



come to the edge...

Newsletter

February 2016

Developing Tauranga city-region as a thriving magnet city

We are in a global war for talent - the 'currency' of the 21st century. As a region we need to work harder and more effectively to build, and importantly communicate, our value proposition for talent to grow, move and be retained here.

At Priority One's 2015 Annual General Meeting, five successful, talented, high achievers spoke about why Tauranga city-region resonated to them as a place to live and to build their careers and businesses – why Tauranga city-region is their 'place to shine'.

The relevance of this was in the context of a global trend highlighted in a report by a leading Canadian economic development consultancy, that young people are no longer tied geographically to a community or a region. Research shows that recent graduates will choose a community first, then find a career. In turn, businesses are starting-up and locating in communities that have a resident pool of creative, talented, educated workers where the amenities and lifestyles sought by their employees are on offer.

Aligned with this global trend Priority One is focusing even more strongly on talent attraction in the coming year. Supporting us will be a framework developed by KPMG internationally called 'magnet cities'. At the foundation of this framework are seven core principles that underpin the growth of a magnet city. These are: attracting young wealth creators, ensuring ongoing physical renewal, developing a strong and clear city identity, connecting to other cities, nurturing new ideas, attracting private and public investment, and encouraging strong leadership.

Priority One is looking forward to working closely with KPMG and a group of key stakeholders in the coming months to identify real opportunities to develop Tauranga city-region as a magnet city. For further information on the magnet cities concept, visit www.kpmg.com/nz/en/issuesandinsights/articlespublications/pages/magnet-cities.aspx.

Highlights



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Priority 1 Driving Economic Growth





Fostering innovation

Bids submitted for Bay of Plenty Regional Research Institute

The proposed new regional research institute for the Bay of Plenty took another step closer this month with the submission of two detailed proposals to government. This followed the submission of brief registrations of interest last year. The government has advised it will select a shortlist of concepts, with a final decision on where the research institutes will be based expected in June 2016.

The submissions are in response to the government initiative to develop a number of new research institutes in regional New Zealand. They are to be established outside the main centres of Auckland, Wellington and Christchurch. To facilitate the submissions Priority One and the University of Waikato last year jointly appointed Shane Stuart as Innovation Manager, based in

Priority One's offices. Developing responses to the initiative has been Shane's first role and has seen him working with local businesses and other stakeholders to identify and develop concepts of local relevance.

Shane says the two detailed proposals submitted were in the areas of primary industries innovation and medical devices for a Bay of Plenty regional research institute and support the Government initiative. "The new private institutes aim to support innovation in the regions by maximising the unique business, technology and economic growth opportunities. This is a significant opportunity for our region and one we resoundingly believe we can deliver on, due to our competitive edge in this region."



PhD students focus their attention on the Bay's coastal issues

Top coastal and marine research students from around the world gathered in Tauranga this month to focus on issues of relevance to the Bay of Plenty at the 7th annual INTERCOAST workshop. Priority One's Strategic Projects Manager Greg Simmonds says the International Research Training Group (INTERCOAST) is a unique research collaboration between the universities of Bremen (Germany) and Waikato. "It began in 2009 and runs to 2018 and at the completion of the programme up to 60 students will be awarded with PhDs focusing on issues of relevance to coastal and marine environments."

Bay of Plenty Chair in Coastal and Marine Science Professor Chris Battershill is the New Zealand lead for the INTERCOAST programme. He says the programme is cross-disciplinary, spanning both the Northern and Southern hemispheres and encompassing legal, cultural and societal aspects linked to the biophysical responses of development of coastal and shelf regions in Tauranga Harbour and Bremerhaven in the North Sea, Germany. "The overarching goal of INTERCOAST is to investigate geological and biological coastal processes that have relevance to environmental sustainability in populated locations; something of direct relevance to Tauranga's continued growth".



Professor Chris Battershill, Bay of Plenty Chair in Coastal and Marine Science, opening the INTERCOAST workshop

1 Priority One supported the University of Waikato's establishment of the INTERCOAST programme and is a sponsor of the workshop.

International expert brings market validation masterclass to Tauranga

Tauranga technology incubator, WNT Ventures, welcomed a successful start to 2016 by bringing Peter Simon, founder of Simon Management Group, Boston, USA to New Zealand to give a series of masterclass workshops in market validation. Carl Jones, Chief Executive of WNT Ventures, said "As the recognised expert in market validation, Peter's services are used by many successful entrepreneurs including renowned market validation specialist and author Dr Rob Adams." The purpose of the masterclass workshops was to provide a 'how-to' application of the theory taught by Dr Rob Adams during his earlier visits to New Zealand.

"Partnering with Venture Centre and Enterprise Angels to host the Tauranga workshops, we were delighted with the interest for both events with over 40 registered for the entrepreneur session and 35 for the investors & partners session," said Carl. Kiwinet in Hamilton also hosted a popular workshop with 55 attendees, including university researchers and students, who reaped the rewards of

Peter's knowledge and experience. Peter then spent time in Auckland with his final two sessions hosted by Flying Kiwi Angels attracting well over 160 registrations. WNT Ventures would like to acknowledge Callaghan Innovation for their support in bringing Peter to New Zealand and to their host partners for their contribution and organisation of these events.



Peter Simon, founder of Simon Management Group, presenting his market validation masterclass at KPMG

1 *Priority One is a shareholder of WNT Ventures.*

Metallurgy innovator moves to purpose built premises

Hi-tech 3D metals research and development company, TiDA, is moving to new purpose-built premises in Tauriko Business Park in response to the expanding demand for their services.

Previously called the Titanium Industry Development Association, the organisation was established at the Bay of Plenty Polytechnic's Windermere campus, which has served it well over the last six years. Managing director Warwick Downing said "The organisation's manufacturing arm, RAM, is now very much on a commercial footing, with export work sometimes taking up more than 50% of monthly production."

The combined operations have nine staff and are currently seeking a workshop engineer. The company's work includes making parts

for the defence force and other industries in titanium, high-strength stainless steel and nickel super alloys. There had also been growing demand, especially from Australia, for titanium implants for medical purposes.

The building will comprise a 1000m² laboratory and office complex and is expected to be completed in June 2016.



Coastal economic symposium puts a further spotlight on the Bay

An understanding of the latest research being undertaken here by local and international scientists, economists and iwi was presented to members of the public at the University of Waikato's annual Coastal Economic Symposium, held in Tauranga this month.

Attracting significant interest from local residents topics covered during the symposium included:

- Tauranga harbour's health and restoration;
- Traditional navigation techniques;
- Marine biosecurity issues;
- Opotiki harbour developments;
- Intercoast programme update; and
- Digital cities.



Professor Chad Hewitt, Dean of Science at the University of Waikato, presenting on biosecurity at the Coastal Economic Symposium

1 *Priority One is a sponsor of the annual Coastal Economic Symposium.*

Government funding to encourage a nation of curious minds

The government has launched the second round of the Unlocking Curious Minds contestable fund, offering up to \$2 million to support new projects to enhance or broaden the connection and engagement of 'harder to reach' New Zealanders with science and technology.

The purpose of the fund is to excite and engage young people, in particular those who have fewer opportunities to become involved in science and technology. Science and Innovation Minister, Steven Joyce, said "Science and technology open the door to a huge variety of careers. They are fundamental to ensuring New Zealanders are equipped to take advantage of the economic opportunities that we have over the next decade."

The fund offers two levels of grants: up to \$30,000 for local projects and up to \$150,000 for regional or national projects. Applications are sought from individuals and organisations. This funding round is open until 15 March 2016 and projects will need to be completed by 31 December.

For further information, visit www.curiousminds.nz/ucm.



New Science Challenge to boost land productivity and the environment

Science and Innovation Minister Steven Joyce has launched the Our Land and Water National Science Challenge which aims to enhance primary sector production and productivity while maintaining and improving land and water quality. "From an economic standpoint they don't come much more important than this," Mr Joyce said. "There is increasing confidence that new agricultural tools will be able achieve both these crucial objectives for New Zealand. The job of this challenge is to use science to accelerate the development of these tools."

The Our Land and Water Challenge is the ninth of 11 science challenges to be launched and will receive funding of up to \$96.9 million over 10 years. Hosted by AgResearch, it involves the six other CRI research partners and five universities, including Waikato University. It aims to bring the science necessary to both double primary sector exports by 2025 and ensure water quality and use is properly provided

for over the long term. "It will deliver new ideas, technologies and systems for primary production, from paddock to consumer, while using a wide range of scientific collaborative approaches to improve land and water management, and drive behavioural change," said Mr Joyce.

For more information about the National Science Challenges, visit www.mbie.govt.nz/info-services/science-innovation/national-science-challenges/.



Agritech innovators showcase latest technology in Rotorua – 30-31 March 2016

The hi-tech world is descending on Rotorua in March to showcase the latest mobile developments for use on the farm. MobileTECH 2016 brings together the technology leaders from across the agricultural, horticultural and forestry sectors, including a number of innovators and developers that have come out of Silicon Valley.

