

# New Zealand Food Innovation Network



MINISTRY OF BUSINESS,  
INNOVATION & EMPLOYMENT  
HĪKINA WHAKATUTUKI

Ministry for Primary Industries  
Manatū Ahu Matua



NEW ZEALAND  
TRADE & ENTERPRISE



Waikato Innovation Park  
"Growing Technology Business"

PARININIHI KI WAITOTARA  
*He Tangata, He Whenua, He Oranga*



MASSEY  
UNIVERSITY  
TE KUNenga KI PŪREHUOA

UNIVERSITY OF NEW ZEALAND

*Working Foods International*






## Fostering the growth of New Zealand's sheep and goat milk industry

[Find Out More](#)

### Welcome to The Sheep and Goat Dairy Project



It aims to transform the sector from an emergent one with regional pockets of success, to a nationwide sector that's innovative and thriving, so that New Zealand farmers, manufacturers and marketers are well placed to meet the global demand for nutritious, environmentally sustainable, premium milk products.

Funded through the Provincial Growth Fund, the Sheep and Goat Dairy Project will span 14 months from the end of January 2019 until March 2020

# Project Scope

A national business case to develop a sheep and goat industry will be developed, expanding on previous work done locally and looking at the value chain from consumer demand to farm supply.

The work will identify markets where New Zealand companies can compete and focus on high value products such as yoghurt, liquid milk and cheese.

The exporting opportunities will inform the farm milk supply and processing infrastructure needs.

The need for processing infrastructure will come from products identified from the market research, as well as compliance and supply chain aspects.





# Fostering the growth of New Zealand's sheep and goat milk industry

## Sheep & Goat Milk Events



### Sheep & Goat Milk Workshop – Southland

Sheep & Goat Milk Workshop Southland When: Thursday 18th April 2019 Time: From 9am to 11:30am  
Where: Civic Theatre, 88 Tay Street, Invercargill  
[Register Here](#)

[READ MORE »](#)

March 11, 2019



### Sheep & Goat Milk Workshop – Canterbury

Sheep & Goat Milk Workshop Canterbury When: Tuesday 16th April 2019 Time: From 9am to 11:30am  
Where: Blinc Innovation, Ellesmere Junction Road, Lincoln University Campus  
[Register Here](#)

[READ MORE »](#)

March 11, 2019



### SheepMilkNZ Conference 2019

SheepMilkNZ Conference 2019 Do you want to: Learn more about the potential market opportunities for sheep and goat milk products? Hear about the Sheep and

[READ MORE »](#)

February 25, 2019

## Fostering the growth of New Zealand's sheep and goat milk industry

- Conversion models
- Shed designs
- Milk management
- Indoor / outdoor / hybrid systems
- Effluent management
- Genetics
- Shared learnings
- Financial Modelling

