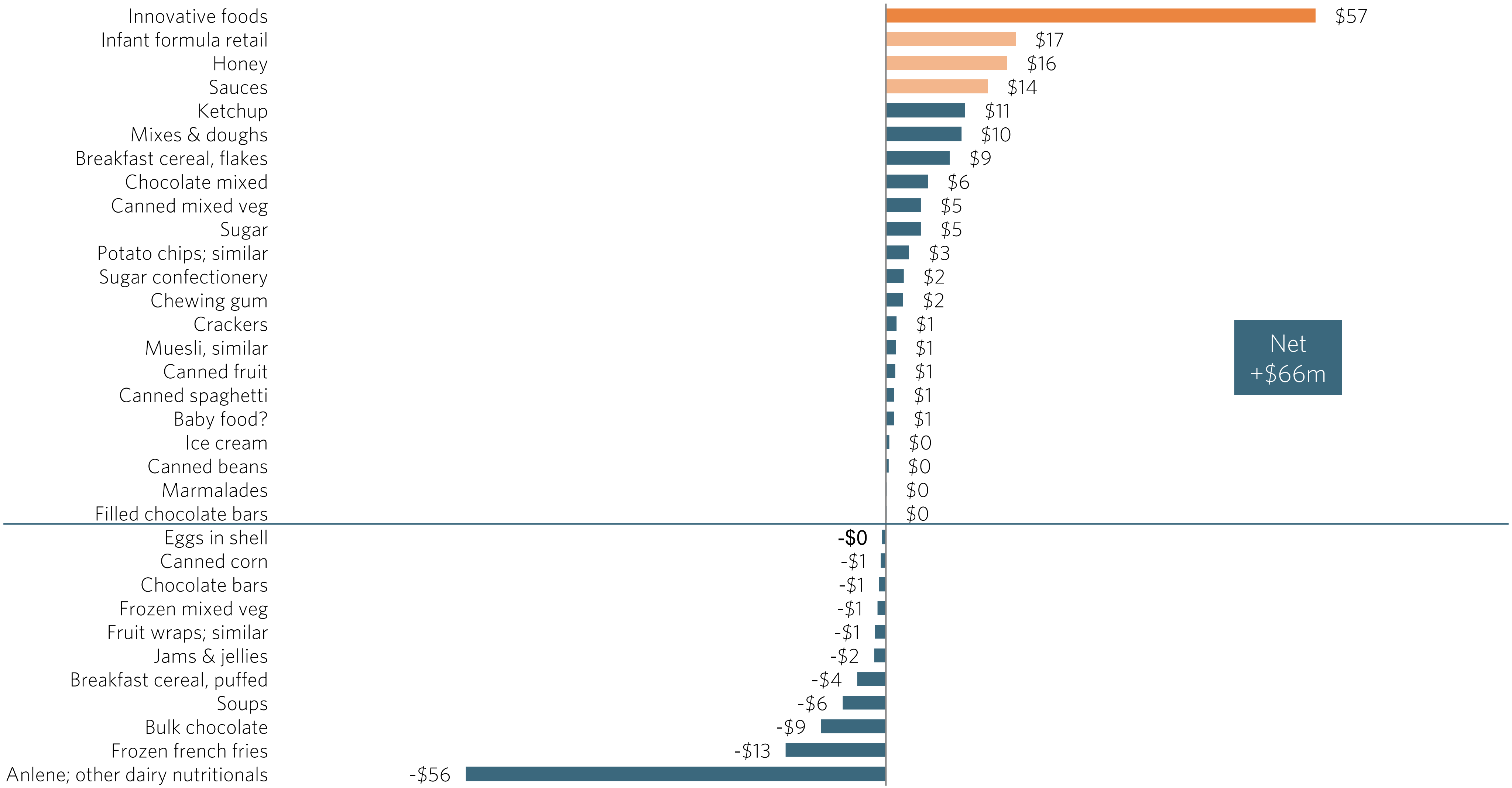
1. Innovative foods are processed foods not elsewhere classified (i.e. not in existence when the trade codes were last revised); Source: UN Comtrade database; Coriolis analysis

