



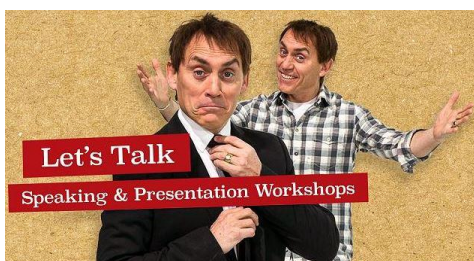
NEWSLETTER: 9 MAY 2019

## WINTER IS COMING – AND SO IS THE AGM

Welcome to our late-autumn issue. Winter is coming, and that means so is the Half-yearly Meeting and AGM. In fact, the latter is just a week away (Thursday week!) at Eden Park, and I encourage you to register if you haven't already because we're anticipating another full house. The day starts at 12 with lunch and ends with a networking session from 5pm-6pm.



We can announce a new speaker: Jason Gunn, television presenter, director, and writer, who will talk about something team leaders and those who deal with customers in their everyday work can likely benefit from – Impactful Business Presentations and Storytelling. (Jason replaces Consumer Affairs Minister Kris Faafoi, who will be overseas). He will be followed on the day by Valentina Tripp, MD, CEO and business trouble-shooter in charge of turning around the Murray River Organics Group, Australia, and ex-FGC board member Kevin Bowler, CEO of My Food Bag.



**Jason Gunn** is best known for formerly co-hosting hit show *Dancing with The Stars*, and game shows *The Rich List* and *Wheel of Fortune*. He got his start in children's television, becoming a household name with *After School*, *What Now?* *Jase TV* and the long-running *Son of a Gunn Show*. In the late 90s Gunn and his wife up Whitebait-TV (now Whitebait Media), which opened its own state-of-the-art production complex. In 2007 readers of *TV Guide* voted him the funniest person on New Zealand television.



**Valentina Tripp** has more than 20 years in executive management and professional services in FMCG, agribusiness, consumer products and retail companies, including as Executive Director Simplot Australia, Executive Director Top Cut Foods, and Senior Director KPMG, where she led the consumer and retail consulting business working with a range of Australian and global multinational clients. In her executive roles, she has led Australia-branded food businesses offshore, including in

China, Japan and South Korea, with export coverage across 20 other major trading partners.

**Kevin Bowler** has had a career spanning the FMCG, travel, media, advertising, and telecommunications sectors. He was inducted into the NZ Marketing Hall of Fame in 2018 and has been a CEO for the past 11 years. At My Food Bag, he leads a team of dedicated 'foodies' committed to building healthier Kiwi communities by providing fresh ingredients and inspiring recipes to tens of thousands of families every week.



In addition to these three speakers and the official AGM business, there will be a presentation to out-going Chair Tim Deane. I look forward to seeing you there.

*Korone Fick*

## PNS Penalties & Other Unusual Ideas

### **Attention Reps**

Effective from 29.04.2019

All merchandisers will only be allowed to come in-store between midnight and 6am (Last pallet call will be at 6am). Any merchandisers that arrive in-store after 6am will incur a \$100 charge.

Merchandise hours will be charged at \$50 per hour if they do not show up, unless otherwise agreed upon.

FGC has raised an issue with FSNI regarding a PAK'nSave which announced to suppliers both reduced hours for merchandisers' access and a system of financial penalties should merchandisers be found in the store after 6am. As members will understand reduced hours coupled with issues like insufficient access to ladders or fork hoists means that merchandisers can be under immense stress and pressure to complete their work within a certain time period. FGC members are already struggling to recruit merchandisers full stop due to the unfamily-friendly hours and low wages. This is particularly a problem in Auckland. When many merchandisers are contractors the idea that some could be financially penalised for being in the store because

they are running late through no fault of their own (e.g. waiting for store ladders) is exactly the sort of unfair and unconscionable behaviour the the Ministry of Business, Innovation and Employment is reviewing right now. A scenario suggested to NZFGC is that a merchandiser could work 3 hours for \$20 earning \$60, be found in the store at 6.05 am and then be fined \$100. In this instance FGC has raised the issue with FSNI. The sign has been removed and the ad hoc penalty system rescinded. This is the appropriate thing to do and we are appreciative to FSNI head office for timely intervention. If members see other examples of this sort of thing please forward them to Katherine Rich, FGC, CEO. All information will be treated with the highest confidentiality.