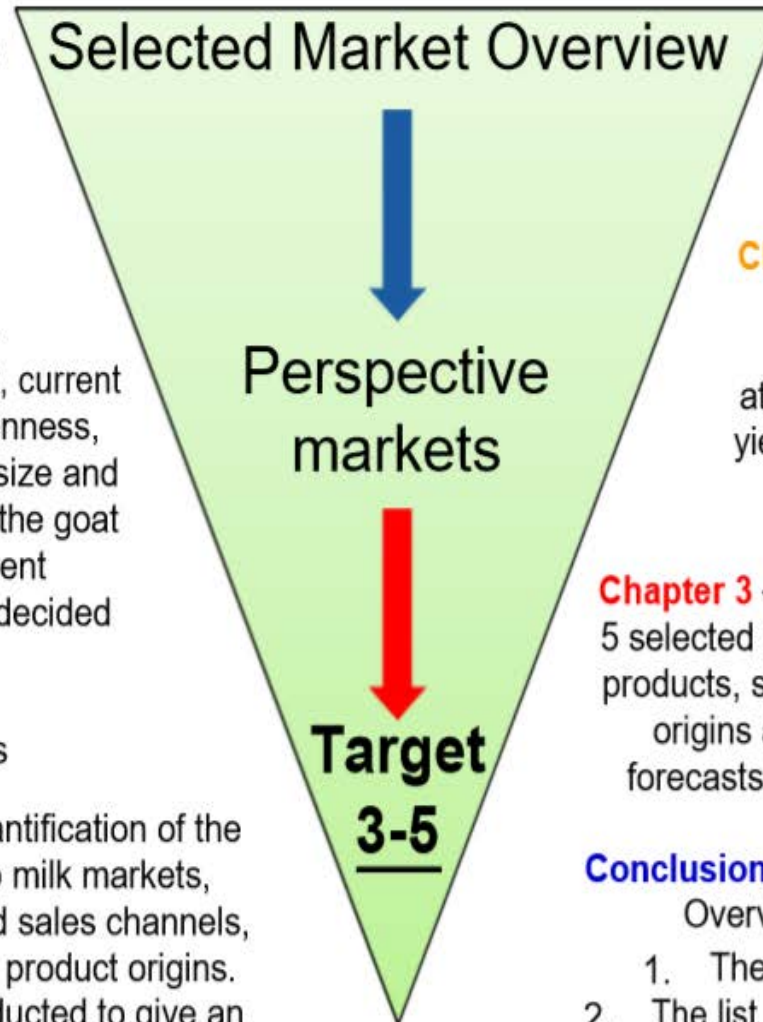


### Process

**Global Overview** – using Gira’s pre-existing market knowledge and experience, around 20 perspective markets will be identified for further explanation

**More Detailed Filter** – demographics, GDP, affordability, current NZ origin sourcing & trade openness, goat & sheep milk acceptance, size and development & sophistication of the goat & sheep milk markets, current competition (final list of criteria decided with client)  
+  
Reality check for outliers

**Final filter** – more detailed quantification of the most attractive goat & sheep milk markets, identifying the key products and sales channels, estimated volumes, as well as product origins. Price analysis will also be conducted to give an idea of potential product positioning



### Output

**Chapter 1** – Short summary detailing the 20 selected markets

**Chapter 2** – further dives into the more attractive perspective markets. Utilised in a market attractiveness ranking process to yield the 3 to 5 markets for further investigation

**Chapter 3** – 10 page country profiles on 3 - 5 selected markets, comparing key data on products, sales channels (route to market), origins and prices; as well as growth forecasts (with potential volumes for NZ cheese)

### **Conclusions and Recommendations**

Overview report, outlining:

1. The “Target 3 to 5” markets
2. The list of products to be produced
3. From a sales perspective, is the investment justified?

# What are Manufacturing options in New Zealand – what do we need for the future



## Fostering the growth of New Zealand's sheep and goat milk industry

### Goat & Sheep Whey Powder Production Feasibility Study



Author: Peter Webb  
NZ FOOD INNOVATION (WAIKATO) LTD. PROJECT FUNDED BY NZ MINISTRY FOR  
PRIMARY INDUSTRIES, FOODWAIKATO & WAIKATO MEANS BUSINESS

### Sheep Cream Utilization Feasibility Study



Author: Peter Webb  
NZ FOOD INNOVATION (WAIKATO) LTD. PROJECT FUNDED BY NZ MINISTRY FOR  
PRIMARY INDUSTRIES, FOODWAIKATO & WAIKATO MEANS BUSINESS

Expanding from the two feasibility reports, the business case may review other processing options such as:

- UHT / drinking yoghurt
- Powders
- Infant Formula
- Milk components

How can we win?

