



Weddel's World

QUARTERLY NEWSLETTER
ISSUED BY
W. & R. FLETCHER (N.Z.) LTD

★ WESTFIELD
★ TOMOANA
★ PATEA
★ KAITI - in conjunction with
Gisborne Sheepfarmers
Freezing Co. Ltd.

APRIL 1981

Unique new Head Office

W & R FLETCHER'S head office will be on the move next month, when staff shift into their new home.

The new six-level, reinforced concrete building, is just across the road from the present head offices in IBM House. It was designed by well-known New Zealand architect Ian Athfield, and has several unusual features.

The front ground floor is set back about three metres, forming a colonnade for pedestrian protection; and natural light enters the building through a central, internal light well, adding a traditional touch to the modern design. This feature also allows for an attractive courtyard to be incorporated in the building, while the slanted glazing of the penthouse floor is reminiscent of an old time conservatory.



This photo, taken during the latter stages of construction, shows the interesting red brick front elevation which provides a pleasant contrast to the more common concrete and glass buildings along The Terrace.

Fletcher's administration staff will occupy the first and second floors, and the W & R Fletcher printing department will be located in the basement. Attractive canteen facilities will be available for all staff and the co-tenants, Crown Consolidated Ltd, in the penthouse.

The building is owned by the AMP Society. It was erected by Mainzeal Construction, and the structural consultants were The Strutton Group, Holmes Cook Hogg & Cardiff were responsible for the quantity surveying and the sole leasing agents were Rod Weir & Co Ltd.

OUR NEW ADDRESS

Please note that as from June 1, the new head office address of W & R Fletcher (NZ) Ltd will be 158 The Terrace, Wellington.

Further leather sales predicted in the East

LEATHER is big business in Japan, Korea and other Eastern countries. Many different types of hides and skins are imported for conversion into leather, for a variety of uses. These include hides and skins from cattle, calf, buffalo, horse, goat, pig, deer, kangaroo, crocodile, lizard, frog — even eel.

W & R Fletcher's By-Products Manager, Mr H.J. Beauchamp, is confident that the company can extend its export of hides into these areas, especially Japan.

During a recent tour of existing and developing markets in the East, Mr Beauchamp met with agents and buyers to discuss the range of

products available and confirm quality and supplies.

Japan is a very important market, particularly for wet, salted hides. For the statistical year ending June 1980, Japan absorbed approximately 35 percent of the company's total salted exports. Since then, W & R Fletcher has continued to sell large quantities of hides to Japan; and the 1980/81 statistics are expected to show further increases.

Japan in fact imports more than 8.5 million cattle hides each year including approximately 80 percent from USA, 13 percent from Australia and 5 percent from New Zealand.

Mr Beauchamp reports good sales for Weddel branch light cow hides, and says he hopes to see an increase in the sale of other ranges, such as calf skins.

Strong market

"We already have a very strong hide market with Japan," he added. "But there is still room to strengthen our position."

The lighter cow ranges which form the bulk of imports to Japan are intended primarily for gloving and other clothing, such as leather jackets. New Zealand cow hides, and particularly the "spread" types from the dairy areas, are considered to be one of the best sources of raw material for making high quality garment leather.

Korea, one of the developing markets, is more interested in the heavier ranges such as bull, ox, and heavy cow — the type of leathers which go into industrial footwear and combat boots, baseball gloves and the heavier motorcycle jackets.

Lighter leathers

Mr Beauchamp forecasts a gradual extension into lighter clothing leathers, but says Korea will have to compete against Japan for the available raw materials.

Little expansion is expected in Hong Kong, where the emphasis is on the cheapest possible leathers — splits for industrial gloves, and cheap grains for the tourist and souvenir market. New Zealand's quality is far too good for this market.

But moves are being made to sell more hides into the People's Republic of China through Hong Kong associates.

"There is good potential there but it will probably take some time to develop," Mr Beauchamp says.

Short supply

Hides are in fairly short supply worldwide due to stock retrenchments, and it will probably be two or three years before the situation improves. Availability could also be affected if there is any sudden improvement in demand from Europe (Italy has always been one of our major customers).

Another consideration in the availability of wet salted hides is the increasing production of wet blue hides in this country. Some interest is coming from Korea and the People's Republic of China, but Japan is not able to consider this material at present due to quota restrictions and high import duties.

