

Opportunities for Plantation Mānuka Honey

- Who Are We
- What Have We Learnt that is Relevant to Landowners?
- How Have We Been Set up to Help Landowners

Who Are We ?

1. Mānuka Farming NZ Ltd is 100% owned by Mānuka Research Partnership Ltd. which in turned is owned by :



2. Mānuka Research Partnership Ltd was formed as an entity in 2011 for partnering with the government on the Primary Growth Partnership (PGP) Programme on High Performance Mānuka.

The PGP Programme

Are mānuka plantations technically and financially feasible for landowners ?



What Have We Learnt*that could be useful to landowners ?*

Technical

1. Picking the right mānuka cultivars for the right site is crucial - it will impact survivability, growth, nectar quality and ultimately honey.
2. Plantation Size is important - at least 50 ha, the larger the better. It enables you to more ways to increase probability of high quality honey and to protect your asset (more later)
3. Picking a combination of mānuka cultivars with different (but adjacent flowering time) could extend the overall flowering time for mānuka and hence increased mānuka honey production.
4. Flowering times need to align with bee foraging times.
5. Having the right plants flowering at the right time is one part of the equation, the other is
6. The skill and experience of a good beekeeper and
7. Healthy Bees

Case Study

Climate

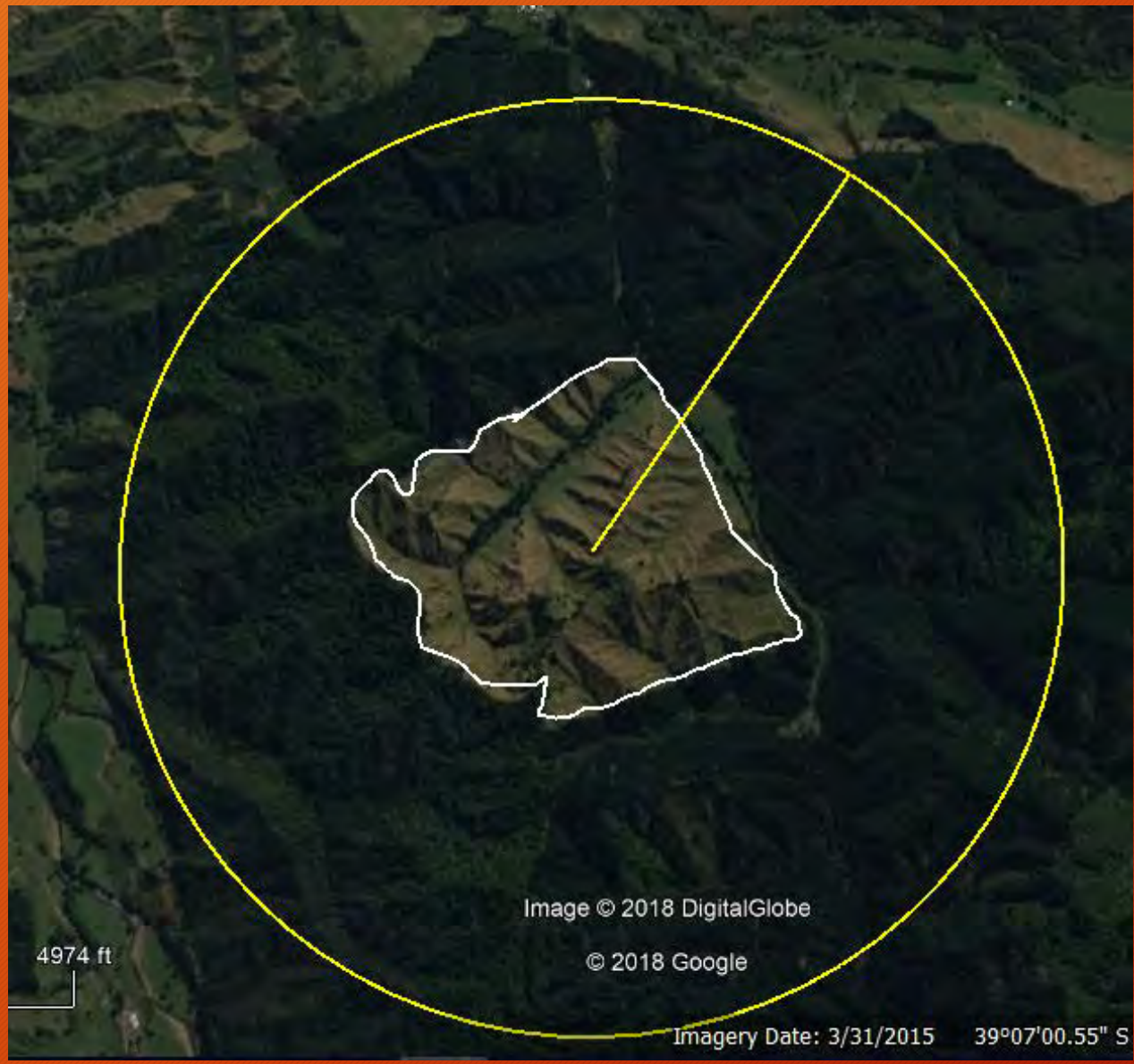
Shape

Size

Current Vegetation

