

31 July 2012

The Chairman  
Mergers and Authorisations Group  
Commerce Commission  
P.O. Box 2351  
**WELLINGTON 6140**

Attn: Mark Berry

Dear Mr Berry

**Letter of Support**

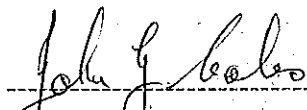
The Waimate District Council supports Fonterra's bid to purchase New Zealand Dairies Ltd, which is located in our district.

The acquisition, which is subject to Commerce Commission clearance, would result in NZDL's existing farmer suppliers being paid in full by the receivers and being able to have their milk processed and paid for from the start of the new dairy season, which is currently underway.

We believe acquisition of NZDL was not pursued by Fonterra, but it provides the best option for the long-term interests and integrity of the New Zealand dairy industry, and for NZDL's creditors, suppliers and employees. It is vital for the industry to retain the involvement of farmers and skilled dairy workers whose livelihood would be threatened were Fonterra's offer not to include a mechanism for ensuring the Studholme plant will open for the 2012/13 dairy season and suppliers be paid for milk previously supplied.

We recommend the Commerce Commission give serious consideration into the application.

Yours faithfully

  
John Coles  
**Mayor**

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**Council Departments**  
Support Services, Parks & Reserves, Planning & Regulatory,  
Utility Services, Rooding