



MARLBOROUGH

Marlborough hosts a wide range of business and investment opportunities in food and beverage, tourism and other high-value industries, all within an area of striking natural beauty.

Marlborough produces more than two-thirds of New Zealand's wine, and its sauvignon blanc epitomises world-class quality both in New Zealand and internationally. The region also hosts extensive aquaculture production (including Greenshell™ Mussels), as well as high-value industries such as manuka honey and specialty garlic which offer opportunities for investment and growth.

Innovative engineering and aviation industries have also developed in Marlborough, building on world-class research and demand from the region's primary industries to provide solutions to customers nationally and globally. Local expertise and flexibility offers the potential to create new high-value design and manufacturing activity through catalytic investment.

With a diverse landscape ranging from alpine peaks to the scenic Marlborough Sounds, the region is a magnet for domestic and international tourists, with attractions including wine tourism, sailing, cruising and winter sports. Marlborough's fast-growing tourism base and increasingly year-round hotel demand offer potential for investment in high-end accommodation to serve future growth.



REGIONAL HIGHLIGHTS

New Zealand's leading wine region

Aquaculture and specialty food production

Global tourist drawcard

High-value engineering and design

AREAS OF OPPORTUNITY

Wine and food heartland

The Marlborough region is synonymous with sauvignon blanc and other world-class wines, and is a critical location for marine farming with more than 60 percent of national aquaculture output. Its diverse landscapes support other niche, high-quality industries including apiculture and garlic production.

Growing tourism destination

With its network of valleys and sounds, Marlborough has one-fifth of New Zealand's coastline and offers an array of tourist attractions within a distinctive and picturesque landscape. Strong tourism growth, based on the region's natural assets and wine and food industry, is creating investment opportunities in accommodation.

High-value design and manufacturing

Marlborough offers wide-ranging specialised manufacturing expertise, in particular in aviation, forestry and wood processing. The region's food and beverage production, especially in wine, is also generating

innovation in creative design and engineering that can be harnessed to create niche, high-value products and services globally.



SCENIC, PRODUCTIVE AND SET FOR GROWTH

Key attributes of the region

Marlborough is world-renowned for its wine and aquaculture products, and accounts for 70 percent of New Zealand's exports of these goods. The region's primary industries including food production and forestry have also given rise to specialised engineering and manufacturing businesses, including a strong aviation sector.

Port Marlborough offers deep-water access for goods export, matched by multiple road, rail, and air access points to New Zealand's main centres.

Marlborough boasts a moderate climate and enjoys consistently high sunshine hours. Combined with a varied landscape of valleys, sounds and alpine peaks, these conditions are ideal for a growing tourism industry. Wine tourism, cruising and exploring the Marlborough Sounds and greater region are popular pursuits for Marlborough's domestic and international visitors.

Marlborough has had strong Māori local investment since the local tribe's treaty settlement in 2014. Co-investment or a joint-venture with a Māori partner offers the potential to share local knowledge and networks, and to generate greater long-term value for both investors and local communities in Marlborough.



