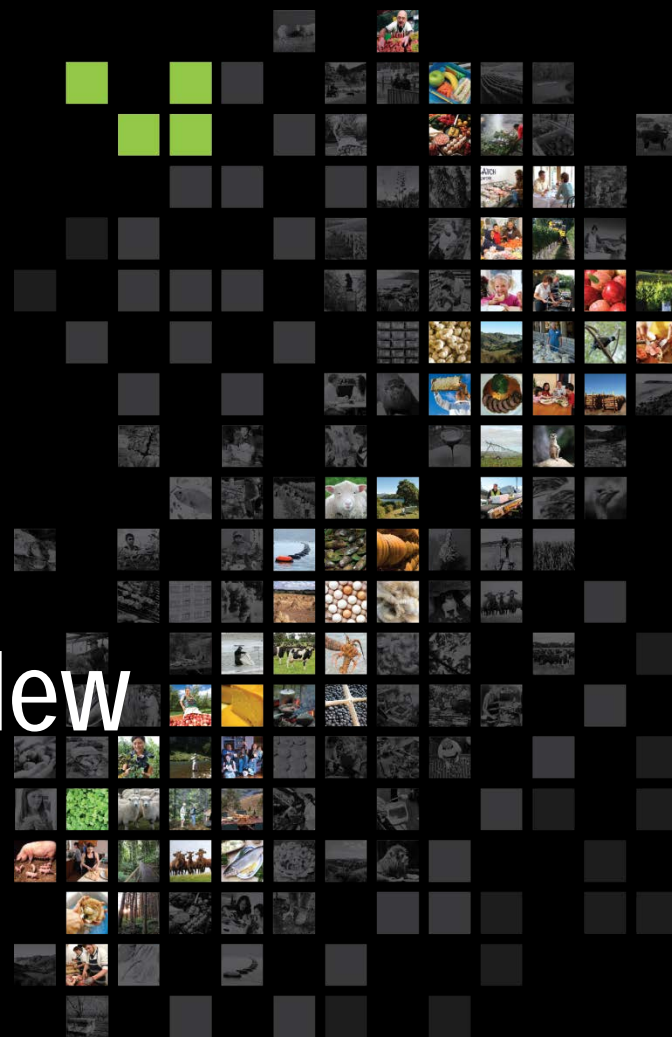


GROWING AND PROTECTING NEW ZEALAND

Global Value Chains: New Zealand case studies



Ministry for Primary Industries
Manatū Ahu Matua



Overview

- The challenges and opportunities for SMEs
- Case studies: Tatua and Firstlight Foods
- The role of Government
 - Regulatory environment
 - Assurances
- Supporting innovation: The New Zealand Food Innovation Network
 - Objectives
 - Case studies
- Meeting the challenge

Example 1:Tatua

- Established in 1914
- 109 shareholder farmers - all located within 12 kilometres of the manufacturing facilities
- exports 94% of its products to more than 60 countries worldwide each year
- Business range: Dairy Ingredients, Specialty Nutritionals, Flavour Ingredients, Bionutrients, Foodservice, and Consumer Products.

Tatua: moving into GVCs

- **1947 – First casein exports to the United States**
- **Government interventions:**
 - ‘ stabilisation regulations’
 - single marketing board
- **Investment:**
 - new technology and plant required
 - New skills needed
 - Capital for major upgrades
- **Market volatility**

Tatua: lessons learned

- **Identifying comparative advantage**
- **Understanding and responding to the market**
- **Product development**
- **Growing skills**
- **Finding compatible partners**