"All Eastern countries are potentially big customers for New Zealand and will continue to show an interest in our products," Mr Beauchamp added. "Availability and price will be the major factors."

New appointment for former GM

FORMER Group General Manager of W & R Fletcher, Mr Mark Hinchliff, has been appointed for a three year term as Chairman of the New Zealand Fishing Industry Board.

Interviewed shortly after the official announcement, Mr Hinchliff said he didn't feel there was any contradiction in leading the fishing industry after a long time in the meat business.

"Meat and fish are not dissimilar in export terms," he commented. "Fish, like meat, is perishable and seasonal creating associated problems. While the fishing industry is dealing with similar markets, it is also looking for new export markets in such areas as the Middle East, Spain and West Africa.



"The board is conscious of the fact that it represents a diverse and competitive industry. It has commercial fishermen, share fishermen, joint venture programmes, foreign licensed vessels and seafood processors and exporters to satisfy.

"We have now established a fish export industry of some magnitude worth nearly \$160 million per annum, which has become a very important earner for New Zealand. However, we must be most careful not to overfish — taking up more than is being reproduced."

The other important consideration, which he again relates to the meat industry, is quality of presentation. "Quality must be improved to attract and maintain customers," he says.

Mr Hinchliff has worked and travelled in many countries during more than 46 years with the meat industry, and thinks that his administrative and commercial experience must have had a bearing on the appointment.

"I am highly honoured that the Government should appoint me, and believe it reflects credit on the Vestey organisation for the early training and opportunities provided," he told Weddel's World.

OBITUARY

W & R FLETCHER management and staff extend deep sympathy to the colleagues and families of David Heynes, NZFCA;

Ian Cairney, MAF, and Alan Baldry, of the British High Commission, who were killed in a road accident on May 7, 1981.

Co's pension plan is tops!

THE W & R Fletcher (NZ) Ltd Pension Scheme would hold its own with that of any competitor company, according to the Group Pension Manager, Mr Ron Offwood, from the UK.

In Wellington for his third visit, Mr Offwood said the New Zealand scheme had changed dramatically since the original system was introduced in 1960.

The scheme has operated in its present form since 1973, but the benefit structure has been improved. Its assets can now be described as substantial with close on \$9 million invested. Figures at March 31 last year showed that 631 members were paying into the fund, 131 former staff were receiving pension benefits and 49 were receiving widows' benefits.

To illustrate the improvements made, Mr Offwood said that under the original 1960 scheme a quarter of a years salary was paid to the widow of a member who died after five - 10 years in service. A lump sum equal to three times a member's salary is now paid, in addition to a survivor's pension.

"Without generous company contributions and good investment management we would not have been able to do it," he commented.

Emphasising the advantages of the scheme, Mr Offwood said that it gave financial security to the

younger person as well as providing a good accrual of pension when a member reached retirement age.

The composition of all the schemes throughout the Vestey group are basically the same - lump sum on death, disability, survivors and personal pensions - but they differ according to the conditions in a particular country and must be formulated to gain maximum tax benefits through local legislation.

For example the Australian age pension, payable at age 65, is means tested so members usually prefer a lump sum on retirement. New Zealand has a generous State provision payable at age 60, so members usually choose to take approximately

one quarter of their pension as a lump sum with the rest being paid on a regular income basis.

"As long as interest rates are high it is generally to their advantage to take the money and invest it," Mr Offwood said.

"I feel that we have achieved a great deal in the context of pension benefits following these visits, and I hope that we can maintain this," he said.

"Managers now appreciate the fact that a lot of what we have talked about in the past has become part of the Pension Scheme structure, and I would strongly advise members to make a point of understanding the benefits being provided."

NEW AMC DEPOT PREPARES MEAT FOR 'MR MOO'

THE Auckland Meat Company's new building in Akiraho Street, Mount Eden, is now fully operational after its completion last year.

It replaces the rambling old premises in Wakefield Street, which had been operating since the company first started in 1906.

Group Structural Engineer, Peter Loeber, says the old premises were actually a series of buildings. One section, in fact, had originally been an old church!

The new building, designed by the W & R Fletcher engineering department in conjunction with the contractors, N. Cole Ltd, is actually smaller but planned for a more economical product flow. It occupies approx 440 square metres (4700 square feet) and has been erected in concrete block with pre-painted long run roofing. The production area is lined with insulated panels to maintain the required temperatures, and has been designed to the high standard typical of all the company's new construction work.

