



AUCKLAND

Auckland is the engine room of New Zealand's economy, and is predicted to grow faster than most other developed cities for some decades.

It has 37 percent of New Zealand's GDP and a population of 1.6 million (forecast to rise by another million within 25 years). Auckland is recognised as a New World City, and ranked 20th in JLL's Global City Momentum Index 2016.

Auckland is the heart of New Zealand's world-class food and beverage and high-value manufacturing, and internationally regarded as a business-friendly and innovation-oriented city, through its vibrant ICT, digital, and other high-tech businesses. Central and local government and economic development agencies are working to enhance Auckland's global competitiveness, by encouraging innovation-based industries and investing heavily in infrastructure to increase exports and accelerate productivity.

Auckland is the world's third most liveable city in the Mercer Quality of Living survey, and is rated one of the best cities to visit by TripAdvisor and Lonely Planet – welcoming a record 2.2 million international visitors in 2015.



REGIONAL HIGHLIGHTS

Strong population growth

Rapid infrastructure growth

Global food processing powerhouse

Innovative, vibrant ICT and digital sector

AREAS OF OPPORTUNITY

Fast growing ICT sector

Auckland's smart ICT and digital companies are attracting global partners with world-class software, apps, games, and other products and services. The fast-growing GridAKL innovation precinct forms the hub of a regional innovation corridor. Global ICT companies are choosing business-friendly Auckland to service Asia Pacific markets.

screen and creative, medical technology, construction and engineering, and commercial services.

Food processing powerhouse

Two thirds of New Zealand's top 50 food and beverage companies are headquartered in Auckland, including multinationals. Companies are employing ground-breaking local research and indigenous ingredients to develop high-value natural products for global markets.

High-value manufacturing hub

Smart research and skills have given Auckland international recognition for high-value manufacturing and precision engineering. Auckland has leading-edge businesses in advanced materials, 3D printing, robotics, space technology,



GLOBALY CONNECTED, GROWING ECONOMY

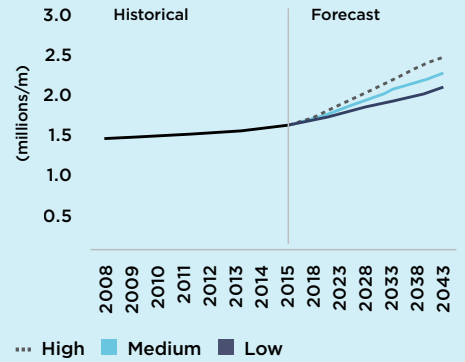
Key attributes of the region

Auckland is New Zealand's gateway, and hosts its largest airport and container port. Twenty-eight airlines bring more than two million international visitors to Auckland annually, and the Ports of Auckland handle nearly one million TEUs (20-foot container equivalents) a year – 32 percent of New Zealand's exports by value, and 61 percent of its imports.

Auckland is home to 66 percent of New Zealand's top 200 companies, 31 percent of all firms, and attracts 41 percent of foreign direct investment. Auckland has a workforce of 800,000 with 300,000 being high skilled, more than 39 percent of the country's total. Auckland's growing population and Council investment are creating investment opportunities in high-end hotels, retail and commercial and residential building, in particular around key transport and infrastructure projects.

A strong group of multinationals operate in Auckland across the banking, accounting, insurance, hospitality, food and beverage, ICT, transport and logistics sectors.

Auckland population



International gateway

2.2+ million visitors p.a.

36.6%

of New Zealand GDP, growing at 3.4% p.a.