## A Better Grocery Sector Culture at Store Level



Message from Katherine Rich, CEO: When FGC member employees and contractors go into stores they deserve to be treated with respect, courtesy and business professionalism. Unfortunately I regularly hear reports about the treatment of sales reps and merchandisers in some stores which is on the continuum between plain rudeness to workplace bullying and harrassment. Mostly suppliers will deal with this cases directly but on occasion FGC will raise issues as well. With increased responsibilities regarding health and safety the onus is on all suppliers to consider the environment their staff work within and their mental as

well as physical wellbeing. FGC has from time to time raised specific issues regarding individual store culture and behaviour. Our industry relies on the work of merchandiser and sales reps at store level and we need to ensure they are treated with the respect, courtesy and be supported when they call out inappropriate behavior. This is 2019, not last century. All comments and ideas for promoting a more positive culture welcome [katherine.rich@fgc.org.nz](mailto:katherine.rich@fgc.org.nz)

## Unfair Commercial Practices – FGC supports Commerce Act Changes

The Ministry of Business, Innovation and Employment has published FGC's submission on the *Protecting Businesses and Consumers from Unfair Commercial Practices* discussion paper. On behalf of members we have made a strong case for change to provide greater protection for suppliers in our concentrated New Zealand grocery market (the most concentrated in the world!) You can find our submission here: <https://www.mbie.govt.nz/have-your-say/protecting-businesses-and-consumers-from-unfair-commercial-practices/> Comments and feedback welcome.

## Applications Open for Funding to Tackle Waste

A fresh round of waste minimisation funding opened this week. The Waste Minimisation Fund varies each year, based on money raised from the landfill levy. Funding is available for projects that will help achieve the Waste Minimisation Fund's strategic outcomes. These are: move towards a circular economy in New Zealand, encourage product stewardship, build a more resilient resource recovery sector, develop a sustainable plastics lifecycle. Applications close on 29 May. More information is [on the Ministry for the Environment website](#). We note that no food manufacturer has recorded a successful application.



## Top Line-Up for FMCG Marketing Summit

**FMCG**  
BUSINESS  
MARKETING SUMMIT 2019

FGC CEO Katherine Rich will be one of eight speakers at the FMCG Business Marketing Summit to be held in Auckland on 21 August. It's aimed at marketing and brand managers and business owners, and will bring together some of Australasia's most experienced marketing experts for a day of innovative ideas. Other keynote speakers include Michele Teague (pictured top), former GM Marketing, Kmart – 'How marketing influences the customer experience'; Cassie Roma (pictured middle), Head of Content, The Warehouse Group – 'Finding your voice through content and social'; Vicky Herring, Solutions, Innovation and Retail Leader at Iri Worldwide – 'New Zealand's most successful new product developments'; Lew Bentley, Energi Shopper Marketing Agency – 'I don't always buy on special – consumer insights'; Regan Grafton, Chief Creative Officer, Ogilvy – 'The benefit of brands that disrupt'; Matt Grantham, Creative Director, Onfire Design – 'Brand design and instore – your last chance to sell'; Laura Maxwell, Chief Digital Officer, NZME – 'Cutting through the hype and creating a balanced media strategy'; Katherine Rich – 'FMCG marketing around the world'. Early Bird tickets are now on sale for a very limited time. [Register on the summit website](#).



