
Farm gate Marketing Options



For

Dairy & Meat Products

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Aim

The aim of this paper is to examine the local meat and dairy industry, to investigate the options for marketing of farm produce and maximise profitability using the available options.

Introduction

Currently when marketing farm products the farmer has a choice between; direct or indirect selling, (or perhaps a combination of the two). Indirect selling is the most used option at present, selling produce to another party who process it, thereby adding value and who then sell the processed items on. Direct selling gives the producer opportunities for direct consumer contact and enables them to process and add value to their own product.

There is a need for producers to realise that they are not in the livestock or dairy industry but in the “food business“. While it is common to hear similar rhetoric from leading meat processors their actions do not appear to support their words. The Meat industry remains a personality driven, divided sector (where either the primary producer or the processors are making money) while the dairy sector is dominated by a virtual monopoly.

The findings of this research are local to South Auckland . The options that are available to the individual producer will vary according to the locality of the farm.

INDIRECT MARKETING

1. Saleyard Auctions

Selling livestock through the auction system is a very easy and straightforward procedure. There is no need to book space, animals are not graded and most importantly the producer can decline the offer by setting a reserve price. There is also the advantage that a stock agent will guarantee the payment for stock with the payment of commission. This guarantee is only as good as the company the farmer deals with.

Saleyards have been going through a rationalisation in recent years and with the establishment of fewer and larger “Live-weight centres” which are utilising the available technology of scales to allow greater certainty for the purchaser. Unfortunately scales have not yet been introduced for the sale of sheep but if the practicalities of weighing larger numbers of livestock per sale unit can be overcome it will be a huge step forward.

With these improvements to the saleyards and current rates of stock sales through the yards increasing this trend seems set to continue as an advantageous way of marketing meat. This system is convenient both for the vendor and stock buyers, including those acting as agents for the meat processing companies. These companies will often use the saleyards to fulfil their meat orders. Buyers for the meat companies are experts at their job and it is rare that they pay over the weekly schedule (Refer graph 1).

Meat Companies have not trained stock agents in the last ten years so the skill shortage will increase the demand for processors to source their stock as easily as possible making the auction system a convenient solution.

The saleyard system further distances the food producer from the food consumer.

It is possible for individual producers to sell directly through the stock yards without the services of a stock agent. General conditions for this are that the producer:

- Provides a bond of \$ 50000
- Pay \$ 5.50 per head yard fees
- Cannot sell if the yards are full of stock

2. Wholesalers

Livestock, mainly steers and heifers, can also be sold to wholesalers who are the primary purchasers and processors of meat for the domestic market. Auckland Meat processors own and operate the killing facilities but the boning room is owned by the wholesalers (Wilson & Hellaby). There are stock agents specialising in sourcing stock for specific wholesalers and the schedule for local trade is influenced by the export schedule in order to ensure supply for this market.

3. Internet marketing

The Internet is an expanding tool for the meat companies that is reaching more people everyday and will perhaps reduce the need for as many agents . The Fencepost website provides the facility for trading store stock directly between farmers and the tendering of prime animals between the participating processing companies . A lot of the websites are used by stock agents for further advertising as a means of extending their client base, although there is a move towards more direct selling on websites. AFFCO uses theirs to acquire store stock for their fat stock clients. The Internet is an exciting tool that will continue to grow but at present Internet use appears to have stagnated.

4.Processors

Meat

Directly selling meat to processors (generally buyers of livestock at auction) has some benefits. In the North Island transport for export meat is generally paid for by the meat processor (although not with meat sold to the local market). Livestock invoices over the last few years have improved with valuable information included. Live weight as well as carcass weight is listed giving dressing out percentages for

individual animals. Information provided does vary between companies. Larger companies (AFFCO & Richmond) run farm assurance programmes that pay the producer extra to meet certain requirements . While assurance programmes are aligned with international requirements they are basically a voluntary code of practice. Other premiums have been offered for commitment to supply, time of supply, self-drafting payments. Livestock can be forward sold on contract assuring the vendor a price prior to slaughter. The relationships built between the producer and agent are vital in order to ensure access to killing space at peak times and to maximise profit when selling at non peak times. Smaller processors (eg Greenlea) tend to have little or no premium process in place. Incentives will be offered to acquire larger quantities of stock . It is interesting to note that Richmonds is moving away from a multi-level premium system to a more straightforward system similar to that offered by the smaller processors.

A comparison between a three hundred kilogram animal being sold through Tuakau saleyards or being hooked with Richmonds produced some interesting result.

(See Table 1)

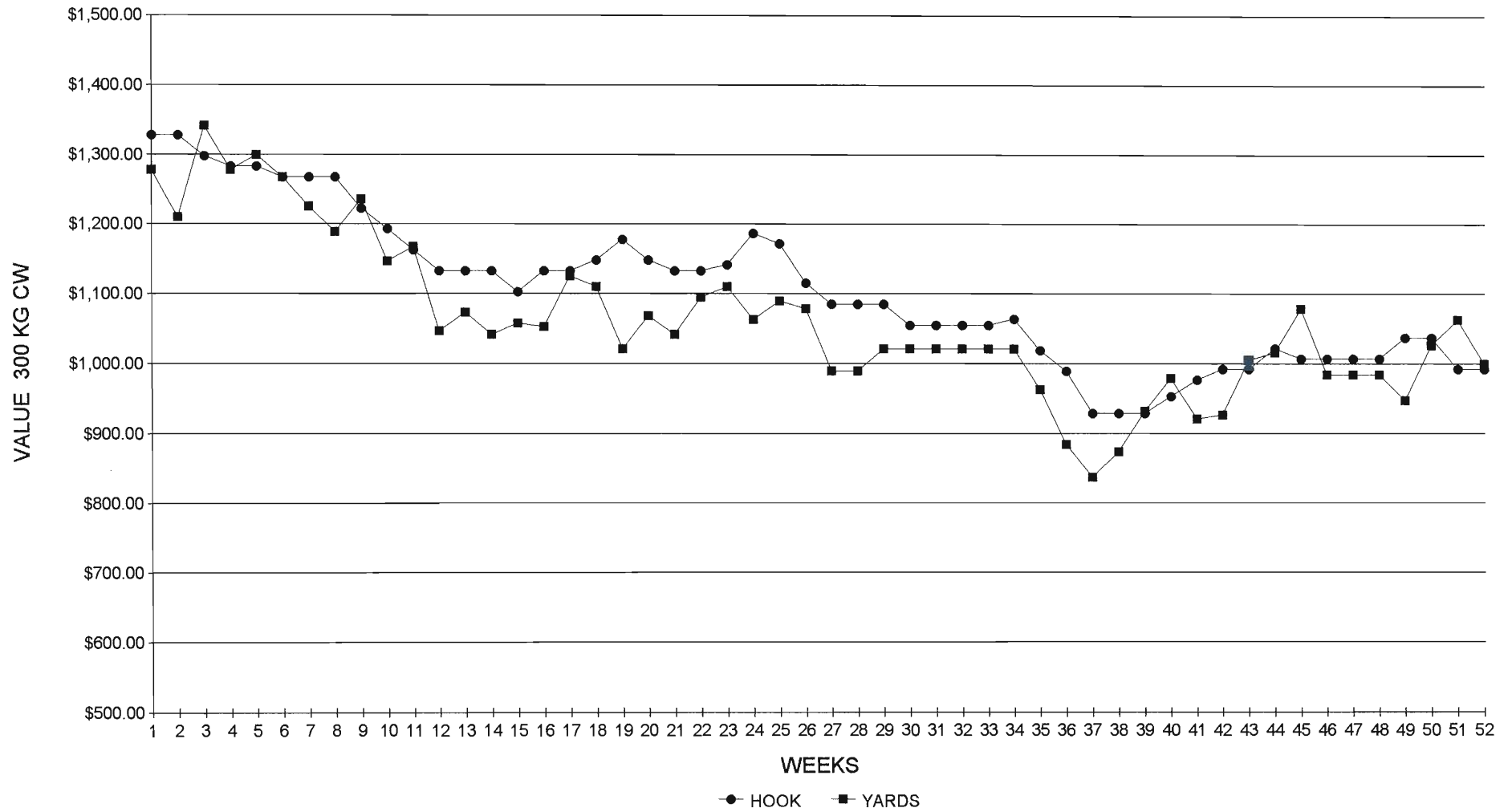
Table 1 :Comparing Saleyards to Richmond Schedule

Values Used :				Transport		
Dressing out %	54.00%	Premium	\$18.00	t	\$7.00	Yard fees
Carcass wgt	300	Ins fee	\$13.75	Live	555.56	
Grade	M	Levy	\$17.60	weight	5.50%	\$1.50
				Comm.		
DATE	Week	Schedule	Hook	Yard price	Yards	DIFF
1/10/2001	1	435	\$1,327.65	245	\$1,277.75	\$49.90
7/10/2001	2	435	\$1,327.65	232	\$1,209.50	\$118.15
14/10/2001	3	425	\$1,297.65	257	\$1,340.75	(\$43.10)
21/10/2001	4	420	\$1,282.65	245	\$1,277.75	\$4.90
28/10/2001	5	420	\$1,282.65	249	\$1,298.75	(\$16.10)
4/11/2001	6	415	\$1,267.65	243	\$1,267.25	\$0.40
11/11/2001	7	415	\$1,267.65	235	\$1,225.25	\$42.40
18/11/2001	8	415	\$1,267.65	228	\$1,188.50	\$79.15
25/11/2001	9	400	\$1,222.65	237	\$1,235.75	(\$13.10)
2/12/2001	10	390	\$1,192.65	220	\$1,146.50	\$46.15
9/12/2001	11	380	\$1,162.65	224	\$1,167.50	(\$4.85)
16/12/2001	12	370	\$1,132.65	201	\$1,046.75	\$85.90
23/12/2001	13	370	\$1,132.65	206	\$1,073.00	\$59.65
30/12/2001	14	370	\$1,132.65	200	\$1,041.50	\$91.15
6/01/2002	15	360	\$1,102.65	203	\$1,057.25	\$45.40
13/01/2002	16	370	\$1,132.65	202	\$1,052.00	\$80.65
20/01/2002	17	370	\$1,132.65	216	\$1,125.50	\$7.15
27/01/2002	18	375	\$1,147.65	213	\$1,109.75	\$37.90
3/02/2002	19	385	\$1,177.65	196	\$1,020.50	\$157.15
10/02/2002	20	375	\$1,147.65	205	\$1,067.75	\$79.90
17/02/2002	21	370	\$1,132.65	200	\$1,041.50	\$91.15
24/02/2002	22	370	\$1,132.65	210	\$1,094.00	\$38.65
3/03/2002	23	373	\$1,141.65	213	\$1,109.75	\$31.90
10/03/2002	24	388	\$1,186.65	204	\$1,062.50	\$124.15
17/03/2002	25	383	\$1,171.65	209	\$1,088.75	\$82.90