Innovation-oriented city

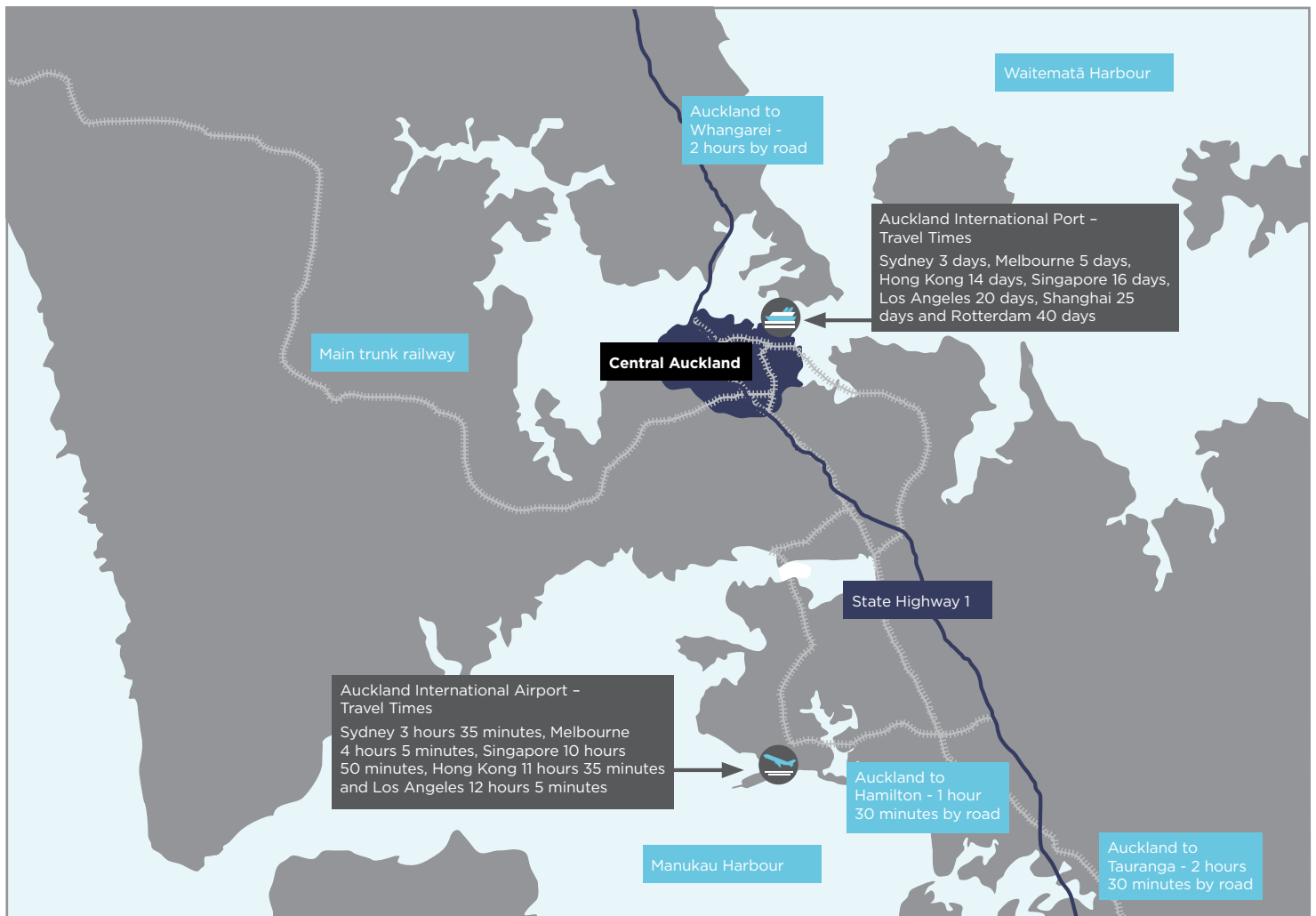
JLL City Momentum Index 2015 comment

Expertise in specialist sectors

e.g. high-value food, advanced materials

Financial Services

14 international banks





FAST-GROWING ICT SECTOR

Auckland offers a strong and expanding ICT innovation corridor, with incubators and accelerators, IT export clusters, early stage funding and investment, shared working spaces, networking, and research and development at universities and Crown Research Institutes.

The expansion of the GridAKL precinct, which houses smart ICT and digital companies in Wynyard Quarter, has spurred innovation in Auckland. GridAKL provides co-working space, organises networking events and hosts Lightning Lab which runs a national business accelerator programme. Suburbs Takapuna and Albany are also home to a group of growing ICT companies.