Surroundings

Competing Plants



What Have We Learnt*that could be useful to landowners ?*

Financial

1. Depends on many factors - controllable and uncontrollable

Ref	Key Variables Impacting Profitability
1	Plantation Size (ha)
2	Hives per Ha (at peak)
3	Total Honey Production per Hive
4	"Purity" of Mānuka Honey (Multifloral vs Monofloral)
5	UMF Value
6	Price for kg Mānuka Honey
7	% Share of Returns to Landowner

Ref	Key Variables Impacting Profitability	"Levers" to Improve each Key Variable	MFNZ
1	Plantation Size (ha)	Landowner : Collaboration with neighbours to extend "plantation size"	x
2	Hives per Ha (at peak)	Apiarist : Apiary Planning and Management	✓
3	Total Honey Production per Hive	Apiarist : Apiary Planning and Management	✓
		Non-Controllable : Climate Weather	x
4	Mānuka Honey as % of Total Honey	Planting Strategy - what to plant, where, how much	✓
5	UMF Value	Seedling Quality + Planting Strategy	✓
6	Price for kg Mānuka Honey	Non-Controllable : Market prices	x
7	% Share of Returns to Landowner	Landowner : Negotiated agreement with beekeeper	✓
8	% of Plantation Size in receipt of AGS Funding	Quality of AGS Application	✓

Inputs for 20 Year Financial Projection

	Key Variables	Target
1	Plantation Size (ha)	100
2	Hives per Ha (at peak)	1.5
3	Total Honey Production per Hive	30.00
4	Mānuka Honey as % of Total Honey	80%
4a	Mānuka Honey (kg)	3,600
5	UMF Value	10
6	Price for kg Mānuka Honey	\$37.00
7	% Share of Returns to Landowner	100%