24/03/2002	26	364	\$1,114.65	207	\$1,078.25	\$36.40
31/03/2002	27	354	\$1,084.65	190	\$989.00	\$95.65
7/04/2002	28	354	\$1,084.65	190	\$989.00	\$95.65
14/04/2002	29	354	\$1,084.65	196	\$1,020.50	\$64.15
21/04/2002	30	344	\$1,054.65	196	\$1,020.50	\$34.15
28/04/2002	31	344	\$1,054.65	196	\$1,020.50	\$34.15
5/05/2002	32	344	\$1,054.65	196	\$1,020.50	\$34.15
12/05/2002	33	344	\$1,054.65	196	\$1,020.50	\$34.15
19/05/2002	34	347	\$1,063.65	196	\$1,020.50	\$43.15
26/05/2002	35	332	\$1,018.65	185	\$962.75	\$55.90
2/06/2002	36	322	\$988.65	170	\$884.00	\$104.65
9/06/2002	37	302	\$928.65	161	\$836.75	\$91.90
16/06/2002	38	302	\$928.65	168	\$873.50	\$55.15
23/06/2002	39	302	\$928.65	179	\$931.25	(\$2.60)
30/06/2002	40	310	\$952.65	188	\$978.50	(\$25.85)
7/07/2002	41	318	\$976.65	177	\$920.75	\$55.90
14/07/2002	42	323	\$991.65	178	\$926.00	\$65.65
21/07/2002	43	323	\$991.65	193	\$1,004.75	(\$13.10)
28/07/2002	44	333	\$1,021.65	195	\$1,015.25	\$6.40
4/08/2002	45	328	\$1,006.65	207	\$1,078.25	(\$71.60)
11/08/2002	46	328	\$1,006.65	189	\$983.75	\$22.90
18/08/2002	47	328	\$1,006.65	189	\$983.75	\$22.90
25/08/2002	48	328	\$1,006.65	189	\$983.75	\$22.90
1/09/2002	49	338	\$1,036.65	182	\$947.00	\$89.65
8/09/2002	50	338	\$1,036.65	197	\$1,025.75	\$10.90
15/09/2002	51	323	\$991.65	204	\$1,062.50	(\$70.85)
22/09/2002	52	323	\$991.65	192	\$999.50	(\$7.85)
					Total	\$2,162.05
					ave.	
					difference	\$41.58

BULL SELLING COMPARISON

10/2001 - 9/2002



Dairy

For Dairy producers in the majority of the country the market choices for the milk produced are limited since Fontera operates a virtual monopoly. There are only a few alternative buyers with a small market share and further restricted by geographical location.

In order to supply milk to Fontera the Dairy farmer must hold shares in the Co-operative. The value of shares relies in part on the predicted annual earnings from milk and on the returns from investments held by Fontera. The purchase of the required number of shares can be prohibitively high since the farmer must hold one share for each kilogram of milk solids supplied in addition to holding peak note shares for the extreme seasonal variations occurring in milk supply (Refer example below). The number of peak notes required by each farmer will vary according to the variation between the suppliers production curve and the co-operative's average production curve. The requirement for Peak note shares is intended to provide an incentive to farmers to spread their supply of milk as evenly as possible throughout the season , and are therefore separate from the shares dictating annual production .

Example : To supply 35192 kg / ms per year :

35192	shares	@ \$ 3.85	\$	135,489.20
1307	peak notes	@ \$ 30.00	\$	<u>39,210.00</u>
	total cost		\$	174,699.20

This investment gives you the right to supply and gross ::

35192	kg/ms	@ \$3.70	\$	130210.40
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less farm operating cost, capital costs, tax to give a return on investment

One advantage of holding shares in Fonterra is that they can be used as security against mortgages . Banks consider shares to be better security than farms as Fonterra is currently New Zealand's largest Company.

Alternatives to Fonterra

The alternatives to Fonterra as an outlet for milk at the present time are limited in this region . New Zealand Dairy Foods Limited is perhaps the best known of the alternative companies and they only presently have ten suppliers . To supply to NZ Dairy Foods there is no cost of entry and the price for unprocessed milk is negotiated with individual suppliers . A number of companies prefer to buy in semi-processed ingredients . It appears to me that there may be a gap in the market for a dairy commodity manufacturer who would buy raw milk to partially process before selling onto final processors .

The advantages of buying Semi Processed ingredients rather than raw milk are as follows:

Quality Assurance

As a processor or food producer with a relatively small demand for milk or milk derived products it is essential that the supplier can guarantee the quality of their milk, since it is much more difficult to deal with inconsistencies , and contaminated milk can have severe consequences for the finished product. However by purchasing processed products from NZMP then the supply will already have passed the appropriate quality assurance tests , giving the food producer more security than buying in unprocessed milk direct from the farmer.

Limited demand for milk supply

One of the smaller manufacturers contacted expressed a desire to collect raw milk but due to their irregular demand had not investigated this option further .

Semi processed inputs were being sourced from NZMP where they could purchase the quantity production demanded .

Added Regulations

Raw milk has to be pasteurised before further processing and the option of purchasing an already pasteurised product removes one level of compliance under the *Dairy Industry Act* (see attachment)

Direct Marketing

-Direct marketing involves the producer in direct contact with the outlets for the food product or even the consumer through restaurants or farm shops . Direct selling touches some of the same areas covered above, for example, the internet provides a useful tool for contacting customers as outlined above. Direct selling is possible for the New Zealand farmer but requires greater input from the producer and a thorough understanding of legal requirements in addition to an awareness of manufacturing, storing, marketing and distribution issues. Consideration must also be given to the potential market for any products, necessitating a good working knowledge of consumer trends. Key trends at present involve concerns for the environment, animal welfare and the health benefits of the final product. Consumers are looking for a product that will fit with their ethics and values. Food has become no longer just a means for survival but a route to pleasure and enjoyment, consumers will spend more if they perceive a better , healthier and more natural product

Before embarking on any direct selling to the consumer it is essential that the producer is aware of the many laws and regulations, which apply to production and distribution of food products.

Local Government Rules

Individual district councils produce 'District Plans' under the Resource Management Act 1991 which outline the areas where certain practices are permitted .

Investigation needs to be undertaken whether the activity intended is permitted within zoning requirements . Resource consent may be required including access for distribution and where access is on to any State Highway written approval from Transit New Zealand would be necessary .

Transit NZ

Transit New Zealand requires certain standards to be met (see appendix 4) to gain their approval for access. The standard will vary depending on the type of road accessed. Special note has to be taken if the farm or shop are on a limited access road (listed on certificate of title held by Land Information New Zealand). If it is deemed that the land is changing its use then Transit will request the Minister of Transport to issue a notice of approval .

Regulations

Introduction

The regulations controlling the production of dairy produce is confusing as a manufacturer has the option to gain approval under the Food Act 1981 (Food safety Programme) or under the Dairy Industry Act 1952 (Product safety programmes). The Ministry of Agriculture & Forestry (MAF) and the Ministry of Health (MoH) are working at harmonising the current situation .

The Dairy Industry Regulations developed because of the need to regulate dairy produce that was exported while the Food Act controlled all other food production intended for local consumption . A grey area developed when dairy manufacturers wanted to supply only to the local market , creating confusion as to which act applied give manufacturers the ability to gain exemption under one act the option if complying with the other. The Ministry along with industry representatives are developing a code of Practice that would follow the regulatory intent of the Food Act & the Animal Products Act 1999 which is due to supersede the Dairy Industry Act in June 2003 .

Current Situation

“Every party involved in the production, manufacture, transport , storage or export of dairy produce/product operates in accordance with a Product Safety Programme approved by MAF in compliance with regulations 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 of the *Dairy Industry Regulations 1990*.’

The Regulations are as follows:

3. Dairy produce to be safe
4. Compliance with product safety programmes
5. Applications for approval of product safety programmes
6. Approvals generally
7. Approvals in respect of farm dairies

8. Approvals in respect of transport & storage
9. Approvals in respect of manufacture
10. Health & hygiene
11. Variations of approved programmes
12. withdrawal of approval *

and in summary

“To be approved by the Director-General a Product safety programme (PSP) for the production or transport of milk or cream must ensure that milk or cream produced, sampled, examined, tested, stored, and transported in accordance with the PSP will be safe .

- see appendix 1

Developing a PSP

To comply with the regulations a Product safety Programme (PSP) has to be developed and submitted to the Director-General for acceptance .

The PSP covers

- a. Physical Items
 - Milk production
 - Raw materials (how received & handled)
 - Processing
 - Product testing
 - Transport & storage
- b. Codes & Standards to be meet
- c. Procedures followed
- d. Person responsible
- e. Time PSP is to operate

The producer can access help in developing the PSP from various sources. The New Zealand Food Authority runs courses and workshops designed to aid people to develop PSP's. Templates are available from NZFA to assist in the construction of a PSP. Consultants are another source of instruction in the setting up, designing & implementation of a PSP. A list (as supplied from NZFA) is attached in appendix 2.

Food Act 1981

Under the amendments to the Food act in 1996 food safety programmes can be used to gain exemptions from the Food Hygiene Regulation 1974.

Food Safety Programmes

Food safety programmes are a documented programme investigating all the individual steps taken to manufacture food to insure the food's safety.

A FSP will vary depending on the food produce and the quantity produced.

The FSP has to be based on the Hazards Analysis Critical Control Point (HACCP) Principles.

HACCP

HACCP or Hazard analysis is& critical control point is a system tool that aids you in establishing a Food safety Programme that is basically a Risk Management Plan for food. Looking at what can go wrong & determining what to do to minimise the risk & maximise the ability to handle any failures.

Haccp follows seven steps :

1 Identify Hazards

Broadly food hazards can be broken into three major sections

- Microbiological

Escherichia Coli (e coli) is a n example of a common bacteria that is found in the gut and milk of animals that is harmless to the host but when transferred to other animals can cause illness
Other common bacteria include Campylobacter and Listeria, .

- Chemical

Detergents , pesticides and insecticides are examples of chemicals that could produce a hazard if in food .

- Physical

Media reports of glass being found in food are infrequent but not uncommon . Glass , metal are all items that must be kept out of food

2 Determine Critical Control Points

Raw materials are a good example of a critical control point tat can be controlled . Buying semi-processed raw material is an example of processors reducing the risk of producing safe food

3 Establish Critical Limits

The temperature a process has to reach & the time the process goes on for could be critical in the outcome .(Pasteurisation has a temperature & time coalition)

4 Develop a Monitoring system

To ensure that requirements are being met a monitoring system needs to be implemented & it is essential that the people monitoring are accountable (signing documents)

5 Corrective Action

Recalling product is a corrective action that might be taken to ensure the safety of food .

6 Verification Procedures

Testing to ensure that everything is “ working to plan” is a verification procedure . The use of trained people outside the manufacturing company , Third Party Authorities (TPA) could be part of verification procedure . On a dairy farm shed inspections are a verification procedure .

7 Record & Documentation keeping

Record keeping needs to be able to show that procedures are working and are vital when errors occur . Documentation enable traceability .

Benefits of HACCP :

- Producing safe product
- Gaining better understanding & control of operations
- Improving production efficiency & decreasing wastage
- Providing a firm base for application of quality management systems
- Improving product quality
- Influencing raw material suppliers to adopt a similar approach
- Becoming a more competitive supplier as the whole process is investigated

Code of Practice

It is intended that the code of practice require Risk Management Programmes be developed for food safety (including manufacturing) & that these programmes follow the HACCP (Hazard Analysis & Critical Control Point) model.

Working Groups have been established for Ice Cream & Cheese manufacture to develop an interim Code of Practice.

The Code of Practice is differs from the PSP. A movement away from an emphasis on strict mandatory standards to one where the focus is on producing safe food.

The code provides information & support to the manufacturer in identify the hazards in production & most importantly the control measures that may be used. Basically the code is providing advice to the manufacturer on how they can produce safe food.

