

23 May 2022

The Registrar
Commerce Commission
PO Box 2351
Wellington

Lineage/CSN – Submission on Commerce Commission Statement of Issues – Non-Confidential version

My wife and I are the owners of FSL Foods Limited (“FSL”). I am also the Chair of Cold Storage Nelson Limited (“CSN”). I am writing to provide a submission detailing on the Statement of Issues detailing our experience at FSL [].

FSL Foods is [] distributor in New Zealand of frozen fruit to retail, food service and manufacturing customers. We handle approximately [] of frozen fruit and vegetables (around [] reefer containers per year). Most of the fruit and vegetables is imported

[], we stored our product, received in containers from overseas at Sulphur Point. Once received CSN staff would then unpick the pallets on which the fruit was stored and dispatch according to dispatch information generated by FSL. These dispatches would happen daily.

[]

As a result of [] and they agreed to take [] into storage and to provide an ongoing pick and pack service to FSL, []. This arrangement was put in place over two years ago and has been successful for both parties. That success is very much due to the []. [].

The price we paid for the [] service is []. Every cold store charges differently depending on how fast moving the goods are. If they are fast moving, then [].

Our total storage in [] measured in pallets stored (each pallet is 500 kgs) varies between [] pallets over the course of the year. [] pallets is the absolute maximum storage that [] can provide and still service their other customers. We spend approximately [] with [] in a year.

[] of our sales are above Taupo, [] Wellington to Taupo and [] in the South Island. [] distributes our product in the North Island. They pick and pack and dispatch an average of [] pallets per working day.

In recent times we have []. Currently we pay to shift a container from Tauranga to [] when the container arrives on port.

There is little additional cost to transporting that container from Port to anywhere in the BOP or the Waikato (and any distance travelled likely reduces later distance that the goods will need to travel on distribution). We currently use [] as our preferred national frozen goods Distributor, [].

Our preferred option in the short term is to [].

Beyond the short term, our preferred option would be to []. Currently we use our own facilities at Bolt Rd in Nelson and excess storage goes to [] in Nelson who offer a [] pick and pack operation. [].

Non-confidential version, available to public

Another option would be to []. If so, we would also move some of our packing facilities to [].

We are currently not [].

This submission is provided on a confidential basis. It contains information that is commercially sensitive to FSL and to [] and its disclosure could cause commercial harm to FSL and [].

Mike Glover