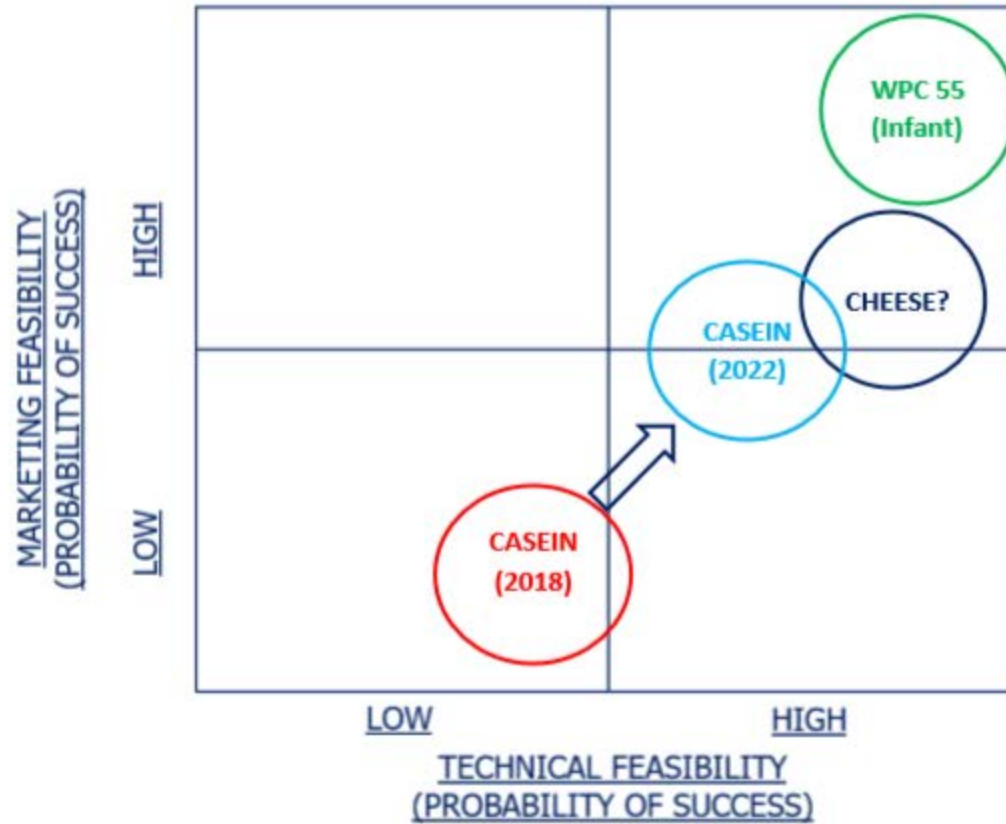
 **Report on Sheep & Goat Whey Powder Production**