Global ICT companies have a strong presence in Auckland, using the city as a hub to service the Asia Pacific region. Fifty-four New Zealand businesses were ranked in the 2015 Deloitte Technology Fast 500 Asia Pacific Index and 80 percent of them were based in Auckland.



People

\$95,000 a year

median earnings for information technology business systems analysts, rising to \$115,000 for information technology managers

Nearly 7,000 companies

employing about 35,000 skilled people

80% growth in past decade

most buoyant sector for employment, with half of companies intending to increase staff

Employment training

Unitec houses the IBM/Concentrix Delivery Centre which gives students part-time work and valuable call centre experience. This helps them prepare for employment after they have finished their studies. The centre now has 900 people working on-site.



Infrastructure

Globally connected

direct flights to and from major markets including the United States, China, Southeast Asia and Australia

Early adoption

of technologies provides a competitive advantage

High-level research

five tertiary institutions with multiple research facilities and commercialisation arms

Innovation precinct

The ICEHOUSE is a business growth centre and start-up incubator based in Auckland and with BizDojo operates GridAKL. They offer programmes and events for entrepreneurs and business owners to help develop their capabilities.



Business

55%

of New Zealand's ICT gross domestic product

High level of start-ups

Auckland's market is ideal for testing and commercialising new products

Five local companies

participated in San Diego University's executive MBA programme, receiving free market research and US entry plan

Strong multinational presence

Multinationals operating from Auckland include Microsoft, IBM, Fujitsu, Alcatel-Lucent, SAP, Oracle, Vodafone, Cisco, Nokia-Siemens Networks, Huawei, HP, and Fuji Xerox. They attract talent and help upskill the local workforce.

Auckland-grown tech companies going global

Vend, a cloud-based point-of-sale and retail technology platform, was ranked seventh in the 2015 Deloitte Fast 50. Vend is in 15,000 stores in 140 countries and has offices in Auckland, Melbourne, San Francisco, Toronto, London and Berlin.

Orion Health has become a global healthcare provider, operating in 13 countries with 25 offices. Clinicians use its software to improve workflow and decision-making for over 90 million patients, whose records are held online.

Serko provides computer software solutions for the management and administration of corporate travel bookings and is one of New Zealand's fastest growing tech companies. Serko employs more than 100 people across three countries, and services customers in more than 25 countries around the world.

Booktrack creates synchronised soundtracks for e-books that automatically match sound effects and ambient sound to reading speed, creating an immersive reading experience with a library of more than 20,000 audio tracks. Booktrack has sales offices in Hong Kong and San Francisco.



FOOD PROCESSING POWERHOUSE

New Zealand is a world leader in food production and food security, and is well known for its natural products based on strong growing conditions and environmental values. Auckland is the heart of New Zealand's food and beverage industry, for management, processing and wholesaling.

Auckland offers ground-breaking research using indigenous ingredients, resulting in the development of nutraceuticals for medicinal and cosmetic purposes and an increase in value-added exports. The FoodBowl - Te Ipu Kai is a state-of-the-art pilot processing plant and industry training facility, owned jointly by Auckland Tourism, Events and Economic Development (ATEED) and Callaghan Innovation. The FoodBowl is fully export certified.

Two thirds of the country's top 50 food and beverage companies have their head offices in Auckland, including major multinationals and global brands.



People

\$50,000 a year

median earnings for manufacturing; production manager earns \$73,610

28,000 skilled workers

employed in food and beverage processing

Three universities

and four Crown Research Institutes completing ground-breaking research and development

Education and research

Auckland University's Food and Health programme includes enhancing public policy and consumer knowledge, examining food structures, and using novel food processing technologies, validating bio-actives and undertaking clinical trials.



