



Farming, Food and Health. First.
In Agriculture, Education & Environment

31 October 2012

Honourable Steven Joyce
Minister of Business, Innovation and Employment
PO Box 18041
WELLINGTON 6160

Dear Minister

AgResearch Future Footprint Business Case

Further to your letter dated 28 June 2012, enclosed as requested is the Business Case for the Future Footprint project, for which we seek your approval.

The project sets out to achieve two key objectives. Firstly, we are looking to rationalise our existing farm and property portfolio that would see under-utilised or old assets disposed of, and to re-invest the sale proceeds to significantly upgrade and modernise our campus facilities. Secondly, we wish to reposition our research capability into two key agriculture innovation centres, with other key stakeholders, at Palmerston North and Lincoln.

We strongly believe that by providing world class science facilities, and locating our science staff together with tertiary institutions, other science organisations, sector bodies and private sector businesses, we will maximise our ability to deliver the best possible science and productivity increases to our agricultural sector and realise greater economic growth for New Zealand.

We have consulted closely with key stakeholders to ensure we enable better future outcomes by planning these agriculture innovation hubs together and sharing infrastructure, shared facilities and equipment where possible. Should the Business Case be approved, we believe additional entities will seek to collocate at these centres (especially Lincoln).

As outlined in the Business Case the project can be funded by AgResearch, with most costs to be met through the proceeds of selling surplus assets, and a lesser amount from operating surpluses and debt.

If approval is provided the Board would then look to report annually on progress of the Future Footprint project, specifically as part of the CRI reporting process, together with Ministerial updates at significant milestones.

It may be helpful to arrange a meeting shortly with myself and Tom Richardson to discuss the case.

I look forward to receiving your response to the business case and answering any questions as they arise.

Yours faithfully

Sam Robinson
Chairman, AgResearch

cc Minister of Finance
MBIE – Bella Sutherland

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9(2)(a)

From: 9(2)(a)
Sent: Wednesday, 12 December 2012 1:03 p.m.
To: 9(2)(a) (COMU)
Subject: Future Footprint
Attachments: 2012-31st-Oct-AgResearch_Future_Footprint_Business_Case_final2.pdf.pdf; Future footprint analysis (draft) - to COMU.DOCX.DOCX

Hi 9(2)(a)

Please find attached our initial analysis on Future Footprint (commercial in confidence).
We are seeking COMU's input.
A fuller cover note is provided in the Word document.
Kind Regards

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Financial Analyst
Science and Innovation Group, Ministry of Business, Innovation & Employment

DDI: 9(2)(a) www.mbie.govt.nz

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