EXPORT DOLLAR GROWTH

In 2012, innovative foods, infant formula, honey and sauces led export value growth, while other dairy nutritionals led declines

ANNUAL CHANGE IN EXPORT VALUE OF TOP 33 PROCESSED FOODS EXPORTS

US$m; 2012 vs. 2011



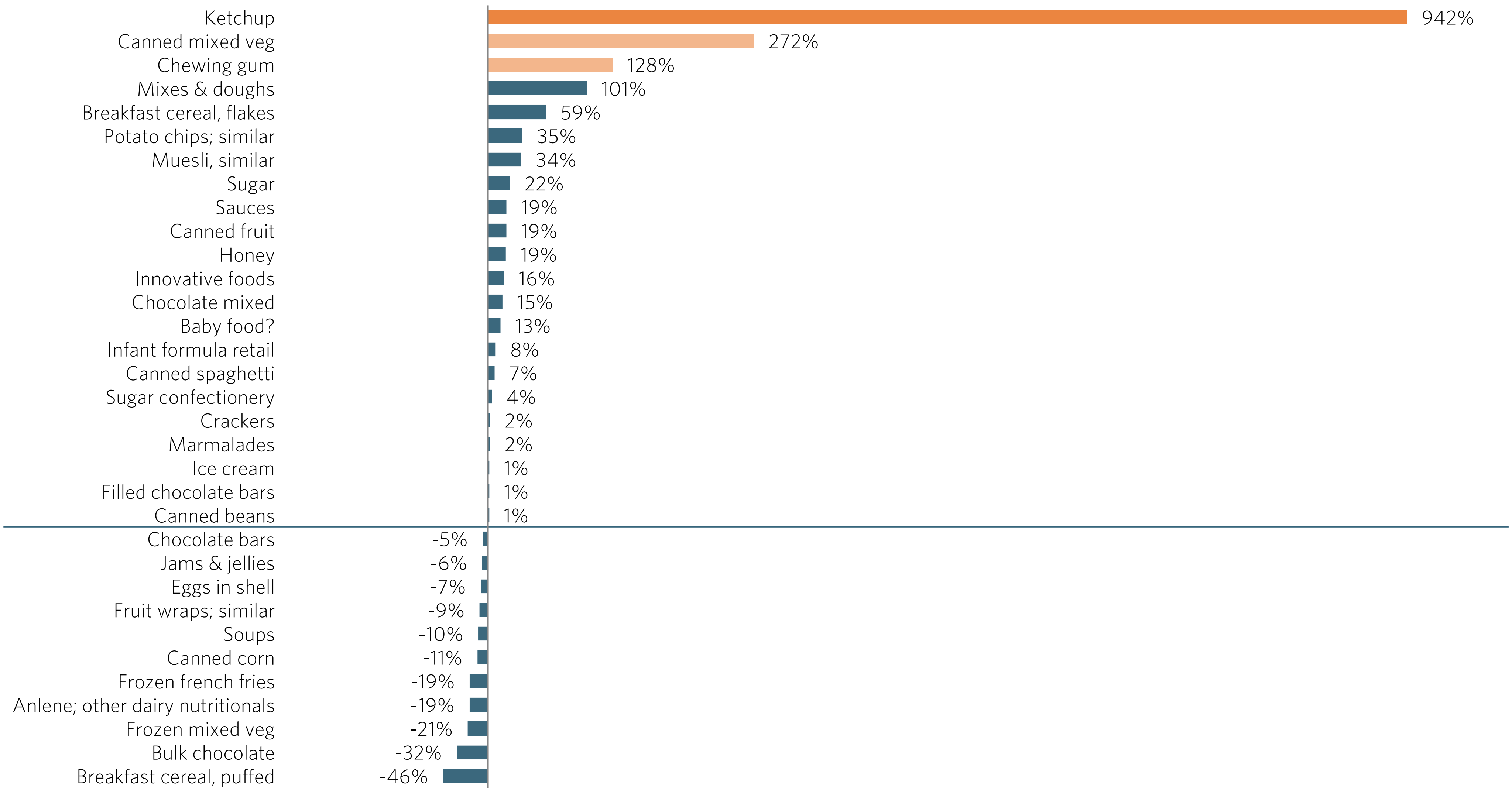
Source: UN Comtrade database; Coriolis analysis