Sides of meat are railed from the loading bay at the front of the building to be stored in the freezer or chiller, as required, before being cut up in the preparation room. There is a small office, pickle room and salt store for corned products, and a dry goods store. Amenities including locker space, toilets and showers occupy the rest of the building.

Space has been allowed for increased production, and there is also a lock-up garage for vans with provision for an upstairs office in the future.

The original plan has been altered to provide separate female facilities. This came about after female staff had been increased to handle the new pre-packaged side of the operation.

Initially the depot cut up and prepared meats for the normal retail butchers' shops, and also handled catering contracts for local hotels, hospitals and ships. But since December last year the company has supplied pre-packaged meat for "Mr Moo's Meat Boutique", a new style butchers' shop in the BNZ complex, just off Queen Street. This will be an on-going operation, according to company manager Claude Greenough.

SUBDUED lighting and piped music puts the Auckland Meat Company's new meat boutique in a class of its own.

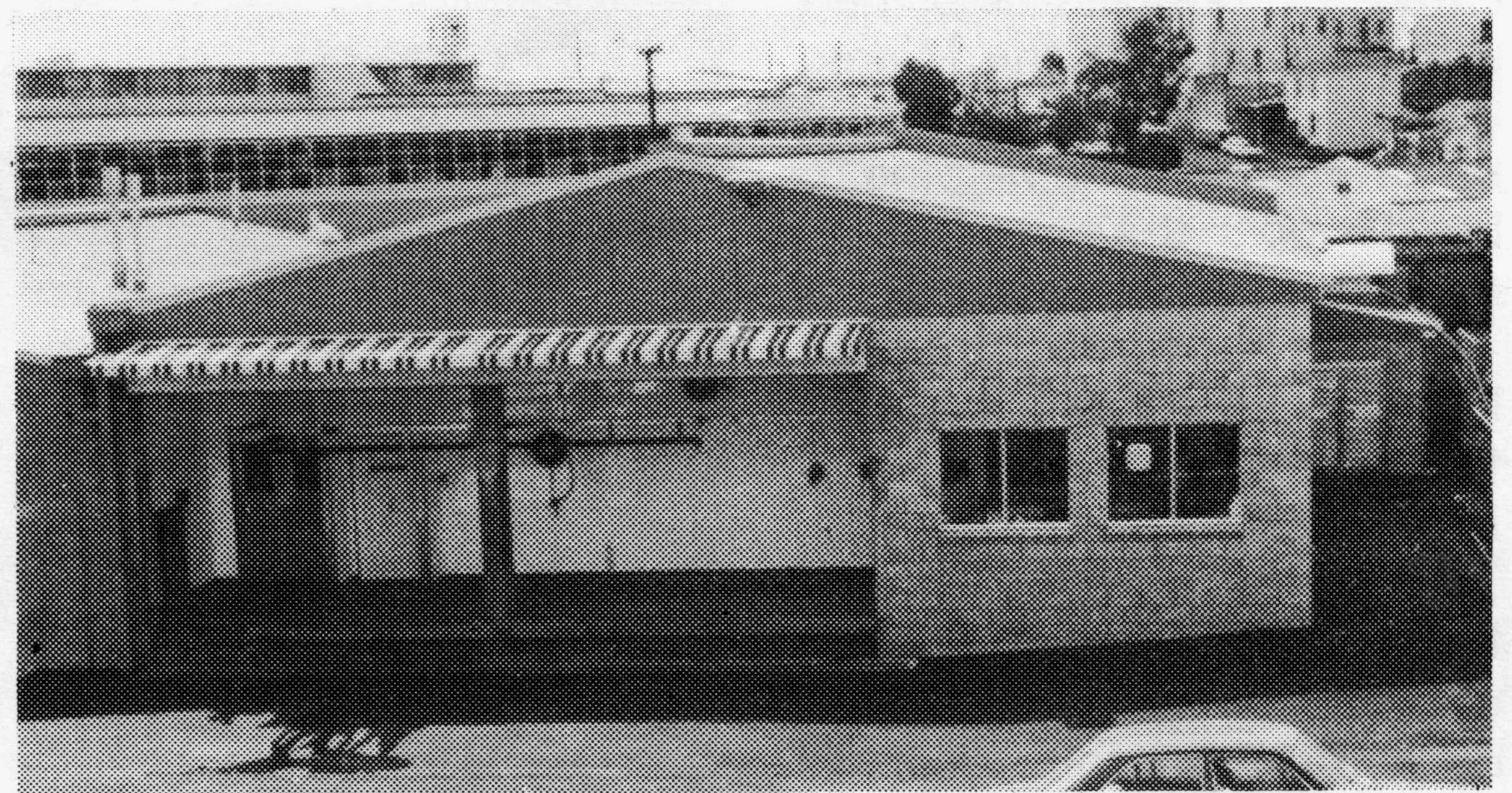
The shop sells meat, but there any similarity to the traditional butchers' shop ends. Situated in the BNZ's Queen Street complex, the shop is 100 percent self service; and fitted out with refrigerated cabinets and shelves to give the public a selection from more than 20 metres of fresh and frozen meats.

