

MEDIA RELEASE

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Alliance Group invests in Dannevirke plant and creates 35 regional jobs

Alliance Group is investing a further \$1.4 million in improvements to its Dannevirke plant as it seeks greater efficiencies in processing.

The 100% farmer-owned co-operative is re-configuring processing operations and investing in additional technology at the plant in southern Hawke's Bay, bringing total investment at Dannevirke to \$12 million in the past year.

The improvements to the plant's lamb and sheep processing capabilities will increase the plant's capacity by 20 per cent. The company will re-configure product flows, install additional vacuum packaging capacity and introduce additional downstream labelling and strapping equipment.

As a result of the changes, Alliance expects to employ about 35 additional staff at Dannevirke.

It marks the next stage in the company's investment in the region and comes on top of Alliance investing \$10.6 million in the latest robotic primal and middle cutting machinery at Dannevirke last year.

David Surveyor, Chief Executive of Alliance, said the investment is part of the co-operative's Manufacturing Excellence Programme and is designed to meet the needs of North Island farmers.

"The investment will significantly improve the product flow through our further processing facilities and result in greater efficiencies at the plant. It reflects Alliance's commitment to maximising the operational performance of our plant network for the benefit of our farmer shareholders and people.

"Strengthening our processing capabilities at Dannevirke enables us to respond to the needs of our farmers in the lower North Island. Increasing capacity, driving efficiencies and lower costs means we can pass these gains onto our farmer shareholders. As a co-operative, we are focused on maximising the value created for New Zealand farmers.

"This is all part of our goal to lift the performance and productivity of all our plants and ensure we remain the leader in New Zealand red meat processing."

The investment also represents a vote of confidence in the local communities and the region, said Mr Surveyor.

"This is a major boost to the Dannevirke community. We're a major employer in regional New Zealand. Nearly 5,000 people work for Alliance all over the country and we also provide work and income for a significant number of local contractors and service providers.

“Investments in technology and innovation are important drivers in Alliance's Manufacturing Excellence Programme to further build on improving performance within the co-operative.”

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