

“Collaboration and innovation driving a competitive, sustainable and profitable New Zealand potato industry”

Strategic Priorities:

- 1. Competitive platform for growth:**
Improve the competitive position of the NZ industry through productivity
- 2. Production aligned to markets:**
Focus on quality produce and aligning value chains
- 3. Strong market execution:**
Develop new markets and protect and enhance existing markets

Strategic Themes:



Strategic Targets:

- 1. Increase profit from productivity by \$150 per ha per annum (compounding)**
 - Continuous productivity improvement underpins the competitiveness of the industry, domestically (for resources) and internationally (versus other exporters)
 - Equates to a \$1,500 per ha profit increase over ten years
- 2. Double the value of fresh & processed New Zealand based exports by 2025.**
 - Aligned with objectives of the business growth agenda
 - Implies volume and value growth
- 3. Enhance the value of the domestic market by 50% by 2025**
 - Implies value growth on stable volumes, above CPI

Strategic Themes

Key Parties

1. Improve Grower Productivity

Improve profitability and competitiveness through continuous productivity improvement

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|------|--|-------------|
| i. | Collaborate in plant breeding initiatives | PFR / PNZ |
| ii. | Collaborate in seed harvest, storage and management to maximise potential yields | Growers/PNZ |
| iii. | Industry coordination on disease and pest management | PFR / PNZ |
| iv. | Investment in agronomy (especially for sustainable production) | Growers/PNZ |
| v. | Investment in water efficiency, infrastructure and management | Growers/PNZ |

2. Process Value Chain

Improve industry value through alignment of seed merchants, growers and processors

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|------|---|----------------------------|
| i. | Collaborate across seed merchant-seed grower-grower-processor value chain | Grower/Processors |
| ii. | Take out inefficiencies (total process improvement approach) | Grower/Processors |
| iii. | joint market development and product improvement, with value sharing | Processors / PNZ / Riddett |

3. Quality Fresh Produce

Improve industry value through alignment of seed merchants, growers and retail channels

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| i. | Develop quality standards for table potatoes, and investigate implementing a quality mark | PNZ |
| ii. | Implement industry-wide quality assurance including 'fit for use' tests for table potatoes | PNZ |

4. Develop Targeted Fresh Export Markets

Create export growth through developing access to targeted markets for quality NZ table potatoes

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| i. | Develop market access and identify niche opportunities for table potatoes | PNZ / MAS / MFAT |
| ii. | Sorting/packing/storage/freight solutions to get premium fresh product to growth markets | PNZ / NZTE |
| iii. | Address biosecurity and product integrity issues, for access and premium brand | PNZ / MPI |

5. Develop Targeted Process Export Markets

Double exports through developing targeted markets for NZ processed potato products

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| i. | Develop market access and identify niche opportunities | PNZ / MAS / MFAT |
| ii. | Co-investment in development of premium process products specifically for growth markets | PNZ |
| iii. | Cooperate with other groups/agencies to get in-market presence | PNZ / MAS / MFAT / NZTE |

6. Protect and Enhance Domestic Process Market

Protect and enhance NZ's current most valuable potato market sector (estimated \$350m+)

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| i. | Protect and enhance the reputation of processed potato products | PNZ / Chip Group |
| ii. | Promote and coordinate key messages for process potatoes through media | PNZ |

7. Protect and Enhance Domestic Fresh Market

Protect and enhance NZ's second most valuable potato market sector (estimated \$99m+)

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| i. | Work with growers and retailers to enhance the consumer experience | PNZ |
| ii. | Coordinate the promotion of key messages for potatoes through media | PNZ |

8. Manage Waste Streams

Utilisation of approximately 25,000 MT of 'waste' product without value destruction

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| i. | Identify and develop feasible cost-neutral solutions for disposal of below-grade product | PNZ |
| ii. | Improve yield predictability and structure contracts to reduce excess product (e.g. process potatoes coming into fresh market) | PNZ / Growers |

Other Business

- Financial transparency and accountability in Potatoes New Zealand and partner organisations
- Coordinate advocacy for potato industry in resource management and water allocation processes
- Work in conjunction with government on biosecurity
- Rationalise Seed Certification processes