

MEDIA RELEASE

6 SEPTEMBER 2017

ALLIANCE INVESTS \$1.7 MILLION IN PUKEURI AND LORNEVILLE PLANTS

Leading food company Alliance is to invest \$1.7 million in its Pukeuri plant in Oamaru and Lorneville near Invercargill as it seeks to capture more value from its products.

The investment will improve the recovery of offal at Pukeuri in North Otago, which at its peak employs more than 920 people.

The beef pet food area will be upgraded and a new facility created to help boost the recovery of blood based products for sale to the pharmaceutical, biotechnology and medical device industries.

The blood products are used in the development of vaccines, cancer treatments and drugs to treat neurodegenerative, haematological and endocrine disorders.

Meanwhile, the company is also investing in its Lorneville plant to extract more value from blood products. The co-operative has installed a laboratory-standard blood processing facility at the plant.

David Surveyor, Chief Executive at Alliance, said: "The range of beef offal captured at Pukeuri is currently limited due to the size of the space at the plant.

"Part of capturing more value is optimising the collection of blood products from processed animals. This upgrade will boost the capacity of our bovine offal and blood capture facilities significantly."

There has been a substantial lift in demand from the pharmaceutical industry for New Zealand-sourced blood products, he said.

"This is another example of our business strategy in action as we seek to capture greater value and improve our operational performance."

"We expect to collect greater volumes of blood products this year, representing real value-add for our farmer-shareholders."

NOTES TO EDITOR

Alliance Group is a co-operative owned by approximately 5,000 farmer shareholders and is the world's largest processor and exporter of sheepmeat.



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