PERCENT GROWTH

In 2012, ketchup, canned mixed veg and bakers mixes & doughs grew at the fastest rate

ANNUAL PERCENT GROWTH IN TOP 33 PROCESSED FOODS EXPORTS

US$m; 2012 vs. 2011

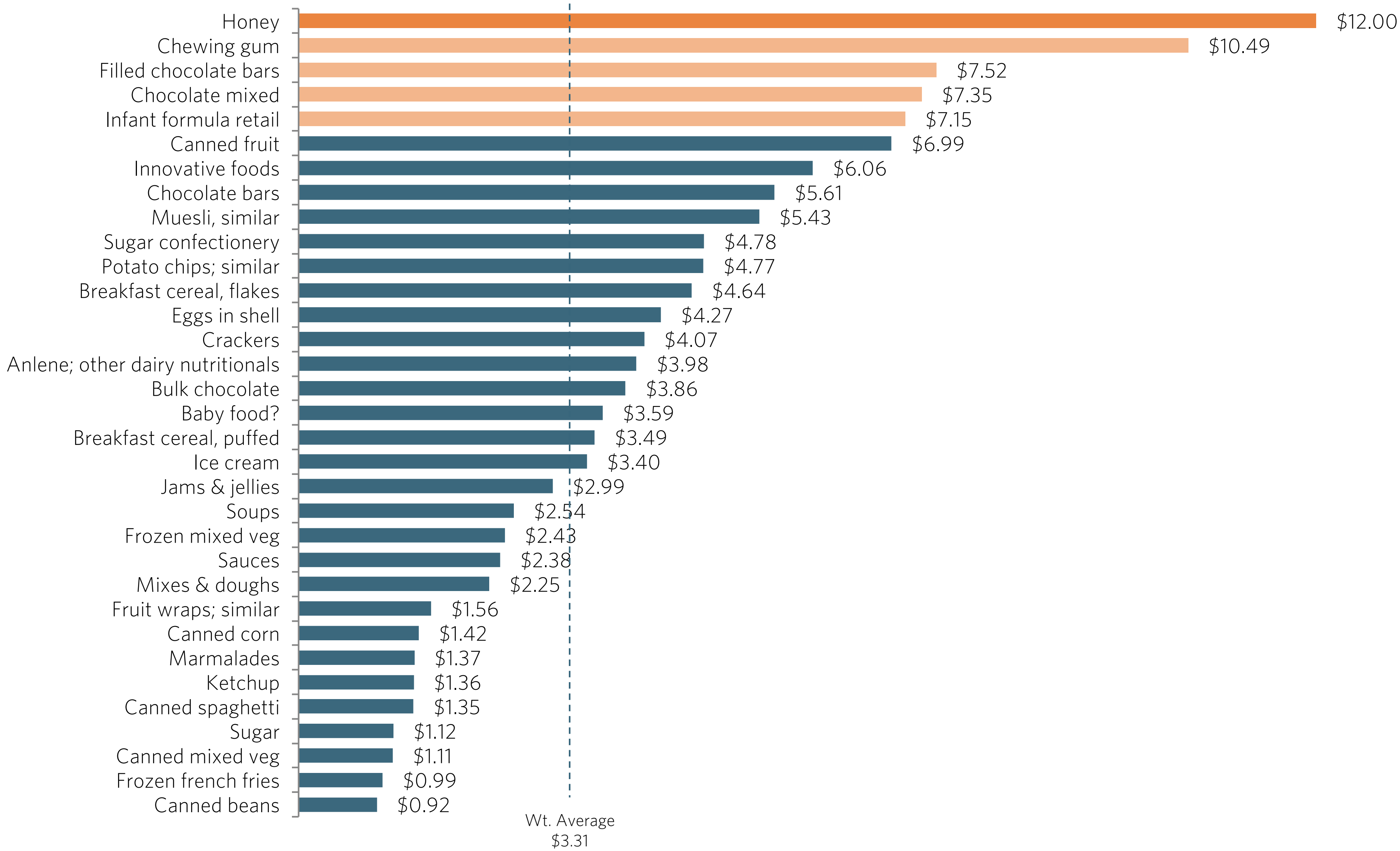


Source: UN Comtrade database; Coriolis analysis