74%

of New Zealand's wine production

266,905

passengers via Blenheim airport in 2015

Earliest

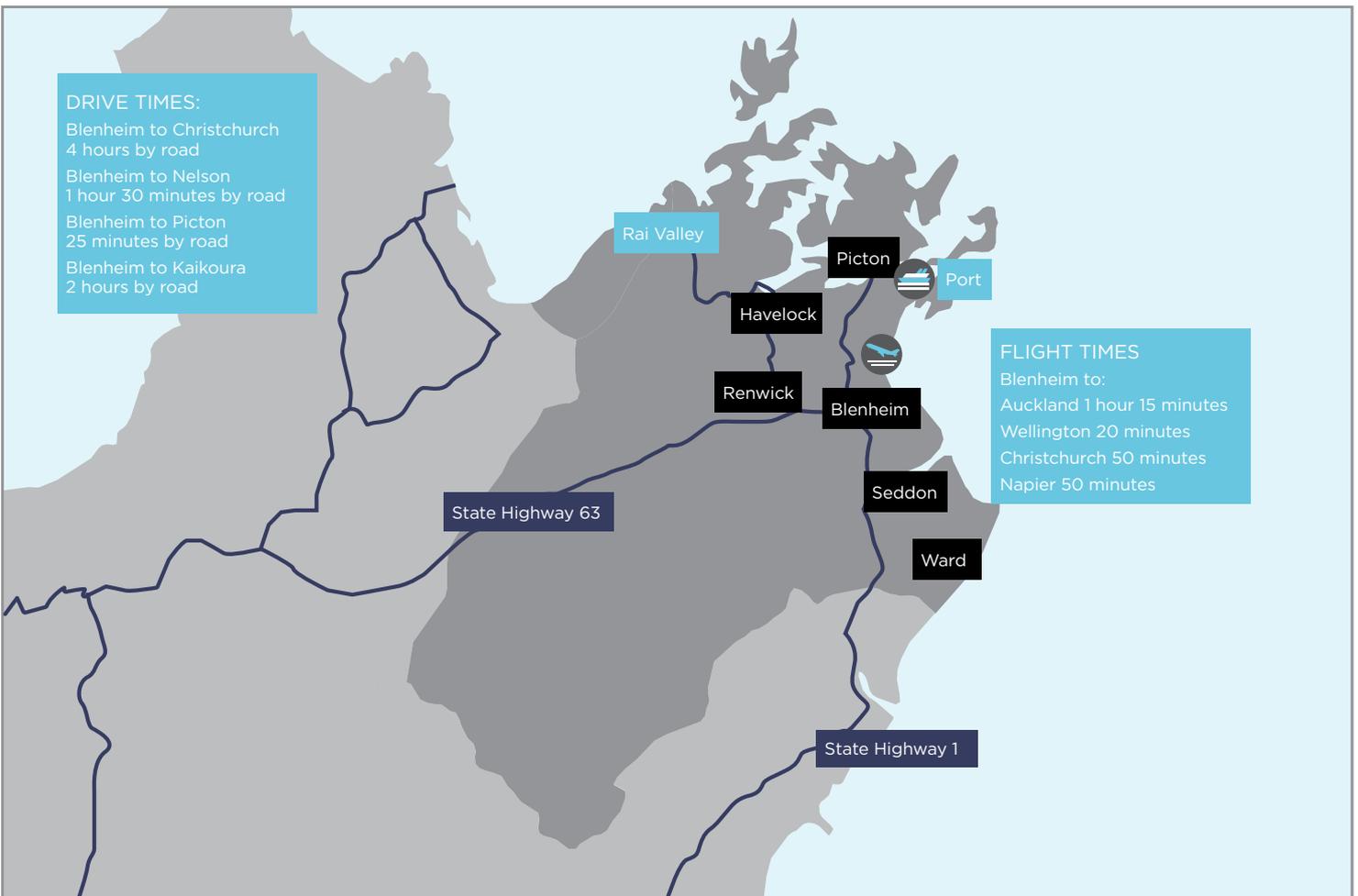
sauvignon blanc region in New Zealand (first planting in 1974)

20%

of New Zealand's coastline, including 10% in the Marlborough Sounds alone

Aviation training

at NMIT, supporting local & national aviation operators and businesses





WORLD-FAMOUS WINE AND FOOD

Marlborough is world famous for its wine and food products, with consistently long sunshine hours and complex soil types making for favourable growing conditions. Blenheim and Marlborough are consistently recognised as the sunniest places in New Zealand.

The Marlborough region is synonymous with top-quality sauvignon blanc throughout New Zealand, and in just over forty years the region has gained an international reputation and array of awards for this wine variety. The region produces three-quarters of New Zealand's grapes and 68% of its wine, and has attracted global businesses who have invested in local vineyards and iconic brands.

The clean waters of the Marlborough Sounds provide ideal conditions for aquaculture, and the region produces more than 60% of the country's aquaculture output. Locally farmed Greenshell™ Mussels are sought after locally and internationally, as a premium gourmet product and also for their health benefits in the nutraceutical and pharmaceutical industries.

A range of other specialty food industries thrive in Marlborough, including garlic production (with over 50% of New Zealand's total garlic crop). Emerging food industries such as apiculture offer potential for investment to further accelerate their growth.