Infrastructure

Smooth supply chain

from raw materials, skilled and experienced workers to smart processing and packaging, stringent quality control and sophisticated logistics

Ports of Auckland

services more than 1,400 container ships a year and has sea links to 176 ports in 69 countries

1,000+ hectares

industrial land available for development and housing new businesses

Product development facility

Poultry producer Tegel Foods used The FoodBowl to develop a new export product for Asian markets, using a high pressure processing system to extend its shelf-life. This preserves the product's taste, colour and texture.



Business

\$3 billion+

contribution to Auckland regional economy's GDP

2,600 companies

most of them located within 15km of the downtown seaport and international airport at Mangere

Local leaders

Fonterra, Sanford, Aotearoa Fisheries, Tegel Group, Wilson Hellaby, Open Country Dairy and Villa Maria

Strong multinational presence

Multinationals with processing operations in Auckland include Simplot, Heinz, Mars, Cerebos, BayWa, Nestle, Danone, Kraft Foods, Cadbury, Pernod Ricard, Bacardi, Heineken, Kirin, Coca-Cola Amatil, Suntory, and Asahi.

Innovation driving investment and growth

The **Liggins Institute** at Auckland University leads the National Science Challenge for High-Value Nutrition, developing functional foods with proven health benefits for young and old people.

Plant and Food Research's Cell Foods project is pioneering new methods to maintain the health benefits of compounds extracted from fruit and vegetables, creating unique nutraceutical ingredients for global markets.

Emerald Foods has developed a global franchising network for its ice cream, frozen yoghurt, smoothies and juice parlours. Its New Zealand Natural Premium ice cream, known for its smooth creamy taste with no artificial colours or flavor enhancers, is shipped frozen from Auckland and sold from more than 650 branded retail outlets in 24 countries.

Frucor, owned by Japanese multinational Suntory, sells 24 beverage brands, including energy and sports drinks, milk, fruit juices, pure and mineral waters, and iced tea. Frucor was the first company outside Europe to introduce the 1 litre Tetra recap pack, and recently invested \$30 million in upgrading its Manukau facilities.



HIGH-VALUE MANUFACTURING HUB

Auckland has an attractive range of advanced knowledge and technology-based industries producing world-class products and services for export. Manufacturers produce quality machinery and equipment for the agriculture, horticulture, electronic, mining, food processing, health, aviation and marine sectors. Competitive advantage and customer value is provided through customised, short-run production cycles, design, research and development, production and servicing.

Leading research and development in the advanced materials field including metal, plastics, and composites involving carbon fibre and nanofibre has created exciting new ventures. Examples include a satellite launch rocket, a composite helicopter and the world's first self-supporting, independently-controlled walking device for wheelchair users.



People

\$60,880 a year

median earnings for manufacturing; engineer earns \$75,000

20,000+

people employed in high-value manufacturing in diverse sectors

Centre of excellence

for health technology with 7,000 people employed by nearly 500 companies

Education and research

Auckland University's Faculty of Engineering is internationally recognised for excellence in teaching and research, and has over 100 industry partners. The Department of Chemical and Materials Engineering educates engineers for industry and completes advanced research on metallic materials, coatings and composites, electronic and nano-structured materials, and high temperature process engineering.



Infrastructure

2,500+

machinery and equipment companies export \$1.5 billion a year

Industry clusters

at Penrose/Mt Wellington, East Tamaki, Rosebank, Albany and near Auckland airport

Commercialisation

of research at Auckland University and Auckland University of Technology through UniServices and AUTEL

Collaborative research facility

The Centre for Advanced Composite Materials, a joint venture between Auckland University and SCION Forest Research, pioneers advanced technologies in polymer and composite products and manufacturing processes. Applications include aerospace, biomedical aids and recyclable materials. The Centre's international partners include Dupont, Duralcan, Borealis and Mitsui Toatsu.



Business

No. 1

Fisher & Paykel Appliances leads Technology Investment Network (TIN) top 100 with earnings of \$1.13 billion

Five companies

based in Auckland ranked in the 2016 TIN100's top 10

Pioneer

first composite vessel that met Lloyds standards was built in Auckland

Leading tech manufacturer

Fisher & Paykel Healthcare is a leading designer, manufacturer and marketer of products and systems for use in respiratory and acute care, surgery and treatment of obstructive sleep apnoea. Products are manufactured in Auckland and Mexico, and sold in more than 120 countries. The company employs more than 3,150 people including 420 R&D staff.