 **Report on Sheep Cream Utilization**

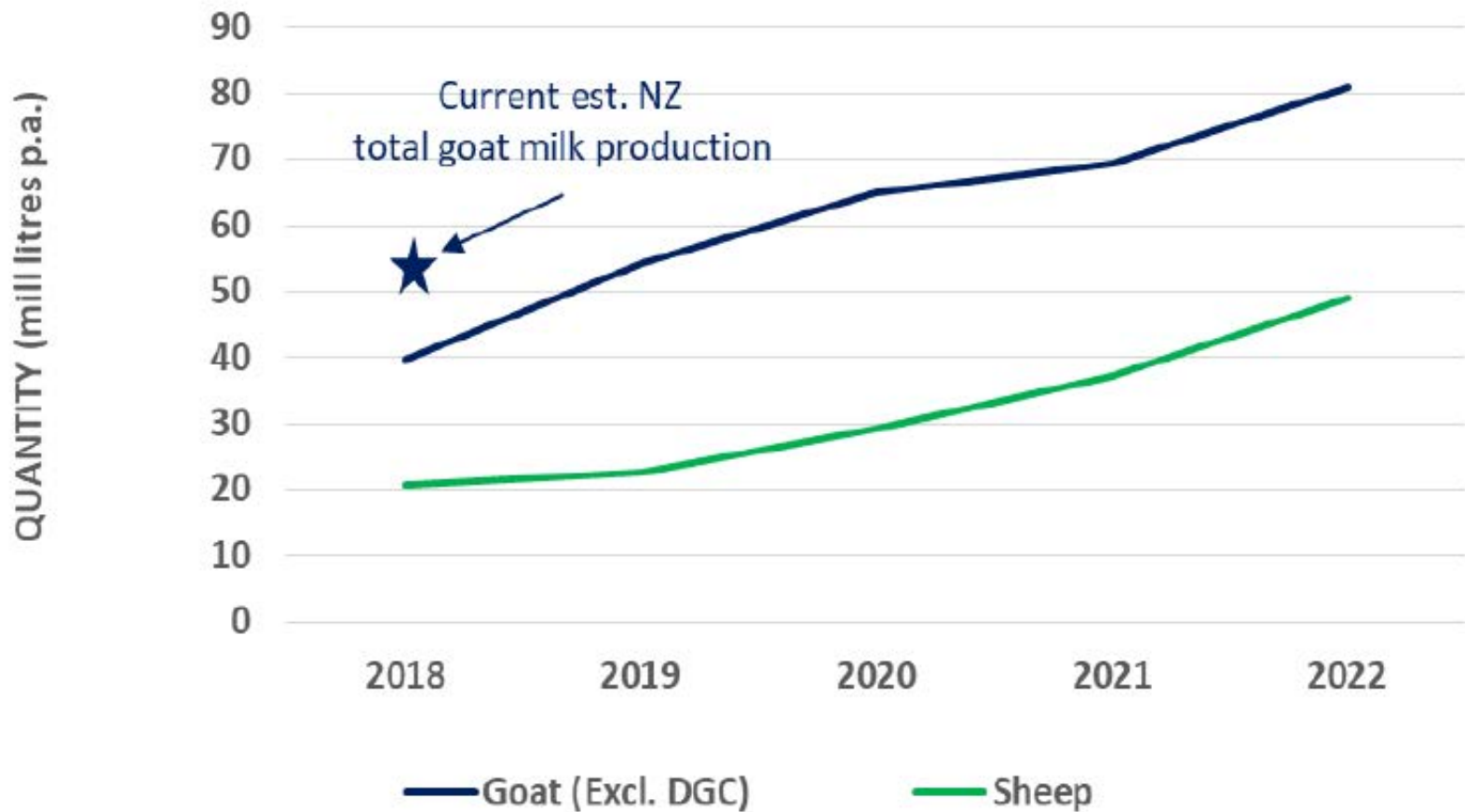


Probability of Market Success Vs Technical Success.