In 2012 honey, chewing gum, chocolate, infant formula and canned fruit led in terms of export dollars per kilo

VALUE PER KILOGRAM OF TOP 33 PROCESSED FOODS EXPORTS

US$m; 2012



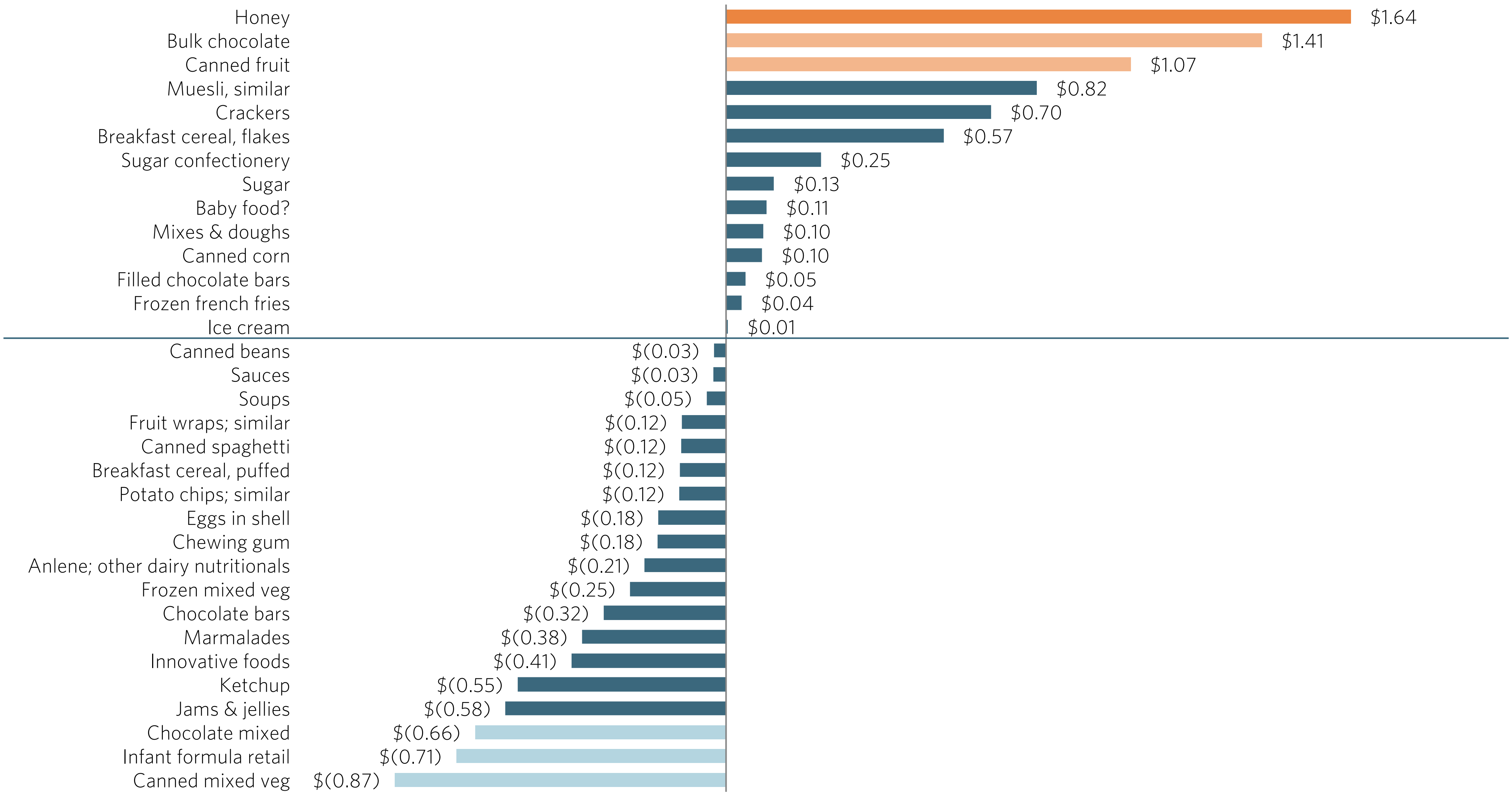
Source: UN Comtrade database; Coriolis analysis