The Rotorua event has been designed for this country's primary industries and will bring together rural industry leaders, technology developers and innovators. Among the overseas companies attending are FarmShots, which provides online satellite and drone imagery software and analyses farms in real-time; and CropX, an agritech company built out of Israel and New Zealand which focuses on irrigation.

A recent report commissioned by Trade and Enterprise estimated that New Zealand's agritechnology exports are worth \$1.2 billion. Meanwhile a report from US-based Cleantech Group highlighted that interest in agriculture from Silicon Valley had doubled between 2013 and 2014.

Last year 151 start-ups received a combined total of US\$976 million in investment. For further information and to register, visit www.connexevents.com/mobiletech/.



Do you want to do some Angel investing but lack the time and confidence?

Enterprise Angels' EA Fund 2 opened on 16 February 2016, providing an ideal way for people to invest in early stage New Zealand companies alongside experienced angel investors.

Since its inception in 2008, Enterprise Angels members, and the funds they have established, have invested over \$7 million in nine Bay of Plenty companies and over \$17.5 million in 48 companies throughout New Zealand. Along with the opening of EA Fund 2, they had two exciting new companies pitch to members during February:

- **UBCO:** Tauranga company and finalist in the NZ Innovator Awards 2015, UBCO has created a dual electric drive motor bike that will re-define the way we work, commute and play outdoors. It is powerful and lightweight, with a load capacity of up to 200kg.
- **Quantec:** Hamilton company and finalist, NZ innovator Awards 2014, Quantec has taken high-value bioactives in milk and developed these into a non-withholding period mastitis treatment. It is now New Zealand's largest selling 'over the counter' acne treatment and a food ingredient.

The next Enterprise Angels member meeting in Tauranga will be held on 5 April 2016. If you are interested in attending, please email jo@enterpriseangels.co.nz. If you are seeking startup capital for your business or would like to find out more about investing in startups, telephone (07) 571 2520 or visit www.enterpriseangels.co.nz.



Entrepreneurial summer start-up programme ignites tertiary students

For 10 weeks over the Christmas break, Priority One partnered with the Bay of Plenty Polytechnic and University of Waikato to host Ignite, an entrepreneurial programme for local tertiary students in the Ignition coworking space. The purpose was to provide them with the tools to validate their ideas and create a sustainable business.

We have asked some of the students to describe in their own words their experience taking part in this programme:

Luke Sygrove

Stories transcend our mortality. They captivate us, amuse us, and at times, horrify us. I'm a passionate Tauranga local, born and raised. After learning the wealth of dramatic events that occurred here, I realised the potential in bringing these back to life in a totally new and engaging way. I want you to feel connected and enriched here, whether you are a local or a tourist. By partnering with an app developer, I have created a truly authentic one-hour Tauranga audio walking tour. As you follow the map, you will hear fascinating details automatically triggered by cutting-edge GPS technology. Unlike normal tours, you are always in control. All you need is your smartphone and headphones, although headphones are not essential. Immerse yourself and you will see stunning Tauranga in a whole new way.

For further information, email sygrove@hotmail.com.

Georgia Meek

I am the founder of The Babysitters Club, which is a premium babysitting agency which connects parents with reliable, experienced, and trustworthy sitters. With babysitters who are over the age of 17 who have been police checked, reference-checked and interviewed, we ensure each family is connected with someone who they not only can trust, but who they know will be passionate, interactive and nurturing. So whether you are looking for an occasional sitter, a regular connection or even a last minute option, The Babysitter's Club can do it all for you! For any further information, please visit www.thebabysittersclub.nz.



Hamilton start-up entrepreneur students visit their Tauranga counterparts at Ignition coworking space

Applications open for Fieldays Scholarship focusing on research in agriculture

Applications are now open for the 2016 New Zealand National Agricultural Fieldays Sir Don Llewellyn Scholarship through the University of Waikato.

Established in 2012, the scholarship is funded by the New Zealand National Fieldays Society and is worth up to \$22,000 for one year of study. It is aimed at graduate students undertaking research in the agricultural sector at the University of Waikato. Last year's recipient, Danielle Lelievre, is researching the development of flavour in the G3 cultivar of kiwifruit which replaced the Hort16A kiwifruit that was severely impacted by the Psa virus.

Applications for this year's scholarship close on 31 March 2016. For further information and to apply, visit www.waikato.ac.nz/research/scholarships/NZFieldays.shtml





Investment attraction

Priority One's business attraction campaign continues to gain momentum

A re-energised Priority One business attraction campaign has seen some solid gains in the past three months. During December and January we connected with three companies – one that is considering relocating and expanding and two that will be new branch office openings. If successful, these companies will bring 46 new jobs to the sub-region and will make a capital investment of approximately \$2.2 million.

In terms of our specific focus on bringing new business into Tauranga's city centre, we are currently working with five companies

at various stages of their decision making process, including two from outside the region.

We continue to actively target companies in sectors in which the region can offer competitive advantages to support their expansion and relocation to Tauranga and the Western Bay of Plenty. The table below shows the sectors in which we are currently working with companies through their decision-making processes as they consider relocating to the Bay.

Current Active Prospects	No.	Potential Jobs	Potential Capital Investment
Logistics/distribution	4	21	\$1,800,000
Manufacturing	3	148	\$6,754,000
Service/professional	1	1	\$20,000
IT/technology	0	0	\$0
Government	0	0	\$0
Other	1	5	\$100,000
Total	9	175	\$8,674,000

There is a big case for doing **business** in Tauranga



NZTE provides opportunities to fast track entry into the Australian market

New Zealand Trade & Enterprise is leading a group of 10 companies, including Tauranga-based Kiptank, in the 2016 Agritech Path to Market Programme for Australia.

The programme supports export capable companies to develop their market strategy and fast track their entry into the Australian market. It covers a number of key sectors including food & beverage, cleantech and digital and has been valuable to those that are new to exporting or seeking to build their capability and assess their potential in Australia.

Simone Gibson, General Manager of Kiptank, says "The guidance and expertise New Zealand Trade & Enterprise is providing

will help us enter the Australian market with confidence. It will also help us to grow our export sales using the experiences of other businesses. The expert panel left us with a greater confidence about the positioning of the product and where our target markets lie. It also has the ability to help us make introductions to the right people."

This year the 10 companies involved come from all over New Zealand and are working across a wide range of technologies that are all providing inputs to the agricultural sector.



Priority One video pulls in the big guns to promote the region

Priority One's business attraction campaign shoulder tapped arguably the most influential person in the lead up to Christmas to extoll the virtues of the Bay as a place from which to do business. Chief Executive Andrew Coker said that his team heard just before Christmas that Vodafone were considering relocating their head office from the Viaduct in Auckland, so, they used this as an opportunity to raise the profile on Tauranga. "We knew it was a long shot, but we felt their management should be aware of the impressive reasons to consider Tauranga as a place for their head office if they ever were to consider moving out of Auckland," said Andrew.

Developed by local creative agency, Tuskany, a short video featuring Santa Claus outlining the virtues of basing a business in the Bay was filmed and posted on Vodafone's Facebook page. A Vodafone spokesperson confirmed the board had viewed the video and appreciated the spirit in which it was produced. While Andrew said that Priority One had no expectation that Vodafone would move its 500 staff from Auckland to Tauranga, the message was aimed at the broader national business community considering their individual growth projections.

To view the video, visit www.youtube.com/watch?v=NYdROeBqXfo&feature=youtu.be.



Priority One hosts call centre expert to Tauranga to identify potential

Attracting call centre businesses from within and outside New Zealand is a key focus of Priority One's business attraction strategy. This month Priority One hosted a call centre industry expert to Tauranga to help determine the sub-region's potential in the attraction of call centre operations.

Priority One Business Relocations Manager Max Mason says the visit was immensely valuable. "Giles Potter has been consulting to government departments and corporates on developing and optimising call centres since founding his company, Great Outcomes, in 2001. The New Zealand call centre industry currently employs around 30,000 staff across 400 locations, with around two thirds of them located in Auckland."

Following his visit and consideration of our competitive advantages, Mr Potter thinks the sub-region is well-placed to attract a share of the growing call centre market. "Tauranga and the Western Bay of Plenty have a huge amount of potential for many reasons," said Mr Potter. "People in Auckland are

very willing to relocate to Tauranga, which is a great potential location for call centres and only a 45-minute flight from Auckland. It's very easy to get to and has a good population of people who are available for work, which is growing and expanding. There's an existing business community so it's well-served with things like telecoms and good infrastructure, and there is available commercial space."

Mr Potter also noted plans to set up a new Waikato University-led campus and the lifestyle attractions as adding to the area's appeal.



