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TUANZ Rural
Broadband
Symposium

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It can't be a dirt road





Key Action Points from Napier 04

Broadband everywhere

- 100% availability of broadband needs to be a specific goal in the Digital Strategy, recognising that it is in the national interest for everyone to have access at a low cost.

Group discounts

- Advice and support of communities banding together to present a business case to Telcos for broadband service
- Coordinated by TUANZ with support from the Ag/Hort industry organisations.

Lower set- up costs

- Government assistance to lower the initial cost of wireless and satellite connections in rural areas that are currently not covered by ADSL.

Strategic Goals

- Assistance to be linked to productivity or strategic goals to be set by the Government
- Equalising roll-out cost in areas not covered by ADSL. In particular biosecurity concerns and the traceability compliance issues.

They talk a lot-but they need support



a
100
miles
high

Rural Market

Rural Market acts as a family or a community of interest

- The rural sector is a natural eco-system where the farmer is the centre of service requirements

Rural is about food manufacture

- 47% of NZ's export income from 2% of the population
- Worth \$20 billion to NZ
- Is serviced by 40% of workforce

Business dominated by Co-operative structures

- 5 co-ops market capitalisation are larger than NZX
- Co-operatives are not well understood by the urban service sector

On Farm business driven by

- Value purchasing
- Seeking on farm productivity gain

The Ecosystem



My Farm

Milk and Meat Companies

Fertiliser

Rural Retailers

Animal health

Utilities

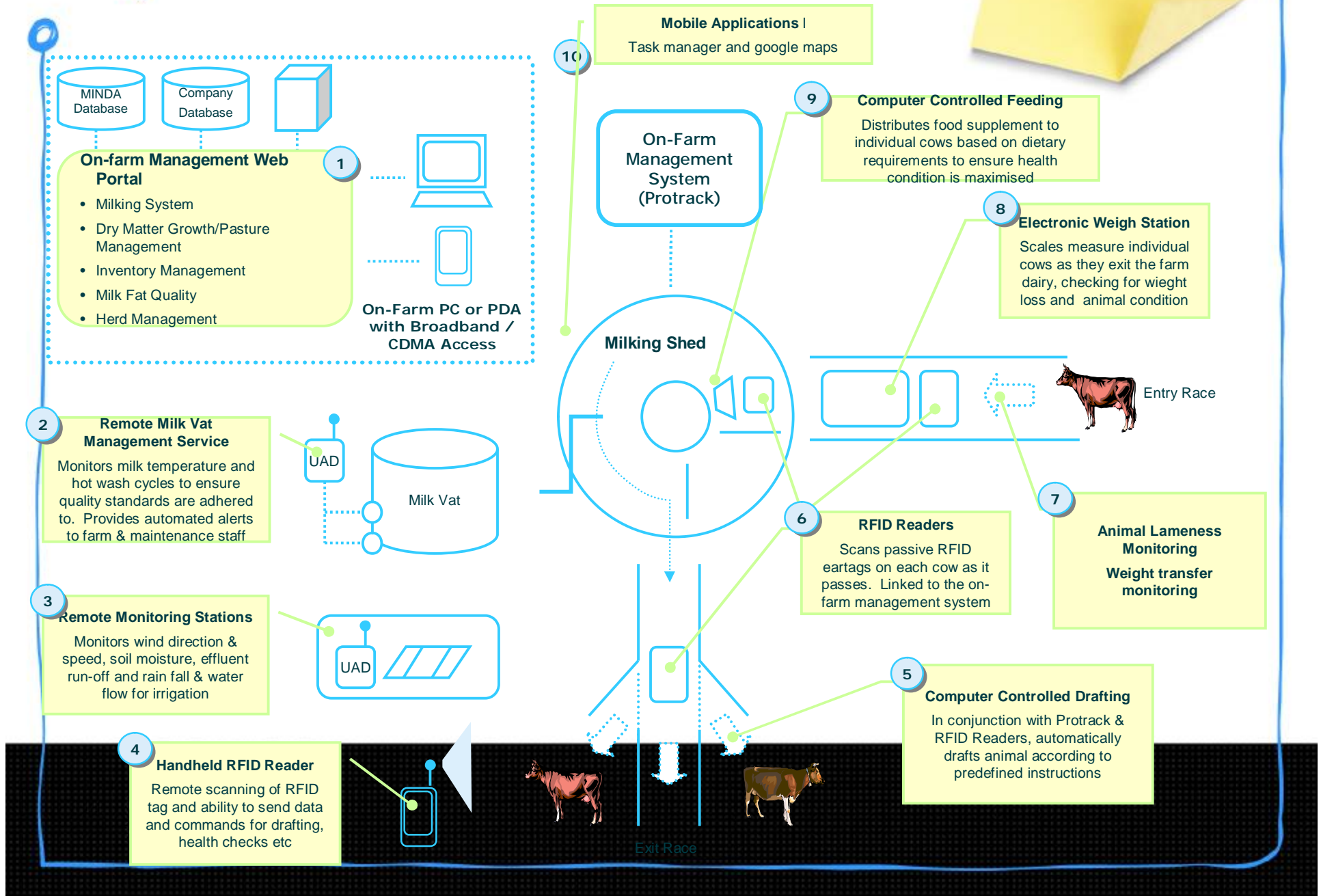
Labour

Regional Government, Health and Education

It is all about food manufacture



Mystery Creek Fielddays this year





The key issues for all rural businesses

- § Compliance
- § Sustainability
- § Labour Shortage
- § Business Continuity

Traceability

- NAIT traceability requirements
- Linking of all information for pasture to plate

Remote Management Service (RMS)

- Mobile applications

Decision Support tools

- Broadband and mobile applications

It needs to be a quality road for all





The road to success

- § There is no doubt that all rural businesses need high speed broadband coverage
- § The productivity gains are immense
- § Based on a \$20b industry a .5% productivity gain through broadband is worth \$100m to NZ Inc

- § There is a requirement for a mix coverage solutions
- § ROI for private investors is marginal given they are selling to the individual consumers
- § There continues to be a good case for public-private partnership to provide a very good ROI to NZ Inc

All roads can lead to Mecca