Batch processing

Batch Processing may be an alternative that would enable producers to directly market their product without having to meet manufacturing requirements under the acts. It is possible to get animals slaughtered at Auckland Meat Processors for non-export consumption if for example you were selling you meat directly to restaurants. It is worth noting that 60 % of a processed animal is non-prime cuts of meat & therefore harder to sell.

Cost of processing as a “ Cash Customer “ for beef:

Slaughter Fee	\$ 66
Marshalling Fee	\$.50
Levy	\$ 17.60
Inspection fee	<u>\$ 11.98</u>
Total	\$ 96.08

Requirements to get meat processed

1. Responsible or cartage in & out (out in refrigerated truck)
2. Animal health Declaration Form
3. Processor keeps offal
4. Pick up as dressed Carcass not in cuts

It could be an option for producers who wish to add value to their product but decide not to process the themselves.

Conclusions

There are many opportunities for primary producers to add extra value to there produce. What method producers use to sell their product depends on many factors, skill base of the people involved being the critical factor .The legislation enables food to be produced along certain guidelines as long as production meets criteria to ensure that it is safe. With the alignments of the acts it will hopeful mean that it is easier process to forkful the objective of producing safe food When food is or perceived to be unsafe it reflects on the whole industry. The development of codes of practice demonstrates a commitment to ensuring what we eat is of the finest quality. While in some sectors (mainly Dairy) options appear limited the legislation does permit the development of alternatives.

References and Acknowledgement

I would like to thank the people and organisation that have given freely of their time and knowledge to enable me to complete this project.

New Zealand Food Safety Authority

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Transit New Zealand Limited

Dave Johnson , Chateau Icecream

Mark Shuker , Elders New Zealand

Franklin District Council

Meat New Zealand

Karin Gieson , Huttons

Appendix

- 1 Dairy Industry Regulations 1990
- 2 NZSA Standards
- 3 Transition Period for new Animal Products Act
- 4 Access Standards and guidelines (transit)
- 5 Exemptions for the Animal Products Act 1999



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DAIRY INDUSTRY REGULATIONS 1990

2. Interpretation—



References

2. Interpretation—

(1) In these regulations, unless the context otherwise requires,—

“**The Act**” means the Dairy Industry Act 1952:

“**Antibiotic**” means a substance given to milking animals, or added to dairy produce, for the purposes of inhibiting the life processes of micro-organisms:

“**Approved**” means approved by the Director-General:

“**Certificate of registration**” means a certificate of registration issued under regulation 18 of these regulations:

“**Clean**” means visibly free of objectionable matter and residues of dairy produce:

“**Dairy**” means—

(a) A milk house, milk shop, dairy factory, and any other place where dairy produce is collected, deposited, treated, separated, prepared, or manufactured, or is sold or offered for sale; and includes:

(b) A farm, stockyard, milking yard, paddock, shed, stable, stall, and any other place where cows from which the milk supply of a dairy is obtained are depastured or kept:

“**Dairy factory**” means a cheese factory, butter factory, condensed milk factory, or other factory engaged in the manufacture of dairy produce, and includes a skimming station, a buying or receiving station, or any other premises ancillary to a dairy factory:

“**Dairy produce**” means milk, cream, butter, or cheese, and includes any other product of milk or cream:

“**Dairy product**” means dairy produce intended for sale in, or export from, New Zealand for human consumption; and—

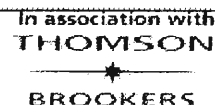
(a) Includes raw milk or cream intended for sale in New Zealand for human consumption as raw milk or cream; but

(b) Does not include raw milk or cream intended to be processed before sale in New Zealand for human consumption:

“**Director-General**” means the chief executive of the Ministry:

“**Equipment**” includes all apparatus, containers, conveyances, machinery, piping, pumps, utensils, vehicles, and other things used in the transport, reception, testing, grading, manufacture, or storage of milk:

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DAIRY INDUSTRY REGULATIONS 1990
Product Safety

Product Safety

3. Dairy produce to be safe—

(1) Every person who—

- (a) Produces any milk or cream; or
- (b) Transports or stores any dairy produce that is not a dairy product,—

shall take all reasonably practicable steps to ensure that it is safe and stays safe.

(2) Every person who manufactures, transports, or stores, any dairy product, shall take all reasonably practicable steps to ensure that it is safe and stays safe.

(3) Nothing in these regulations limits, or affects the generality of, subclauses (1) and (2) of this regulation.

4. Compliance with product safety programmes—

(1) On or after the day 3 months after the date of the notification of these regulations in the *Gazette*, no person shall—

- (a) Produce any milk or cream; or
- (b) Transport or store any dairy produce that is not a dairy product; or
- (c) Manufacture, transport, or store any dairy product,—

except in accordance with a relevant safety programme.

5. Applications for approval of product safety programmes—

Any person may apply in writing to the Director-General for the approval of a product safety programme.

6. Approvals generally—

(1) The Director-General shall not approve a product safety programme in respect of the production or transport of milk or cream unless satisfied that—

- (a) Milk or cream produced, sampled, examined, tested, stored, and transported in accordance with the programme will be safe; and
- (b) The programme provides for—



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DAIRY INDUSTRY REGULATIONS 1990
Registration of Premises

Registration of Premises

13. Dairy products to be manufactured and stored in registered premises only—

- (1) No person shall manufacture or store any dairy products in any premises—
 - (a) Unless the premises are registered for the manufacture or (as the case may be) storage of dairy products of a class or description to which the product belongs:
 - (b) Otherwise than in accordance with any condition subject to which the Director-General approved the manufacture or (as the case may be) storage in those premises of dairy products of that class or description.
- (2) Subject to subclause (3) of this regulation, it is a condition subject to which the Director-General approves the manufacture of dairy products in any premises that the occupier of the premises is to refuse milk and cream from a farm dairy specified (by written notice to the occupier) as a farm dairy whose produce is suspect.
- (3) The Director-General shall not give a notice for the purposes of subclause (2) of this regulation, unless—
 - (a) Satisfied, on reasonable grounds, that milk or cream produced in the farm dairy concerned is not produced in accordance with an approved product safety programme; or
 - (b) Having made all reasonable efforts to obtain the necessary information, is unable, on the basis of all information available to the Director-General, to be satisfied that milk or cream produced in the farm dairy concerned is produced in accordance with any approved product safety programme.

14. Applications for approval—

- (1) Any person may apply to the Director-General for approval of the manufacture or storage of dairy products in any premises.
- (2) Every application—
 - (a) Shall be in writing; and
 - (b) Shall specify the class or description of dairy product for whose manufacture or storage the applicant wants approval.

15. Registration of premises—

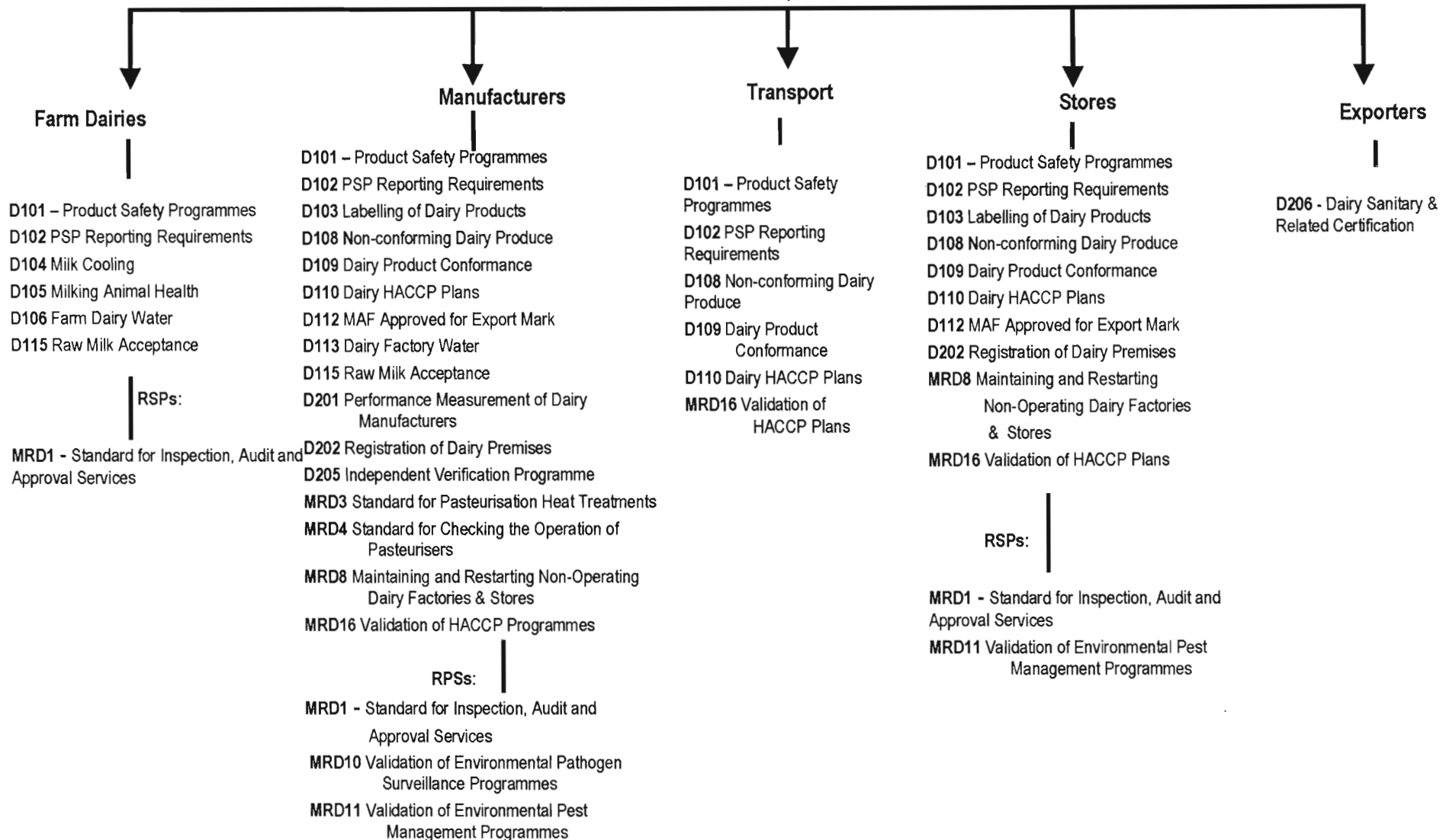
- (1) Subject to these regulations, if satisfied that the premises to which an application for

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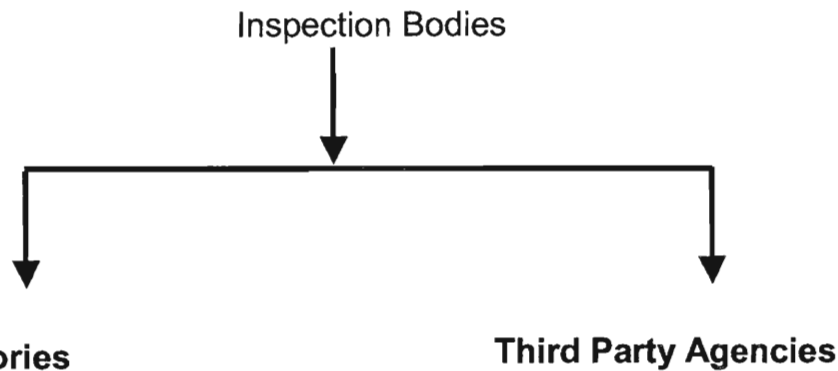
NZFSA Standards