Example 2: Firstlight

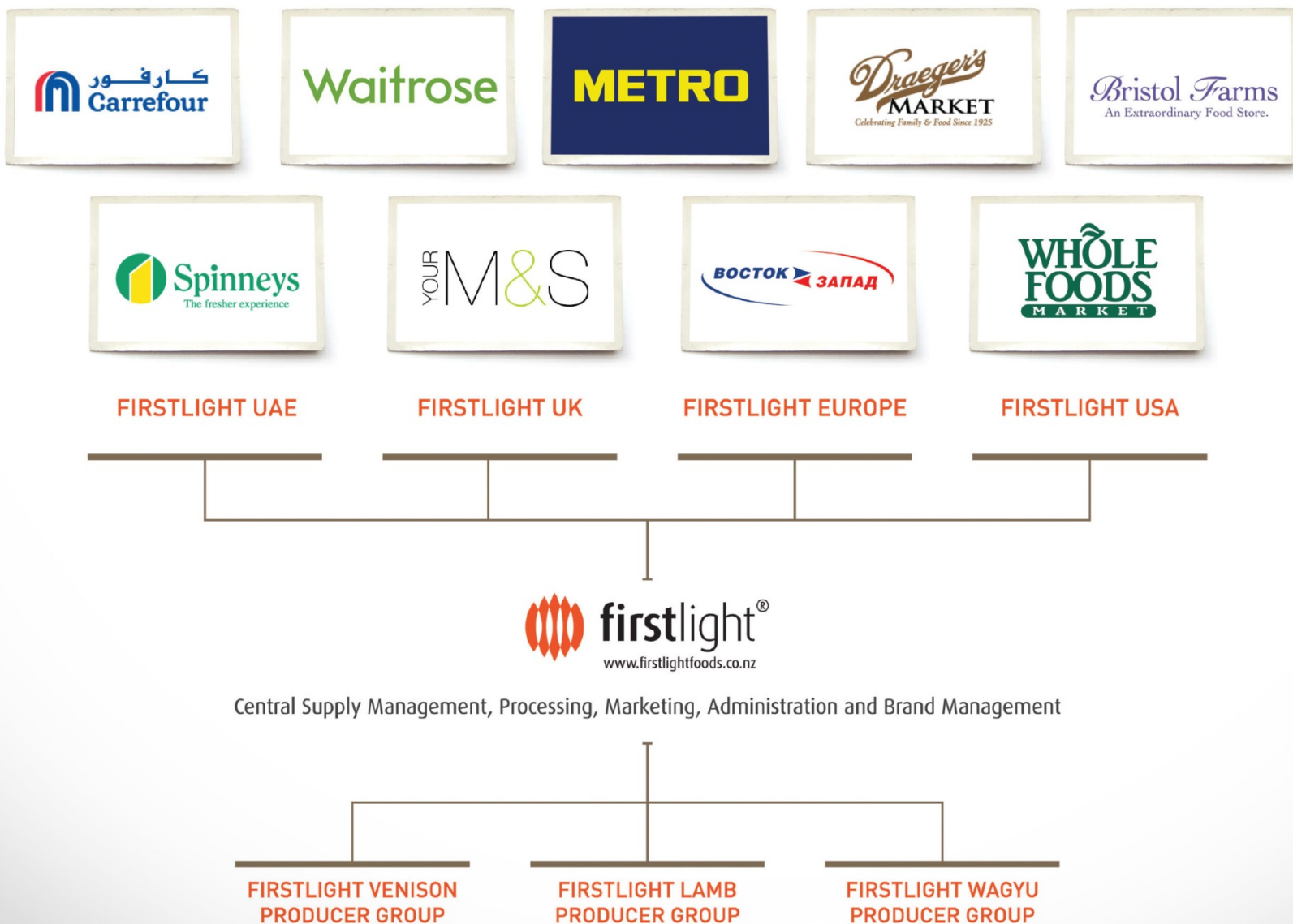
- A privately owned specialist premium Grass-fed meat company
- Ownership is 50% supply chain management team, 50% farmer shareholders
- All Firstlight branded meat is derived from animals raised by farmer shareholders
- Firstlight animals are raised with empathy for the animal and our environment
- The Firstlight supply chain is short and transparent – no one in the supply chain who does not add value

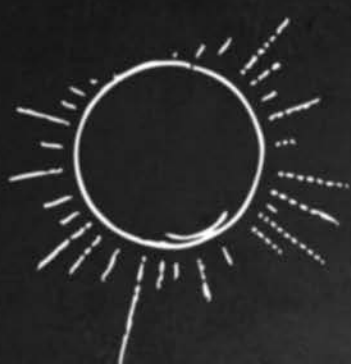


OUR MISSION

‘To produce and provide
the best tasting Grass-fed
Meat in the world’

Business structure

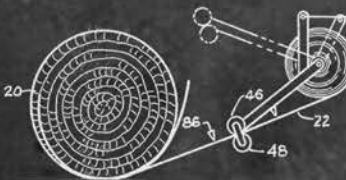
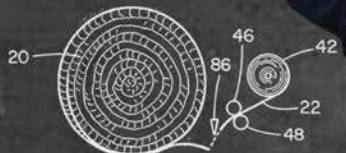