People

\$22,540

median earnings for primary sector workers (NZ median is \$28,480)

1,110

employees in the wine and other alcoholic beverage manufacturing industry - 30% of New Zealand's total

470

employees in seafood processing

Education for a world-class wine industry

Specialised education in viticulture and oenology is provided at the Nelson Marlborough Institute of Technology, which offers a Bachelor of Viticulture and Winemaking and a Certificate in Vineyard Practice.



Infrastructure

10 percent

of New Zealand's coastline in the Marlborough Sounds

588

marine farms

24,610

hectares of producing vineyard area as per Marlborough District Council's records

Research centre backing primary sector growth

The Marlborough Research Centre (MRC) is an industry-led, science-based research organisation focused on improving the market share of key primary industries of the region. MRC has strong links with the universities of Massey, Lincoln and Auckland.



Business

8%

average annual growth in wine exports

\$2 billion

in goods export revenue from food and beverage - 3 percent of New Zealand's total

\$276 million

in export sales revenue by the marine farming and processing industry

534

grape growers, supporting 141 wineries

Marlborough produced food & beverages demanded by the world

Marlborough is home to **New Zealand King Salmon (NZKS)**, the world's largest aquaculture producer of king salmon. The company controls all elements of the value chain from breeding and growing to harvesting and processing, and has been growing and selling salmon to consumers and chefs for more than 30 years. It owns and operates eight seafarms in the Marlborough Sounds.

Located in the Awatere Valley, Marlborough, **Yealands Family Wine** produces award-winning New Zealand wines in harmony with the environment. Yealands Wine Group has been named NZ Wine Producer of the Year and the Yealands Estate Single Block S1 Sauvignon Blanc has been awarded the title of World's Best Sauvignon Blanc.

Talley's have Greenshell™ Mussel farms in the Marlborough Sounds, where they are grown on lines suspended from ropes above the seabed. The New Zealand Greenshell™ Mussel is unique to New Zealand's pristine waters. Greenshell™ is the trademarked trading name for New Zealand green lipped mussels, which are currently worth around \$300 million a year to New Zealand's economy.



GROWING TOURISM DESTINATION

The Marlborough region is full of colour, complexity and diversity, and its land and sea offers accessibility for sports and leisure in a setting that is as geographically diverse as it is beautiful. Marlborough enjoys an enviable climate and high sunshine hours.

Marlborough is experiencing increased visitor numbers annually (with around 7% growth in 2016), with a corresponding rise in demand for hotel rooms which is becoming more consistent across the year. Investment in hotels and other high-end accommodation is needed to manage peak demand and unlock further year-round growth in high-value tourism.

Wine tourism based on Marlborough's renowned local industry is well established, and growing to cater for an increasing number of visitors.



People

\$17,370

median earnings in accommodation and food services (NZ median is \$17,050)

2,187

employees in accommodation and food services

Hospitality

training is provided at the Marlborough Community College

Restaurateurs banding together

The Marlborough Restaurant Association aims to provide a central voice for hospitality providers in the region and promote sector growth, through partnership with other tourism-focused businesses and with Destination Marlborough.



Infrastructure

1,000+ rooms

available in Marlborough for visitors

9,400

landings annually at Blenheim airport

Purpose-built

riverside convention centre in Blenheim (400 pax capacity for banqueting)

Unique inter-island connection

Docking at Picton's Port Marlborough, Kiwirail's 'Interislander' Cook Strait ferries offer a scenic and memorable arrival for visitors to the region. The ferries carried over 1 million passengers on 3,573 sailings in 2015.



Business

\$365 million

sector earnings for year ended March 2016 - contributing \$1 million per day to the local economy

186,539

international visitors in the year to June 2016

106

accommodation providers in Marlborough

Driving Marlborough's business events sector

Business Events Marlborough helps connect national and international business enquirers with local providers for small conferences, meetings and incentive travel in the region.

Showcasing Marlborough

Marlborough Tour Company offer luxury tours and cruises of the Marlborough region, featuring the best wine, seafood and scenery Marlborough has to offer. The company's owners have a background in aquaculture, and the company offers tailored cruises in the Marlborough region catering to visitors' interest in New Zealand seafood, as well as other food and scenic tours for small or large groups.