D107 Dairy Product Safety



NZFSA Standards for Inspection Bodies

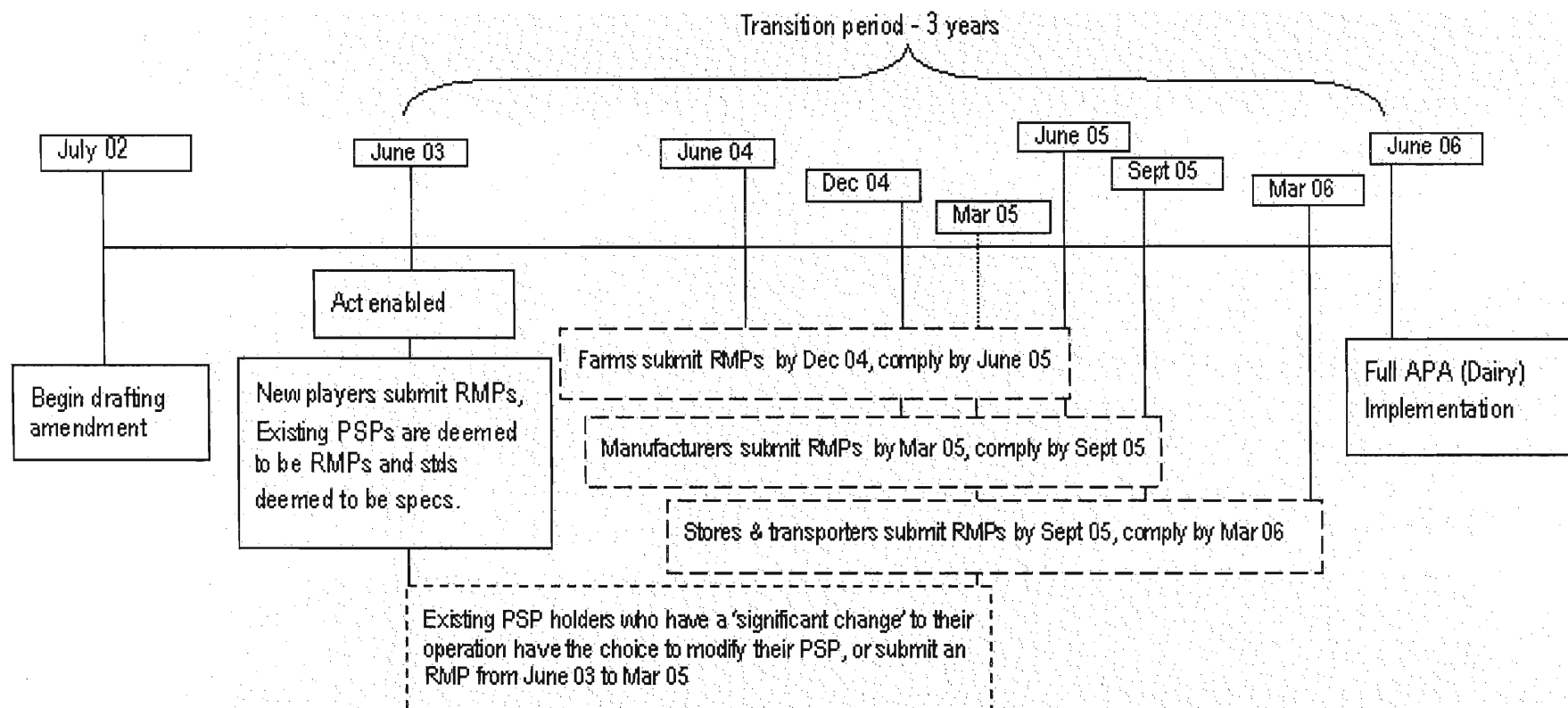


Laboratories

- D301** MAF Approved Dairy Test Methods
- D302** Registration of Dairy Laboratories
- D303** Performance Measurement of Dairy Laboratories
- MRD5** General Requirements for the Competence of Category 2 Laboratories
- MRD9** Testing of Dry Milk Products Intended for Export to the USA for *Salmonella* and Penicillin

Third Party Agencies

- D501** Technical Competency of TPA Individuals
- D502** Accreditation and Approval of TPAs
- D503** Third Party Agencies' Responsibilities
- D504** Performance Measurement of TPA and Approved Individuals
- MRD6** Standard Procedure for Auditing Product Safety, and Guidelines for an Audit Checklist
- MRD7** Auditing Product Safety Programmes



Appendix 4: Access Standards and Guidelines for Inclusion in District Plans

The following table provides property access performance criteria where traffic generation is less than 100 equivalent car movements per day (ecm/d) and is for inclusion in District Plans.

Table A4-1:

Posted (Legal) Speed Limit (km/h)	Required Sight Distances (m) See Diagram A	Location of Property Access Relative to Intersection. See Diagram B		Minimum Spacing Between Adjacent Property Accesses Distance N on Diagram B (m)
		Minimum Distance K (m)	Minimum Side Road Distance M (m)	
50	140	30	20	-
60	175	50	30	-
70	210	100	45	40
80	250	120	60	100
100	330	200	60	200*

* there shall be no more than 5 individual accesses along any 1 km section of State highway (on both sides), measured 500m either side of a proposed access.

NOTE(*not for inclusion in District Plans*)

Approval must be must be sought from Transit before any work is carried out within the State highway reserve in relation to access construction.

Applicants unable to meet the required sight distances in Table A4-1 can consult Transit for further consideration. In cases where the operating speed is lower than the posted speed limit Transit may approve shorter required sight distances.

The following table (not for inclusion in District Plans) shows the derivation of the sight distance requirements in Table A4-1:

Posted Speed Limit	Operating Speed Range	Required Sight Distance (m)
50	50-70	140
60	60-80	175
70	70-90	210
80	80-100	250
100	100-120	330

Adapted from NAASRA 1998 Guide to Traffic Engineering Practice". The required sight distances are based on the upper end of the operating speed range.

NB: Operating Speed is "the speed at which a driver can safely travel on a given section of road under the prevailing traffic conditions and is defined as the speed at or below which 85 percent of vehicles travel".

The following paragraph is for inclusion in District Plans:

Access Design for Rural State highways

All accesses directly to a rural State highway require design appropriate to the highway they are connecting to in order to avoid, remedy, or mitigate the adverse effects. Diagrams C and D provide appropriate standard designs for accesses up to 30 and 100 equivalent car movements per day respectively.

Note (not for inclusion in District Plans)

The seal length distances provided in the table in Diagram D are based on the following formula recommended in Austroads "Rural Road Design" 1989:

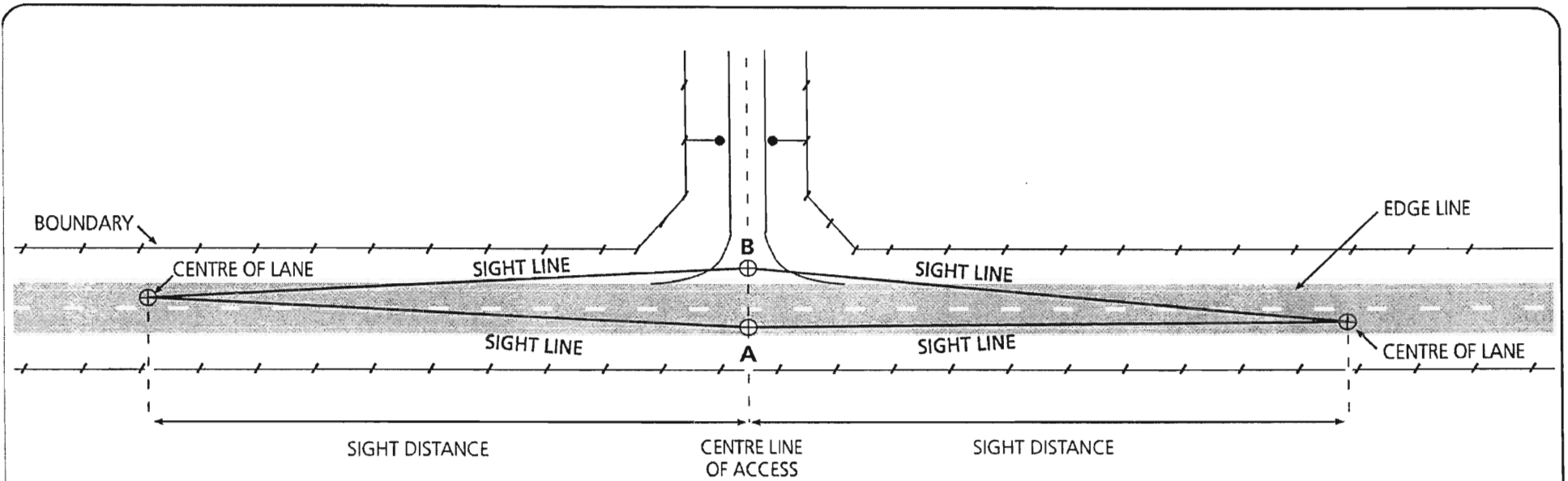
$$T = VW/3$$

Where T = taper length (m)

V = speed (km/hr)

W = width of shoulder (m)

This is based on a sideways movement of approximately 1.0 m/sec.



POINT A Edge line

POINT B 3.5metres from white edge line

NOTES

- Sight distances shall be measured from a point 1.15 metres (motorists eye level) above the finished surface of the access crossing place and 1.15m above the highway surface
- There shall be no obstructions to visibility inside the area bounded by the sight lines