$/KG CHANGE

In 2012 honey, bulk chocolate and canned fruit achieved good price increases, while canned mixed veg, infant formula and mixed/assorted chocolates led price declines

ANNUAL CHANGE IN VALUE PER KILOGRAM OF TOP 33 PROCESSED FOODS EXPORTS

US$M; 2012 vs. 2011



Source: UN Comtrade database; Coriolis analysis

APPENDIX

Processed Foods

PROCESSED FOODS – INDUSTRY SCIENTIFIC RESEARCH

A number of research institutes are researching in the processed foods sector

KEY SCIENTIFIC RESEARCH ORGANISATIONS INVOLVED IN PROCESSED FOODS RESEARCH IN NEW ZEALAND

(2013)

	Focus & activities
Plant & Food RESEARCH RANGAHAU AHUMĀRA KAI	- Food innovation – foods with functionalities - www.plantandfood.co.nz
BAKING INDUSTRY RESEARCH TRUST	- Baking Industry Research Trust - www.bakeinfo.co.nz
Riddet Institute Food | Innovation | Health	- Riddet Institute - Global expertise on future foods, functional foods and individualised foods including personalised nutrition - www.riddet.massey.ac.nz
NewZealand Food Innovation Network CallaghanInnovation	- Network of science and technology resources at four locations throughout NZ - Registered to export both meat and dairy; wet and dry processing - Pilot plants for food producers, for pilot and test manufacturing - www.foodinnovationnetwork.co.nz/ - www.callaghaninnovation.govt.nz
agresearch	- R&D focused on quality of meat and dairy foods - www.agresearch.co.nz

Source: Company websites; annual reports; Coriolis

PROCESSED FOODS – INDUSTRY ORGANISATIONS

There are five key industry organisations representing the New Zealand processed foods industry

KEY INDUSTRY ORGANISATIONS INVOLVED IN PROCESSED FOODS IN NEW ZEALAND

(2013)

	Details	website
FGC NEW ZEALAND FOOD & GROCERY COUNCIL	- New Zealand Food and Grocery Council - Represents the manufacturers and suppliers behind New Zealand's food, beverage and grocery brands	www.fgc.org.nz
BAKING INDUSTRY ASSOCIATION OF NEW ZEALAND	- Baking Industry Association of NZ - Supports and promotes the baking industry (e.g. Bakery owners)	www.bianz.co.nz
UNITED WHEATGROWERS NZ LTD	- United Wheatgrowers NZ Association - Grower driven organisation	www.uwg.co.nz
NEW ZEALAND PETFOOD MANUFACTURERS ASSOCIATION	- NZ Petfood Manufacturers Association - Manufacturers of and suppliers to the petfood indusrty	www.petfoodnz.co.nz
The New Zealand Ice Cream Manufacturers Assoc. (Inc.)	- NZ Ice Cream Manufacturers Association	www.nzicecream.org.nz

Source: Company websites; annual reports; Coriolis

METHODOLOGY & DATA SOURCES

Data was from a variety of sources, and has a number of identified limitations

This report uses a range of information sources, both qualitative and quantitative.