Great Outcomes Director Giles Potter and Priority One Business Relocation Manager Max Mason. (Photo: John Borren, Bay of Plenty Times)

New Zealand's food and beverage sector adding value to volume

The 2015 edition of the Investor's Guide to the New Zealand Food and Beverage Industry shows increasing levels of investment in product diversification and branded high value consumer products. A key focus of the report is on the 23 emerging, high value categories, which now produce a total of \$3 billion of exports per annum and have grown at 12% a year over the past decade. Goods with annual export figures of \$100-\$200 million include chocolate, UHT milk, biscuits, avocados, soft drink and beef jerky. Those valued at \$200-\$300 million include pet food and honey, while mussels are valued at \$312 million and infant formula \$455 million.

The Investor's Guide to the New Zealand Food and Beverage Industry has been developed by the Ministry for Business, Innovation and Employment and can be downloaded at www.mbie.govt.nz/info-services/sectors-industries/food-beverage/information-project.



Opportunity to join ExportNZ on a trade mission to Malaysia and Thailand

ExportNZ is leading a delegation to Malaysia and Thailand in August 2016 for companies that want to explore working in these markets. Trade missions enable delegates to meet influential people and do in-depth research efficiently and in some comfort, with all arrangements made for the group. Each year ExportNZ targets markets for trade delegations that they believe hold great opportunities for exporters. Proposed areas of focus for this trip include:

- Gaining a better understanding of the market and insights into consumer preferences and market intelligence;
- Developing a strategy for the market through advice from New Zealand Trade and Enterprise; and
- Developing connections to partners and/or buyers through a dedicated business-to-business matching programme.

Participation in the trade mission is open to all exporters from all industry sectors who are interested in the respective destination countries. If you are interested in taking part in this delegation, email Catherine Lye on catherine@exportnz.org.nz or to find out more, visit www.nztrademission.co.nz/2016-trade-mission.



\$8 million investment confirmed for local schools

The Ministry of Education has announced it will spend more than \$8 million on local schools to cope with rapidly growing student numbers. New figures show roll numbers in schools throughout Tauranga have increased significantly, with nearly 1600 more pupils enrolled last year than in 2012.

Papamoa College will receive \$5.1 million to increase its capacity to 1500 students, while Golden Sands School will receive \$3 million so that it can accommodate 600 students. This investment comes on top of the \$10 million that the Ministry of Education has spent on local schools since 2013 to accommodate growth in student numbers.



A hub for skills and talent

More students completing qualifications in STEM subjects

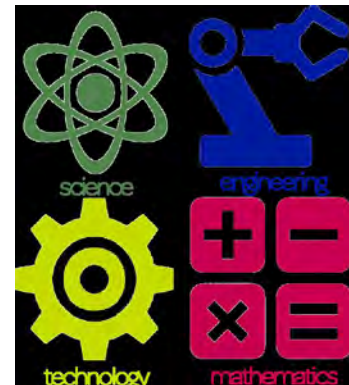
A recent report from the Ministry of Education shows that a greater proportion of degree-level domestic graduates are completing qualifications in the 'STEM' subjects of science, technology, engineering and mathematics. Tertiary Education Minister Steven Joyce said "Producing more engineering, ICT and science graduates will help alleviate actual and potential skill shortages in these key areas."

Key findings from the report titled '*What did they do? The field of study of domestic graduates 2011-2014*' include:

- In engineering and related technologies, the number of graduates at the bachelors level or higher reached over 2,000 in one year for the first time in 2014 - an increase of 21% from 2011.

- In information technology, the number of graduates completing a qualification at the bachelors level or higher increased to 1,550 in 2014 - an increase of 29% from 2011.
- In the natural and physical sciences, the proportion of graduates completing a qualification at the bachelors level or higher reached 3,930 in 2014 - an increase of 7.5% from 2011.

To download the full report, visit www.apo.org.au/resource/what-did-they-do-field-study-domestic-graduates-2011-2014.



New service to connect you with the staff you are looking for

Immigration New Zealand has launched a free service to help employers search overseas for people with the skills their business needs. Skill Finder enables employers and recruiters to list their vacancies and also search a database of over 400,000 people by occupation, level of academic qualification, residence and years of experience. Those that register must have a genuine vacancy to fill and jobs will usually require a qualification or be on the skill shortage list. The process is:

1. Filter the database (no personal details are shown) according to skills, qualifications and country of origin to receive information on the number of people in that database that could fulfil your criteria.
2. Complete the registration form and send it to the Immigration NZ marketing team, who will work with you to develop an email to promote the job opportunity to your target group.
3. Immigration New Zealand will forward CVs to you that are submitted in response to the job search.

For further information and to register, visit www.immigration.govt.nz/employers/skillfinder/.



Instep programme connects local business & students

Instep hosts breakfast to link students to scholarship opportunities

This month Priority One's Instep programme and HOBEC hosted the deans from our local secondary schools at a breakfast meeting so they could find out about the scholarships on offer for Year 13 students through the Acorn Foundation.

Instep Manager, Lyn Parlane, said up to three scholarships per school are offered each year through the generosity of Acorn Foundation donor Mary Mc Gowan. "The scholarships enable students to attend a three day intensive Dale Carnegie course, recognised by employers internationally, to teach them important skills to help them succeed in the world outside school."

Through the collaboration of the Acorn Foundation, Dale Carnegie Bay of Plenty Waikato and Priority One's Instep programme, this initiative has proved to be a resounding success based on the positive feedback received from students, parents, teachers and principals.



Bill Holland (HOBEC & Acorn Foundation), David Herring (Otumoetai College), Isabel Jefftha (Aquinas College), Nicky Wilkins (Acorn Foundation), Andrea Shaw (Dale Carnegie), Lyn Parlane (Instep programme), Keith Crawford (Tauranga Boys' College)

1 Instep is a Priority One initiative that connects secondary school students and teachers with local businesses to highlight career opportunities and pathways.

Sowing the seeds of knowledge in Katikati

The predicted skills shortage and significant future growth in the horticulture industry has led Katikati College to establish a specialist horticulture programme to encourage more students to consider careers in the industry.

Priority One, through its Instep programme, connected Katikati College Principal, Neil Harray, to New Zealand Kiwifruit Growers Inc (NZKGI) in 2015. Since then the college, NZKGI and the Ministry of Education have been working together to develop learning resources in a horticulture context using existing NCEA achievement standards. This means that while students are learning maths, science, English, business studies and social sciences, they are also applying their knowledge to a local industry.

Neil Harray said "Kiwifruit and avocado production are the town's major players, however the academy will also cater for other aspects of the industry including apiary studies, commercial nurseries and flowers." Kate Longman from NZKGI says the model they are developing is unique. "It's vital students get exposure to the industries that surround them and understand the science and business that underpin them. The basis of the model is to develop relationships between senior secondary school students and real world businesses through implementing local industry context into mainstream classes." The programme will provide secondary school students "with exposure to local horticultural industry and expertise," she says. It is hoped that the academy will be formally opened later this year.



1 Priority One's Instep programme is supporting Katikati College, NZKGI and the Ministry of Education to develop a unique horticulture programme in mainstream classrooms.

Grant allows House of Science to expand and translate its resources into te reo

The Wright Family Foundation has announced they will contribute a total of \$350,000 over three years to help the House of Science expand its reach and translate its educational resources into te reo. The contribution will comprise an annual donation of \$100,000 for three years to support additional staff and the programme's expansion, as well as a one-off payment of \$50,000 for the translation of the resource boxes.

House of Science director Chris Duggan said the funding would help make previously unobtainable goals a reality. "It allows us to move forward and achieve our vision of raising the scientific literacy in the local community without the financial strains and barriers that we had earlier," she said. It will also help the organisation to meet the overwhelming demand for its services in Tauranga and throughout its six other sites around New Zealand.

The House of Science was established in 2013 to raise scientific literacy in the community. The work includes professional development for science teachers, providing access to science resources and advice for local teachers, students and the public; as well as developing links between the local science community with local primary and secondary schools.



Cloe Wright, Wright Family Foundation, and Chris Duggan, House of Science

1 Priority One brought the idea of House of Science back from Bremen in Germany and provided funding support for its establishment.



A compelling destination

Magnet Cities Strategy identified as key driver to talent attraction campaign

Priority One's adoption of the KPMG 'magnet cities' framework, as outlined in our cover story, will present a significant opportunity for our region to develop an even stronger identity and competitive edge.

The KPMG magnet cities framework is based on the premise that cities are the fundamental building blocks of a prosperous country. There are now 400 cities of one million people competing for the best 'extremely mobile' talent and growth companies to drive national economies. These 400 cities are direct competitors for Auckland, Wellington, Christchurch and Tauranga city-region. Putting this in a global context, the future of geographic competition will be between 500 large cities which will control 80% of global financial activity.

KPMG's Caroline Haynes and Vanessa Forshaw have developed a framework for thinking about cities and how to draw in people who will make the city prosper. They identified nine cities around the world who have switched their magnetic pull and now attract young wealth creators. A bold experiment and huge risk has resulted in them becoming fast-growing cities with economic growth that in many instances outstrips the national average.

Haynes, an economist and government advisor from the UK visited New Zealand in June and again in October last year. During her visit she conducted workshops

with city officials and other stakeholders in Auckland, Wellington and Christchurch to help recognise ways to approach beneficial change and create magnet cities.