## PROJECT PRIORITIZATION

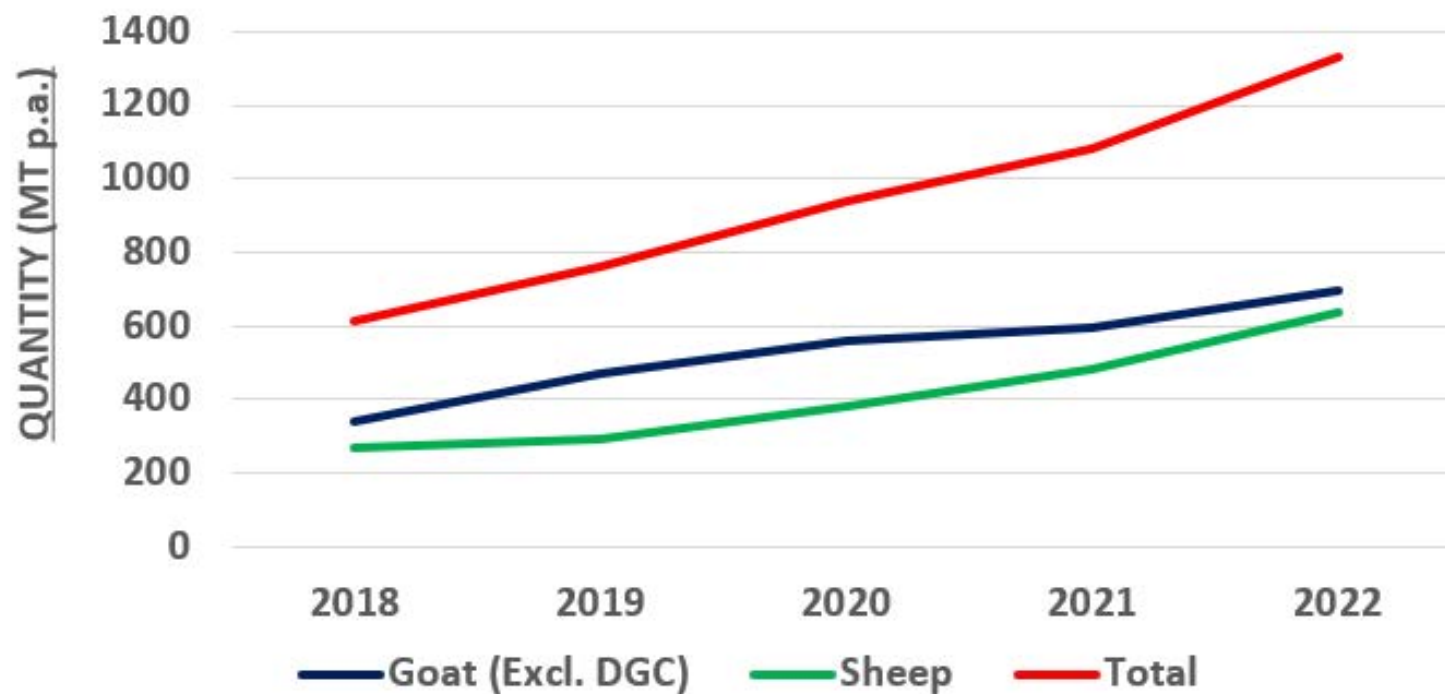


## FORECAST WHOLE MILK REQUIRED FOR WMP & WPC 55 PRODUCTION

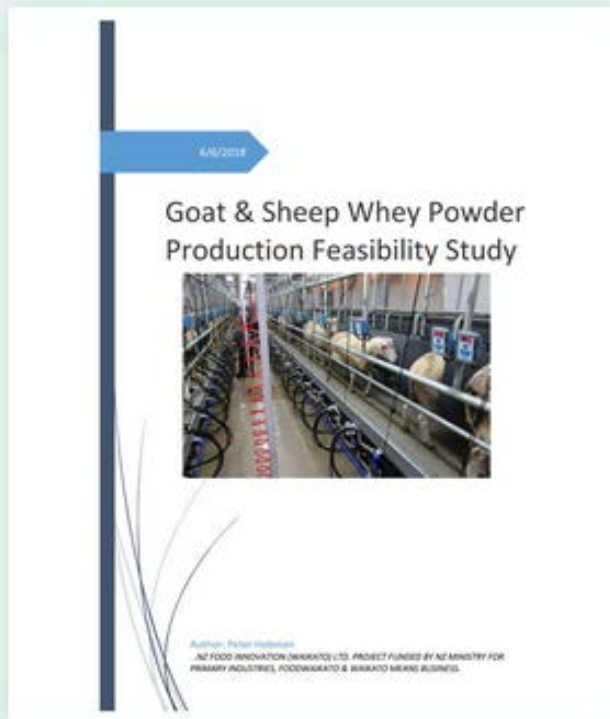




### FORECAST WPC 55 DEMAND FOR INFANT NUTRITIONAL POWDER PRODUCTION



# SHARED LEARNINGS



significant opportunity to produce Whey Powder in NZ, currently 100% of the sheep or goat WPC is imported

In 2018 an estimated 610 MT was required and that will increase to approx. 1332 MT in 2022

BUT- we don't have a Whey business – we have a cheese business

The EU is a highly competitive market producing 850mt/year

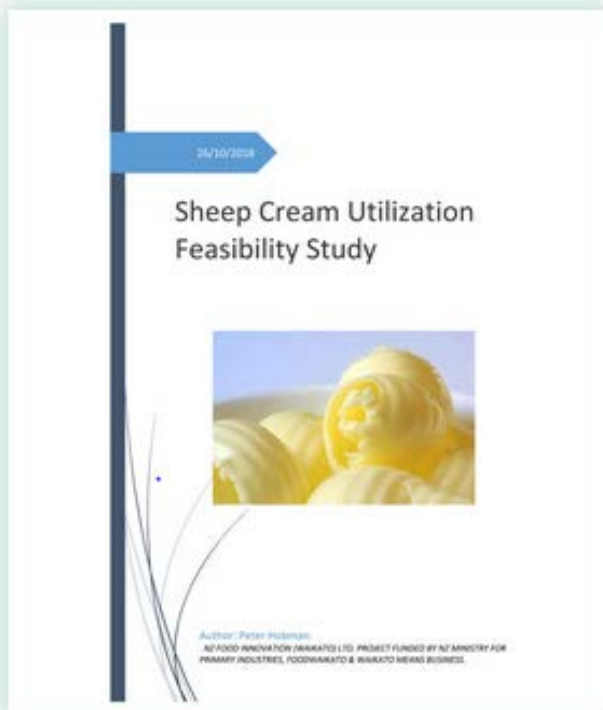
The regulatory requirements for the use of WPC in infant formula stage 1 may change at anytime in China



**Report on Sheep & Goat  
Whey Powder  
Production**



# SHARED LEARNINGS



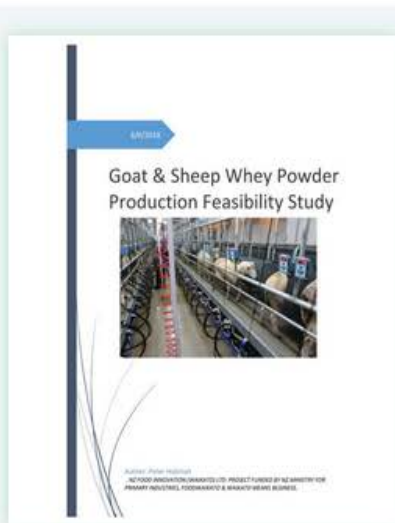
Report on Sheep Cream  
Utilization

Based on a typical \$13/kg of milk solids (protein, fat & lactose).