The numbers in this report come from multiple sources. While we believe the data are directionally correct, we recognise the limitations in what information is available. In many cases different data sources disagree (e.g. Statistics New Zealand vs. FAO vs. UN Comtrade). Many data sources themselves incorporate estimates of industry experts (e.g. FAO AgStat). As one example, in many cases, the value and/or volume recorded as exported by one country does not match the amount recorded as being received as imports by the counterparty [for understood reasons]. In addition, in some places, we have made our own clearly noted estimates.

All trade data analysed in all sections of the F&B Information project are calculated and displayed in US$. This is done for a range of reasons:

1. It is the currency most used in international trade
2. It allows for cross country comparisons (e.g. vs. Denmark)
3. It removes the impact of NZD exchange rate variability
4. It is more comprehensible to non-NZ audiences (e.g. foreign investors)
5. It is the currency in which the United Nations collects and tabulates global trade data

The opinions expressed in this report represent those of the industry participants interviewed and the authors. These do not necessarily represent those of Coriolis Limited or the New Zealand Government.

Coriolis has not been asked to independently verify or audit the information or material provided to it by or on behalf of the Client or any of the data sources used in the project. The information contained in the report and any commentary has been compiled from information and material supplied by third party sources and publicly available information which may (in part) be inaccurate or incomplete. Coriolis makes no representation, warranty or guarantee, whether express or implied, as to the quality, accuracy, reliability, currency or completeness of the information provided in the report.

If you have any questions about the methodology, sources or accuracy of any part of this report, please contact project lead Tim Morris at Coriolis, on +64 9 623 1848

Project defines the following trade codes as processed foods

GLOBAL HARMONISED SYSTEM (HS) TRADE CODES DEFINED AS PROCESSED FOODS

HS2002

HS	Short Description	Longer official description
040700	Eggs in shell	Birds' eggs, in shell, fresh, preserved or cook
040811	Egg yokes, dried	Dried egg yolks
040819	Egg yokes, liquid/frozen	Egg yolks (excl. dried)
040891	Eggs, dried	Dried birds' eggs, not in shell
040899	Eggs, liquid	Birds' eggs, not in shell (excl. dried)
040900	Honey	Natural honey
041000	Other edible animal prod.	Edible products of animal origin, nes
170111	Raw sugar, cane	Raw cane sugar, in solid form
170112	Raw sugar, beet	Raw beet sugar, in solid form
170191	Sugar, flavoured	Cane or beet sugar, containing added flavouring
170199	Sugar	Cane or beet sugar, in solid form, nes
170220	Maple syrup	Maple sugar and maple syrup
170230	Glucose syrup, low fruct.	Glucose and glucose syrup, containing <20% fruc
170240	Glocose syrup, high fruct.	Glucose and glucose syrup, containing >=20% but
170250	Fructose	Chemically pure fructose
170260	HFCS, similar	Other fructose and fructose syrup, containing >
170290	Sugar blends; similar	Artificial honey, caramel and other sugars (inc
170310	Molasses, cane	Cane molasses resulting from the extraction or
170390	Molasses, other	Molasses resulting from the extraction or refin
170410	Chewing gum	Chewing gum
170490	Sugar confectionery	Sugar confectionery (incl. white chocolate), no
180500	Cocoa powder, unsweet	Cocoa powder, not containing added sugar or other
180610	Cocoa powder, sweet	Cocoa powder, sweetened
180620	Bulk chocolate	Chocolate and other food preps containing cocoa > 2 kg
180631	Filled chocolate bars	Chocolate, cocoa preps, block, slab, bar, filled, >2kg
180632	Chocolate bars	Chocolate, cocoa prep, block/slab/bar, not filled,>2kg
180690	Chocolate mixed	Chocolate, etc, containing cocoa, not in blocks