E-Ko Tours offer a unique range of products focused around the nature, history and wildlife of the Queen Charlotte Sound. E-Ko Tours was founded with a vision of developing a business that would be a force in local conservation and education, and has been awarded the Tourism Industry Award for Innovation in Eco-Tourism.

Bubbly Grape Wine Tours offer gourmet, full or half-day wine tasting tours in the Marlborough region, showcasing the region's celebrated local industry. The tours are highly customised, with no set itineraries - tour hosts work with their guests to select winery visits to suit their preferences. Wine varieties featured include the premium sauvignon blanc that Marlborough is best known for, along with pinot noir, chardonnay, and aromatic varieties.



HIGH-VALUE DESIGN AND MANUFACTURING

Marlborough has a long history of engineering and aviation expertise, developing from its geography and the needs of its primary and local industries. The location of the region has been a catalyst for innovative and creative engineering work to support local and export customers.

An internationally recognised aircraft and aviation component maintenance business resident in Marlborough, with a relationship with tertiary level training, makes Marlborough a good selection for young minds aiming for a career in aircraft engineering.

Marlborough's research and development community provides expertise to the region's growing primary industries, and the region hosts a dedicated innovation campus co-located with its primary research facility to provide a nexus for creative thinking and innovation.



People

\$38,480

median earnings in manufacturing (NZ median is \$46,010)

1,525

employees in design, engineering and aviation

1 of only 2

specialised aviation engineering programmes at tertiary level in New Zealand

Education building industry growth

NMIT provides six engineering programmes, including general engineering, machinery, civil engineering, carpentry, aviation, and aeronautical maintenance. Its aircraft maintenance and engineering programme supports aviation businesses regionally and nationally.



Infrastructure

Air Force training base

at RNZAF Base Woodbourne, a training support base responsible for the training of recruits, initial officer training, trade training and command training

State Highway One

connecting Picton, the region's main port, with Blenheim and the South Island's east coast

Daily rail freight

timed to connect with road-rail ferries, moving goods efficiently to the north or south

Air connections for export

Marlborough has ready access by air to export markets, through the main centres of Auckland, Wellington and Christchurch.



Business

504

businesses in Marlborough's design, engineering and aviation industry

\$106 million

GDP of Marlborough's design, engineering and aviation industry

3.5%

GDP growth recorded in the sector

Business hub

Blenheim's Cloudy Bay Business Park houses a cluster of businesses with an engineering and manufacturing focus.

World-class design and manufacturing from Blenheim

Safe Air (co-located with RNZAF Base Woodbourne and Marlborough Airport), provides design engineering modification, maintenance, repair and overhaul services to civil and military customers around the world.

Equipment manufacturer **Cuddon Limited** is known throughout New Zealand and globally for the reliability and innovative design of its equipment. Association with companies in the United States, Australia, the United Kingdom and Europe ensures that Cuddon Limited's designers, engineers and manufacturers are recognised as being amongst the best in the world. Its achievements were recognised by the HERA Award 2015 for Metal Industry Exporter of the Year.

WHO HAS INVESTED IN MARLBOROUGH?



Timberlink New Zealand (Australia)

Timberlink New Zealand was created in 2015 when Timberlink Australia purchased the Blenheim sawmill in Marlborough from local company Flight Timbers. With two mills and a significant distribution network in Australia, Timberlink has built a reputation for quality radiata pine products and excellent service.

Timberlink invests heavily in its sawmills, ensuring that they are equipped with the very best machinery to drive up levels of quality and efficiency. Investment in Blenheim over the next few years will create a more efficient mill capable of delivering increased volumes to customers in New Zealand and overseas.



Pernod Ricard Winemakers

Pernod Ricard Winemakers

“Brancott Estate was the first to plant and create Marlborough sauvignon blanc – a style that has since changed the course of the country’s wine industry. Pernod Ricard Winemakers owns a diverse portfolio of wine brands in New Zealand, including Brancott Estate, Stoneleigh and Church Road, all of which hold an important position in our global wine portfolio.” – Pernod Ricard Winemakers

Pernod Ricard Winemakers is the premium wine division of Pernod Ricard – the world’s co-leader in wine and spirits. The company boasts one of the world’s most diverse portfolios of premium wines – featuring brands such as Jacob’s Creek in Australia, Brancott Estate and Stoneleigh from New Zealand, Campo Viejo from Spain and Graffigna from Argentina. The business also owns and administers several wine brands worldwide, including Kenwood Vineyards in the United States and Helan Mountain in China. With over 2000 employees based across five continents, Pernod Ricard Winemakers is dedicated to producing high-quality, premium wines and setting the benchmark for innovation in the winemaking world.