SIGHT DISTANCES

SPEED LIMIT	METRES
70	210
80	250
100	330

SIGHT DISTANCES

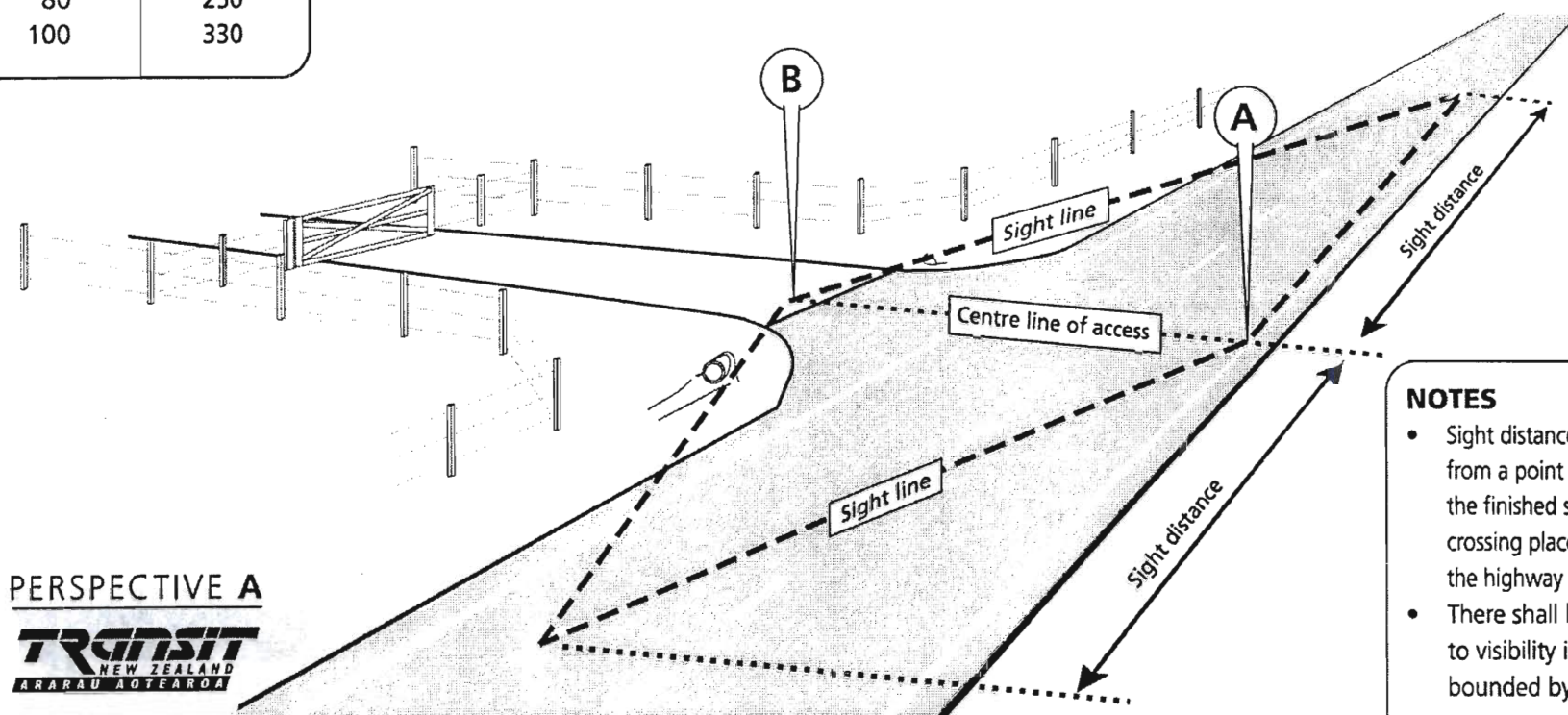
**SPEED
LIMIT**

METRES

70	210
80	250
100	330

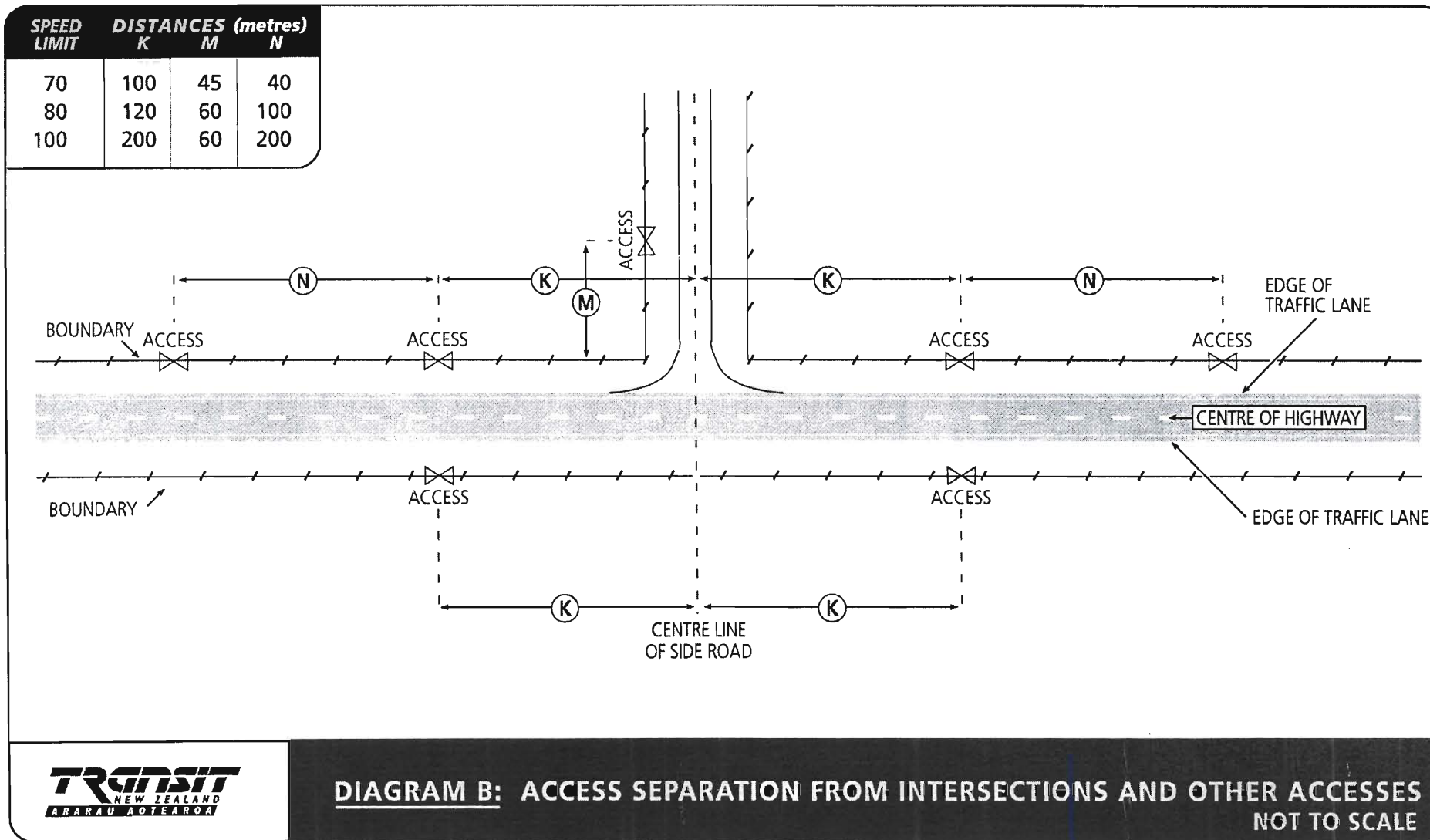
POINT A Edge line

POINT B 3.5metres from white edge line

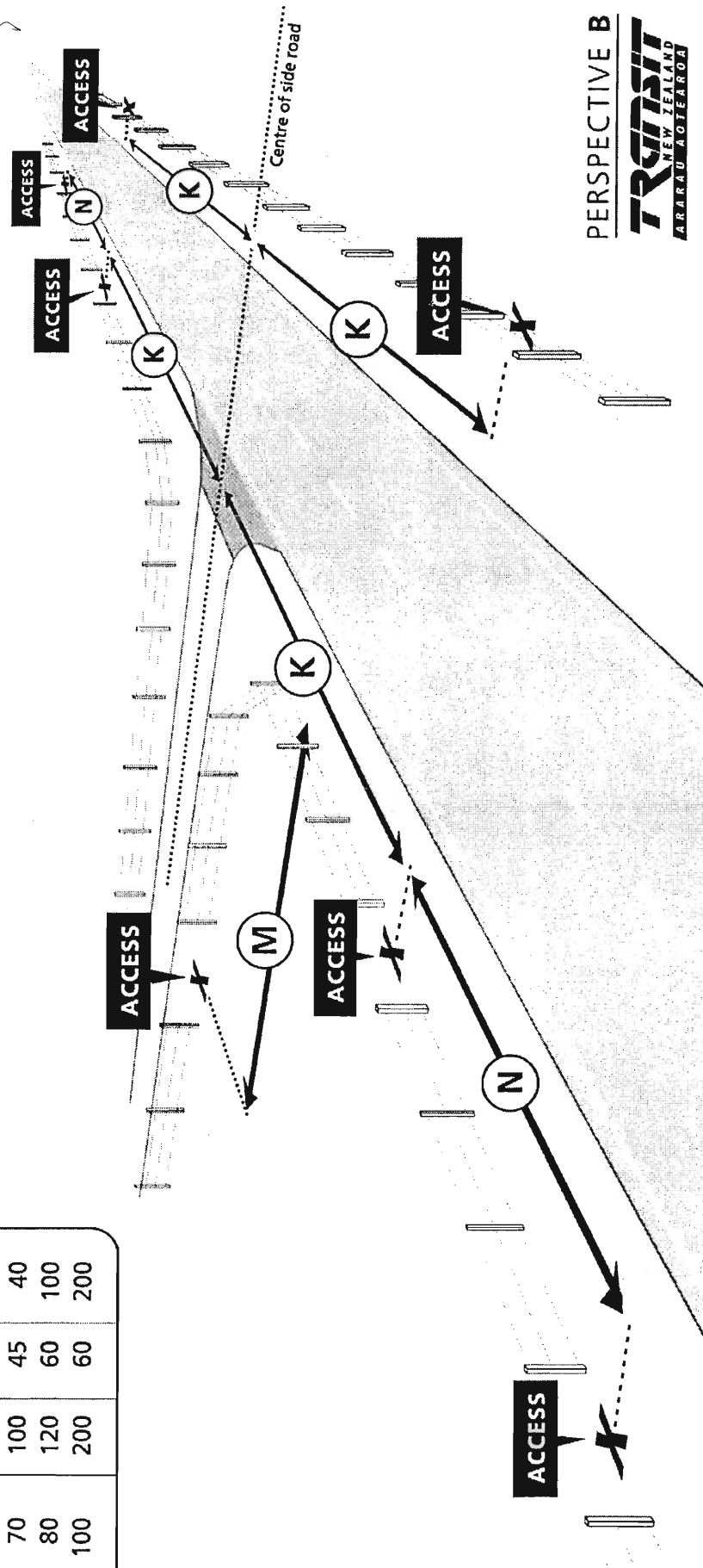


NOTES

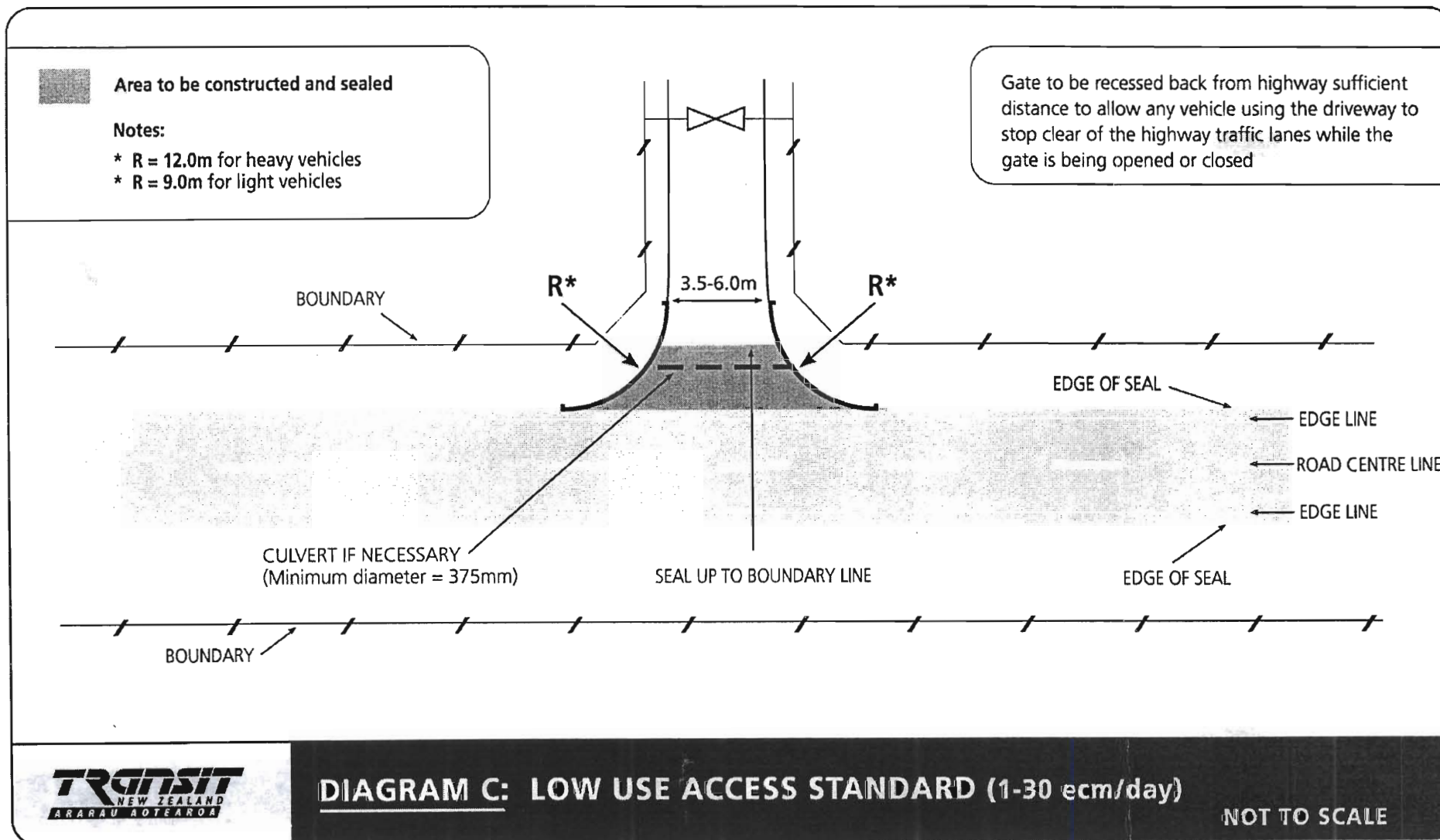
- Sight distances shall be measured from a point 1.15 metres above the