HS	Short Description	Longer official description
190110	Infant formula retail	Infant foods of cereals, flour, starch or milk, retail
190120	Mixes & doughs	Mixes and doughs for preparation of bakers' war
190190	Anlene; other dairy nutritionals	Malt Extract & limited cocoa pastrycooks products nes
190211	Pasta, w/egg	Uncooked pasta containing eggs not stuffed
190219	Pasta, no egg	Uncooked pasta, not containing eggs, not stuffe
190220	Stuffed pasta	Stuffed pasta
190230	Canned spaghetti	Other pasta, nes
190240	Couscous	Couscous
190300	Tapioca	Tapioca and substitutes prepared from starch in
190410	Breakfast cereal, puffed	Cereal foods obtained by swelling, roasting of cereal
190420	Breakfast cereal, flakes	Prepared food from unroasted cereal flakes
190490	Muesli, similar	Prepared cereals in grain form (excl. maize)
190510	Crispbread	Crispbread
190520	Gingerbread, etc.	Gingerbread and the like
190540	Rusks, etc.	Rusks, toasted bread and similar toasted produc
190590	Crackers	Communion wafers, rice paper, bakers wares nes
200110	Pickles, can/jar	Cucumbers and gherkins, preserved by vinegar or
200190	Other veg., can/jar	Other vegetables, fruits, etc, preserved by vin
200210	Tomatoes, can/jar whole	Tomatoes, whole or in pieces, preserved other t
200290	Tomatoes, can/jar other	Tomatoes, preserved otherwise than by vinegar o
200310	Mushrooms, can/jar	Mushrooms, preserved otherwise than by vinegar
200320	Truffles, can/jar	Truffles, prepared or preserved otherwise than
200390	Mushrooms, can/jar other	Mushrooms (x. Agaricus), prep/pres. othw. by vinegar
200410	Frozen french fries	Potatoes, preserved other than by vinegar or ac
200490	Frozen mixed veg	Other vegetables preserved other than by vinega
200510	Vegetable chips; similar	Homogenized vegetable, preserved other than by
200520	Potato chips; similar	Potatoes, preserved other than by vinegar or ac
200540	Peas, can/jar	Peas, preserved other than by vinegar or acetic
200551	Beans, can/jar	Shelled beans, preserved other than by vinegar,
200559	Beans, can/jar	Beans, unshelled, preserved other than by vineg
200560	Asparagus, can/jar	Asparagus, preserved other than by vinegar or a
200570	Olives, can/jar	Olives, preserved other than by vinegar or acet
200580	Canned corn	Sweetcorn, preserved other than by vinegar or a
200590	Canned mixed veg	Vegetables preserved other than by vinegar, etc
200600	Fruit, sugar pres dry	Fruit, nuts, fruit-peel and other parts of plan
200710	Jam & jellies, homogenised	Jams, fruit jellies, marmalades, etc, homogeniz
200791	Marmalades	Jams, fruit jellies, marmalades, etc, of citrus
200799	Jams & jellies	Other jams, fruit jellies, marmalades, etc, bei