Airbus Group / SafeAir Limited New Zealand (Europe)

Airbus Group Australia Pacific, part of the global Airbus Group, is a recognised aviation industry participant and a major defence industry partner to the Australian and New Zealand Defence Forces.

Safe Air is a wholly-owned subsidiary of Airbus Group Australia Pacific and partner to the Royal New Zealand Air Force and air forces from around the world. Safe Air provides aviation maintenance, repair, overhaul (MRO), design and manufacturing services with capability in engines, airframes and components including Lockheed C-130, P-3 Orion and military helicopters, Rolls Royce T56 and Pratt & Whitney J52.

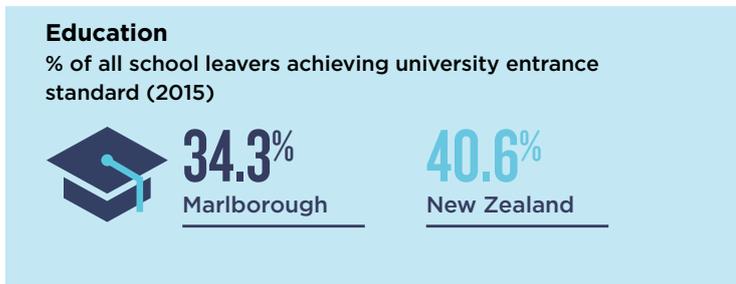
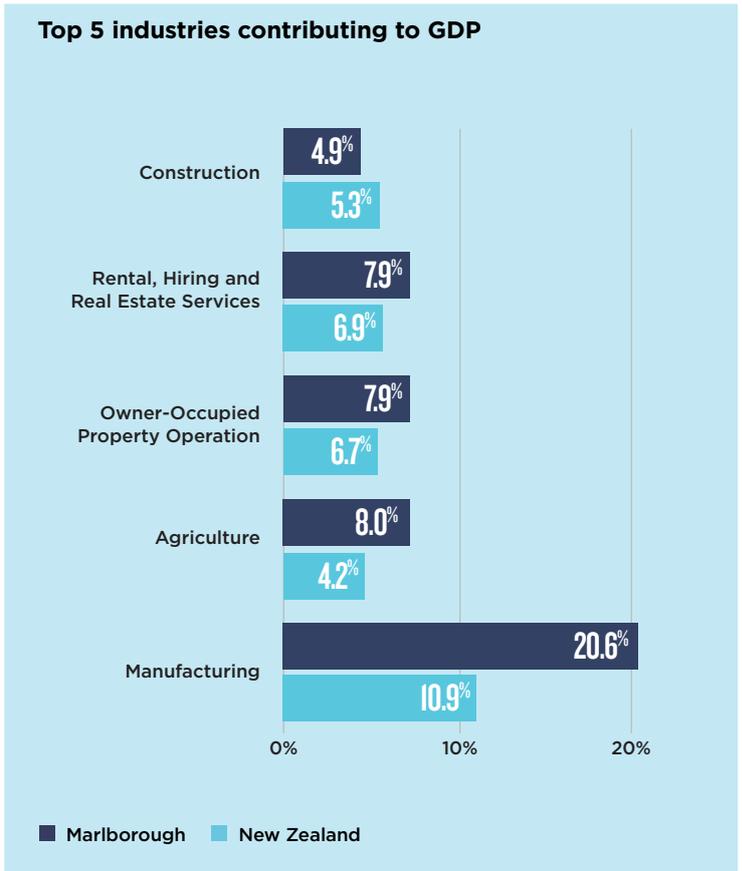
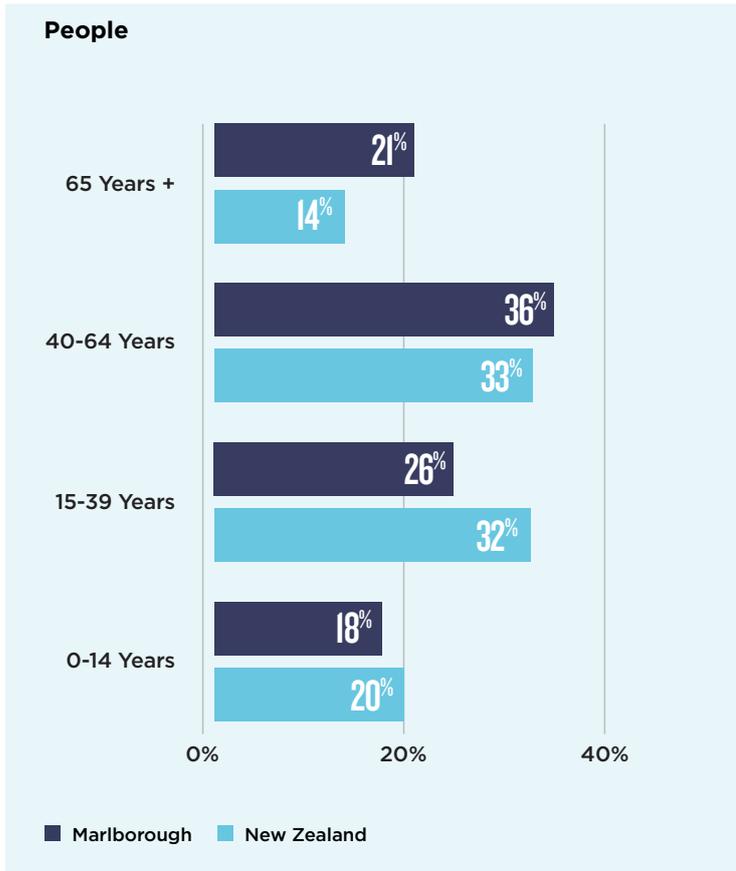