Magnet cities are identified as those who have taken a bolder approach to growth and invested in creating an environment that is attractive to people who make a city grow, those coined Young Wealth Creators.

Young Wealth Creators are identified as a specific group of educated, ambitious and energetic young people. They create jobs of tomorrow, bringing with them the city's future wealth. KPMG describe them as entrepreneurs, researchers, designers, engineers, physicists, bloggers, artists, animators, app and game designers, clean-tech advocates and people that build on existing businesses or identify and grow new and industrial niches.

KPMG's magnet city framework is based on seven core principles that underpin the growth of a magnet city:

1. Attract young wealth creators: A magnet city identifies and establishes a unique relationship between the city and the group of young wealth creators it aims to attract.
2. Physical renewal: On-going physical renewal keeps cities interesting and new. A strong city centre can strengthen the magnetic pull of the entire city.

3. City identity: Cities that attract young wealth creators have a strong and clear city identity that residents connect with.
4. Connected: Magnet cities are well connected to other cities and are easy to get in or out of.
5. New ideas: Magnet cities nurture new ideas.
6. Fundraisers: Magnet city governments attract private investment, research grants and public funds for the city – public and private money working together.
7. Strong leaders: A magnet city requires strong mayors and leaders who can stay true to the vision in the face of public dissent and work more collaboratively with residents, investors, developers, businesses and universities than is the norm.

Now it is Tauranga city-region's turn to take the magnet cities framework and insights and answer the following key questions:

1. Who do we need to attract or retain in our cities to generate future wealth?
2. How can we compete against other cities to attract them?

The Priority One led magnet cities framework will focus on identifying and targeting specific groups of Young Wealth Creators and refashion and leverage all our city's assets to make them move here.



Creating a civic heart for Tauranga's city centre

An extensive campaign has been underway over the last few months to find out what people want in Tauranga's city centre. The initiative has been spurred by Tauranga City Council's requirement for a long-term site for its offices, while at the same time their consideration of the best use of the land it owns in the city centre. The project could be a catalyst for other opportunities such as the development of a museum, expanding Baycourt, creating a city square, developing a conference centre and hotel, increasing parking and including retail and hospitality businesses.

Some of the key themes that have been suggested to revitalise the city centre include having more arts and cultural offerings, increasing inner city living, providing an opportunity to learn about our history, developing a city square with shade, creating a performing arts centre, increasing activities for young people, and ensuring the civic heart is the focal point for the city centre. Architecture and master planning consultants Warren and Mahoney have been appointed to develop the options. For further information, visit www.tauranga.govt.nz/civicheart.



1 *Priority One is contracted by Tauranga City Council to facilitate the implementation of the City Centre Strategy in partnership with a variety of business support organisations and stakeholders that have a focus on the revitalisation of the CBD.*

City centre relocation brings opportunities for Harrison Grierson staff

Established 130 years ago, Harrison Grierson may be one of New Zealand's oldest companies, but it's helping to create the future in Tauranga. Currently located on Cameron Road, the planning, engineering and surveying company has chosen to relocate into the heart of the city in Spring Street.

Practice Manager David Needham said the impetus for the move was initially driven by growth issues with the building, and the lease was due to expire. "We listened carefully to our staff who wanted more shopping, eating and exercise options than are currently available at the Cameron Road site. The city centre ticked all the boxes, and we've chosen great premises with room to expand and with high visibility."

David added that the move was his company's vote of confidence in the future of the city centre. "Harrison Grierson is part of this community and we wanted to support forward looking initiatives such as the new Trustpower building, the tertiary campus, the civic campus, and the developing waterfront."



National Jazz Festival announces stellar line-up

With the announcement of this year's Jazz Festival line-up the city is poised for what should be a hugely successful event. Performers announced include local blues and jazz legends, Kokomo, who are celebrating their 25th anniversary, Kiwiana swing group Andrew London Trio, Emma Pask and Darren Percival from The Voice Australia, and the USA-UK Connection Chris Cain and Roy Phillips.

Being held over Easter Weekend from 24-28 March, the festival includes the popular Downtown Carnival, the Baycourt Concert Series, the New Orleans-style Jazz Village, the 39th National Youth Jazz Competition and the high energy Hurricane Party, which will be held on the city centre waterfront.

National Jazz Festival director, Becks Chambers, said that during the five day festival, some 50 bands will perform across 16 events. "This year we have really focused on our younger generation, including our waterfront concerts which are especially targeted at young people, and our Dinner in the Domain, to attract a much wider and younger audience."

The National Jazz Festival is the longest running festival in the southern hemisphere, marking 54 years with the 2016 event. For further information and to book tickets, visit www.jazz.org.nz.



Willow Street transformation gets underway

If you have walked down Willow Street recently, you will have noticed a transformation taking place. Some very cool 3D artwork has been put up in the windows of some of the vacant ground floor tenancies, improving the look and feel of the area. Plans are also underway to develop planter boxes, decorative lighting, funky furniture, story boards and artworks to provide a more interactive environment. Priority One and Tauranga City Council have been supporting this project, which is an initiative of Mainstreet Tauranga. It is a partnership with business owners, property managers and property owners in the area which will bring colour and vibrancy to the street while longer term plans are developed.



Mount Maunganui beach ranked best in New Zealand

TripAdvisor recently announced the winners of its Travellers' Choice Awards for top beaches globally in 2015, with Mount Maunganui beach taking out the top spot for New Zealand.

This is the third year in a row that Mount Maunganui beach has topped the New Zealand poll. It was also named as second most favourite beach in the South Pacific Top 10 Beaches list. Reviewers said: "Located within the relaxed town of Mount Maunganui, Maunganui beach is the perfect spot for catching a wave. If surfing is not your thing, this beach boasts crystal white sand with stunning sunset views." "We loved this beach so much that we came back three times during our short stay in Tauranga. The beach is pristine, and the water inviting. The views are beautiful."

Travellers' Choice award-winning beaches were determined based on the quantity and quality of millions of traveller reviews and ratings for beaches on TripAdvisor gathered over a 12-month period.

For further information and to see the other beaches that made the list, visit www.tripadvisor.co.nz/TravelersChoice-Beaches.



Hairy Maclary & Friends drive visitors to the waterfront

Visitor numbers to the waterfront have increased by 40% since the Hairy Maclary and Friends sculptures were installed in July last year. An average of 41,941 people a month have crossed the railway line from the city during that time, up from the previously monthly average of 12,550. These figures actually underestimate the actual number of people that visit the installation as they do not count those that walk down the waterfront from Dive Crescent and the sensors sometimes count a group of people passing as one person.

Hairy Maclary and Friends was the brainchild of former Creative Tauranga Chief Executive, Tracey Rudduck-Gudsell, whose tenacity saw them come to fruition after seven years of planning and fundraising. Tauranga Energy Consumer Trust was a foundation partner in the venture and other majority funders included the Ministry of Business, Innovation and Employment and a collective donation from three of the Tauranga Rotary Clubs. Priority One also contributed to the project.



New South Island air service kicks off from Tauranga

Kiwi Regional Airlines commenced operations from Tauranga on 16 February 2016, providing direct flights to Nelson and onto Dunedin. On its inaugural flight to Nelson, the plane was booked out and sales to both Nelson and Dunedin have been 'excellent'. It is operating a 34-seater plane with two pilots and an air hostess.

The service is flying Dunedin-Nelson-Tauranga and return on Tuesdays on a 'same plane' service, with a 25-minute stop in Nelson for passengers travelling between Dunedin and Tauranga, or vice-versa. On Saturdays, Kiwi is operating a Nelson-Tauranga-Nelson return service.

Kiwi Regional Airlines chief executive Ewan Wilson said "I am absolutely thrilled to be adding Tauranga to our network - it's part of the golden triangle when it comes to economic hubs." Tickets from Tauranga-Nelson direct start from \$99 one-way, while Tauranga-Dunedin tickets will start at \$169. Tauranga Airport is receiving a \$4.5 million upgrade later this year to make space for the increasing number of passengers flying in and out.



Work has commenced on the Baypark to Bayfair link

Work on the first stage of the \$102 million Baypark to Bayfair Link Upgrade has commenced, with construction workers starting to clear an area in preparation for the relocation of the railway line, which will take place late this year. Once this work has been completed, KiwiRail will oversee construction of the foundation for the track (ballast), laying new track and installing signals.

The finished Baypark to Bayfair Link Upgrade project will see two flyovers built on State Highway 2 – one taking SH2 over the Maunganui-Girven roundabout and the second taking SH29A over the railway line and the Te Maunga intersection. It will reduce congestion and improve safety by separating local and state highway traffic, and encourage economic growth in the region by improving the route to the Port of Tauranga.

The New Zealand Transport Agency aims to have the flyovers open to traffic in 2020.



Tauranga architect to design new Katikati library and community hub

Tauranga firm, First Principles Architects Limited, has been selected by Western Bay of Plenty District Council to design the new Katikati library, council service centre, and multi-use community space.

