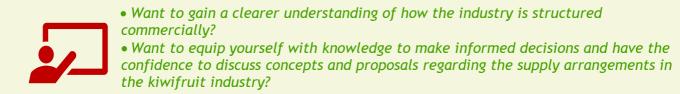


NZKGI NEW ZEALAND KIWIFRUIT GROWERS

## Expression of Interest (EOI) sought: Supply Agreement Training for Growers



#### BACKGROUND

As an advocate for kiwifruit Growers, an objective of NZKGI's Performance & Supply portfolio is to be accountable for increasing transparency, robust KPI's, and reporting on industry performance. An outcome of this objective is NZKGI's commitment to increasing the level of understanding of the commercial arrangements in the industry, specifically the annual Supply Agreement.

NZKGI has developed a successful, independent, Grower focused Learning & Development programme to upskill Growers on the Supply Agreement. The Supply Agreement training has been made available to Growers, Supply Entities, Suppliers and External Consultants to the industry, with excellent feedback being received to date. NZKGI would like to continue to make the training available during 2018/2019.

#### WHAT IS THE SUPPLY AGREEMENT?

The Supply Agreement relates to the supply of Kiwifruit and Services between Zespri Group Limited (ZGL) and Suppliers. Fundamentally, the Supply Agreement is individual legal agreements between Zespri and each Supplier, but a Grower can be a Supplier in their own right.

# HOW DOES A GROWER FIT INTO THE SUPPLY AGREEMENT?

Suppliers and Supply Entities are key parties within the kiwifruit industry supply arrangements, acting as the contractual link between Zespri and Growers. Many of the obligations placed on Suppliers flow to Growers.

#### WHAT IS THE TRAINING OBJECTIVE?

The objective of the training is to upskill Growers so that they have a clear understanding of how the industry is structured commercially, including the Supply Agreement, and they can have confidence in discussion about concepts and proposals regarding the supply arrangements in the kiwifruit industry.

# WHY SHOULD GROWERS ATTEND THIS TRAINING?

The Supply Agreement Training provides Growers with a good understanding of how the industry operates commercially, the role of Supply Entities and Suppliers and, if attendees are Directors or Trustees on a Supply Entity, their roles in governance and managing risk for the Growers. External Consultants to the industry such as Bankers and Insurers will also find the training useful in understanding all facets of the kiwifruit industry supply chain.

Attendees will also gain a greater understanding of the fundamental financial programmes within the industry: taste, kiwistart, time, size, pooling and cashflow so that when there is an industry initiative, they can understand and debate the concepts with confidence. Additionally, the sessions may trigger some ideas for improvement (from orchard to supply entity).

#### WHO WILL DELIVER THE TRAINING?

The training will be delivered by Dave Darcy NZ Limited.

#### TRAINING FEEDBACK

Excellent feedback has been received of the Supply Agreement training by all attendees.

Excerpt from a letter received from a Supply Entity:

"Thanks for the opportunity to be part of the Supply Agreement Training that NZKGI has been an advocate for. The response from all those that attended the course was consistent - the course was excellent. Personnel learnt a lot with so much making more sense to them now.

Top marks also to the presenters who were well prepared and had a high-level understanding of the topics, which they were able to explain in a relaxed manner and in 'plain English'.

A remarkable success!"

Excerpt of Grower feedback from course evaluations:

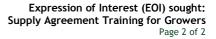


#### HOW MUCH DOES THE COURSE COST?

The training has been split into three 4-hour modules of which Module One is compulsory. Modules Two and Three are optional and come highly recommended. Each 4-hour module is priced at a cost of \$75 (plus GST) per Grower. Hence if a Grower would like to complete all three modules, the total cost would be \$75 x 3 = \$225 (plus GST) per Grower. The ideal course size is 12-15 Growers.

#### WHERE WILL THE COURSE(S) BE HELD?

Depending on the level of Grower interest received, the course(s) may be run on a regional basis. Flights and





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	The course can be structured in three modules to cover the following sessions:	Supplier ar to attend:
	r MODULE ONE	EXPRESSION OF
M A N D	<ul> <li>Session One</li> <li>1. The legal structure of the contractual relationships between Zespri, Suppliers, Supply Entities and Growers.</li> <li>2. Zespri and Supplier responsibilities, obligations and KPIs</li> </ul>	Name: Phone Number:
A - T O R	Session Two 3. The relationship with the regulations 4. Zespri's obligations to purchase fruit	Email Address: KPIN:
Y	<ol> <li>Supply Agreement negotiation process, including variations</li> <li>Methodology of the pools, including sizes, growing method, varieties</li> </ol>	I am interested i MODULE ONE [M
	MODULE TWO	MODULE TWO [C
0	Session Three 7. Standard cost models; time, kiwistart, pack differential 8. Key areas that relate to Grower equity	MODULE THREE
P T I O N	Session Four 9. Cashflow - payments, deductions, claw backs, set off 10. Financial risks for Growers	PREFERRED TRAIN
A L	<ol> <li>Agency and ownership</li> <li>Disputes</li> <li>Service Level Agreements</li> <li>Loyalty agreement and exclusive suppliers.</li> </ol>	August 2018 September 2018
	Session Five 15. Taste	October 2018 November 2018
	MODULE THREE	December 2018
	Session Six 16. Quality Manual 17. Crop protection programme and non-approved agrichemical use	January 2019 February 2019 March 2019
	Session Seven 18. Supplier Accountability	

accommodation for instructors (where required) will be

- 19. Insurance
- 20. Logistics, shipping, order & supply, port services

### HOW TO REGISTER AN EXPRESSION OF INTEREST

You can register your Expression of Interest to attend the Supply Agreement training in the following ways:

ONLINE					
 Complete the online Expression of Interest form at https://	//ww	w.survey	monke	y.com/r/l	KSK5MFL

EMAIL Complete the Expression of Interest form above and scan and email it to: lynda.mccalman@nzkgi.org.nz



Complete the attached Expression of Interest form and post it to:

Lynda McCalman NZKGI PO Box 4246 Mt Maunganui South 3149, BAY OF PLENTY

### **EXPRESSION OF INTEREST FORM**

Please complete the following form to register your interest in the training. Growers, Supply Entity, nd other Industry personnel are encouraged

EXPRESSION OF INTEREST: Supply Agreement Training							
Name:	First Name:						
	Last Name:						
Phone Number:	Home Number:						
rnone number.							
	Mobile Number:						
Email Address:							
KPIN:							
Region:							
I am interested i	in attending the foll	owing sessio	ns.				
MODULE ONE [M			e is compulsory for any grower wanting				
MODOLL ONE [M			he training.				
MODULE TWO [C	PTIONAL]	Please tick	the appropriate box:				
		Yes	No				
MODULE THREE	[OPTIONAL]	Please tick	the appropriate box:				
		Yes	No				
PREFERRED TRAIN	NING TIME	Please tick the appropriate box:					
		Yes	No				
August 2018							
September 2018							
October 2018							
November 2018							
December 2018							
January 2019							
February 2019							
March 2019							