

The Westland Times

WESTLAND MILK PRODUCTS ISSUE 68 | MAY 2017

The Cream Rises to the Top

Westland Milk Products has been awarded again at the prestigious New Zealand Champions of Cheese Awards in Auckland with Westgold salted and unsalted butters both receiving bronze awards.

“It’s great to see Westgold going from strength to strength”.

In 2016 Westgold unsalted butter won gold and the title of champion butter in the competition. There were no golds awarded in the butter category this year. Westgold was also the only consumer branded butter to receive an award – a huge credit to Westland’s butter makers

and the farmers who supply the milk. This year there were entries from eight New Zealand butter producers. Westgold butters scored 90 out of a possible 100.

“We are honoured to have won these esteemed awards for the second year in the row,” says Head of Marketing, Charlotte Sullivan. “It’s great to see Westgold going from strength to strength, and further recognised for its commitment to providing a little bit of gourmet, every day. It is a testament to our team who continue to put all their efforts into making a product we can be proud of.”

Now in its 14th year, NZ Champions of Cheese Awards are the pinnacle of excellence in the New Zealand cheese industry. Small artisan producers and large commercial manufacturers alike compete on the technical excellence and expertise that goes into their product. The addition of butter and yogurt categories in 2015 has opened the competition to non-cheese producers, including Westland.

The awards panel, headed by International Master of Judging and cheese guru Russel Smith, comprised 32 independent local and international judges. The 2017 competition attracted a record eight international judges including influential buyers,

renowned critics, book authors and specialty magazine writers from the USA, Switzerland, United Kingdom and Australia. The panel evaluated more than 350 entries across 23 categories at The Food Bowl, Auckland, on 11 and 12 March.



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Dairy Commodity Prices

The monthly commodities graph was sent to shareholders earlier this month in the Chief Executive’s email.

Advance Payment Schedule



Forecasted Pay-Out 2016-17 Season [per kg MS]

Operating surplus range: \$5.15 to \$5.45
Net average cash payout range: \$5.05 to \$5.35

Date Paid 2016/2017	\$ per kg MS
20 Sep 2016	\$3.80
20 Oct 2016	\$3.80
20 Nov 2016	\$3.80
20 Dec 2016	\$4.00
20 Jan 2017	\$4.20
20 Feb 2017	\$4.30
20 March 2017	\$4.40
20 April 2017	\$4.50
20 May 2017	\$4.55
20 June 2017	\$4.60
20 July 2017	\$4.70
20 Aug 2017	\$4.80
20 Sep 2017	\$4.90
20 Oct 2017	Residual

Timeline

Westland activities over the next four months:



“Our shareholders have played a part in managing the quality of water on the West Coast, where 99% of the rivers meet the definition of ‘swimmability’”.



CEO Update

Clean Water Consultation

Westland has made a submission to the Ministry for the Environment's consultation process regarding proposed clean water changes to the National Policy Statement for Freshwater Management (NPSFM).

In our submission we have acknowledged the need to further improve and maintain the quality of surface fresh water throughout New Zealand and noted that our shareholders have played a part in managing the quality of water on the West Coast, where 99% of the rivers meet the definition of “swimmability”.

However we have asked the Ministry to consider the manner in which new water standards are implemented to ensure that the system is practicable, timely and economically achievable to implement. We have said that while the policies and objectives of the plan appear sound, the timeframe and some definitions are a cause for concern for dairy farmers on the West Coast specifically when dealing with permanent flowing water bodies, stock exclusions, wetlands and drains.

The bulk of our submission focuses on our concern that the proposed changes do not adequately take into account the unique circumstances of the West Coast with its steep topography and extremely high rainfall. Therefore some of the provisions around our points of concern might not be able to be met, at least not practically, by West Coast farmers and allowances need to be made for this to allow farmers to work out more practical local solutions.

Westland Milk Products is not advocating for West Coast farmers to be labelled as a “special case”. It has more to do with the practicality of being able to apply the proposed definitions in an economical and timely manner and still achieve profitability for farmers.

Introducing Gary Wei Kang

In my last email to shareholders I shared the then only just confirmed news that we had appointed a new General Manager for Westland in China, Gary Wei Kang Yu.