First Principles Architects director Graham Price said the design would reflect the spirit of Katikati and this would be achieved by researching local heritage and listening to the views of the community and council. "It will promote Katikati as a destination with a colourful heritage as well as being a meeting place for the local community," Mr Price said. Recognising the closeness of the Uretara Stream and the cultural significance of the town's mural identity would also be integral to the design.

According to Western Bay of Plenty District Council, the selection of First Principles Architects for the project design was based on the philosophy presented by the organisation and their visionary approach to the project. "They have great local knowledge, a holistic approach and a commitment to keep the community up with the play as the design process progresses," said council customer relations manager Barbara Whitton.

The 800m² building will be an anchor for the new Katikati town centre development and will be designed for a staged build.



Tauranga's High Performance Sport Centre opens for business

The transformation of the old Mount Cosmopolitan Club into a high performance sports centre is complete, with the New Zealand Women's Sevens Rugby squad the first athletes to make use of the facilities.

The centre includes around \$750,000 worth of heavy duty gym equipment, transforming it into a world-class training environment. The project is an initiative of Tauranga City Council owned company, Bay Venues, and took less than 12 months to come to fruition. Bay Venues Chief Executive, Gary Dawson, said "It happened within a year, and that is remarkable. We took a building that was becoming derelict and a liability and turned it into a fantastic asset for the city and the country for a relatively small investment."

The council's share of the project was to bring the building up to modern seismic standards, re-roof it and undertake work to make it weather tight. Bay Venues raised the rest of the \$3.5 million needed to create the sport centre that will be home to the New Zealand Rugby Union's men's and women's sevens teams and the offices of the Bay of Plenty Rugby Union. Centre manager Justine Brennan is also working with the University of Waikato to confirm its tenancy, which will include a laboratory and state-of-the-art environmental chamber. Other tenants included Body In Motion Physiotherapy and Sports Medicine.



New Zealand Garden & Arts Festival – Tauranga & Western Bay – November 2016

This year sees the 10th anniversary of the iconic New Zealand Garden & Art Festival, which runs from 17-20 November across the sub-region. Over 50 gardens have already been chosen for the unique garden trail and the programme is being filled with a myriad of opportunities to enjoy art, sculpture, live performances, the speaker workshop series and other events.

The Expo Pavilion at The Lakes will be the home of the festival again this year, hosting the workshop series and many interactive exhibitions.

Expressions of interest are still being sought from artists who wish to showcase their work in one of the stunning gardens on the garden trail.

Visit www.nzgardenandartfest.co.nz/artist-registration to lodge your application or www.facebook.com/nzgardenandartfestival/ to keep up to date on the latest festival news.

Bay of Plenty leading the country with local environmental and social initiatives

Envirohub Bay of Plenty is hosting the 11th annual Sustainable Backyards™ month in March. The aim of the month is to highlight and support the community organisations, businesses and inspired individuals who are committed to sustainability, restoring the environment and building strong resilient communities.

Some key events during Sustainable Backyards™ 2016 include:

- **5 March:** FoodFest with guest speaker Pam Warhurst, comprising workshops, talks and activities on food, including growing it, eating it and composting it. This event is being held from 1-6pm at the Historic Village, Tauranga. Entry is by gold coin donation.
- **6 March:** Envirofest will comprise a range of inspirational speakers on sustainable business and practices, providing an entertaining way for the whole family to learn about sustainability. It is being held from 1-7pm in the Community Gardens at Whakatane and entry is free.

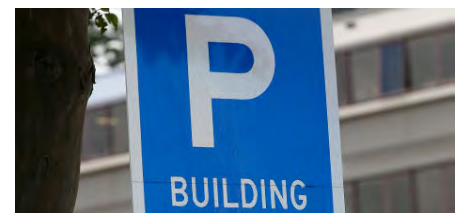
- **1 April:** Climate Change Speaker's Forum and Movie is a special screening of *Chasing Ice*, an Emmy Award winning film showing the impact of climate change on the planet. This event is being held from 7-9.30pm at Baycourt in Tauranga and entry costs \$20.
- **1 April:** Autumn Harvest Envirofest will facilitate the swapping of seeds and produce and include a healthy living talk, gardening information, compost and worm farm workshops. It is being held from 11.30am until 9pm at the Rotorua Youth Centre and entry is free.

Sustainable Backyards™ is sponsored by Western Bay of Plenty District Council, Tauranga City Council, Bay Trust, Lion Foundation and Pub Charity. For further information, visit www.envirohub.org.nz/sustainable-backyards-goes-bay-wide/.



Work underway to expand the Elizabeth Street parking building

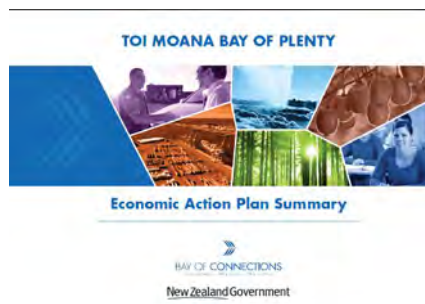
This month work started to add a further 119 carparks to the Elizabeth Street parking building. Some of the parking spaces around isolated pillars will be closed while seismic strengthening takes place on the lower levels. As work progresses upwards, the existing top level will need to be closed for construction. Some parking spaces outside the building on 1st Avenue will also be reserved for construction activity. A new lift and automated ticketing will be installed during the build, with completion expected in mid-2016.



Connecting & collaborating

Regional growth study action plan gets underway to underpin economic growth

The Bay of Plenty regional growth study action plan was launched in October 2015 and is now well into the implementation phase. Nine priority areas were identified by community stakeholders as being crucial to improving incomes, jobs and investment opportunities across the Bay in the short to medium term. These included: agribusiness, aquaculture, education & skills, forestry & wood products, geothermal energy, horticulture, Māori land optimisation, the visitor economy and water. To read a copy of the action plan, visit www.bayofconnections.com/growth-study/.



1 Priority One project managed the development of the Regional Growth Study action plan on behalf of Bay of Connections and is part of the implementation group.

MOU signals closer collaboration for Zespri, T&G

Zespri and T&G signed a Memorandum of Understanding at the fruit industry trade show, Fruit Logistica in Berlin, confirming their intention to work together over the next three years to create value for their respective growers and shareholders.

The first step in the collaboration will see the two companies working together to sell around one million trays of Zespri Kiwifruit in Thailand, Cambodia, Myanmar and Laos in the 2016 season and Zespri Chair, Peter McBride, says "This MOU formalises our intentions to look for opportunities to use our respective strengths to grow sales." T&G will open an office in Bangkok to represent and support the sales programmes of the two companies. The new team will work together to grow sales of both Zespri and T&G branded products like JAZZ™ and ENVY™ apples.

This collaborative arrangement is the first of its kind to be approved by regulator Kiwifruit NZ and learnings from this programme will be used to inform future collaborative programmes. Under the Kiwifruit Regulations, Zespri is the primary exporter of New Zealand-grown kiwifruit beyond Australia. However other exporters can apply to KNZ with proposals to export New Zealand-grown kiwifruit in collaboration with Zespri.

The recent Kiwifruit Industry Strategy Project consultation with growers heralded a change in direction for Zespri and collaborative marketing. "This has opened the way for Zespri to partner with companies which can offer strong coverage in new or developing regions for Zespri and increase returns to our growers," said Mr McBride.



Zespri Chair Peter McBride and T&G Global Chair Professor Klaus Josef Lutz

Is your small business in need of a steer or a hand up?

The Tauranga Chamber of Commerce has launched two new initiatives for the small business sector in Tauranga. 'Small Business Tauranga' is the Chamber's new face for small business support and engagement. A new internal division of the chamber will be established utilising existing resources to drive the new strategy, which will draw on support from the business community.

The second new initiative is supporting the NZ Business Market, which is a pop-up mini business expo series. A partnership between the Chamber of Commerce and Brett Yeatman, NZ Business Market will enable small businesses to take space at the regular expos, which will have the feel of a business café environment. The 2m² stands will cost \$250 for a morning or an afternoon

slot to showcase a company's products or services. The concept will also include some brief TEDx style addresses throughout the day. NZ Business Market will take place on the third Wednesday of every month at the ASB Arena from 20 April.

Chamber Chief Executive Stan Gregec has highlighted 2016 as the year the Chamber will focus on supporting small business. "We want to be a lot more involved in targeting the small business sector and will be using new ways to recognise and value them through things the chamber can do," he said. The new division will work in a similar way to the Business Women's Network and Rocket! Young Professionals groups, which have been very successful in driving engagement.



Economic update

Strong economic and job growth for Tauranga in 2015

Economic growth in Tauranga outstripped the national average on almost every indicator throughout 2015, according to a report by Infometrics which was commissioned by Priority One. Overall, Tauranga had a 4.6% increase in GDP compared to the New Zealand average of 3.6%. In addition, we had employment growth of 3.7% compared to the national average of 2.4%, and an increase in business units of 2.6% compared to the New Zealand average of 1.8%. However, we are lagging behind in terms of mean annual earnings for 2014, with Tauranga at \$49,780 compared with the national average of \$54,230.