finished surface of the access crossing place and 1.15m above the highway surface
- There shall be no obstructions to visibility inside the area bounded by the sight lines



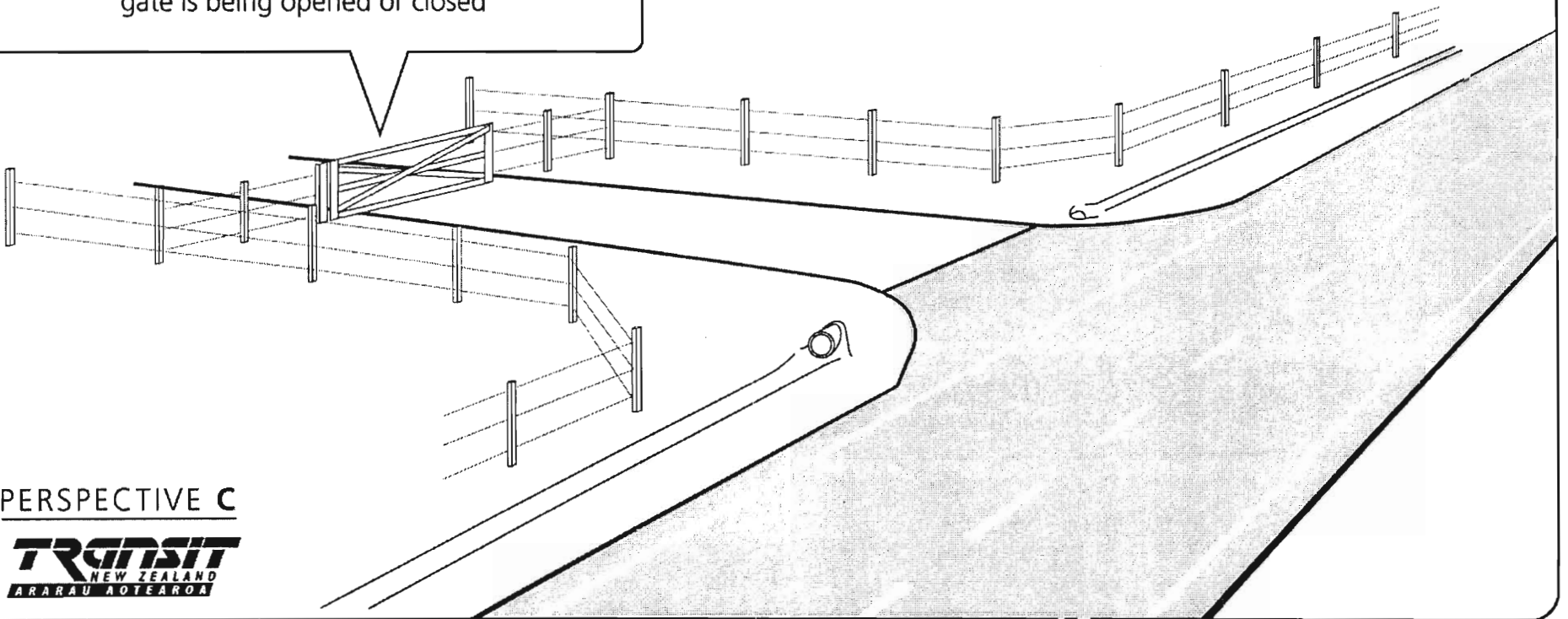
SPEED LIMIT	DISTANCE		N
	K	M	
70	100	45	40
80	120	60	100
100	200	60	200

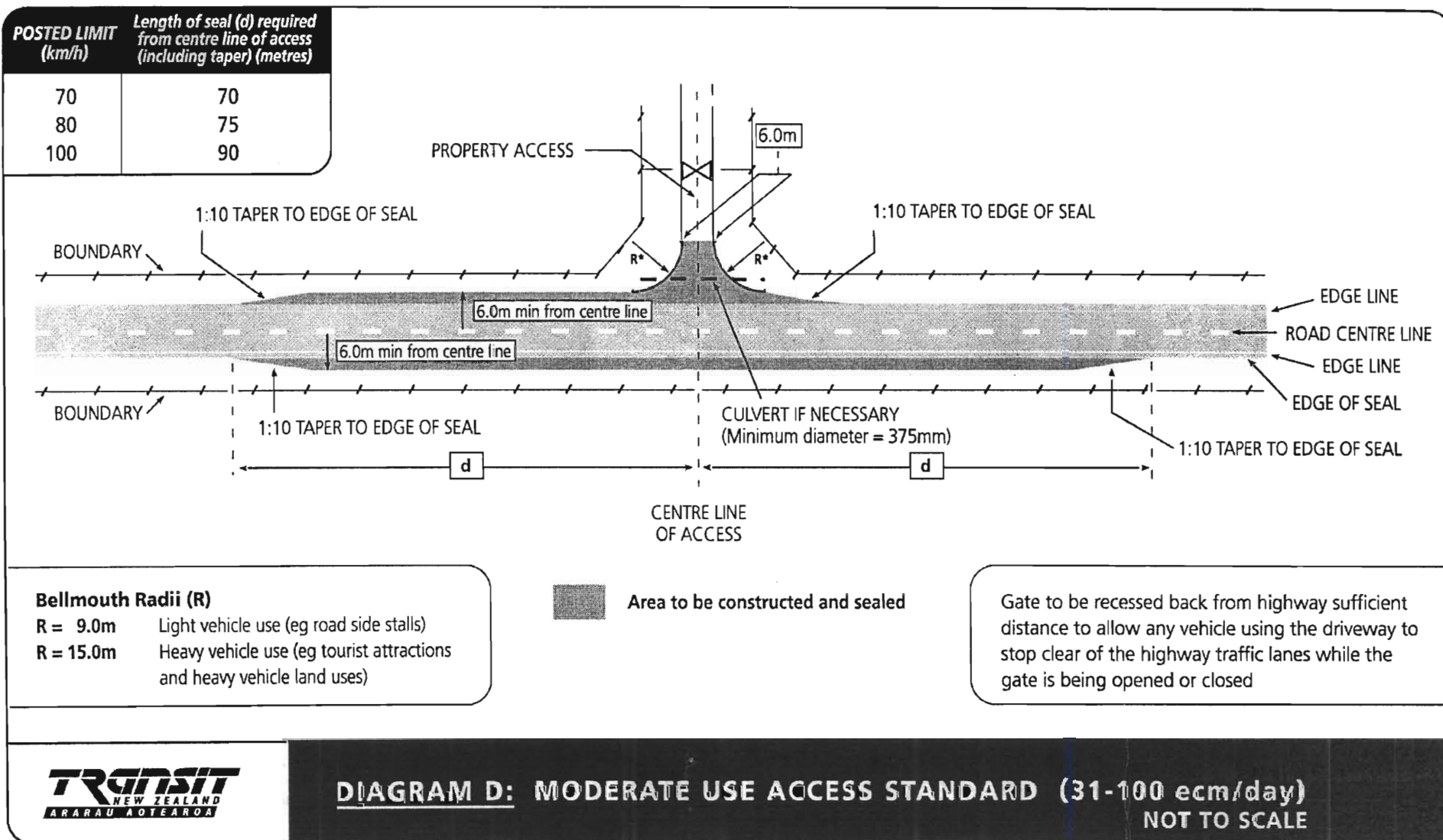


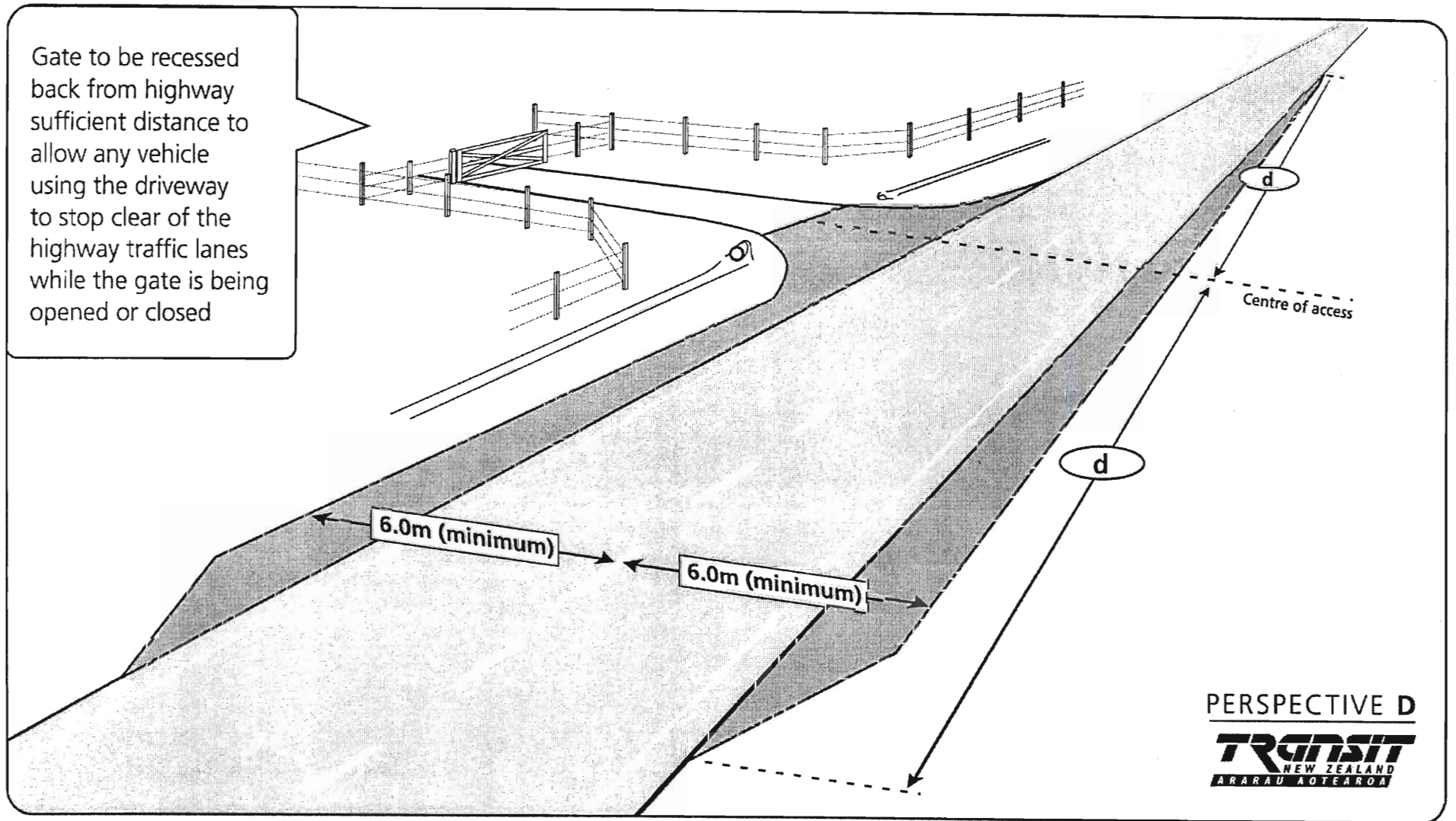
PERSPECTIVE B
TRANSIT
NEW ZEALAND
ARARAU AOTEAROA



