

Before the Independent Commissioners

In the matter of the Resource Management Act 1991

And

In the matter of the Proposed Canterbury Land and Water Regional Plan

**Brief of Evidence for
Mark Eric Clarkson**

Dated: 25 March 2013

Lane Neave
LAWYERS

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1. My full name is Mark Eric Clarkson. I am the Managing Director of ANZCO Foods Limited (ANZCO).
2. I have held this position for nine years and have worked in the meat industry for over 40 years.
3. I am currently a Meat Industry Association councillor and a Director of Beef + Lamb New Zealand and the New Zealand Meat Board. I am also involved in various industry and primary sector forums.

ANZCO

4. As Mr Copeland has detailed in his evidence, the ANZCO group employs over 3,000 people worldwide (the majority of whom are employed in New Zealand).
5. ANZCO is the third largest meat company in New Zealand and this year is expecting a turnover of in excess of \$1.3B with assets of \$550m.
6. ANZCO is jointly owned by Itoham, Nippon Suisan Kaisha Limited and directors and management. Each shareholder group owns more than 25% of the company.
7. I believe ANZCO has an unsurpassed reputation as an exporter of quality lamb and beef livestock products. For example, ANZCO is the only New Zealand meat company to supply chilled lamb to premium United Kingdom food retailer, Waitrose.
8. I believe ANZCO has been able to access this type of market by having some of the highest food standards in the world as well as high quality environmental systems and verification systems. Our customers demand to know where and how their meat has been grown and processed and the sustainability of our operations is important to them.
9. For example, all ANZCO lamb suppliers must be “farm assured”. All suppliers must operate and record in accordance with best practise manuals. Results are independently audited and then analysed as a basis for knowledge to be shared with the supplier producer groups.

10. Producer groups are aligned with specific customers and these provide an additional forum for discussions on technical matters and customer requirements which promotes continuous improvements and overall excellence.

The Meat Industry

11. The meat industry has come along way since the subsidy days of the early to mid 1980s. “Freezing works” are a thing of the past.
12. However, while the meat industry has necessarily become more sophisticated, it is still very much an extremely competitive industry with high fixed overheads and low margins. Further, it is capital intensive but has, of necessity, underutilised facilities because of the seasonal nature of the industry.
13. For meat processors to survive, they must continue to be market leaders in sustainable practices because that is what international markets demand. The meat industry is particularly vulnerable to bad performance that detrimentally affects the “NZ Inc” brand.
14. The meat industry must also continue to be innovative.

ANZCO – The Future

15. Currently ANZCO is undertaking ground breaking research with the development of medical-assisting and health-benefiting, pharmaceuticals, nutraceuticals, cosmeceuticals, dietary and food product solutions.
16. As part of the Government’s growth agenda to significantly increase exports, ANZCO has committed investment of \$43.5m in partnership with the Crown, in a seven year \$87m total project to develop markets for new products from these areas.
17. ANZCO is also financially involved with a Government Primary Growth Partnership programme for the red meat sector, “Collaboration for Sustainable Growth”, which is directed at behind farm gate productivity improvement.
18. This seven year programme involves most of the significant meat processing players and aims to ensure that “*red meat producers*”

consistently have access to and are able to effectively use the best – available farm and business management practices, by addressing gaps in technology transfer and ensuring strong co-ordination between organisations and individuals working with farmers.”

Water and Wastewater – The Land and Water Regional Plan

19. As ANZCO looks to the future, it will continue to be reliant on the supply of water for all of its operations and the ability to dispose of wastewater in an appropriate manner.
20. The Canterbury operations are all in rural areas with no access to Council services. Consequently, ANZCO is dependent on its many existing resource consents for its operations that it has spent many hundreds of thousands of dollars obtaining.
21. It is also important that, at the very least, ANZCO has the ability to seek resource consents:
 - (a) when current consents expire;
 - (b) to alter existing consents to take account of changing conditions; and
 - (c) to further develop the business in response to opportunities.
22. ANZCO continues to be happy to meet appropriate regulatory controls because proper controls are important to ensure the credibility of the industry as exporters and promote the New Zealand brand.
23. As a company we understand the way we manage our environmental effects is strongly related to our long term economic viability and our reputation as a trustworthy and ethical business – we refer to these as “The Three E’s”.
24. However ANZCO is particularly concerned to ensure the proposed Canterbury Land and Water Regional Plan includes rules that are:
 - (a) soundly based;
 - (b) appropriate to the industry; and
 - (c) recognise the role meat processing and exporting plays in the community.