Gary started with us on 8 May. He holds a Masters in Business Administration and brings extensive on-the-ground experience to the role. He was with Griffith Laboratories for 14 years, the last seven as their Managing Director for Greater China. Griffith supply ingredients to companies such as KFC and Starbucks. During this time he was responsible for setting the business strategy for Griffith

Laboratories in China ensuring the growth and continued success of the business. Gary has also worked in China for Unilever Bestfoods China, Rich Products Corporation and Nestle.

I believe Gary's extensive experience of the Chinese food market and the many connections he has made over the years will be of substantial value to Westland as we look to develop more markets in China based on productive close relationships with key businesses.

Health and safety

Shareholders might note that in this newsletter there is more than one article mentioning health and safety. At the March shareholder meetings, this is a core focus for me and the company. We have to get this right, not only because as a responsible employer we should be vitally concerned with ensuring all staff get home safe every day, but because the potential risks to the company should a serious accident occur are very high both in terms of an ability to continue our business and in terms of the fines and other penalties we might incur.

It is also worth noting that WorkSafe NZ is focusing on farm health and safety where we are still seeing far too many deaths and serious injuries. We will be working with these authorities in the promotion of farm health and safety processes, as new resources are developed around this issue.

Proposed changes to immigration rules

We are looking at the Government's proposed changes to immigration rules and how this might impact on the dairy industry, especially for those shareholders seeking to employ immigrants on-farm. The proposed new rules would make it harder for dairy workers to meet the threshold for immigration and also make it harder for them to bring their families, a key aspect of attracting dairy workers. We'll keep you updated on this issue.

Toni Brendish
Chief Executive

Safety first – in the factory and on the farm

Westland's new Health and Safety Manager has already noticed that New Zealand's strong stance on workplace safety means that health and safety systems and practices, essential for staff wellbeing, can also save businesses a lot of money by preventing costly accidents from occurring.

André Kok (from South Africa via Auckland) commenced work as the H&S Manager on 3rd April 2017. He has a background working in health and safety within the mining and construction industries, and holds qualifications in Health and Safety, Environmental Management and Quality.

According to André, health and safety is, “not just a job title; it's a calling.” He says it's something that is, “always a work in progress, and a positive, conscious choice that one continually makes both in and out of the workplace.”

One of the differences that André has noted between health and safety in South Africa and New Zealand is that New Zealand legislation takes a tougher stance on so-called minor incidents. Under New Zealand law, companies are frequently prosecuted for health and safety failings, even when fatalities do not occur. These incidents are also reported publicly and make their way into the media.

For example, at the end of last year, a North Island meat processing company was fined \$33,000 and ordered to pay reparations of over \$62,000 to an employee who injured his fingers while attempting to clear a blockage from beneath a conveyor. The underside of the machine had not been properly guarded.

Similarly, an indoor go-kart operator was fined \$15,750 and ordered to pay over \$9,500 after a customer crashed

their go kart, and received burns due to fuel igniting. The cause of the fuel ignition was a fuel cap which had been incorrectly fastened after refuelling. Investigations by WorkSafe New Zealand revealed that there was no documented safe method for refuelling and no staff training regarding this aspect of its operations.

The main health and safety priorities that André is focusing on over the next 12 months are improving Westland's safety culture from the ground up, improving the reporting of incidents and corrective actions, and identifying high-risk areas. André says one of the main mechanisms for achieving this change is to build better relationships and get alongside staff from all different cultures and walks of life.

André is also soliciting nominations for a new batch of Health and Safety Representatives from among existing staff who will take on extra responsibilities during the next three years to advise staff on correct health and safety procedures.

“The most important part is ensuring that individuals get home safe every day and that we avoid negative press, fines, prosecutions, or in the worst case scenario, the plant being shut down by WorkSafe New Zealand for a period of time after a serious incident.”

“One of the biggest risks to health and safety is a lack of proper procedures or systems, or these systems not being continually reviewed. When someone has been doing a job for a long time, there is a tendency to switch off and run on autopilot or habit. This type of complacency can be dangerous.”