Gate to be recessed back from highway sufficient distance to allow any vehicle using the driveway to stop clear of the highway traffic lanes while the gate is being opened or closed



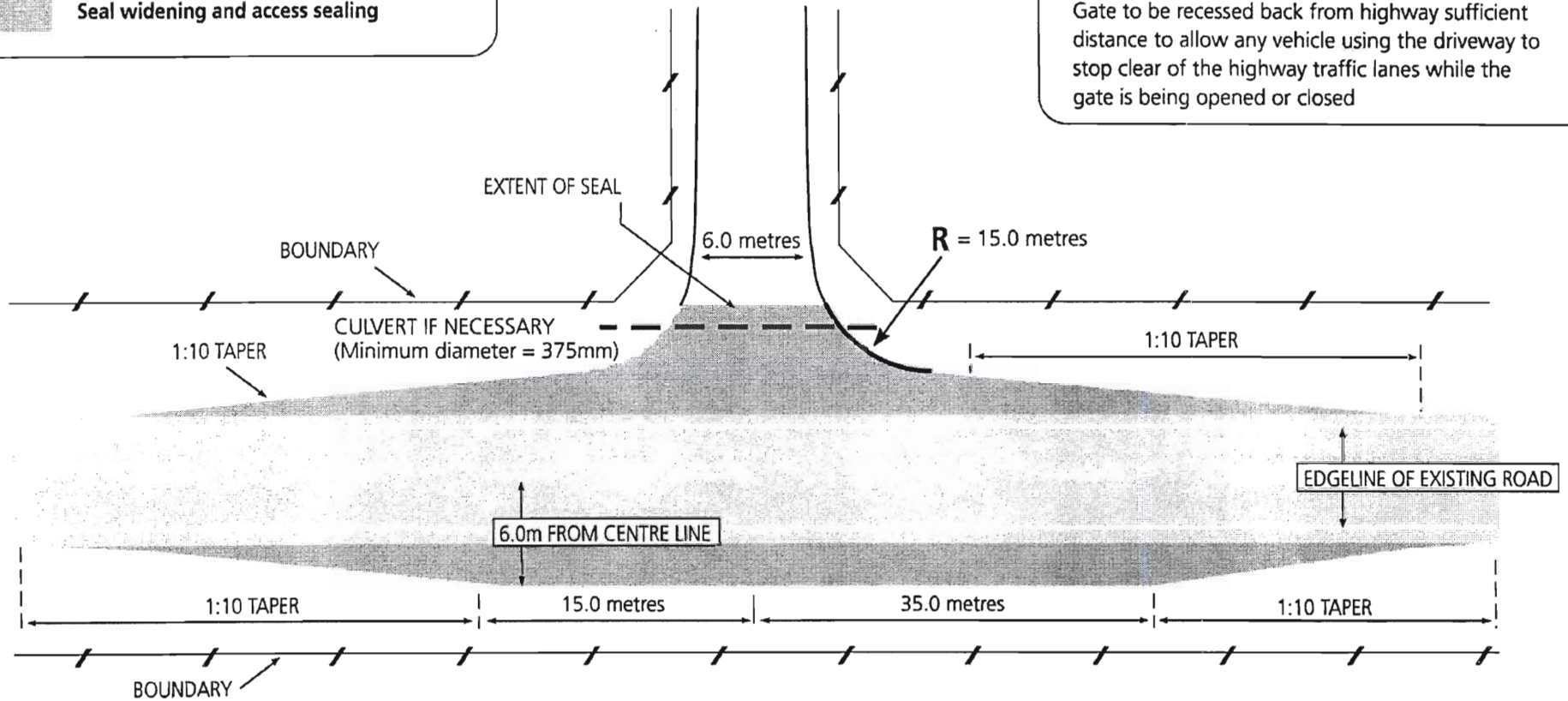


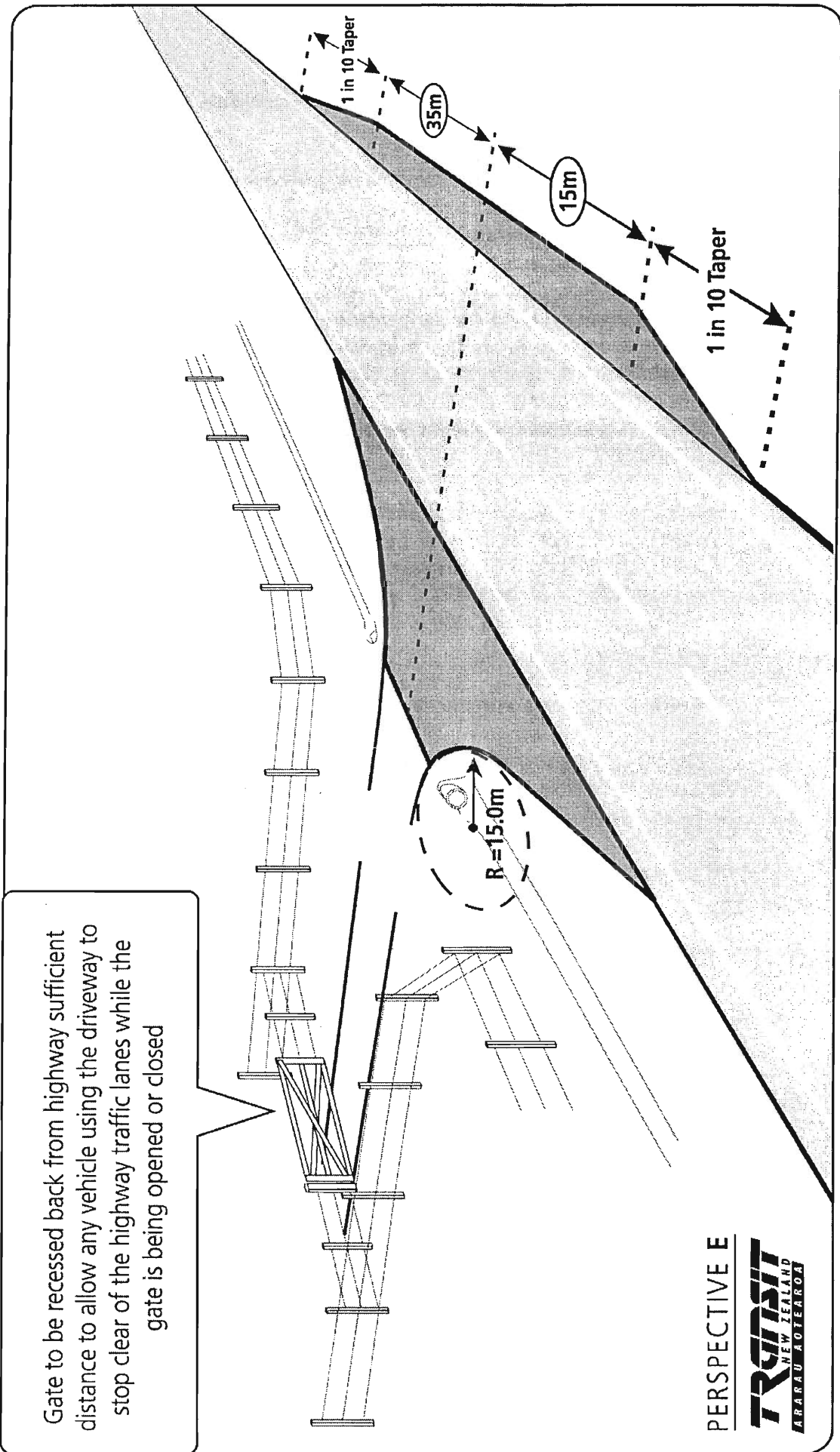




Seal widening and access sealing

Gate to be recessed back from highway sufficient distance to allow any vehicle using the driveway to stop clear of the highway traffic lanes while the gate is being opened or closed





Suggested Provisions for Inclusions in District Plans – Roading Hierarchy

ROADING HIERARCHY

The roads within the District/City are classified according to a hierarchical system, based on the function of each road, and the need for that road's capacities and capabilities to efficiently fulfil that function. The classification of roads determines their management in regard to land use and subdivision. The 'higher' the classification, the greater the management emphasis placed on enhancing the movement of through traffic; the 'lower' the classification, the greater the emphasis on access, and on pedestrian, parking and servicing needs.

The roading classification system applied to roads in the District/City is as follows:

Strategic Arterials: These routes form part of the network of nationally or regionally important arterial roads. Nationally important routes are managed by Transit New Zealand as State highways, whereas other strategic roads may be managed by territorial authorities. These routes predominantly carry through traffic, and carry the major traffic movements in and out of the District/City.

Other possible classifications:

District Arterials: These roads cater for traffic movement between the major areas of the District/City. Again traffic management of these roads seeks to facilitate traffic movement.

Collector Roads: These roads collect and distribute traffic to and from the arterial road network, and often act as links between two arterials. These roads also act as local main roads supplementing the district arterials. Through-traffic generally makes up a high proportion of the traffic flow.

Local Roads: These roads provide direct access to adjoining properties. Many local roads, except cul-de-sacs, also collect and distribute traffic to and from local roads within the District/City. Traffic flows are usually low, and it is desirable to minimise through or extraneous traffic because of the effects on the adjoining environment and amenities, and the limited physical capabilities of such roads.

Note: There may be other types of road that do not come within the overall hierarchy. These may include service lanes, which provide side or rear access to any site from side roads in business areas, to minor no-exit access routes in rural areas. In addition, there are a number of unformed roads which have no active role in the roading network. Over the long term it is envisaged that the pattern of unformed roads will be rationalised, retaining those which perform, or have the potential to perform, some active public access function, and gradually eliminate those which have no potential for access.