The customer area is carpeted throughout,

attractively wallpapered and decorated with timber and wrought iron fittings.

General manager of the Auckland Meat Co Ltd, Mr Claude Greenough, said the shop was entirely different to others in the AMC chain. Although owned and operated by AMC it does not trade under the company's name.

"Mr Moo" is the distinctive and light-hearted name chosen to suit the 80's and fit in with Auckland's downtown area, and this is used for the entire operation.



A BRAND new building for the Auckland Meat Company designed by W & R Fletcher's engineering staff and N. Cole Ltd. The contract was supervised by Group Structural Engineer, Mr Peter Loeber, who says the building was planned to very difficult site and council limitations. It has been designed to export licence standards, although it does not have a licence at this stage; and will be able to meet increased production schedules for some years to come.

PROFILE

Training Officer visits Indonesia



LORD Vestey made a special presentation during his recent visit to New Zealand. The presentation of a silver cutlery set was made to staff member Eric Williams, on his retirement in February.

Eric joined the company in London in 1935, and came

out to New Zealand in 1952. He returned to the UK for five years as assistant to Mr W.P.M.G. Griffiths, then came back to New Zealand to resume his position as Manager, Cost and Production.

We wish Eric a long and happy retirement.

Staff changes

SIX months working with the New Zealand meat industry has been a change of pace for management trainee Antony Wynn.

Antony joined the Vestey Group just over two years ago after seven years in Iran, where he was involved in buying Persian carpets and running a racecourse on the Russian border.

The meat industry is certainly a dramatic change of career, but Antony hopes to be working with the company's Middle East department, based in London with regular travel overseas. His extensive business and personal contacts in the Middle Eastern countries should prove invaluable in helping to build up the company's export trade.

In the meantime, he's been learning about the industry first hand in Australia and New Zealand.