The farm owner's role

Under New Zealand law, a Person Conducting a Business or Undertaking (PCBU) is responsible for any health and safety breaches. The PCBU is a business and in the agriculture sector that includes farmers. This means that the health and safety risk of farms is held privately by individual shareholders and not by the co-operative. Minor farm accidents are subject to a \$5,000 minimum fine.

In 2015, 16 out of 19 on-farm deaths involved vehicles, including quad bikes, and most involved sloping and uneven ground, and resulted in the fatalities of individuals aged 56 or older.

André's challenge to all shareholders, farm workers and co-operative employees is: “Can you really afford to not make health and safety your number one priority? Safety failures will either cost money or a life.”

“It's easy to explain down time, but it's not easy to explain the loss of a person's life.”

“All industries on the West Coast have to work towards the same goal in terms of health and safety. As you commonly hear here on the West Coast ‘We're all in this together’.”

“As for me, this is what I'm passionate about and I'm committed to this career path for the rest of my life.”

The Agricultural Leaders' Health and Safety Action Group will soon be launching a website with tips for on-farm safety and will be holding a road show event on the West Coast. We will update you with these details once they become available.

Coast research suggests pest control measures

AgResearch scientists are offering new guidelines to West Coast farmers on dealing with some of the region's worst pests, following years of in-depth research alongside locals.

During the past three years farmers in the West Coast Pest Management Group have taken part in a project funded by the Ministry for Primary Industries' Sustainable Farming Fund aimed at improving understanding of pests that threaten pastures.

“This research is about providing farmers on the West Coast with the tools to tackle these pests, before long-term damage is done to their pastures and bottom lines,” says AgResearch Senior Scientist, Sarah Mansfield.

“The research has focused particularly on the porina caterpillar which, if unchecked, has the potential to seriously reduce the quality and production of pasture. Farmers monitored the timing of porina moth flights on their properties to determine the most effective time to apply control measures and prevent damage.”

“With the data collected by farmers, combined with sampling of caterpillar populations by AgResearch scientists, we can now make recommendations for managing porina on the West Coast.”

AgResearch will prepare a regional pest management guide during the next few months based on the outcomes of this research, and an earlier Sustainable Farming Fund

project focused on another pasture pest, the manuka beetle. In addition to the Sustainable Farming Fund, the work on porina has been supported by DairyNZ, the Ministry of Business Innovation and Employment, Westland Milk Products and Landcorp.

“It's been a great example of farmers working alongside scientists, government and industry to support the rural sector in this region,” Dr Mansfield says.

Those wanting more information should contact their milk supply manager at Westland Milk Products, or Richard Townsend at AgResearch: Richard.townsend@agresearch.co.nz



Shareholders not immune from cyber security attacks

During the last year the volume of email 'malware' has increased rapidly, with the National Cyber Security Centre confirming that New Zealand is now being targeted at a much higher level, generally because cyber security in this country has been a little more lax.

This poses a serious risk to Westland Milk Products as a company operation, but shareholders can be targeted too and the impact on their own farm businesses could be just as damaging.

There are two key threats in this space: 'phishing' and 'whaling'.

Phishing is the attempt to obtain sensitive information – such as usernames, passwords, and credit card details – for malicious reasons,

by disguising the email to make it appear as if it is from a trustworthy entity in an electronic communication. It might include asking you to click on a link or open an attachment.

Whaling is the targeting of 'big fish' such as the CEO and other executive positions, and usually takes the form of pretending to be that CEO or other manager to send requests to staff requesting money be paid into an account, normally with some urgency.

If shareholders have questions regarding cyber security, we recommend you contact your internet service provider and/or contact the respective company which the hacker is purporting to be from (e.g. your bank).

How to identify threats



Check that the 'from' sender's email address matches where the email claims to come from.

Do not trust emails that:

- Ask for personal / financial / contact information
- Make offers that seem to be too good to be true
- Feature a company's logo that appears fake / distorted
- Have poor spelling / grammar – Many phishing and whaling threats originate from third world countries where English is often not the first language
- Make threats that something will happen if you don't act quickly or don't take a particular action (e.g. your account will be closed) etc.