Priority One Communications Manager, Annie Hill, said Tauranga was set up for the future, but acknowledged annual earnings were less than the national average which was unfortunate. She said "The trend tends to reflect the pay-off that people are

prepared to make to live somewhere with such a great lifestyle and a lower cost of living compared to, say, Auckland. The job market is all about supply and demand, so employers will pay what they need to pay in order to secure the skilled and unskilled staff that they need. However Tauranga has had slightly higher increases in annual earnings over 2014 and 2015 than the national average, so hopefully this gap is closing."



Record value of building consents issued in 2015

Building consents issued in 2015 tracked extremely well for both Tauranga City Council and Western Bay of Plenty District Council. Both local authorities issued the highest value of consents in 2015 than in any year since Priority One records commenced in 2003. For Tauranga City Council, the value of consents issued this year was 32% higher than the previous peak in 2006; for Western Bay, the value of consents was 14% ahead of the previous peak in 2007; and for the combined Western Bay sub-region, the value of consents issued in 2015 were 29% ahead of the previous peak in 2006.

Both local authorities issued the highest value of consents in December than in any December month since Priority One

commenced records in 2003. In addition, Western Bay achieved the second highest value of consents issued in December (\$20.2 million) since Priority One commenced records, only slightly behind September 2015's record \$20.5 million.



Tauranga job vacancies up by 24%

Bay of Plenty job listings on Trade Me for 2015 were up 18% on 2014, including a 24% increase in Tauranga and a 6% increase in the Western Bay of Plenty district. This was the highest increase in the country, which overall experienced a 6% increase in job listings. In the final quarter of 2015 listings were up 9.2% in the Bay compared to the same time the previous year, including an 11.6% increase in Tauranga listings. Sectors where there has been a noticeable increase in job listings include construction, professional services, industrial engineering and information technology.

Bay tops economic confidence survey

The Bay of Plenty's outlook was the most optimistic of all regions in New Zealand in the Westpac McDermott Miller Regional Economic Confidence survey, which was published in December. This is the third quarter in a row that we have topped the poll and the highest level achieved since December 2009, with 41% of households confident about their prospects in 2016. The economic optimism has been attributed to the strong performance of the kiwifruit industry, house price growth, job growth, increasing guest nights and high electronic card sales.

Priority One Chief Executive, Andrew Coker, said the record level of building consents issued is also contributing to the region's positive outlook. "We're seeing a huge lot of investment in new housing and there has been a significant investment into the city centre, with more to come. We're really starting to hit our straps and things are feeling very positive. The most important thing is that everything is going well across the board, rather than just some sectors doing well."

Guest nights rise for 20th month in a row

New Zealand guest nights rose in November for the 20th month in a row, according to Statistics NZ. Total guest nights increased 4.6% to 3.11 million in November 2015 from the same month a year earlier. Domestic guest nights jumped 5.2% and international guest nights increased 3.8%. Total visitor arrivals in November rose 11% on the same month in 2014 to 300,500, led by visitors from China, Australia, the US, Korea and Taiwan. Annual visitor numbers also rose 9% to a record 3.09 million, with a weaker New Zealand dollar seen as stimulating tourism by making local attractions cheaper for foreigners.

The Otago region had the largest increase in guest nights, boosted by Queenstown and

Wanaka. Nights spent in the South Island rose 7% to 1.29 million, with international guest nights rising 8% and domestic nights up 5.9%. The North Island rose 2.9% overall. Domestic guest nights rose 4.9% while international guest nights were flat. The Bay of Plenty saw a 9.4% rise in guest nights, while Wellington and Waikato each boosted their numbers by 6.9%.



Tills were busy in the lead up to Christmas

Shoppers in the Bay of Plenty rang up almost \$8 million more in sales in the lead up to Christmas in 2015 compared to 2014. Statistics released by Paymark revealed Bay of Plenty residents had spent \$80.3 million in the second week of December - 9.7% per cent more than in 2014 and marking the biggest rise in spending in the country. Specialty stores, which included food, leisure and retail, experienced 16% growth.

Nationwide, electronic spending for the second week of December was up 7% year-on-year to \$1.2 billion. Paymark processes more than 75% of New Zealand's electronic transactions.



New link popular with drivers

As at mid-January 2016, the number of vehicles using the Tauranga Eastern Link were 25% higher than NZ Transport Agency initially predicted. About 1.2 million trips have been made on the highway since it opened in August last year. The predicted usage was 6000 vehicles a day, but the number of motorists using the Tauranga Eastern Link to date averages 7500 a day.

Usage peaked over the Christmas/New Year period with an average of 9500 vehicles a day - 585 higher than the expected daily usage. The busiest days were 27, 28 and 30 December, with 10,164, 10,828 and 10,312 vehicles using the expressway respectively.

NZ Transport Agency's Bay of Plenty highway manager, Niclas Johansson said: "The TEL is one of the best roads in New Zealand. It's extremely safe and saves time, so it's not surprising that people are choosing to use it. We are excited by the high number of vehicles per day and expect numbers of travellers using the TEL to continue growing, especially with the predicted population boom expected in Papamoa."



Tauranga City Council to increase its investment in economic development

Pending feedback through their 2015-16 annual plan process, Tauranga City Council has confirmed it will increase its investment in economic development and tourism promotion by \$475,000, or 22%, from 1 July 2016. The investment will be funded by an increase on the targeted rate currently levied on commercial ratepayers.

Currently Tauranga City Council provides \$2.13 million to help fund Priority One, Tourism Bay of Plenty, Export Bay of Plenty

and the Tauranga Chamber of Commerce. The focus on the additional funding for economic development will be on the attraction of overseas investment, business relocations and skilled migrants, as well as increasing collaboration on research and development. Some of the new funding will also be provided for digital enablement to "remove barriers to the effective utilisation of the internet and digital services by businesses and the community".



Time-lapse of Maungatapu underpass project

New Zealand Transport Agency has set up a time-lapse video of construction on the new SH29A Maungatapu underpass, showing progress made on the project so far.

The underpass on State Highway 29A will go underneath the Maungatapu roundabout and will also include new cycle links and a cycle and pedestrian bridge above SH29A. The purpose is to separate state highway and local traffic, reduce congestion at peak times and make travel safer for pedestrians and cyclists.

The \$45 million project was officially started in September 2015 and is expected to take three years to complete. To view the time-lapse video, visit www.facebook.com/NZTAWaikatoBoP/?fref=ts.



Looking for more news?

For more news stories relating to the economy, visit our website www.priorityone.co.nz/articles where the latest articles are regularly added.



News from our members

New Year honour for Priority One life member

Congratulations to Neil Craig, who was named an Officer of the New Zealand order of Merit in this year's New Year Honours list for services to business and philanthropy. Neil founded Craigs Investment Partners in 1983 and has contributed to a range of organisations as a director or in a philanthropic capacity. He was a founding member of Priority One and served on the board of the New Zealand Stock Exchange at a time of significant restructuring.



Zespri's SunGold named German fruit of the year

Zespri's SunGold branded kiwifruit has been named fruit and vegetable product of the year by Lebensmittel Praxis, one of Germany's leading grocery trade publications. The award, which is based on a broad survey of consumers living in Germany aged between 18 and 65, had reportedly only been won previously by vegetable products. "We are really happy about this award, because it shows that we can inspire those who consume our products," said Andreas Borgers, Zespri's marketing manager for Germany.

The SunGold (G3) variety, which has largely replaced Psa-vulnerable Hort16 Gold, has been introduced over the past few years in

Zespri's main production areas. Germany has been a major marketing focus, with a total of 65 promoters giving away some 165,000 individual SunGold kiwifruit to consumers in Dusseldorf, Hamburg and Berlin during special tasting events last year. The tastings were accompanied by wide-reaching PR and advertising campaigns, including social media promotions and 'guerrilla' tactics.



Trustpower considering splitting into two separately listed companies

The board of Trustpower is proposing to split the Bay of Plenty-based company into two separately listed companies. Under the demerger proposal, NewCo would be set up to house all of Trustpower's existing Australian and New Zealand wind assets and its wind and solar power pipeline. The other company, Trustpower Core, would hold the remaining generation and growing multi-product retailing businesses. These businesses produce strong cash flows, so it was expected Trustpower Core would continue to provide shareholders with regular dividend income with growth prospects over time.

Chief executive Vince Hawksworth said the proposal had been under consideration for some months and reflected the potential it saw in the Australian renewable market. "It is pretty clear the opportunity in Australia is going to be real," he added. Trustpower is already the biggest wind power generator in South Australia and has a significant

pipeline across the Tasman. Mr Hawksworth said there had been several positive recent signs regarding its Australian renewables policy, including a more supportive political climate towards clean energy under new Prime Minister Malcolm Turnbull. Wind projects required large amounts of capital to develop and a demerger of Trustpower Core and NewCo would provide Trustpower shareholders with choice in relation to capital allocation. If the proposal is given effect, shareholders would receive one share in each of NewCo and Trustpower Core for each share held in Trustpower.