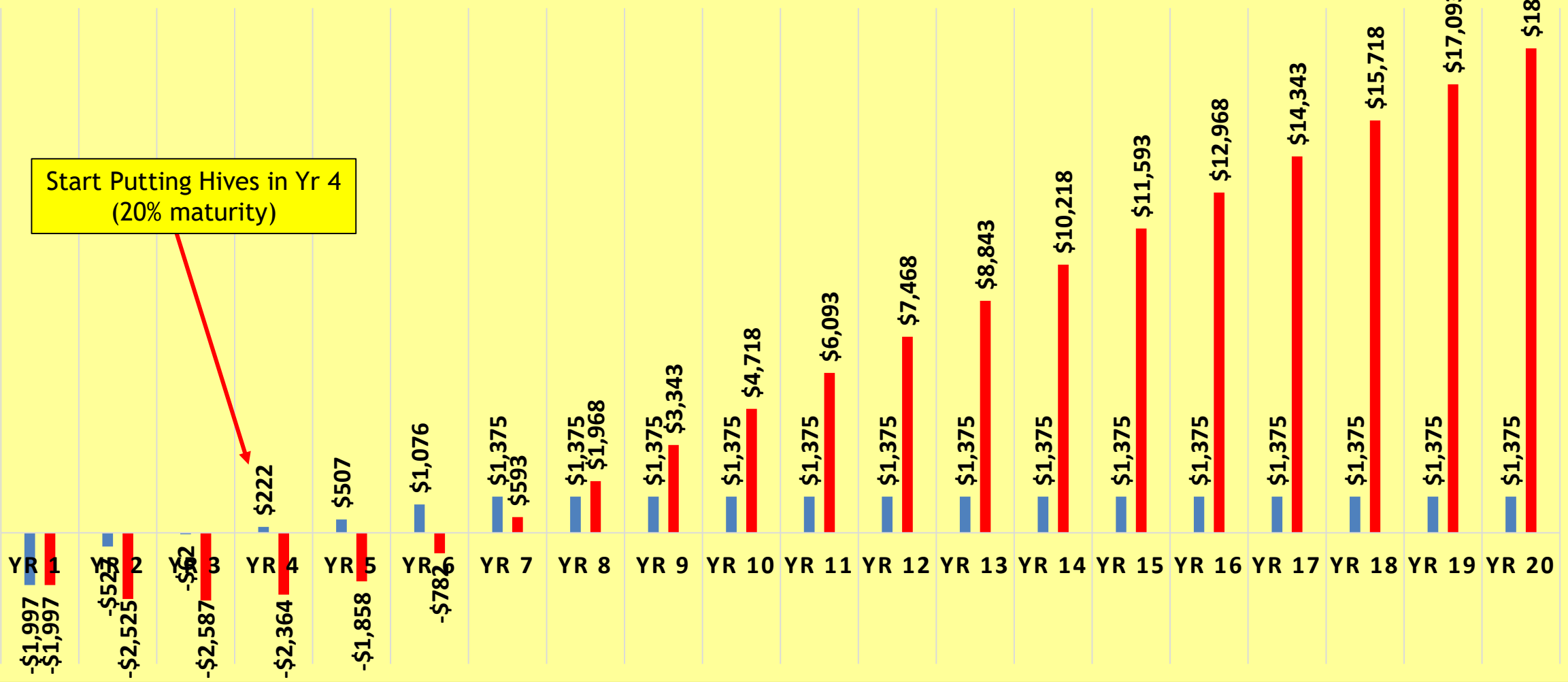
Wholesale Prices for Different UMF Value

12	\$45.65
13	\$50.50
14	\$55.45
15	\$72.45
16	\$83.70
17	\$92.46
18	\$102.80
19	\$108.50
20	\$129.90

