

MIA R&D Initiatives



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- ▶ This year MIA started looking at a new system for collective meat processing R&D
- ▶ Why?
 - Combination of tactical and strategic drivers

Tactical Drivers

- ▶ Government has a renewed interest in the primary sector
 - Fast Forward
- ▶ The existing fund for collective investment – MIRINZ Inc – is almost exhausted

Strategic Threats

- ▶ Competition for land from dairy
- ▶ Competition for labour from many sectors, particularly urban
- ▶ Competition in markets from emerging low-cost producers – Brazil, China etc
- ▶ New technology is one way to help address these issues





- ▶ New technology is one way to address these strategic threats
- ▶ If you want to do something that's going to make a difference on strategic level, it's got to be big...
- ▶ A lot of industry thinking about automation and robotics at present
 - Potential to revolutionise meat processing industry as in, for instance, the car industry

Why Industry-good?

- ▶ 'Transformational' technology is
 - High risk & Expensive
 - Unlikely to be adequately funded by a single company
- ▶ NZ firms have limited resources
- ▶ Competitiveness of industry makes investment riskier
- ▶ So it make sense to invest on an industry-good basis, and make the whole industry more competitive with, for instance, dairy

So what have we done?

- ▶ MIA R&D Committee assembled
- ▶ Shape & principles of new R&D mechanism defined
 - Delivering commercial rate of return
 - Industry led and controlled
 - Strategy driven
 - Commodity levy funded



Where are we up to?

- ▶ We are ready to go on consultation with members
- ▶ Had timeline mapped-out
 - Referendum pre-Christmas
 - Levy awarded early '09
 - Investment before end '09
- ▶ Some investment opportunities being fleshed-out
- ▶ **BUT...** SIGO issue has intervened

So what next?

Watch this space

- ▶ We need means of playing in Fast Forward
- ▶ We need to replace MIRINZ Inc
- ▶ Strong industry drive to move forward with big automation projects, like ovine dressing