New Zealand Ling Hai Group (China)

The Ling Hai Group, a privately owned Chinese family company, owns the largest sugar refinery in the world, based in Shandong province.

The Group has purchased the large 741 hectare Castlebrae sheep, beef and viticultural farm, as part of its long-term investment in the New Zealand wine and tourism industry. The land is being developed progressively into an expanded high-end vineyard. The Group plans to incorporate a wine tourism business and exclusive accommodation, and wine will be exported to its home market in China.

HOW MARLBOROUGH COMPARES



The Marlborough District Council's Economic Development Unit (EDU) works closely with the Marlborough business community, investors, and local and central government to facilitate investment in the region. The EDU's location within the Council enables it to work positively with both investors and Council colleagues when council approvals may be required.

Economic development strategy

Marlborough District Council EDU's strategy is to:

- Work alongside industries, using its Smart and Connected framework, to support and encourage smart and sustainable economic development
- Facilitate economic development projects that build regional, national and international competitiveness
- Provide economic advice
- Provide an ongoing assessment of the region's performance.

How we help investors

As part of its support to investors, Marlborough District Council EDU:

- Analyses information and assists with planning
- Investigates opportunities for capital investment to assist local businesses and grow the region
- Supports innovation, research and development in Marlborough
- Encourages industry collaboration
- Supports education and training
- Develops and supports local, national and international economic linkages
- Supports infrastructure development
- Promotes the region.



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Region-led initiatives

Marlborough District Council EDU participates in a range of initiatives that support new and existing businesses that have invested in the region. These include co-funding the Marlborough Research Centre and the Food and Beverage Innovation Cluster, developing regional economic strategies for key industries (such as Wood Processing, Visitor Economy, and Aquaculture), and supporting an industry-led initiative with local and central government support to facilitate effective marine farming opportunities.

Marlborough District Council EDU, in conjunction with Wine Marlborough, supported the Marlborough Labour Summit report which has indicated a potential 25 percent growth in wine plantings by 2020. Marlborough District Council is working closely alongside the wine industry to address potential labour supply and accommodation issues, to ensure that Marlborough wine businesses are resourced to continue their growth into the future.

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