

MEDIA RELEASE

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Alliance Group investing \$1 million in value-add facility in Southland

Leading food and solutions co-operative Alliance Group is investing \$1 million in a new value-add facility in Southland as part of its focus on capturing more value for its products.

The new facility at the company's Lorneville plant near Invercargill will significantly expand the scope of existing production by increasing the processing capacity of fresh and tempered lamb.

New lines for automatic slicing, dicing and mincing of products will be installed alongside a range of modern packaging technologies, offering the co-operative the flexibility to provide a range of packaging options for its global customers.

"A key part of our business strategy is capturing greater market value for our products so that we can pass those gains onto our farmer-shareholders and create a stronger co-operative," said David Surveyor, chief executive of Alliance Group.

"This is an exciting development for the company, our farmer shareholders, our people and our customers. It reflects our continuing transition to becoming a world-class food and solutions co-operative and demonstrates we are delivering on our strategy."

Alliance will initially target the New Zealand domestic market, the UK food service sector and China for the value-add products.

"The co-operative is experiencing considerable growth in these sectors and we see significant opportunities in the future," says Mr Surveyor.

Alliance has spent almost a year planning in detail every product and its specification, the machines and technology requirements and plant layout to ensure the facility is effective from the start of production.

"This investment is also great news for the region. We are the largest employer in Southland with almost 2,000 people at Lorneville alone. This new value-add facility will provide employment opportunities for 40 people and we have a range of other projects in the pipeline."

The announcement of the value-add facility follows the opening of the co-operative's \$15.9 million venison plant at the Lorneville plant last year.

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NOTES TO EDITOR

Alliance is a co-operative owned by approximately 4,000 farmer shareholders and exports lamb, beef, venison and co-products to customers in more than 65 countries.

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