What to do with email malware:

- Do NOT open any attachments!
- Do NOT click on any links included in the email!
- Do NOT provide personal, financial, or account login information to someone who calls. Tell them you will ring the bank or their company back.
- If the email is suspicious delete it immediately!
- Do NOT process any unsolicited invoices that do not have purchase orders. Shareholders' businesses can be targeted with these and they might seem to be from a regular supplier. Check all invoices carefully against what you know you have ordered and, in company businesses, requests to pay should have a higher internal authorisation.

Update on Plant Performance Improvements

Westland's drive to improve health and safety throughout the company has continued with the objective "everyone home safe, every day" and reducing the risk that health and safety incidents can pose to the plant and our business continuity.

The Technical Department has worked closely with the Machine Safety Critical Risk Group to carry out numerous upgrade projects during the last 18 months to comply with machine safety standards.

Upgrade projects have varied in size and complexity, ranging from improved safety screens around equipment, to the upcoming installation of a complete new production line. An integral part of machine safety is making the equipment easier to operate with more user-friendly controls.

Historically, the guarding that had been installed around the palletising lines required a large degree of systems integration between the various plant machines

and equipment, increasing the critical risk. This was one of a number of areas identified for improvements through a programme of in-house operational risk assessments (ORAs). As the name suggests, these risk assessments focused on the operation of the equipment covering aspects such as equipment use, set up, steady state running, dealing with breakdowns or abnormal situations, controlled shut downs and housekeeping.

To date, a total of 31 machines and areas have been identified for operational risk assessments, with 27 of these having been risk assessed. The improvements identified will help to further improve the safety of the plant. They are rated according to priority level, forming a roadmap for the work going forward.

The last remaining compliance upgrades will be completed during the coming months. The goal is to complete these during this season's shutdown period. This work will then be performed over the next 12 months.

Ammonia

One of Westland's biggest critical risks is ammonia exposure. Once a month, somewhere in New Zealand, there is a serious ammonia incident which, in some instances, results in fatalities. This is something that Westland takes seriously. To address this risk, we are training more than 30 staff in ammonia awareness. Trainees will include representatives from maintenance roles including Boiler Staff, Electricians, Plant Operators and members from our Incident Response Team. We have had a very positive response from staff, with people keen to attend this training. This high uptake will help ensure we have staff trained in how to prevent (and respond to) ammonia incidents spread across different departments and shift times.

We are also training a smaller number of individuals in a comprehensive three-day specialist ammonia operator training.



Before



Before



After



After

Before and after photos of the safety upgrade on Powder's P3 line: The moving parts have now been isolated using doors and fixed guards.

Before and after photos of the P2 palletiser: Most of the work was done on automation systems. Changes include the fences/gates and the bollards on the right.

EasiYo harnesses the power of 'social'

Due to the success of the 2016 social sampling campaign, EasiYo is running its 'Social Soup' sampling again, with another 500 Australian consumers.

Last year the group went crazy over the Cheesymite Scroll recipe one of the participants submitted. It's incredibly simple to make and easy to experiment with. If you have a go, we would love to see your creations.

Please share them with us on www.facebook.com/easiyoofficial/ or on Instagram with the #easiyo tag.



EasiYo Cheesymite Scrolls

Ingredients:

- 1 cup EasiYo Greek Style Yogurt
- 2 cups self raising flour
- 2 tbs of butter
- 2-4 tsp of Vegemite or Marmite
- 1/2 cup grated cheese

Method:

1. Preheat oven to 210°C. Line a tray with baking paper and set aside.
2. Combine 1 cup yogurt and 2 cups self raising flour in a bowl and mix together. On a floured bench knead dough into a ball, approx. 5 minutes. Add additional flour if the dough is still sticky.
3. Roll the dough into a large rectangle using a rolling pin.
4. Melt 2 tbs of butter and 2-4 heaped tsp of Vegemite (or Marmite) in the microwave, mix together and brush over the dough. Then sprinkle over 1/2-3/4 cup of cheese.
5. Roll the dough into a log and cut into pieces, 2cm wide.
6. Place each piece flat on the tray and brush again with the melted butter and Vegemite.
7. Bake for approx. 15 mins until golden.

Options:

Instead of butter and Vegemite why not experiment with sweet options such as jam, or cinnamon and butter with a sprinkle of sugar. Enjoy!