HS	Short Description	Longer official description
200811	Peanut-butter	Ground-nuts, preserved
200819	Nuts, roasted packed	Nuts and seeds including mixtures, preserved
200820	Pineapple, can/jar	Pineapples, prepared or preserved (excl. those
200830	Citrus, can/jar or frozen	Citrus fruit, prepared or preserved (excl. thos
200840	Pears, can/jar or frozen	Pears, prepared or preserved (excl. those of 20
200850	Apricots, can/jar or frozen	Apricots, prepared or preserved (excl. those of
200860	Cherries, can/jar or frozen	Cherries, prepared or preserved (excl. those of
200870	Peaches, can/jar or frozen	Peaches, prepared or preserved (excl. those of
200880	Strawberries, can/jar or frozen	Strawberries, prepared or preserved (excl. thos
200891	Palm hearts, can/jar or frozen	Palm hearts, prepared or preserved (excl. those
200892	Other prep/pres fruit	Mixtures of fruit, prepared or preserved (excl.
200899	Fruit wraps; similar	Other fruit, etc, prepared or preserved, nes
210111	Coffee extracts	Extracts of tea, coffee, mate
210112	Instant coffee	Coffee prep. of extracts
210120	Tea essence/extract	Extracts, essences, concentrates and preparatio
210130	Coffee substitutes	Roasted coffee substitutes (incl. chicory), etc
210210	Yeast, active	Active yeasts
210220	Yeast nes	Inactive yeasts; other single-cell micro-organi
210230	Baking powder	Prepared baking powders
210310	Soy sauce	Soya sauce
210320	Ketchup	Tomato ketchup and other tomato sauces
210330	Mustard	Mustard flour and meal, prepared mustard
210390	Sauces	Sauces and sauce preparations; mixed condiments
210410	Soups	Soups and broths and preparations therefor
210420	Baby food?	Homogenized composite food preparations
210500	Ice cream	Ice cream and other edible ice, whether or not
210610	Textured protein	Protein concentrates and textured protein subst
210690	Innovative foods	Other food preparations, nes
250100	Salt	Salt and pure sodium chloride; sea water

Source: United Nations codes; Coriolis definitions in conjunction with project steering group

GLOSSARY OF TERMS

This report uses the following acronyms and abbreviations

A$/AUD	Australian dollar
ABS	Absolute change
ANZSIC	AU/NZ Standard Industry Classification
AU	Australia
Australasia	Australia and New Zealand
b	Billion
CAGR	Compound Annual Growth Rate
C/S America	Central & South America (Latin America)
CRI	Crown Research Institute
CY	Calendar year (ending Dec 21)
E Asia	East Asia
EBITDA	Earnings before interest, tax, depreciation and amortization
FAO	Food and Agriculture Organisation of the UN
FY	Financial year (of firm in question)
£/GBP	British pounds
JV	Joint venture
m	Million
n/a	Not available/not applicable
NA/ME/CA	North Africa / Middle East / Central Asia
Nec/nes	Not elsewhere classified/not elsewhere specified
N/C	Not calculable
N.H	Northern Hemisphere
NZ	New Zealand
NZ$/NZD	New Zealand dollar
R&D	Research and Development
S Asia	South Asia (Indian Subcontinent)
SE Asia	South East Asia
S.H	Southern Hemisphere
SS Africa	Sub-Saharan Africa
T/O	Turnover
US/USA	United States of America
US$/USD	United States dollar
UK	United Kingdom
US	United States of America
YE	Year ending
YTD	Year to date

Sources

AR	Annual report
Ce	Coriolis estimate
Ci	Coriolis interview

Coriolis is a boutique management consulting firm that focuses on food, consumer packaged goods, retailing and foodservice.

Coriolis advises clients on strategy, operations, organization, and mergers and acquisitions. We develop practical, fact-based insights grounded in the real world that guide our clients decisions and actions. Founded in 1999, Coriolis is based in Auckland, New Zealand and works on projects across the Asia Pacific region.

WHAT WE DO

We help our clients assemble the facts needed to guide their big decisions. We make practical recommendations. Where appropriate, we work with them to make change happen.

HOW WE DO IT

Our style is practical and down-to-earth. We try to put ourselves in our clients' shoes and focus on actions. We listen hard, but we are suspicious of the consensus. We provide an external, objective perspective. We are happy to link our fees to results.

WHO WE WORK WITH

We only work with a select group of clients we trust. We build long term relationships with our clients and more than 80% of our work comes from existing clients. Our clients trust our experience, advice and integrity.

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We help clients develop their own strategy for growing sales and profits. We have a strong bias towards growth driven by new products, new channels and new markets.

MARKET ENTRY
We help clients identify which countries are the most attractive – from a consumer, a competition and a channel point-of-view. Following this we assist in developing a plan for market entry and growth.

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We help clients identify high potential acquisition targets by profiling industries, screening companies and devising a plan to approach targets.

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We help organisations make better decisions by performing consumer and market-focused due diligence and assessing performance improvement opportunities.

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