Projected growth in kiwifruit sees major expansion of Trevelyan's operations

Trevelyan's Pack & Cool is installing a \$3 million optical technology fruit handling machine as part of a major expansion project to prepare for the 2016 kiwifruit harvest. The Te Puke company expects to spend a total of \$12 million on the development, which includes two new coolstores capable of holding an extra 800,000 trays of kiwifruit, plus a brand-new packhouse. A new access road is also being built. A lift in the total volumes of Gold kiwifruit expected this season, most of which will be grown and processed in the Bay of Plenty, is the reason for the increased investment and expansion of infrastructure.

Trevelyan's currently pack around 35% Gold and 65% Green fruit. Steven Butler, the General Manager of Trevelyan's, said "The Gold share is growing as the G3 comes on

and we get more mature vines. It's another big jump this year for everyone. The industry is pretty buoyant at the moment and the five-year outlook is pretty good for the industry." During the 2016 season Trevelyan's Pack & Cool expects to pack more than 14 million trays of kiwifruit, up from 12 million last year. It also expects to pack around 400,000 trays of avocados. In terms of staff numbers, it currently employs around 140 permanent staff, which will increase by about 1400 staff when the season is in full swing.



SunLive cracks a million

SunLive News celebrated a record-breaking start to 2016, after surpassing the milestone of one million hits a week. SunLive achieved 1,124,000 page impressions in the first week in January, according to Nielsen statistics. Over the holiday period the news team at the locally owned and operated organisation continued to work 24/7, with only stuff.co.nz and nzherald.co.nz gaining more page impressions. SunLive also has dedicated sites for Eastern Bay of Plenty and Thames-Coromandel Peninsula.



Avocado shortage and increasing demand sees prices increase this season

A smaller crop of avocados nationwide this year has seen prices increase significantly, however strong demand means they are selling faster in some areas despite the higher price. Overall volumes are down about 40% on last season, which saw 7.1 million trays harvested. This year it is expected that 3.8 million trays will be picked, of which 2.5 million will be exported. A cold spring at flower time and a heavy crop last year is behind the lower yield this year. However demand in both in New Zealand and export markets is increasing and in small crop years supply could be tight due to high demand. Figures released by New Zealand Avocado - the growers' association and industry council - showed 90,000 more Kiwi households were buying the fruit, compared to previous seasons.



NZ Kiwifruit Growers Incorporated names new CEO

NZ Kiwifruit Growers Incorporated has announced the appointment of Nikki Johnson as their new chief executive officer. Nikki will commence on 11 April 2016, succeeding Mike Chapman who stepped down to take on the role of chief executive officer for Horticulture NZ. NZKGI Chair Doug Brown said this was an exciting opportunity for NZKGI to bring on board Ms Johnson's energy and passion for the horticulture industry and to support NZKGI's strategic direction. She has previously managed NZ Citrus Growers Inc for over ten years, transitioning

the industry from a voluntary grower organisation to a professional organisation with sustainable, compulsory levy funding and a strategic approach to investment of grower funds. Ms Johnson was also a founding director of Market Access Solutionz, a specialist biosecurity, regulatory systems, market access, international trade issues management and strategic industry management advisory company which has been successfully operating for over 13 years.



*NZ Kiwifruit Growers Incorporated
new Chief Executive, Nikki Johnson*

Hotel on Devonport named top hotel for 2016

Congratulations to Priority One member, Hotel on Devonport, which recently took out the top New Zealand hotel category in the 2016 TripAdvisor Travellers' Choice Awards in New Zealand. While it is the first time a Tauranga property has ranked the top hotel in New Zealand based on TripAdvisor customer reviews, it is the sixth time Hotel on Devonport has been recognised by the online travel site.

Hotel on Devonport also placed as the seventh top hotel in the South Pacific. Owners Paul and Debi Bowker said "We sincerely appreciate our guests taking the time to share their experiences and support

of the hotel, and we commit to ensuring that the Hotel on Devonport experience lives on in the future." The TripAdvisor Travellers' Choice awards highlight the world's top properties based on the millions of reviews and opinions collected in a single year from travellers around the globe.



Coveted award for one of Tauranga's newest solicitors

Congratulations to Harris Tate solicitor John Delaney, who was recently named joint winner of the Environmental Law Prize for 2016. The award is sponsored by commercial law firm, Simpson Grierson, and recognises the student(s) with the best overall mark in the University of Waikato's environmental law paper. Mr Delaney said environmental law was becoming increasingly important in modern society, with issues that required sustainable and creative approaches. "I studied environmental law because I had previously been involved in some large-scale mediation concerning resource consents and realised that it was an important area to have knowledge in," he said. It capped off a whirlwind time for Mr Delaney, after he was recently admitted to the bar at a special ceremony at Tauranga High Court. He has spent the last three years juggling work and studies in order to graduate and is now a solicitor in the litigation team at Harris Tate.



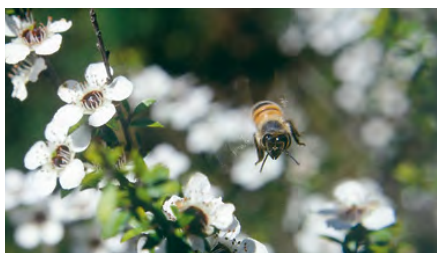
Comvita share price sees a 124% annual gain

Global manuka honey and health products company, Comvita, is riding the crest of a consumer push for health and wellness products with its share price rising 124% in the last year. The Paengaroa-based company attributes the soaring share price to its financial performance and an increase in demand for manuka honey products, particularly from Asian consumers.

Comvita now derives half of its revenue from China for its overall range, which includes products made from manuka honey, olive leaf and fish oil. Sales increased by 53% to \$91 million for the first six months of the year to 30 September 2015. It is expected that full-year earnings will be at least 35% above

the previous year to 31 March due to record sales.

Securing a supply of manuka honey has been critical to building branded sales globally. It has increased its own production of manuka honey from only 5% in 2010 to around 50% currently.



Local creatives develop international website to showcase the primary sector

Two local creative agencies collaborated on a bid which resulted in them winning a tender process to develop a major website to showcase New Zealand's primary sector to the world. The successful partnership was between Tuskany Agency and MOCA Design, who took on leading creative agencies from Wellington and Auckland to secure the work.

The website was built for the Te Hono Movement, whose members represent around 80% of the primary sector in New Zealand. It began in 2012 as the New Zealand Primary Sector Bootcamp at Stanford University, with a gathering of 23 chief executives from New Zealand's primary sector as well as government ministers and chief executives. It is now made up of more than 130 alumni, including people from the Bay of Plenty, who have since attended the Stanford University bootcamps.

The idea behind the website was to provide a portal through which members could keep the momentum going after they had completed the Stanford bootcamp and

globally showcase the sector. Te Hono alumni, and Priority One board member, Steve Saunders of Plus Group Horticulture suggested that local companies should be given a chance to pitch for the website development alongside Auckland and Wellington contenders.

Tuskany director, Sally Cooke, said "We were determined to demonstrate that, just because we live and work in the Bay, that doesn't mean that we can't be just as good

if not better than agencies from Auckland and Wellington. We feel privileged to have been given the opportunity to work on such a vital project for the primary sector of New Zealand." New Zealand Merino Chief Executive, John Brackenridge, who came up with the idea of the Te Hono Movement said "We're delighted with the website and the quality of the work."

Visit www.tehono.co.nz



Photo credit: George Novak, Bay of Plenty Times

Dale Carnegie Training programmes in Tauranga – March-May 2016

Priority One member, Dale Carnegie Training, is hosting three one day seminars in Tauranga, as follows:

11 March: Time Management – Achieving Outcomes of Significance

Attendees will gain an understanding of where time is spent, find out how to overcome time management obstacles and work more efficiently, and gain the tools to work smarter, not harder.

8 April: Communicating with Different Personality Styles

Attendees will be able to identify their own personality style and better understand how they react under pressure, learn how to modify behaviour to connect with people of different styles, and understand how to influence the behaviours of others.

20 May: Attitudes for Service

Attendees will have their customer service attitude assessed so they can set goals for improvement, including learning the four drivers of customer service to build customer relationships and how to keep the interaction at low pressure.

For further information and to register, visit bop-waikato.dalecarnegie.co.nz/events and look under the 'Events' tab.





Meet our newest members

We are pleased to profile the following new members to Priority One and look forward to working with them:

The Building Intelligence Group

The Building Intelligence Group provides independent project management services to buildings that require innovation and project success. They are specialist project managers who bring their clients' visions to life by providing genuine leadership, expressed by taking end to end ownership of a project to deliver it on time and on budget. They make a difference through their independence and experience, gained through many years working in the construction industry.