Do you have enough feed for winter?

West Coast DairyNZ senior consulting officer Ross Bishop discusses feed budgets and pasture management to help set you up for winter.

With pasture and crop growth down on where we'd normally expect it to be, now is a good time to ensure you have enough feed supply for winter. Sorting this now will mean you'll have more options, and be more cost-efficient.

A good place to start is reviewing autumn and winter feed budgets. Having a budget will allow for the best decisions around managing feed requirements and cow condition. DairyNZ has a range of online tools to help make this process easier. These include feed budget templates and supplementary price calculator.

Equally, focusing now on putting weight on light cows before winter sets in will pay off. This will also reduce winter feed requirements. Other considerations are going

to once-a-day or 16-hour milking, or drying off some of your cows if you haven't done this already.

I asked Blackball farmer Colin van der Geest what advice he had for farmers to help prepare for winter after the challenging season. Colin has farmed in the region for the past 25 years.

If you haven't already, Colin recommends carrying out a farm walk to get a good idea of the extent of damage done to pasture. Colin says his own farm walk reinforced the widespread pugging that he had expected. He says many farmers in the region will be in the same boat.

Research has found that pasture seriously pugged in spring produces about 40 per cent less dry matter than undamaged pasture through the following season.

Colin advises not to leave it to chance that pasture may bounce back, and suggests under-sowing to maximise autumn growth.

A less expensive option would be to use perennial ryegrass, which costs about \$50 per hectare, and he reports he's had pretty good success doing this in the past.

Colin says the region normally gets an autumn flush, but he feels we're not going to get that this year as soil temperatures haven't been that high.

That's why we have to manage pasture really carefully to ensure we can make it happen, he says.

Colin also advises farmers to make an honest assessment of crops to make sure there's enough feed, emphasising the importance of being proactive and making decisions early.

As an example, he made the call in mid-late January to go down to once-a-day milking.

For more information around feed management visit: dairynz.co.nz/feed.



Sharing a “good yarn” to combat mental stress

With farmers continuing to be over represented in New Zealand’s suicide and other mental health statistics, agricultural organisations including DairyNZ and the Ministry for Primary Industries (MPI) are co-operating on an initiative to raise awareness of the issue and opportunities for support. “GoodYarn” farmer wellness workshops help participants recognise and respond appropriately to friends, family, or farming

colleagues suffering from stress or mental illness. These workshops will provide practical tips and tools enabling participants to:

- discuss mental wellbeing openly and effectively
- recognise signs of stress and other mental health problems
- reduce and manage stress
- find appropriate support services

This is a cross-sector initiative with support from multiple primary production sectors, supported by MPI. On the West Coast GoodYarn Farmer Wellness Workshops will be held at a variety of locations. Venue details will be provided when you register – visit www.dairynz.co.nz/goodyarn for more information and to register.

GoodYarn Farmer Wellness Workshops:

- Wed 7th June Hari Hari
- Thurs 8th June Rotomanu
- Fri 9th June Karamea



Cold Storage

Our storage network optimisation program continues to deliver to plan. Through a systematic and transparent market tender process, we awarded Westland’s cold storage requirements to Coolpak in Rolleston late last year. During the first quarter of 2017, a team made up of Westland and Coolpak staff has been working on planning and implementation of the contract agreement. This meant coming up with a calendar where everything is mapped out, including when deliveries will be made. Significant focus was given to quality and IT infrastructure at the new premises; non-negotiables for us. Coolpak’s commitment is clear and reinforced. We are pleased to announce that the first butter deliveries arrived at Coolpak in early May. With the new cold store, we will benefit first and

foremost from lower costs, including lower insurance premiums due to a state-of-the-art reduced oxygen atmosphere that quenches fires at the new facility. The goods will all be racked, reducing potential warehouse damage. The new warehouse will have a limitless container packing capacity per day, allowing us to meet our shipping schedules without having to roll orders. This in turn will make for happier customers. The Coolpak facility was designed to work with our pallet configuration, which makes it a lot more efficient for us. At the same time, it contains great capacity to absorb more of our pallets, including other pallet types. We are in a good position for the future. *Raul Elias-Drago, GM Supply Chain.*