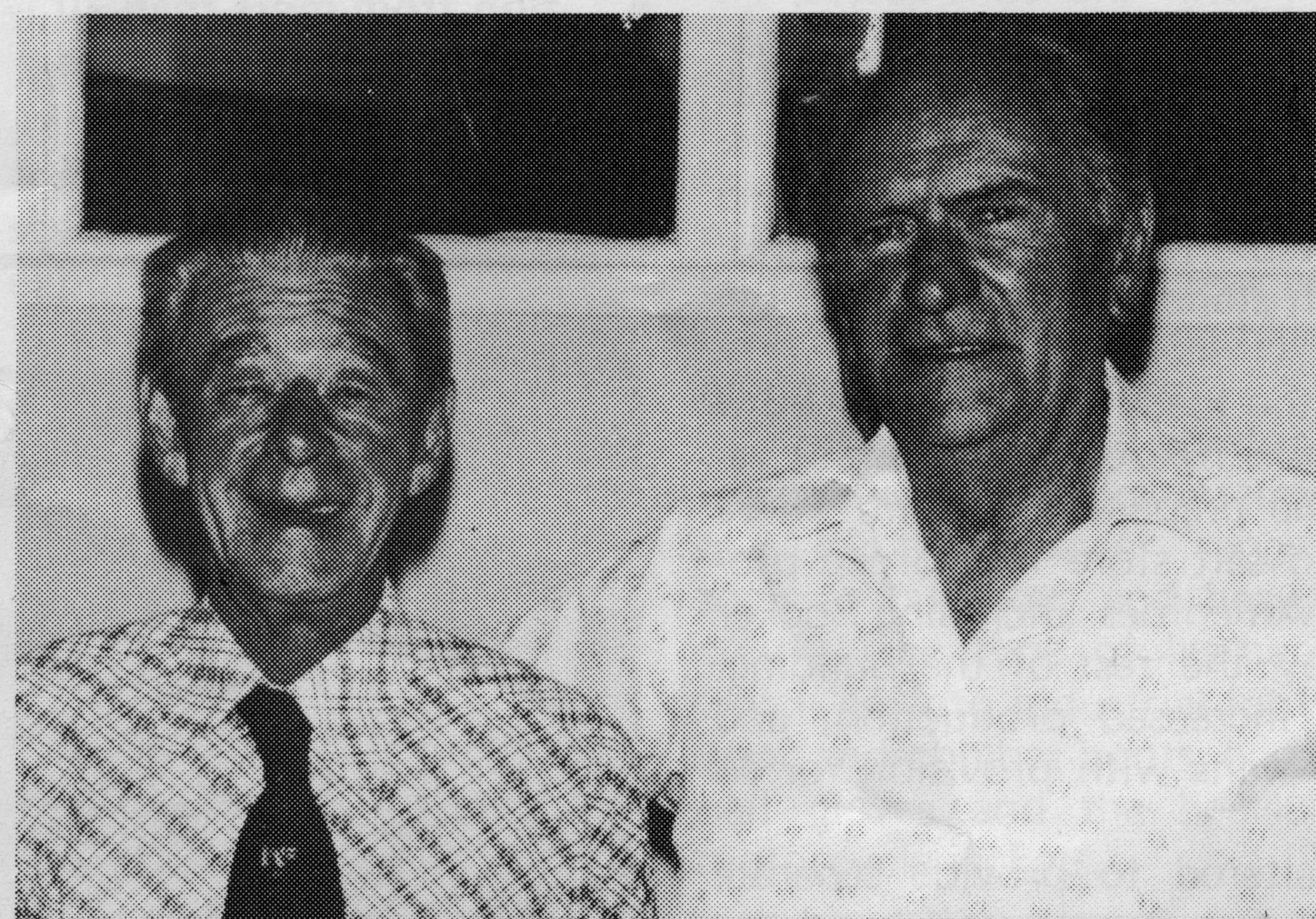
"I have very much enjoyed living in New Zealand, particularly the fishing and outdoor life," he told Weddel's World.

"I've also made a lot of friends here, I will be sorry to leave them".

Antony left Wellington at the end of March, and planned to spend two weeks touring the South Island before heading home.

TOM MULLIGAN transferred back to Tomoana as Assistant Works Manager on March 2, after spending about 18 months at Patea as Works Superintendent.

LORRAINE SMART of the Shipping Department, Tomoana and BARRY FREWIN of Nelsons, Gisborn, both transferred to head office, Wellington, on February 23.



TWO staff members were farewelled at the Westfield Freezing Co Ltd recently. Mr G.G. (George) Griffin, on the left, has worked in the clerical section of the engineering department since 1948. Unfortunately he has suffered ill health over the past few years, and has been granted an early retirement.

Mr W.G.V. (Bill) McKie, right, joined the company as a costing clerk in 1974 — a job he retained until his retirement. He previously spent 18 years with the Footscray Meat Works in Melbourne, part of the Angliss Group.