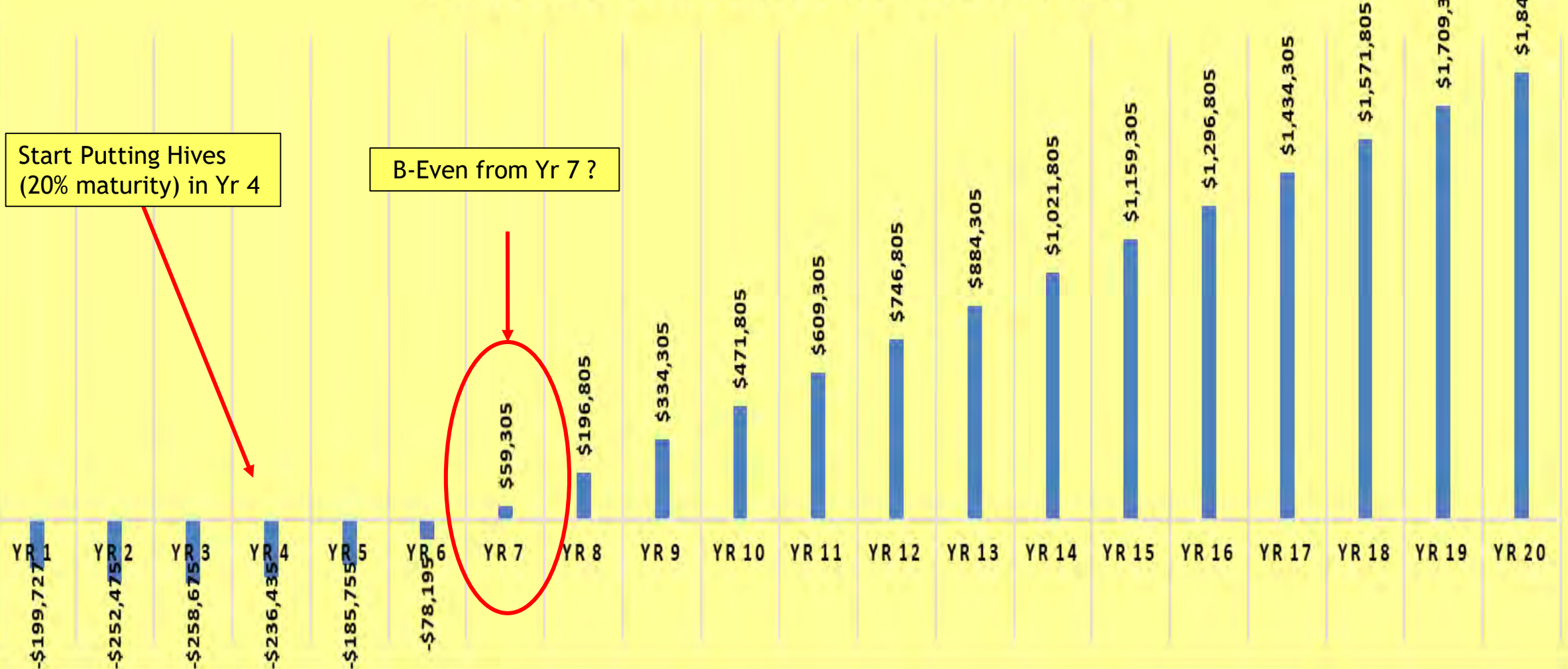
FORECAST NET CASH RETURNS PER HECTARE (WITHOUT AGS)

■ Yearly ■ Cumulative

Start Putting Hives in Yr 4
(20% maturity)



PROJECTED CUMULATIVE NET CASH FLOWS



Start Putting Hives
(20% maturity) in Yr 4

B-Even from Yr 7 ?



Trial Plantation at Lake Tutira (130 ha)



First Year of Commercial Honey Harvest in Yr 5

2 Harvests

- Dec - Mānuka
- Feb - Non-manuka

	Avg kg/hive	UMF
Mānuka Harvest	10.1	7
Non-Mānuka Harvest	17.23	3
Total	27.33	

Other Factors for Consideration

1. Current or Future Alternative Land Use (including Impact of Increasing Regulations)
2. Current or Future Alternative Returns
3. Effort /Cost in generating returns from other sources
4. Other Spin-offs impacts -
 - Environmental
 - Employment
 - Education
5. Part of wider Revenue and Risk Diversification Strategy

How is MFNZ set up to help Landowners

Reasons for Using Us

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- ✓ We are the only company in New Zealand that is **dedicated solely** to the establishment and management of mānuka plantations for high grade mānuka honey.
- ✓ We are the only company that provides a **complete end to end service** for the establishment and management of mānuka plantations for high grade mānuka honey; and honey harvest thereof.
- ✓ We are the only company whose mānuka expertise is **based on science** (through the Primary Growth Partnership Programme on High Performance Plantation Mānuka) and **practical mānuka plantation experiences**.
- ✓ We are the **only company in New Zealand with access to all major sources of mānuka seedlings** and **the only one in New Zealand with exclusive access to the hybrid mānuka seedlings** bred especially for high grade mānuka honey.
- ✓ We are the **only dedicated Mānuka consultancy company that is working across nearly all regional councils in New Zealand, major carbon farming interests, and Maori development agencies**

THE 6 STEPS TO MĀNUKA FARMING SUCCESS

1. Initial Assessment



2. Site Assessment



4. Plantation and Apiary Site Establishment



6. Honey Harvest

Options

- Landowner/Beekeeper Agreements
- JV's
- Own Processing and Retailing by Landowner

3. Master Plan

1. Establishment Methods
 - Hybrid Cultivars
 - Regional Cultivars
 - Eco-sourced from client's property
2. Plantation Plan
3. Financial Projections

5. Plantation Monitoring



Questions ?