



Farming, Food and Health. **First**™
*Te Ahuwhenua, Te Kai me te Whai Ora. **Tuatahi***

29 April 2013

Cr Syd Brown
Councillor for Mosgiel-Taieri
Dunedin City Council
PO Box 5045
Dunedin 9058

Dear Syd,

I am writing to brief you on the initial details of a significant strategic investment programme that AgResearch is about to commence which has been announced today by the Minister of Science and Innovation, Hon. Steven Joyce.

We will be better aligning our science capability in innovation hubs with other key sector partners. We believe investing resources in agricultural research and innovation hubs across New Zealand will substantially increase collaboration, research outputs, technology transfer and capability growth, which will generate better long term returns for New Zealand's agriculture sector and economy.

The Lincoln Hub, also announced today by Minister Joyce, is a prime example of how these hubs will bring together a range of partners with a focus on specific areas and specialities.

Our shareholding Ministers are supporting AgResearch's plan for a \$100 million investment programme, which represents the largest investment programme of its type in our company's history.

It will better position us to help the pastoral sector to sustainably improve productivity, export performance and deliver greater value to the New Zealand economy.

Please find attached the media release we are issuing today to publicly announce the programme. It starts this year, and will be self-funded, predominantly through the disposal of existing under-utilised assets.

We are proposing to have a focus on farm systems, environmental science and dairying at our Ruakura campus in Hamilton. Much of the beyond-the-farm-gate science is proposed to be at our Grasslands campus in Palmerston North. At Lincoln we are proposing to concentrate many of our on-farm research areas and our Invermay

AgResearch Limited

Lincoln Research Centre
Cnr Springs Road & Gerald Street, Lincoln
Private Bag 4749, Christchurch 8140, New Zealand
T +64 3 321 8800 F +64 3 321 8811 www.agresearch.co.nz

campus, near Dunedin, is proposed to predominantly focus on environmental and farm systems capability.

The programme will see our people having access to modern facilities, being co-located with more of their scientific peers and with key partner agencies and stakeholders. This will result in greater collaboration, enhanced science outcomes and better use of our assets – to make the greatest difference together for New Zealand.

Now that we have the support of the shareholding Ministers, we are able to move to the next stage, with work soon to commence on detailed planning.

I would like to offer you the opportunity of a briefing from myself or my senior executives if this would be helpful to provide any further information and/or answer any questions you may have.

Please don't hesitate to contact me (tom.richardson@agresearch.co.nz or Ph 07 834 6622) if you would like to discuss any of the information outlined above.

Yours sincerely



Tom Richardson
Chief Executive

Attached: AgResearch media release

29th April 2013 – embargoed till 1.30pm

AgResearch to invest \$100 million in new science innovation hubs

AgResearch, New Zealand's largest Crown Research Institute, has today announced a major investment programme that is the largest of its kind in New Zealand agricultural science.

Reflecting global trends in science and research, AgResearch is working with a range of research providers and sector interests to create innovation hubs. These will enhance collaboration and better link the sector from academic and research organisations through to sector partners and private companies.

The Lincoln Hub announced today by Minister for Science and Innovation Steven Joyce is a prime example of how these hubs will bring together a range of partners with a focus on specific areas and specialities.

AgResearch is planning to invest \$100 million in facilities and resources over the next four years to boost scientific support for what is New Zealand's largest economic sector and most important industry.

"This represents the largest investment programme focused on agricultural science in AgResearch's history and will better position us to help the pastoral sector sustainably improve productivity, export performance and deliver greater value to the New Zealand economy," says AgResearch Chairman Sam Robinson.

"This will provide our science and support staff, our industry and Government partners, and the sector as a whole, access to scientific support, facilities and innovation that will help us provide safe, premium-value food that meets the world's growing demands."

AgResearch Chief Executive Dr Tom Richardson says the new investment programme comes at an exciting time in the agricultural sector as it collectively seeks to deliver on the potential to grow agri-food and agricultural export earnings to \$60 billion by 2025.

"To achieve that ambition, we will need to stay at the forefront of global advances in agricultural science. We need the right infrastructure and working environment for our staff and to attract the best talent from New Zealand and overseas.

“We are proposing to have a focus on farm systems, environmental science and dairying at our Ruakura campus in Hamilton. Much of the beyond-the-farm-gate science is proposed to be at our Grasslands campus in Palmerston North. At Lincoln we are proposing to concentrate many of our on-farm research areas and our Invermay campus, near Dunedin, is proposed to predominantly focus on environmental and farm systems capability,” says Dr Richardson.

He says now that the programme has the support of shareholding Ministers, work will commence with a detailed design and consultation phase.

“Our first priority is working through the programme in detail with our staff. We will also be working with our scientific collaborators and sector partners to progress this investment.”

The new investment programme, starting this year, will be funded predominantly through the disposal of existing under-utilised assets, and will not require any new Government investment to be provided.

Ends

Media contact: Sarah Fraser, National Manager Corporate Communications, AgResearch. Tel: 07 834 6620 / 021 609 703. Email: sarah.fraser@agresearch.co.nz

About AgResearch:

AgResearch is New Zealand's largest Crown Research Institute and focuses on supporting the country's pastoral sector through scientific research and innovation.

Our purpose is to enhance the value, productivity and profitability of New Zealand's pastoral, agri-food and agri-technology sector value-chains to contribute to economic growth and beneficial environmental and social outcomes for the country. We do this by partnering with the pastoral sector to identify the innovation that is needed and deliver our collective expertise to create value for New Zealand.