

“THE US PARTNERS ARE COMPLETELY SATISFIED WITH THEIR NEW ZEALAND INVESTMENT.”

John Corner, Chief Executive, Jack Links New Zealand

In 1999, Links Snacks USA, one of the America's biggest meat snack manufacturers, was expanding its international operations. There were plenty of options for a new beef jerky manufacturing plant but in the end Links Snacks chose New Zealand, having just completed a joint venture in Brazil.

“A plant in New Zealand made sense based on several key attributes,” says John Corner, chief executive of Jack Links New Zealand and head of the New Zealand joint venture partner. “New Zealand has high biosecurity standards and is free from Category 1 / List A diseases”. In fact, the EU Scientific Steering Committee has classified New Zealand as being in the lowest possible risk category for BSE infection. Mr Corner also cited New Zealand's access to ample supplies of raw material, good food manufacturing expertise, a stable industrial climate and a track record with foreign markets and customers, particularly in Asia.

“Australia was looked at as a possible site. However the New Zealand package included a strong management team, supportive Council and available industrial sites, which outweighed any benefits Australia could offer,” Mr Corner says.

Initial New Zealand Government support involved a grant from the Major Investment Fund for a feasibility study. Following this, Industry New Zealand (now New Zealand Trade and Enterprise) co-ordinated the whole-of-Government support for the project. Work and Income NZ and Skill NZ provided help with food safety

training for all employees, and the package of assistance was supported by Investment New Zealand.

The Links Snacks investment in New Zealand is structured as a 60:40 joint venture with a New Zealand partner (led by John Corner). NZ\$11 million was invested in the initial plant, which opened in July 2002. It has since invested a further NZ\$2 million on automatic retail packaging lines. The plant employs 200 staff, and operates 24 hours a day, six days a week, and current sales total NZ\$50 million per annum. Jack Links New Zealand exports 95% of its production, mainly to North America, Asia and Australia. It is also developing new markets in the EU, the Middle East and China.

John Corner says the US partner was impressed by the New Zealand team's ability to develop the business from a green field site to a modern, efficient operating plant within six months. “The ‘can-do’ attitude of the New Zealand senior management team and workers got the company through many obstacles during the building and commissioning phase.”

Was New Zealand the right choice? Definitely. “The US partners are completely satisfied with their New Zealand investment and the way the New Zealand company is developing Asian and the Australian and New Zealand markets,” Mr Corner says.

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