## Sponsors Wanted for Grocery Charity Ball on 14 Sept



The Grocery Ball Charity Trust is now seeking sponsorship for the 2019 Grocery Charity Ball, which will be held at Sky City in Auckland on 14 September. Last year's ball raised \$225,000 for recipient Big Buddy. This year, the charity is the Motor Neurone Disease Association. Sponsorship can be via the provision of either goods and services for the 'live' auction or the 'silent' auction, beverages for the cocktail party and dinner, advertising and marketing of the event, or advertising and sampling opportunities on the night. The Trust can provide sponsors with a package of benefits depending the level of sponsorship, including: ambient advertising at the event, advertising in the event programme, branding in publicity and marketing material, discounted table prices, the use of Grocery Charity Ball intellectual property. Tickets for the ball will go on sale shortly. Further information is on [the Grocery Charity Ball special website](#).



## Food Trends Never Sleep

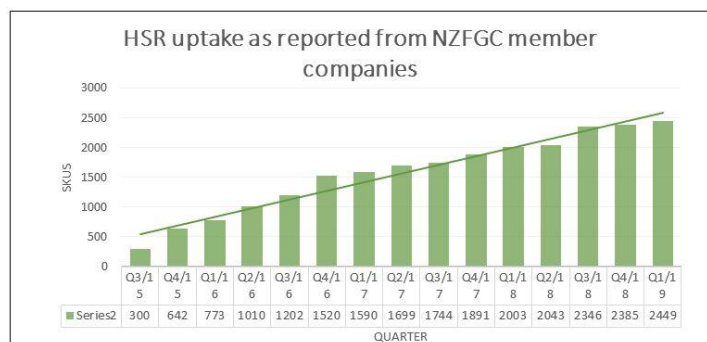


It was great to see Food Marketing Professor David “Dr Food” Hughes back in New Zealand and giving an excellent presentation recently to FGC food companies at Villa Maria Estate. It was only 12 months ago that he was speaking ahead of the AGM at Eden Park, but it’s clear that trends have moved on even in that short space of time, as he treated attendees to many valuable observations and wisdoms about changing markets, consumer behaviour and relevance of New Zealand-made products and ingredients. Slides and video

available to members if you weren’t able to attend.

## Health Stars now on 4100 Products

There are now more than 4100 food products in supermarkets with Health Star Rating labels on them. As at 31 March 2019, there were 2449 products from FGC-member companies, with the remainder being the home brands of Foodstuffs and Countdown, and non-FGC members. The Health Star Rating labelling scheme, which is voluntary, was introduced in 2014 after testing and development by food safety officials, public health representatives, consumer groups, and the food and beverage industry on both sides of the Tasman. FGC monitors industry uptake of member companies and reports each quarter to the Food Safety division of the Ministry for Primary Industries, which monitors the scheme in New Zealand. FGC was also part of the five-year review of the system, which has reported back.



## Members Give a Helping Hand

FGC members are renowned for their work in schools and communities, and we can report on two recent contrasting examples.

The first was that of Sara Fair, Health and Safety Coordinator at **Arnotts NZ Ltd**, who reports spending “an amazing” Volunteer Day last month at KiwiHarvest. Her job was collecting fresh food, which would otherwise end up in a landfill, from supermarkets, bakeries and cafes and dropping it off to social agencies. She makes a shout-out to “Seti from KiwiHarvest” who was her chauffeur for the day, and for her company “for giving me the opportunity to pay it forward!”



The other was that of **McCain Foods** jumping in to donate a truck’s worth of food to feed mourners after the horrific road accident that claimed the lives of eight people, including two parents and their five children. Both gestures are about making a difference of some sort in the community, and are to be applauded.

## Companies Signing up to Skills Pledge

The Government recently launched the Aotearoa New Zealand Skills Pledge, in which signatories commit to doubling investment in training and skilling hours by 2025. Most members of the Prime Minister's Business Advisory Council (BAC) have agreed to sign the pledge, as have companies including Fonterra, Foodstuffs, Bunnings, and Auckland International Airport. The pledge realises the first recommendation from the 'A Future that Works: Harnessing Automation for a More Productive and Skilled New Zealand' report, produced by the BAC in collaboration with McKinsey & Company. Businesses can see the report and sign up to the pledge [on the BAC website](#).