Contributing to their success is that they hand-pick each member of the team of project management professionals to ensure they have the best in the business. Dave

Ebbett leads the Tauranga office and, as a skilled project manager, he has delivered many successful projects in the wider Tauranga region including the Trinity Wharf Hotel and the Devonport Tower Apartments. His ability to think strategically while providing exceptional operational control ensures certainty for clients. The Building Intelligence Group has offices in Auckland, Tauranga, Wellington and Christchurch. For further information, visit www.tbig.co.nz.

1 *Click on this link if you would like to find out more about the benefits of being a member of Priority One: www.priorityone.co.nz/benefits.*

International Student Concierge Ltd

International Student Concierge Ltd is an international student concierge and accommodation provider. They intend to develop the first purpose-built student accommodation in Tauranga specifically targeting international students. They also offer a range of concierge services for international students including airport pick-up, local orientation tours and related services. The website for International Student Concierge is currently under construction. For further information, email Amardeep Singh Bindra on email isctauranga@gmail.com.



Key events coming up

Institute of Directors hosting three events in Tauranga

The Bay of Plenty branch of the Institute of Directors is hosting the following events in Tauranga over the next month:

Bay of Plenty Branch AGM

The Bay of Plenty branch of the Institute of Directors is holding their Annual General Meeting hosted by deputy chair, Dr Bev Edlin, followed by a presentation by guest speaker Dr Don Brash who will discuss the big issues facing New Zealand in 2016.

When: 5.30pm - 7.30pm, Wednesday 2 March 2016

Where: Tauranga Club, 72 Devonport Road, Tauranga

Collaborative Fitness and Leadership Workshop

At this two day workshop, Miranda O'Connell from Twyford's will show how gaining a common understanding and a working knowledge about collaboration will be advantageous for directors, business owners, chief executives and board members alike.

When: 9.30am – 4.30pm, Thursday & Friday 10 & 11 March 2016

Where: Tauranga Club, 72 Devonport Road, Tauranga

Modern Business Women – believe you can

Connect with likeminded women and men through an inspirational and informative evening of fashion, make-overs, bubbly and canapés. Guest speaker is Rachel Taulelei, Sir Peter Blake Leader 2012, finalist of the Women of Influence Awards 2015 and recently honoured MNZM for 2016.

When: 6.30pm – 9.30pm, Thursday 17 March 2016

Where: Farmer Auto Village, Mount Maunganui

For further details or to register for any of these events, visit www.iod.org.nz/Branches-and-events/Bay-of-Plenty-Branch.



Save the date for the next E.A.T. breakfast focusing on exporting

The first ExportNZ Bay of Plenty E.A.T. breakfast of 2016 will focus on the passion that drives the success of exporters. Three inspirational speakers from some of our best local exporting companies will share their stories of passion for what they do, and how they have developed leading businesses and products from this passion. Those attending will also be the first to view the 2016 Bay of Plenty ExportNZ Awards video trailer and find out the theme for this year's awards.

When: 7.00-9.30am, Tuesday 15 March

Where: Trinity Wharf Hotel, Dive Crescent, Tauranga

Cost: \$55+GST for ExportNZ or EMA members, \$80+GST non-members

For further information and to register, visit www.bayofplenty.exportnz.org.nz/



GoGlobal Conference – Auckland – 26 May 2016

GoGlobal is the annual one-day conference where kiwi exporting champions share their secrets to success in international markets. Organised by ExportNZ, the 2016 event is being held on 26 May at the Langham Hotel in Auckland. The conference provides a unique opportunity to hear from fellow Kiwis who have sustained business success abroad and who have cultural knowledge of, and connections in, overseas markets. Click on this link for a soundbite of what people had to say about GoGlobal 2015:

www.exportnz.org.nz/



Inspiring Sustainability in the Bay

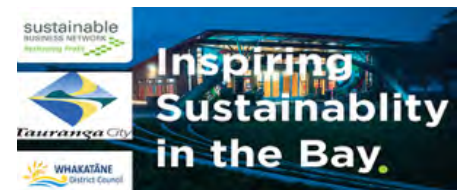
Hosted by the Sustainable Business Network, this year's Inspiring Sustainability in the Bay is being hosted at Tuhoe's magnificent living building at Taneatua. Attendees will be inspired, learn from local sustainability success stories and connect with like-minded businesses. There will be a strong focus on developing sustainable business practices, an overview of the IPCC climate change negotiations and a workshop series.

When: 2.00-6.00pm, Wednesday 30 March

Where: Te Kura Whare, 12 Tuhoe Street, Taneatua

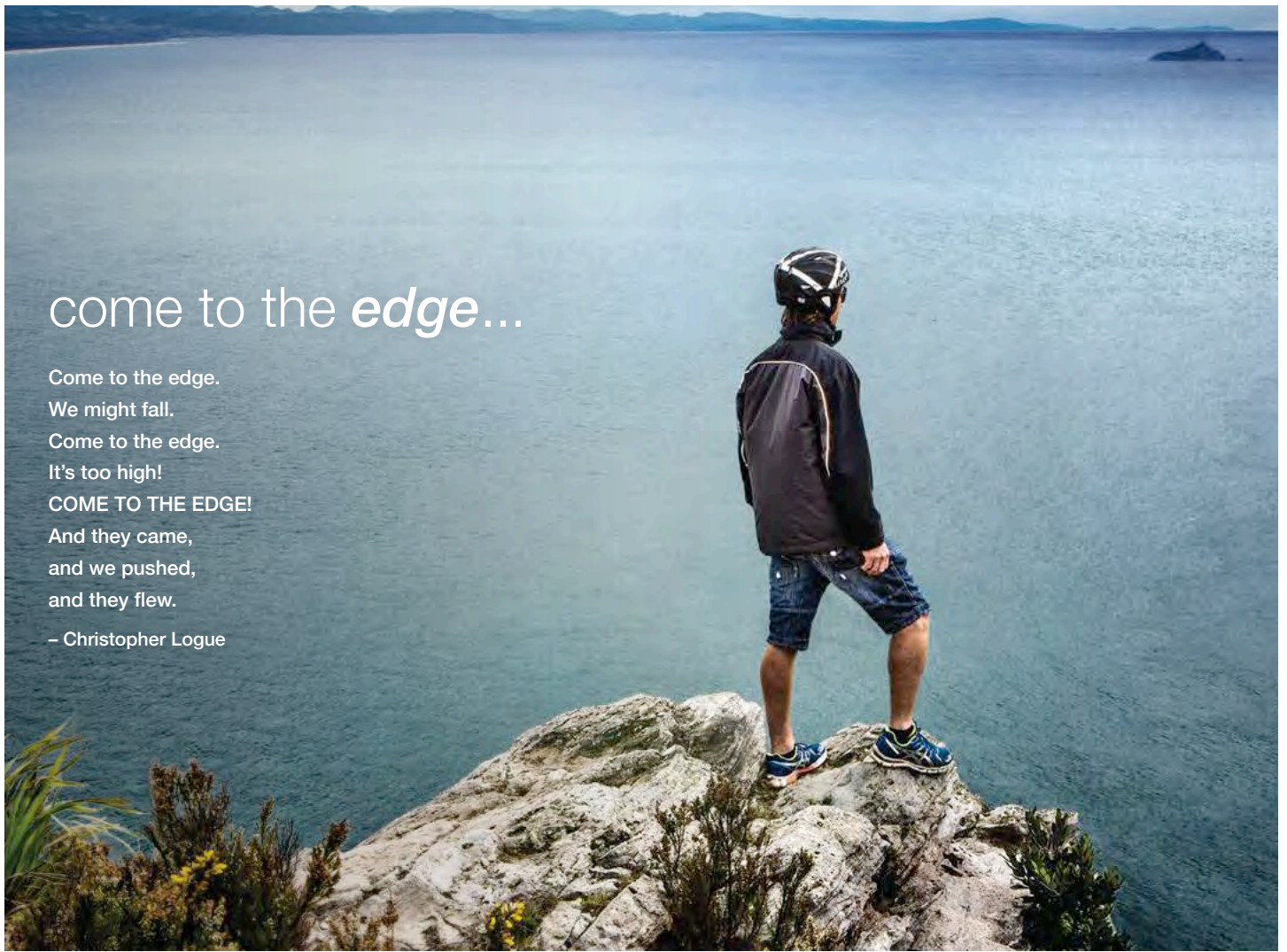
Cost: \$59+GST SBN members, \$119 + GST non-members

For further information and to register, visit www.sustainable.org.nz/sustainable-business-events/national/inspiring-sustainability-in-the-bay-2#. VuB8ZZN95MB.



come to the *edge*...

Come to the edge.
We might fall.
Come to the edge.
It's too high!
COME TO THE EDGE!
And they came,
and we pushed,
and they flew.
– Christopher Logue



Priority One's purpose is to build a vibrant economy that retains and attracts talented, skilled and creative people and the businesses that need them.



Fostering
innovation



A compelling
destination



A hub for
skills & talent



Connecting &
collaborating



Investment
attraction

Priority One is supported by businesses and the following strategic partners