An attractive range of high tech manufacturing

Rocket Lab has developed the lightweight, carbon composite Electron launcher, powered by a new Rutherford motor, to carry small satellites into space. Rocket Lab has attracted investment from Khosla Ventures, Bessemer Venture Partners and Lockheed Martin, and is now taking bookings for commercial orbits.

Buckley Systems, world leader in electromagnets, produces magnets from 60 ounces to 60 tonnes. Buckley's precision magnets have been used in ion beam implant machines producing 90 per cent of the world's silicon chips. The company has diversified into laminated electromagnets for charged particle beamlines or accelerators.

Tru-Test Group, headquartered in Auckland, is a global agritech business servicing customers in 130 countries. The company has offices in the United Kingdom, United States, Mexico, Brazil and Australia and is a world leading exporter of livestock and pasture management technologies.

WHO HAS INVESTED IN AUCKLAND?



Asahi Group Holdings (Japan)

Food and beverage multinational Asahi bought two Auckland companies – Charlie's Trading Company and Independent Liquor – to extend its market reach.

Independent Liquor has processing operations in Auckland, Australia, the United States and Canada and exports to 15 countries. Charlie's, now renamed The Better Drinks Co, is a leading fruit juice manufacturer in New Zealand. Asahi had net sales of 1.86 billion yen in 2015.



Nestlé (Switzerland)

Nestlé New Zealand, which has its head office and a factory in Auckland, employs more than 650 people and sells 900 products to New Zealanders, as well as exporting to Australia and Japan. Nestlé, founded in 1866 and a leader in nutrition, health and wellness, operates 449 factories and employs 278,000 people around the world.



SAP SE (Germany)

Global software corporation SAP bought Auckland-based Right Hemisphere. It is now called SAP Visual Enterprise and continues to develop 3D modelling software that supports manufacturing processes for organisations across the globe. SAP has more than 2,902,000 customers in 190 countries, with regional offices in 130 of them.



Westbourne IT (Ireland)