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P F

FOOD ACT 1981



[References](#)

[PART IA - [EXEMPTIONS FROM FOOD HYGIENE REGULATIONS 1974

[8AA. Relationship between this Part and Animal Products Act 1999—

[8AA. Relationship between this Part and Animal Products Act 1999—

(1) The following persons are exempt from the requirements of the Food Hygiene Regulations 1974, and therefore from the application of this Part, in respect of any operations carried out under a risk management programme registered under Part 2 of the Animal Products Act 1999:

- (a) Primary processors of animal material, dual operator butchers, and other persons required by that Act to operate under a registered risk management programme:
- (b) Secondary processors of animal products that are food who have elected, by registering a risk management programme as provided in section 32 of that Act, to be subject to the provisions of that Act rather than the Food Act regime:
- (c) Subject to subsection (2), secondary processors of animal products that are food who have, in accordance with section 34 of the Animal Products Act 1999, registered a food safety programme as a risk management programme for the purpose of operating under the 2 programmes alternatively or intermittently.

(2) A person who is subject to any regulated control scheme under the Animal Products Act 1999 is also exempt from the requirements of the Food Hygiene Regulations 1974, and therefore from the application of this Part, in respect of any operations that are covered by the regulated control scheme, unless the regulated control scheme specifically states that such operations are not to be treated as exempt from the Food Act regime.

(3) The exemption from the requirements of this Part or of the Food Hygiene Regulations 1974 of secondary processors referred to in subsection (1)(c) relates only to operations carried out under the registered risk management programme in accordance with the terms and conditions of its registration.

(4) Any food safety programme that is so registered as a risk management programme is to be subject to whichever audit or verification regime is specified for it under section 34(3) of the Animal Products Act 1999.

(5) The terms "primary processor" and "secondary processor" have the meanings given by section 4 of the Animal Products Act 1999.]

This is a list of companies, known to the New Zealand Food Safety Authority (NZFSA), who offer food and dietary supplement labelling, food safety and food safety programme advice. Inclusion on this list does not imply endorsement by the NZFSA.

AgriQuality Assurance Services PO Box 41 Lynfield Auckland <i>Ruth Franks</i> Phone: 0800 10 02 05 (Consultants throughout NZ)	Alpha Biologicals Ltd PO Box 38-213 Howick Auckland <i>Paul Cook</i> Phone: (09) 534 4424 Fax: (09) 576 3493
Atack Industries Ltd 1/66 Seaview Road Glenfield Auckland <i>Martyn Atack</i> Mobile: (025) 280 6585	Auckland Industrial Technologists Ltd P.O.Box 55-018 Mission Bay Auckland <i>Roly Page</i> Phone: (09) 528 8862
BHS Solutions Ltd PO Box 1704 Paraparaumu Beach 6450 <i>Brian Holmes</i> Phone: (04) 902 2222 Fax: (04) 905 2221 Email: bhss@paradise.net.nz	Bugs-Away Environmental Services Ltd PO Box 28337 Remuera Auckland <i>Peter Rose</i> Phone: (09) 379 9711 Fax: (09) 379 9766
Business Improvement Systems Ltd 86 Sartors Avenue Browns Bay North Shore City <i>James R Jit</i> Phone: (09) 478 4535 Fax: (09) 478 0534	Cooke Laboratories PO Box 74-263 Market Road Auckland <i>Bryan Cooke</i> Phone: (09) 366 0414 Fax: (09) 366 6854
Crop & Food Research PO Box 4704 Christchurch [Also Palmerston North and Nelson] Phone: (03) 325 6400 Fax: (03) 325 2074	Envirolink Laboratory Ltd Laboratory Services PO Box 31-270 Christchurch <i>Courtney Browne/Barbara Müller</i> Phone: 0800 801012 Fax: (03) 377 7276

Service Technologies Ltd PO Box 35-601 Browns Bay Auckland <i>Don L Hughes</i> Phone: (09) 478-6860 Fax: (09) 478-4534	Southern Monitoring Services (SMS) P O Box 1364 62 Dee St Invercargill Phone: (03) 214 2375 Fax: (03) 214 2410
Southern Monitoring Services (SMS) P O Box 108 Berkshire St Arrowtown Phone: (03) 442 0444 Fax: (03) 442 0446	Tasman Food & Dairy Consultants 8 Boyes Place Nelson <i>Ron Matthews</i> Phone: (03) 547 4580 Fax: (03) 547 4581 Email: tasfood@xtra.co.nz
Trade Consultants (WN) Ltd PO Box 1184 Wellington <i>John Moynhan</i> Phone: (04) 385 4632 Fax: (04) 384 4617	Total Food Solutions Ltd PO Box 163 100 Lynfield Auckland <i>Nigel Robinson</i> Phone: (09) 626 3335 Mobile: (025) 398 035 E-mail: nigel.robinson@clear.net.nz
Universal Software Limited 1009 Frederick Street Hastings <i>Kevin Nicol</i> Phone: (06) 876 5563 Fax: (06) 870 6327 Email: kevin.nicol@xtra.co.nz	Wellington Pathology Ltd 89 Courtenay Place Wellington Phone: (04) 801 5111 Fax: (04) 801 5432
W. Hiepe Consulting Settlement Road RD2 Kaiwaka <i>Wolfgang Hiepe</i> Phone/Fax: (09) 431 2231	

In addition to this list, Public Health Units are able to provide resources and some assistance relating to food safety, food labelling, dietary supplement labelling and Food Safety Programmes. Please check your local telephone directory for Public Health Units contact details - or contact the New Zealand Food Safety Authority on 0800 693 721 for details.

Envirohealth and Building PO Box 2818 Christchurch Kieran O'Boyle Phone: (03) 377 8622 Fax: (03) 377 8623	ESR Microbiology Consultants 27 Creyke Road Christchurch Rosemary Whyte Phone: (03) 351 6019
Food Assurance Systems Ltd 43 Strathaven Place Nelson Irene Thomas Phone: (03) 545 2230 Fax: (03) 545 2236 Email: thomasi@xtra.co.nz	Food Compliance Services Ltd 140 Waitara Road RD 42 Waitara Debbie Langton Phone: (06) 754 6461 Fax: (06) 754 6466 Mobile: (025) 602 5320 Email: food.compliance@xtra.co.nz
Food and Health Standards NZ Ltd PO Box 7115 Christchurch Ian Shaw Phone: (03) 365 1667 Fax: (03) 365 1567	Food Safety Works Ltd PO Box 7213 Wellington South Melinda Sando Phone: (04) 970 0124 Mobile: (025) 616 9012 Email: melinda.sando@paradise.net.nz
Food Management New Zealand Ltd PO Box 10 Tapawera 7180 Nelson Phone: (03) 522 4458 Fax: (03) 522 4458	Foodology Services Ltd PO Box 15 052 Christchurch Ron Hooker Phone: (03) 388 9269 Email: r.hooker@ext.canterbury.ac.nz
Food Safety (NZ) Ltd PO Box 27-625 Mt Roskill Auckland Suresh Din Phone: (09) 827 0412 Fax: (09) 827 0492	Formula Foods Corp Ltd PO Box 7154 Christchurch David Rout Phone: (03) 332 5189 Fax: (09) 337 2329
Gillian L Tustin 42A Rautara Street Orakei Auckland 5 Phone/Fax: (09) 528 8155	Guthrie Consultants PO Box 456 Dunedin Ron Guthrie Phone: (03) 477 8844



Food Safety Programmes: How to Protect Your Customers and Your Business
How to protect your business and your customers from food safety problems.
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Nigel Harris 48 Riley Crescent Christchurch Phone: (03) 9814775 Mobile: (021) 496944 Email: nharris@paradise.net.nz	Hospitality Link PO Box 2275 Dunedin Sarah Murray Gillian Anderson Phone (03) 471 4078
IMS Consulting PO Box 11055 Papamoa Tauranga John H Woolley Mobile: (025) 940 316 Fax: (07) 542 3447 (Consultant in Dunedin also)	JML Consulting Janet Lea Phone: 03 216 0651 or 025 288 5981 Email: leajm@ivillage.com
McFoodies Ltd P.O. Box 1297 Pakuranga Auckland Cathy McArdle Phone/Fax: (09) 299 9724	Massey University Inst of Food Nutrition & Human Health Private Bag 11 222 Palmerston North Felicity Jackson Phone: (06) 350 5869 Fax: (06) 350 5657 Email: F.S.Jackson@massey.ac.nz (food & nutrition labelling/analysis)
Massey University Inst of Food Nutrition & Human Health Private Bag 102 904 North Shore Mail Centre Auckland Elizabeth Stewart Phone: (09) 443 9753 Fax: (09) 443 9640 Email: E.Stewart@massey.ac.nz (food & nutrition labelling/analysis)	MIRINZ Food Technology and Research PO Box 617 Hamilton Guillaume Le Roux Phone: (07) 854 8550 Fax: (07) 854 8560
Molab Ltd 14 Goldie Street St Heliers Auckland Bob Molony Phone/Fax: (09) 575 5478 Mobile: (025) 523 984	McWilliams-Mills Marketing 42 Gosset Street Christchurch Jenny Mills Phone: (03) 355 3893

New Zealand Quality College Private Bag 28-908 Remuera Auckland <i>Amanda Whitehouse</i> Phone: (09) 525 6633 Fax: (09) 525 2266	New Zealand School of Food Hygiene PO Box 90-066 Auckland Mail Centre <i>Nigel Burrows</i> Phone: (09) 366 4690 Fax: (09) 377 6828 (Consultant in Christchurch also)
Ocean Group PO Box 35 070 Christchurch <i>Karen Daglish/Peter Rogers</i> Phone/Fax: (03) 961 1321 Email: fsp@oceangroup.co.nz	Phae Group Ltd PO Box 4198 Hamilton <i>Tony Kane</i> Phone: 0800 115 096 Fax: (07) 839 6761
Practical Food Safety Ltd 668 Springs Road Prebbleton Christchurch <i>Holder Frey</i> Phone: (03) 344 1929 Fax: (03) 344 1928 Email: freymf@xtra.co.nz	Progressive Consultants PO Box 77-055 Mt Albert Auckland <i>G. B. Latimer</i> Phone: (09) 526 0114 or (09) 520-5012 A/H Fax: (09) 526 0115
QF Consulting 34 Everest Street Wellington 4 <i>Bruce Sutherland</i> Phone/Fax: (04) 479-1572	Ramer, Sheldon RD Diamond Harbour Christchurch Phone: (03) 329 4380 Fax: (03) 329 4136 Email: ramer@clear.net.nz
Reib Enterprises 1/837 Beach Rd Browns Bay Auckland <i>Roy Simmons</i> Phone: (09) 478 7400 Fax: (09) 478 7400	Richard Nowacki Consultancy 43 Konini Road, One Tree Hill Auckland <i>Richard Nowacki</i> Phone: (09) 579 8084 Fax: (09) 579 8085 Cellular: (021) 677 005
Sherriff, Debbie Microbiologist 24 Sandy Bay Road Governors Bay Lyttelton RD1, Christchurch Phone: (03) 329 9049 Fax: (025) 227 7217 Email: sheiffd@inet.net.nz	Seafood Systems Ltd Bluff Road Sheffield Christchurch <i>Racheal Harvie</i> Phone: (04) 563 7472 or (03) 318 3115 Fax: (03) 318 3119