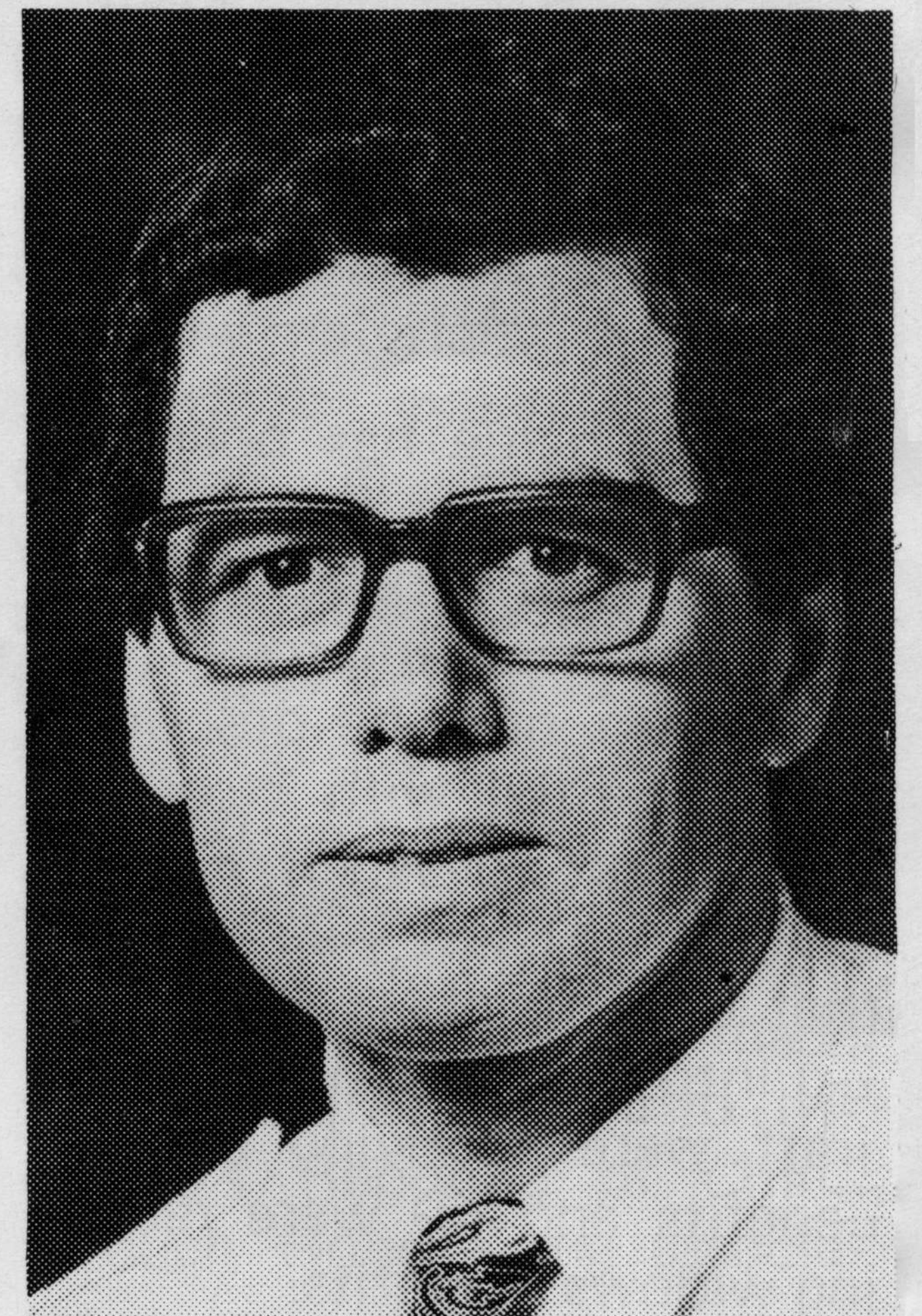
THE Training Officer at Tomoana, Ken Hutchison, was seconded to Indonesia last month to work under New Zealand's Bilateral Aid Programme.

Ken was to assess training requirements for the proposed abattoir at Medan in Sumatra, and prepare a draft training programme. He also planned to travel to the abattoirs at Kuala Lumpur and Penang in Malaysia, to assess the local training programmes and their possible use in the Indonesian scheme.

Ken first worked at Tomoana in the 1960/61 season, when he spent his summer vacation in the pelt department and abattoirs. Then he was a labourer in the boning room, a clerk in the freezer office, assistant foreman in the freezers, and Employment Officer.

In 1976 he became involved in the "training within industry" sphere, with his appointment as Training Officer.

Ken thinks his Diploma in Training and Development from Massey University was probably a first in the meat industry.



He says that "people" are his main interest. He learnt a lot about working people during those early years in the pelt and boning room, and this has greatly influenced his attitudes in dealing with others.

Away from work, Ken's main interests are jogging and working among young people in the church where he worships.

Island exports

CANNED corned beef and the cheaper lamb cuts are still the mainstay of the market in Western Samoa, according to Mr Stuart Mills, W & R Fletcher's Assistant Export Sales Manager.

Mr Mills met with the company's local agents and called on major clients when he visited Western Samoa last month.

"It's a hard market to get into," he told Weddel's World.

"They buy on price rather than quality."

Mr Mills also reports that Stinson Pearce are planning to open an office in Sydney to attract new products for the Island market.

W & R Fletcher is a major client for the Fijian-owned Stinson Pearce Group's subsidiary, the Pacific Mercantile Co Ltd, which already has an office in Auckland.