

Summary

- Product launches in Germany progressing well
- Stockcare adopts FarmIQ software platform
- AgFirst gives FarmIQ software the tick

Key highlights and achievements

PRODUCT LAUNCHES IN GERMANY PROGRESSING WELL

Good progress has been made in the German market, based on work done in the Product Development workstream of the FarmIQ Primary Growth Partnership.

The aim of this project is to earn premium prices for new, Silver Fern Farms-branded retail ranges.

In March 2015, six new sales staff ran a trial of frozen lamb and venison retail packs with EDEKA, Germany's largest supermarket group.

The trial in Germany led to a launch, and this was followed by the addition of beef cuts in mid-2016 in time for the German barbecue season. Extensive market research identified German consumer interest in a rib-eye cut so a product was created specifically for this market and launched along with beef tenderloin and stir-fry. The launch has progressed from targeting three regions in the first year to six regions now.

The 8000-store EDEKA chain has proven to be a good partner for the introduction into this affluent, meat-loving country, and Silver Fern Farms is now also working with REWE another large, nationwide German chain.

Retail launches have also occurred in New Zealand and Singapore, with plans for expanding to China and the United States in future.

Setting up the launches has required a significant investment in production, sales and marketing to deliver a fully integrated marketing campaign tailored for each country. Following international consumer research conducted in the first few years of the project, New Zealand-origin, grass-fed and natural messaging is strongly presented through all the text and imagery.

This work has shown that branded retail packs can attract prices at least 2.5 times the commodity value (for example of a lamb leg at about \$10/kg).

STOCKCARE ADOPTS FARMIQ SOFTWARE PLATFORM

The livestock production advisory business StockCare recently commissioned FarmIQ software developers to create a database system tailored to StockCare's needs. It replaces software that is about 16 years old.

The company was established in 2000 (by veterinarians Chris Mulvaney and Don MacColl) and currently services around 90 sheep and beef farming clients around the country, representing a mix of farm types. It is part of the Veterinary Enterprises Group of companies. Staff focus on helping farmers measure what they are managing and then look at that

information to help identify the factors that are limiting performance and the opportunities for improvement.

Farmers working with StockCare take measurements from representative groups of animals according to an agreed plan. StockCare staff emphasise that recording and analysis has to be practical, making sure that whatever information a farmer is collecting, they will get value for the time spent getting it.

Particular features highlighted by StockCare staff include the new phone app, developed by FarmIQ, lets StockCare farmers enter information directly from an indicator box into the database through a bluetooth connection. Also, they point to the ability to produce customised reports.

AGFIRST GIVES FARMIQ SOFTWARE THE TICK

The nationwide agricultural consultancy business AgFirst has approved the direction being taken for the FarmIQ software, following a review of the farm software market.

The AgFirst review resulted in a strategic choice to support the direction that FarmIQ is going. The reviewers concluded that FarmIQ has a strong platform, good backing and many potential uses because it is powerful and flexible. They said FarmIQ offers tools that bring farming into the 21st century and there's a lot more that both farmers and rural professionals could be doing with it.

AgFirst staff have been involved in the FarmIQ programme in several ways. Some AgFirst consultants have been on steering groups for the IQ Farm projects, and a few of them have become "heavy users" of the software. Also, AgFirst consultant Erica van Reenen worked with FarmIQ to co-develop an Environment Planning module – "a simple but effective planning tool". AgFirst is now marketing it as the Landbase package, with associated consultancy as needed.

The reviewers also noted that FarmIQ has been developed to meet farmers' needs, and it offers a range of tools so it can be simple or more powerful, depending on what the farmer wants.

Many farmers are still in the early stages of adopting this kind of information technology. The stages can be characterised as: firstly farmers become aware of what FarmIQ can do and then the next step is for them to understand which bits of FarmIQ are going to be most important for them, and then implementing it. The other part of it for the farmer is working out what all the information means; to answer the question, 'How can I use this data to enhance my business?'

Currently AgFirst is assessing what FarmIQ might have to offer the dairy and horticulture sectors. While the software was designed for livestock-based systems, it contains a powerful geospatial platform and a database that might be of use, for example for meeting compliance requirements.

Investment

<i>Investment period</i>	<i>Industry contribution</i>	<i>MPI contribution</i>	<i>Total investment</i>
<i>During this Quarter</i>	\$3.16m	\$1.2m	\$4.36
<i>Programme To Date</i>	\$63.92m	\$57.89m	\$121.81m