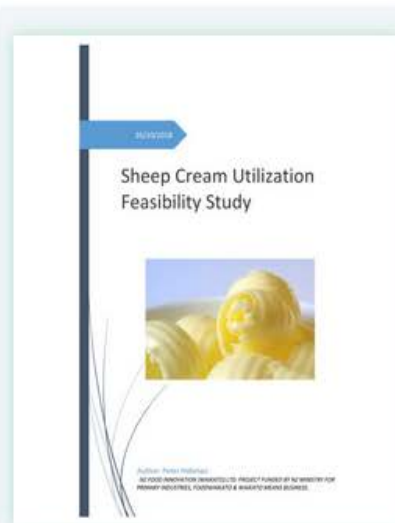
The Wholesale value of Sheep Butter has been estimated at price \$18.17/kg

By way of comparison, the current commodity price for Cow Butter is NZ\$3.10/kg

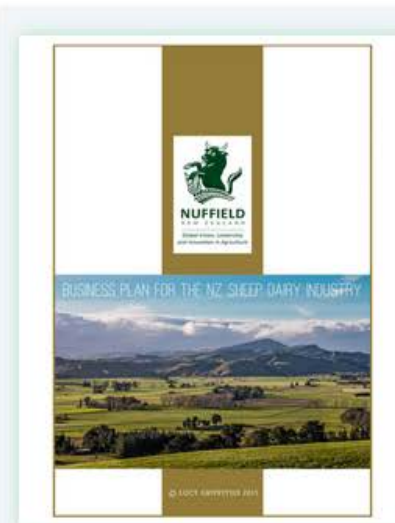
At this stage – the butter export market is not feasible



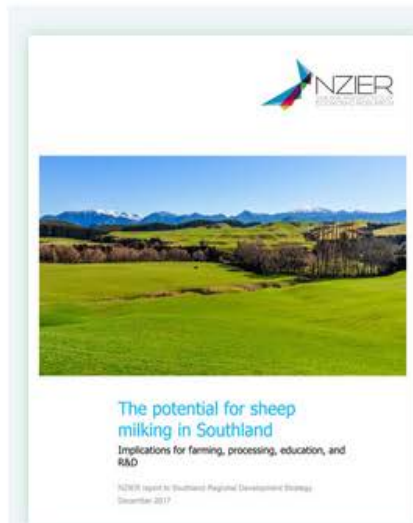
Report on Sheep & Goat Whey Powder Production



Report on Sheep Cream Utilization



Nuffield New Zealand Business Plan for The NZ Sheep Dairy Industry



NZIER The Potential for Sheep Milking in Southland

Home The Project Team On The Farm Off The Farm **Resources** Events Blog Contact



Massey University The NZ Goat Industry



KPMG Sheep Milk Market Assessment





### Origin Earth Offers Manufacturing Options

On the outskirts of Masterton in the Wairapapa, Kingsmeade makes 14 different varieties of cheese, half of these from ewes' milk. Miles and Janet King

[READ MORE »](#)

March 3, 2019



### Strong Sheep & Goat Milk Exports

Over the past five years, MBIE targeted research programmes in sheep and goat milking have helped establish partnerships between science providers and industry players. This

[READ MORE »](#)

February 25, 2019



### Government Initiatives Paying Dividends On The Farm

New Zealand's bovine industry can be credited for the gains it's made in milk yield and farmer returns from its pioneering work in farming systems. While

[READ MORE »](#)

February 25, 2019

[Home](#) [The Project](#) [Team](#) [On The Farm](#) [Off The Farm](#) [Resources](#) [Events](#) [Blog](#) [Contact](#)

If you are looking for an opportunity to collaborate with others in the sheep and goat sector, please get in touch with our team by emailing [team@sheepandgoatmilk.nz](mailto:team@sheepandgoatmilk.nz).

We are keen to tell your stories and promote your capabilities and services.

Thank You