Life stories wanted for AgWomen Global

A New Zealand-led initiative gathering the stories of women in agriculture is looking for more women to profile in a global campaign. AgWomen Global is a year long project, profiling 365 different women who’ve all made an impact in the primary industries, no matter the level of their contribution. The initiative was launched with the premise that the ‘tall poppy syndrome’ is a negative that can be overcome through an opportunity to celebrate success and share the stories of those women who help to shape the agriculture industry. As of the end of April 2017 the project had collected more than 100 names but needs at least 265 more. The project was launched on 6 March with 30 stories and photos and now organisers are appealing for help to find the remainder to fill the target of 365 stories in one year. Chelsea Millar, an AgWomen organiser, says they also want to include dynamic content throughout the project, with short video snippets, notes of encouragement, celebrations of success within our community and more.

“It really is about celebrating these women’s contribution, encouraging the next generation to follow in their footsteps and connect a global community of like-minded people who can celebrate their successes together.” In March 2018, AgWomen will produce a coffee table book containing all 365 stories, with 12 of those stories, as chosen by the global audience, extended across a double page spread. “We’d love to get your story, or that of an AgWomen (or two) within your company and networks. If you’d like to nominate someone, or yourself, please get in touch with a contact name and email address.” AgWomen is also running a PledgeMe campaign (see below) to generate funds to keep the initiative going.

Contacts:
 w. www.agwomenglobal.com
 p. 027 330 1939
 PledgeMe: AgWomen Global

f AgWomen Global
 @agwomen

Surface freight tender

Westland will soon be putting its surface freight requirements out for tender. This will include milk, powder, butter and other goods transported by rail, road and sea. We expect this piece of the negotiation to be among the most complex of the year, but will lead to further optimisation and efficiency gains. Throughout the process, we will be negotiating with more than 20 parties in order to find the best possible conditions for Westland in 2017/18 and onward. It is expected that some vendor relationships will be tested while others will grow. There will be market tension, and this is part of the normal tendering process. As always, we prioritise good process and auditable transparency. We will keep you abreast of developments. If shareholders or staff are approached by anyone during this process, please refer the inquiry back to the undersigned.

Raul Elias-Drago, GM Supply Chain.
 m. 0278070630 e. RaulE@westland.o.nz

Introducing Craig Betty, Chief Operating Officer



Westland's new Chief Operating Officer, Craig Betty, commenced work on 10th July.

Craig has more than 30 years' experience in food production industries. He's worked with Fonterra since 2002 and comes to us from his most recent position of Fonterra Regional General Manager for the Lower North Island. Prior to that, he managed Fonterra's Central North Island divisions. Previously, Craig has also worked for other food processing companies (including meat processing) such as Heinz Wattie, Huttons and Mainland Meats.

We are excited to bring Craig into the company due to his strong safety and quality performance record. He has proven experience in

all aspects of operations including finance, continuous improvement, project management, delivering capital projects on time and on budget and achieving "right first time" manufacturing efficiency. We believe Craig's appointment will enable us to bring substantial benefits to Westland worth many millions of dollars through focused improvements in quality, yield and staff capacity.

Craig also brings a strong understanding of governance, having been a director on the board of a joint venture business. Craig is also a trained chemist and initially started his career as a lab technician.

During the March shareholder strategy meetings, Chief Executive, Toni Brendish stated she is committed

to putting the right management team in place to devise and deliver the strategies Westland needs to not only close the payout gap, but secure Westland's future as a vibrant, competitive and globally successful company.

Craig will join the Senior Management Team and the functions of Manufacturing (Simon Bastion) Quality (Andrew Simson) and Supply Chain (Raul Elias-Drago) will all report to him. He will soon be joined by new appointments for the Chief Financial Officer role (to replace our interim CFO Jeremy Edmonds) and a new General Manager China role.

Craig will be based at the Hokitika site and will live on the West Coast with his wife Vicki.

Colostrum Supply 2017

The international market for colostrum powder remains a small, but potentially valuable, market for Westland suppliers.

The New Zealand supply of colostrum remains tight following other companies' decision to move away from this market. However, we have seen a growing acceptance for US-origin colostrum in our traditional export markets at very competitive prices.