WE GROW THE
BEST GRASS-FED MEAT
IN THE WORLD

We want to
be involved past
the farm gate

SHARED IDEAS
AND COMMON
GOALS, LET'S
MAKE THIS BOAT
GO FASTER



PRODUCE THE
BEST AND
GET PAID
ACCORDINGLY

LOVE
BEEF

LET'S GET SOME LONG
TERM CERTAINTY
INTO THE JOB



firstlight®
Grass-fed meat company



IT'S A SMART WAY, AN
INTEGRATED SUPPLY CHAIN
WITH TRANSPARENT PRICING
LINKED DIRECTLY TO
OUR CUSTOMERS



Government role

- **Regulatory environment**
 - **Flexible**
 - **Robust**
 - **Assurances**
- **Market access (government) versus market success (business)**
- **Skills**
- **Research and development**

R&D: NZ Food Innovation Network



FoodBowl: success stories

- Tegel Foods Ltd
- Manuka Health
- Comvita

FoodBowl: success stories

- Tegel Foods Ltd
- Seeking a solution for exporting 'short shelf-life' chilled goods
- Investigating potential of High Pressure Processing at The FoodBowl to achieve shelf-life extension.
- Will continue to evaluate this technology on premium short shelf life chilled goods to be able to access previously unavailable export markets.
- Substantiate market demand prior to significant capital investment in new technology.
- Use of The FoodBowl ensures a high standard of food safety is attained for all products and clients.

• ...

FoodBowl: success stories



FoodBowl: success stories

- Manuka Health
- Opportunity to develop a new nutraceutical honey based products which increases the manuka factor by 10 times through increased bioavailability.
- Utilised The FoodBowl as a confidential, food-safe facility, with specific technology and flexibility to work with a wide range of materials to develop this product for local and export markets

FoodBowl: success stories



FoodBowl: success stories

- Comvita
- Began exporting to Japan in 1986
- Desire to develop a superior fish oil supplement
- Use of The FoodBowl allowed process development without up-front expenditure on capital
- Product launched and will continue to utilise The FoodBowl facility for commercial manufacture whilst expanding export markets

FoodBowl: success stories



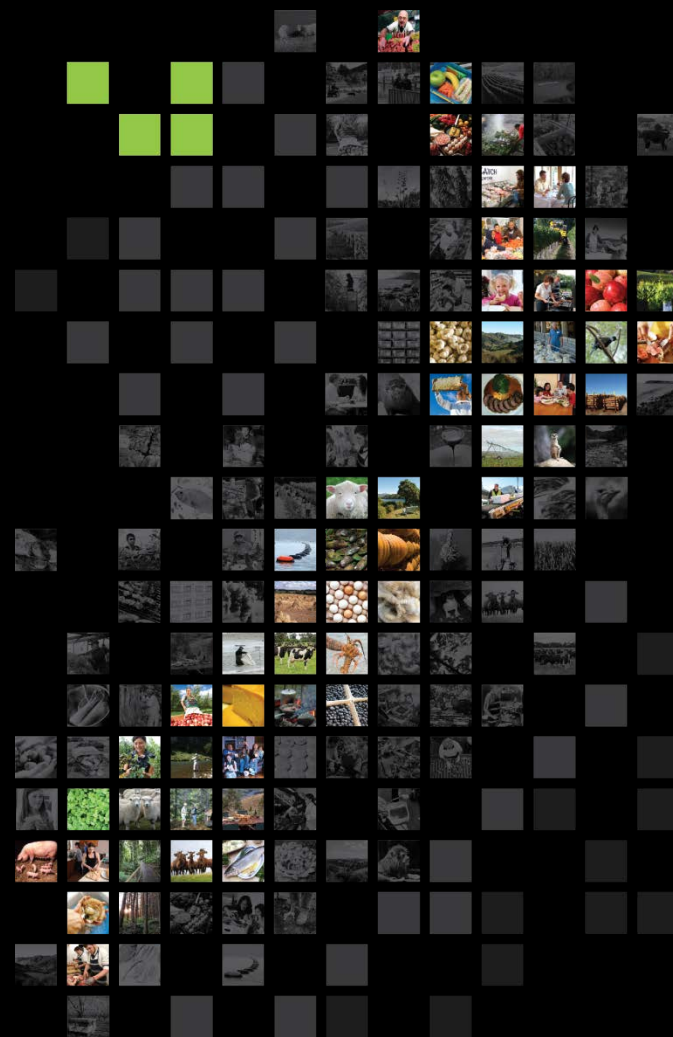
Meeting the challenges: lessons learned

- Enabling innovative food industries
 - Government role
 - Business role
- Public-private partnerships
- Market partners, responding to consumer demand

GROWING AND PROTECTING NEW ZEALAND



Thank you!



Ministry for Primary Industries
Manatū Ahu Matua