## FMCG Internship Programme on 5 June



The FMCG Internship Programme is now taking registrations for the 2019 version, to be held in Auckland on 5 June. The programme is designed to introduce businesses to the idea of taking on interns who may benefit the FMCG industry long-term. Through this programme, interns can be recruited to any area in a business – from sales and merchandising, to logistics and IT and more. The programme helps to attract, select and train interns during their summer placement, which is between mid-November and February. The benefits to business are building their brand with their target market, gaining access to high-calibre students, and creating a pipeline of top talent keen to progress on an FMCG career path. The cost to companies is \$1500 + gst for 1 intern, \$1400 + gst for two (per intern), and \$1300 + gst for three (per intern). Business wishing to get more detail on the programme and to hear from last year's participants can attend the launch event on 5 June from 8.30am – 10.00am in Newmarket. It's being run by Bizadvisor and Talent Solutions. To register your interest or for further information, email [Kelly Smith](#).

## New Transport RMP Template Published



The new Risk Management Programme (RMP) template for the transport of animal material/products has been published by MPI, but it excludes bulk unpackaged dairy material. The new template also provides an option for the transport of non-animal general food products (that is, products under the Food Act). Those dairy operators who are using the existing dairy transport template do not need to change to the new template. See the template and an analysis of submissions on the consultation [on MPI's website](#).

## Recent Submissions by FGC

- Health Star Rating System Five-Year Review draft report - to Food Regulation Standing Committee, Canberra
- Comments on objections to geographical indicators that have been sought by the EU as part of the EU-NZ FTA negotiations and that might be considered for protection for New Zealand - to Lead Negotiator, NZ-EU FTA, Wellington
- Protecting businesses and consumers from unfair commercial practices - to Ministry of Business, Innovation and Employment



Read the submissions in the [Resources section of the FGC website](#)

## Feedback Wanted: National Chemical Contamination Programme

MPI is seeking input on the National Chemical Contamination Programme, including current range of compounds included, any suggestions and reasons for compounds MPI should consider in the 2019/20 sampling regime, and any intelligence about new or emerging residue and contaminant risks. The current (2018/19) sampling regime for milk and colostrum, and the most recent report (2017/18), [are on the MPI website](#). Suggestions should be [emailed to MPI](#) by Wednesday next week, 15 May.



## Reminder: Pink Shirt Day 17 May



A reminder that the Mental Health Foundation's Pink Shirt Day – to stop bullying – will be held on 17 May (that's Friday week), and companies and individuals can [register on the website to join the movement](#). Pink Shirt Day aims to create schools, workplaces and communities where all people feel safe, valued and respected. You can hold a Pink event or fundraiser at your workplace to take action against bullying. The day is supported by The Peace Foundation, RainbowYOUTH, InsideOUT, New Zealand Post Primary

Teachers' Association, Auckland District Health Board Peer Sexuality Support Programme, Youthline, Te Kaha O Te Rangatahi Trust, Emerge Aotearoa, the Human Rights Commission and Bullying-Free NZ Week. Members looking to combat bullying in the workplace may be interested in resources [on the Mental Health Foundation's website](#).

## TIPS FOR SUN-STRIKE AND WINTER DRIVING

This information is shared by the FGC Health and Safety Working Group.

### Sun-strike



Winter is nearly upon us and May is also the worst month of the year for road crashes due to drivers being blinded by sun-strike. Sun-strike is when the angle of sunlight hitting a windscreen creates a glare that is very hard for a driver to see through. This problem is worst on winter mornings and afternoons, when the sun is low in the sky. New Zealand's worse sun-strike periods are from May to August but it may happen at any time. Tips to minimize sun-strike risks include: anticipate when it may happen and use your

visors or sunglasses; polarized sunglasses are best for combating glare; drive with your headlights on so your vehicle is easier to see; keep your windscreen clean inside and outside; if you are hit by sunstrike, slow down and be extra cautious in your driving.