China remains the key market and will be our focus in 2017/18. However, this requires us to meet Chinese quality standards, which are the tightest in the world. This requires Westland to tighten our quality standards.

The payment schedule reflects this competitive environment and higher regulatory standards.

In order to make the most of the opportunity for share holders, Westland will distribute 75% of the 2017/18 season colostrum business forecasted profit on 20 September 2017.

Payment will be calculated on each supplier's aggregated value of IgG and colostrum solids, as measured and recorded by Westland.

Colostrum collection will commence on Wednesday 10 August 2017 and end on Wednesday 30 August 2017. With prior notification, this time frame might change depending upon milk flows and processing capacity.

Even if shareholders have supplied colostrum in past seasons they still need to sign and return a new application and supply contract. Regulations only permit colostrum to be collected when there is a supply contract.

So please ensure that you submit these to Westland by Thursday 18 May 2017.

To ensure colostrum collected is suitable for manufacturing into high quality product the following is important:

- **Please note that cows treated with teat sealant cannot supply colostrum.**
- **Further to Note 7 of the Colostrum Application Form, all colostrum for collection must be less than 48 hours old when collected.**
- **Ensure the well-being of all calves; including making sure that they have the first colostrum after birth and continued access to colostrum and any other necessities essential to their development.**

All farmers who want to supply Colostrum must still submit an application and contract form, to allow planning to be completed. The Colostrum supply protocol I referred to in my monthly e-mail to shareholders is currently being reviewed and we will notify Shareholders of the outcome and any impact this might have once completed. Drying off your herd should be carried out in consultation with your vet and in accordance with any product guidelines.

Queries about colostrum supply should be directed to our Farm Technical Liaison, Wayne Climo on 03 756 9814 or our Milk Collection Support Officer, Doug Cochrane on 03 756 9843.

Payment



As in past seasons, the payment suppliers receive is calculated by measuring the IgG content in colostrum (calculated as a percentage of the protein content) and you will receive a premium for higher IgG colostrum.

Based on the forecasted profit, the forecasted payment rates are as follows:

IgG Ratio (%)	Payment 2017-18 (\$/kg IgG)
<7.5	No payment
7.5 to 9.9	83.15
10.0-14.9	190.41
15.0-19.9	269.41
>20.0%	311.81

Note: This information, including application forms, was also emailed to shareholders on 14 April 2017 and posted on 18 April.

The so-called quieter months

The June/July period of our dairy season can bring varying opportunities for our suppliers, including milking through, taking a well-earned break, catching up on those jobs that didn't get done around the farm during the busier months, or just taking it easy.

We know shareholders are all busy people, and many will choose to have a well earned break following the completion of the dairy season, but if you are able to consider any of the following, it would be appreciated.

June/July can be a good time to look at your tanker road to ensure it is in good repair for our tanker fleet for the start of the 2017/2018 dairy season.

The milk collection area might also be in need of a good tidy up by removing any unused objects to avoid any trips and slips; maybe a waterblast to remove that unwanted green mossy slime that sometimes takes over; a weed spray around this area, or just a general spruce up, while making sure there is no risk to health and safety present.

For all those undertaking major on-farm upgrades during this period, we hope these projects go well for you, please contact the supplier service team if you require any assistance.

Thank you all for your contribution during the current 2016/2017 dairy season and we look forward to seeing you all again next season - Doug Cochrane, Farm Support Officer.

Canadian Kiwi is at home with Westland's UHT

My name is Brigitte Massé. I joined the Westland Milk Products' team in December 2016 working at our Rolleston site as the UHT Category Manager.

I've relocated from the Bay of Plenty where I lived for the past 21 years with my partner and our son.

Originally, I'm from the French speaking part of Canada. I emigrated to New Zealand in 1995 and promptly obtained my citizenship. I now consider New Zealand to be my permanent home.

Since graduating as a Chemical Engineer from the Université de Sherbrooke in Province of Québec, I've worked in a range of different industries in Montreal, before moving to Whakatane. There, my first job was working in the pulp and paper sector. A short time later an opportunity arose to join a local dairy processor. This was the start of my long career in the dairy industry, where I have worked in a variety of roles ranging from environmental, product development, supply chain

and technical services.