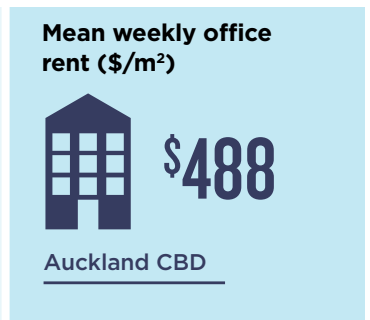
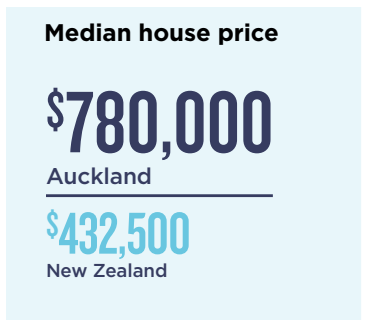
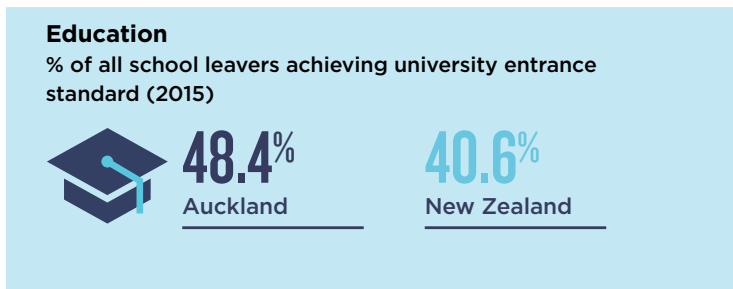
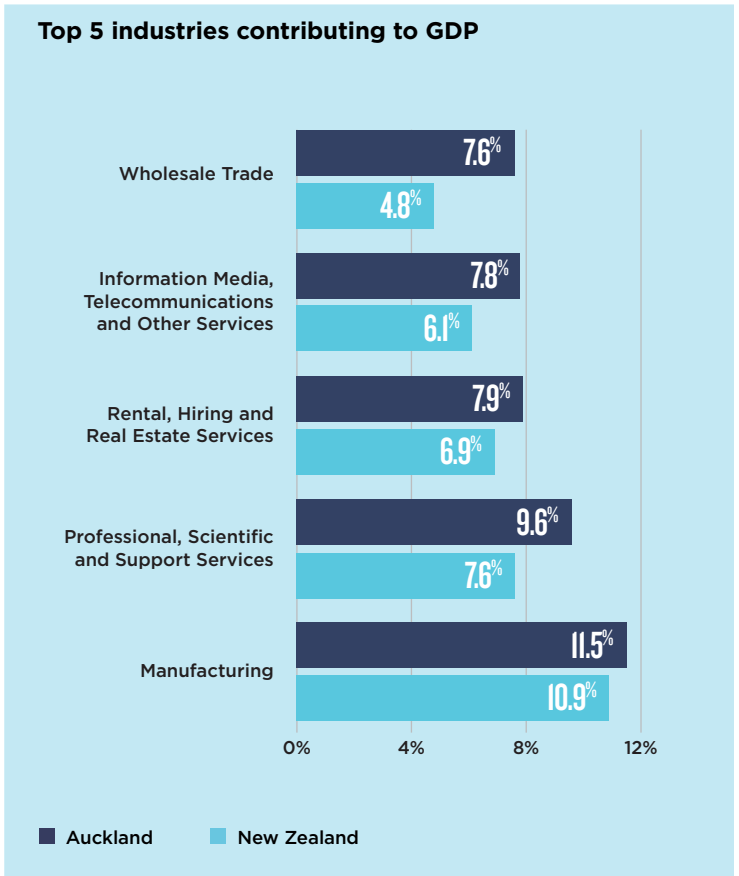
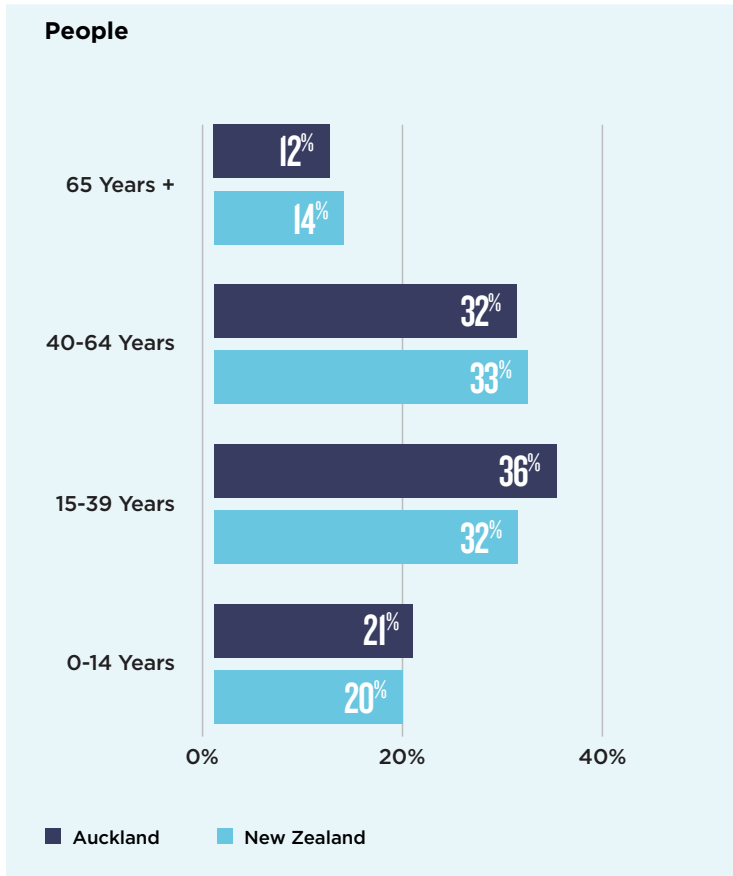
Westbourne, an IT solutions provider, chose Auckland ahead of Singapore, Melbourne and Sydney as the location for its Asia Pacific office, established in September 2014. Auckland was business-friendly and multi-cultural, and within 10 months Westbourne – which provides multi-lingual technical staff – had doubled its staff in Auckland. Westbourne, founded in Cork in 1994, provides a full range of IT services – from advising and improving a company's network and systems, reselling hardware and software to data storage and professional services.