### Winter driving



Some parts of New Zealand are worse than others, but we should all plan the same, regardless. Here are six tips to help you this winter:

**Plan:** check the road conditions before you leave; plan your route to avoid steep hills and icy areas if possible; allow extra time to get where you need to; drive to the conditions.

**Prepare:** check your tyres and pressures, and windscreen wipers; keep the fuel tank topped up in

case there's a detour or a long wait (keep the engine running to stay warm!); dress appropriately and carry an overnight bag with extra clothing and blankets in case you get caught out – even take a bit of extra food.

**Predict:** slow down; look as far up the road as possible; be careful in shady areas – road maybe icy or it could be a black frost; give yourself space from other vehicles around you – following at least double the distance you would in dry conditions

**Don't panic:** if the road is icy or slippery, try to avoid sudden changes in direction or speed; going downhill, change down (gently) to the lowest gear you can; let the engine slow you rather than the brakes, if possible; drive with your lights on, dipped; brake slowly; accelerate slowly; slow down.

**Play it safe:** slow down for bridges; watch out for slips, downed trees and power lines; remember, road conditions may change suddenly; if you become stuck, stay with your vehicle and keep warm; if you have cellphone reception, call for help.

**Stay informed:** have some form of communication, such as a cellphone; ask dispatch for weather warnings and upload the app if you can; have your dispatch and or Site Co numbers so you can call



for assistance or guidance; let your dispatch know if you are stopping in an unusual place so you can be monitored and give a time that you are expected to get moving again.

### Certification of All Export Foods to China Looming



China is proposing an export certification requirement for all food and beverage it imports. Proposed new requirements are expected to come into effect in Q3 2019 and will involve significant compliance requirements for New Zealand exporting manufacturers. A framework to deliver the requirements is being drafted by MPI but in advance of public consultation, BusinessNZ and MPI have established a working group to help with the process. The next meeting will be in Auckland on Tuesday next week, 14 May, from 11am-3pm. Companies wishing to participate in this work [can email ExportNZ](#) for further details.

### Employment Relations Changes Started This Week

Further changes to employment relations came into effect on Monday, 6 May. A number of them return the Employment Relations Act to its immediate past. Here's a summary of the main changes:

- An entitlement to reasonable paid time off for union delegates to represent members in employment matters. Delegates must either agree with their employer they can undertake their representation activities without notifying the employer first or notify the employer when they intend to do undertake the activities and for how long. Such activities must not unreasonably disrupt the employer's business or delegates' work performance.
- A requirement, as part of the duty of good faith, to conclude a collective agreement unless there is a genuine reason, based on reasonable grounds, not to.
- Where there is a collective agreement, the union can ask the employer to provide prospective employees with information about the union's role and functions, and the employer should do so within 15 days. Within 10 days of starting, new employees must be provided with an MBIE-approved form to let the employer know whether they will be joining a union and if they don't intend to join, to object to the employer providing the union with information about them.





- Employment agreements can contain a 90-day trial period provision only if the employer has fewer than 20 employees.
- All employees are covered by the Act's continuity of employment (restructuring) provisions. Those with 19 or fewer employees are no longer exempt.

**All employees are entitled to rest and meal breaks** to be taken at agreed times, or as set out below if agreement can't be reached: Between 2 and 4 hours: 1 10-minute paid rest break in the middle of the work period. Between 4 and 6 hours: 1 10-minute paid rest break one-third of the way through, and 1 30-minute meal break two-thirds of the way through. Between 6 and 8 hours: 1 10-minute paid rest break halfway between starting work and the middle of the work period, in the middle of the work period a 30-minute meal break and halfway between the meal break and finishing work, 1 10-minute paid rest break. Between 10 and 12 hours: 1 further 10-minute paid rest break. Between 12 and 14 hours: 1 further 10-minute paid rest break and 1 further 30-minute meal break. Between 18 and 16 hours: 2 further 10-minute rest breaks and 1 further 30-minute meal break. Further information is on the [Employment New Zealand website](#).