I joined Westland Milk Products with the aim of leveraging my end-to-end understanding of the dairy industry to grow our UHT business.

The key purpose of my role is to implement the UHT strategy, and manage projects with key partners to develop new UHT products. I'm also focused on looking at how best to utilise our assets in the long term to add value to this category for shareholders.

During the last few months we've seen a noticeable increase in the volume of Westgold UHT whipping cream orders coming in from China. Soon we will be producing UHT cream for two Chinese customers in their own branded packaging. Interest in Westgold UHT cream is now being received from customers from outside China, which is a positive development. The team is also exploring many other options for UHT milk and we expect to have some volume being processed through the plant during the next few

months. Many opportunities for UHT products exist; the important thing is to identify the ones that will deliver value in a proven and sustainable way.

"I now consider New Zealand to be my permanent home".

In my spare time, I am exploring the South Island's beautiful walking trails and parks. Each week I spend a few hours running around some of these spots, and if all goes to plan, I should be on the starting line for the Christchurch marathon next month!

Staff Profile: Brigitte Massé



Advertisements

Heifer Grazing

Dairy Heifer grazing available in Ahaura for up to 100 head. June to May heifer grazing available, or winter grazing from June onwards.

20 years' experience as a dairy grazer. Animals weighed regularly.

Contact Robyn:
p. 03 7323849
m. 027 6065648



Winter Grazing

Winter grazing available in Westport or Waimangaroa.

Phone 021 797 661 for further details.

Staff Directory

Directors

General

Pete Morrison (Chairman)
Area 1 Supply Nos 6-165
Phone: 021 828 605

Katie Milne (Deputy Chair)
Area 6 Supply Nos 643-885
Phone: 027 424 4546

Raelyn Lourie
Area 2 Supply Nos 167-299
Phone: (03) 755 6795

Noel Robb
Area 3 Supply Nos 300-417
Phone: (03) 762 6363

Rebecca Keoghan
Area 4 Supply Nos 418-520
Phone: 027 440 2664

Frank Dooley
Area 5 Supply Nos 521-642
Phone: (03) 789 7389

Appointed

Keith Smith
Phone: 021 920 659

Bob Major
Phone: 021 898 715

Brent Taylor
Phone: 021 379 749

Key Westland Personnel

Transport - Collections

Transport Supervisors
Phone: 03 756 9841
0800 732 700 (ext 841)
Email: milk@westland.co.nz

Refrigeration - Tru-Test

0800 500 937
Admin - Payments & Shares
Kirsten Howell, Supplier Payments Officer
Phone: 03 756 9852
Email: kirstenh@westland.co.nz

Laboratory - Quality Enquiries
Raw Milk Lab
Phone: 03 756 9840
0800 732 700 (ext 840)

Leo McIntyre, Quality Assurance Manager
Phone: 03 756 9830
Email: leom@westland.co.nz

Supplier Services

Tony Wright, GM Shareholder Services
Phone: 03 371 1687, 029 431 4620
Email: tonyw@westland.co.nz

Wayne Climo, Milk Quality on Farm
Phone: 03 756-9814, 021 376 491
Email: waynec@westland.co.nz

Supplier Services

Doug Cochrane, Milk Collection Support Officer
Phone: 03 756 9843 , 027 434 1964
Email: dougc@westland.co.nz

Mark Martini, Milk Supply Manager South - Areas 1 & 2
Phone: 027 886 2764
Email: markm@westland.co.nz

Taane Johnsen, Senior Milk Supply Manager Central & Canterbury - Areas 3, 4 & 7
Phone: 027 886 2765
Email: taanej@westland.co.nz

Penny McIntosh, Milk Supply Manager North - Areas 5 & 6
Phone: 027 886 2763
Email: pennym@westland.co.nz

Leanne Cutler, Supplier Services Support Officer
Phone: 03 756 9889, 027 742 7063
Email: leannec@westland.co.nz



Get in touch

For all supplier/general information:

Email: supply@westland.co.nz

Newsletter Enquiries

Feedback and enquiries regarding this newsletter, including switching to digital subscription only, subscribing if you are not already a recipient, or suggesting story ideas can be directed to:

Michelle Bunt

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