Industrial and Commercial Bank of China (ICBC)

ICBC, the world's most profitable bank, opened its Auckland office and Queen Street retail branch in February 2014 after creating a subsidiary in New Zealand and obtaining a full banking licence. ICBC wanted to capitalise on the increasing trade and investment between New Zealand and China, and was looking to invest in Auckland's large infrastructure projects. ICBC has assets valued at \$US3.1 trillion and employs 442,000 people worldwide.

HOW AUCKLAND COMPARES



Auckland Tourism, Events and Economic Development (ATEED), supports Auckland Council's vision of creating the world's most liveable city and as an innovation hub of the Asia Pacific region. ATEED regards innovation as the most crucial driver of economic growth and it facilitates new smart money (productive foreign direct investment) and high-value jobs.

ATEED has targeted growth industry sectors in Auckland: ICT and digital, screen and creative, food and beverage processing, high-value manufacturing, biotechnology, health technology, tourism, international education, construction and engineering, and commercial services. ATEED believes the advanced industries where innovation is taking place provide the best opportunity for increasing exports and productivity, attracting talent and investment, and achieving rapid economic growth.

Economic development strategy

ATEED will enhance the prosperity of all Aucklanders by:

- Building a culture of innovation and entrepreneurship
- Attracting businesses and investment to increase productivity, local GDP and exporting
- Maintaining a world-class education system to attract local and overseas talent
- Growing a skilled workforce to give firms a competitive edge
- Increasing the number of visitors and enhancing Auckland as a tourism destination – a city that is attractive to visitors is also a magnet for migrants, investors, conference delegates, students and major events.

How we help investors

ATEED's target markets for building trade relationships and attracting foreign direct investment and talent are China, India, South East Asia, Japan, Australia, the United States (particularly the west coast) and the United Kingdom.

ATEED's Business Attraction and Investment team helps investors from initial enquiry, market entry and subsequent expansion through:

- Matching their interest with the most appropriate opportunities (such as projects, business contacts, or professional services)
- Business case development
- Talent and labour analysis (through a regional partnership with Immigration NZ)
- Facilitating office space and factory location searches
- Providing post-investment support (Aroha Auckland programme).



DEAN BUTCHERS

General Manager
Business Attraction and
Investment, ATEED

M +64 21 322 935
T +64 9 365 0528
E dean.butchers@
aucklandnz.com
W aucklandnz.com

Region-led initiatives: Tripartite agreement and City Centre upgrade open doors for investment

ATEED organised the second Tripartite Economic Summit in Auckland in May 2016, under the auspices of the Tripartite Economic Alliance between sister cities Guangzhou, Los Angeles and Auckland. The business summit strengthened trade and investment ties, focussed on future global trends, and celebrated Auckland's innovation, energy and capabilities. It showcased sectors where Auckland has world-class expertise and groundbreaking research and development, such as high-value food (nutraceuticals), entertainment and digital, advanced manufacturing (composite materials), smart data and urban design. The Tripartite Economic Alliance sets a new benchmark for how global cities engage, share knowledge and create mutual economic growth in the 21st century.

Auckland Council is improving the city's public transport system (rail, bus, ferry, and cycleways), upgrading its city centre with shared spaces, and revamping its downtown waterfront to make Auckland the world's most liveable city. There are a number of exciting developments ripe for investment such as hotels and retail, commercial and residential building along the new City Rail Link and in Wynyard Quarter, the city's biggest urban regeneration project.

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