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# COMMERCE ACT 1986: BUSINESS ACQUISITION

## SECTION 66: NOTICE SEEKING CLEARANCE

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Date: 4 March 2022

The Registrar  
Competition Branch  
Commerce Commission  
PO Box 2351  
Wellington

Pursuant to section 66(1) of the Commerce Act 1986 notice is hereby given seeking clearance of a proposed business acquisition.

**Information confidential to Lineage is marked blue.**

**Information confidential to CSN is marked green.**

## Part A: Summary of Application

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### 1. Executive Summary

- 1.1 This clearance application concerns the proposed acquisition by Lineage Logistics New Zealand (**Lineage**)'s wholly owned subsidiary (Lineage NZ (CSN Holdings)) of 100% of the shares in Cold Storage Nelson Limited (**CSN**) (the **Transaction**).<sup>1</sup>
- 1.2 Lineage and CSN (the **Parties** and each a **Party**) overlap in the supply of 'cold storage' in New Zealand. 'Cold storage' includes a range of temperature controlled storage services, including frozen storage, chilled storage and blast freezing, together with related logistics and transportation services. Cold storage is used to store a range of temperature-sensitive products, including dairy, seafood, meat, poultry, frozen vegetables and other frozen or chilled foods.
- 1.3 Lineage does not believe the Transaction is likely to substantially lessen competition in any market because:
- (a) the merged entity will continue to face strong competition from a large number of well-resourced third party cold storage providers, such as Icepak, Coolpak Coolstores, Americold, RealCool, Port Pack, AvenueCool, Big Chill Distribution (**Big Chill**), **[REDACTED]** and others;<sup>2</sup>
  - (b) with relatively low barriers to entry, the threat of new entry into, and expansion by existing providers in, the relevant markets provides a substantial competitive constraint on Lineage and will prevent the merged entity from increasing prices above competitive levels (or otherwise imposing terms less favourable) post-Transaction; and
  - (c) customers' countervailing power provides additional constraint. Many customers have the option of self-supply, and indeed there are examples of customers explicitly modelling the costs of additional self-supply facilities vs the cost of third party storage. There are also examples of customers sponsoring new entry, and multi-site customers can also leverage their nation-wide requirements if that were needed in the context of negotiating arrangements at a particular location.

### **Rationale**

- 1.4 The Transaction represents an opportunity for Lineage to acquire a highly complementary cold store network in New Zealand, consistent with its desire to expand its infrastructure in core markets in order to improve its customer offering.

### **Competitive overlap and relevant markets**

- 1.5 Based on *current* footprints, there is limited geographic overlap.
- (a) In the Canterbury region CSN is comparatively small, with only a **[REDACTED]** market share. The post-Transaction share would be **[REDACTED]**, with strong, continued constraint from Coolpak Coolstores and Americold (with **[REDACTED]** and **[REDACTED]** shares respectively), meaning the key drivers of the competitive process are unaffected by the Transaction.
  - (b) In BoP/Waikato there is a very small overlap, limited to the extent any constraint is imposed on CSN by Lineage's small-medium sized facility at Kerepehi which, in the Hauraki Plains, is located in the very northern reaches of the catchment.

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<sup>1</sup> Lineage Logistics New Zealand and Lineage NZ (CSN Holdings) are Unlimited Companies. Lineage's company number is 1232 and Lineage NZ (CSN Holdings)'s company number is 8283100.

<sup>2</sup> Lineage understands that **[REDACTED]**.

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- (c) However, [REDACTED]:
  - (i) Lineage is building a new facility in Tauriko, Tauranga where it currently has no presence. This facility is expected to become operational in a staged fashion from [REDACTED]; and
  - (ii) [REDACTED].
- 1.6 Lineage refers to the Parties' cold storage facilities set out in paragraphs 1.5(a) to (c) above, collectively, as the **Overlapping Facilities**.
- 1.7 The Parties' Overlapping Facilities and third party competing facilities:
  - (a) all provide substantially the same mix of cold storage services, including frozen storage, chilled storage and blast freezing (although frozen storage accounts for the vast majority), together with services related to logistics and transportation; and
  - (b) are all able to supply (or at least, readily able to switch to supply) a broad range of customers, including those requiring cold storage for dairy, seafood, meat, poultry, frozen vegetables, horticultural products and various other frozen or chilled foods.
- 1.8 Accordingly, the Parties and third parties compete broadly in the provision of cold storage services.
- 1.9 Cold storage services are primarily required for food products post-importation, pre-exportation and pre-distribution (throughout New Zealand). Customers generally seek to minimise their supply chain and transportation costs meaning demand for third party storage in New Zealand tends to be in the geographic region:
  - (a) between a customer's manufacturing plant and: (i) the export port (for exported product); or (ii) the customer's nominated DC/delivery point (for domestic sales); and
  - (b) between the import port and the customer's nominated DC/delivery point (for imported product).
- 1.10 This is because (say) an export customer who needs third party cold storage space to store frozen goods in advance of export will, *all things being equal*, find it more efficient to do so at a facility generally located between its facility and the port.
- 1.11 In light of the above, and consistent with the ACCC's decision in *Emergent Cold / AB Oxford Cold Storage Company*, where the ACCC assessed the effects of the merger on competition in the market for the supply of third party cold storage services in Victoria, Lineage believes the appropriate markets in which to assess the Transaction are those for the supply of cold storage services in the:
  - (a) BoP/Waikato region, having regard to product ultimately transiting via Port of Tauranga; and
  - (b) Canterbury region (including Timaru), having regard to product ultimately transiting via Lyttleton Port,(the **Relevant Markets**).

### **Competitive assessment**

- 1.12 The Transaction will not substantially lessen competition in any of the Relevant Markets for the reasons set out below.

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### *Strong continuing competition in each relevant market*

- 1.13 The merged entity will continue to face strong competition from third party cold storage providers in each relevant market, in particular:
- (a) in the BoP/Waikato region: from Icepak; Port Pack; RealCool; Maleme Cold Storage; Marsh Transport; Cool Storage Express; Aotearoa Park; Big Chill; and, Lineage understands, **[REDACTED]**; and
  - (b) in the Canterbury region: from Coolpak Coolstores; Americold; Avenue Cool and Icepak (with very limited market share aggregation in Canterbury).
- 1.14 In addition, Port of Tauranga, Lyttelton Port and Timaru Port are strongly motivated to ensure there are efficient, competitive, cold store options for customers using their ports. They can therefore use their important positions in the wider logistics chains in the regions in which they operate to facilitate entry and expansion of competing cold store operators if they consider that is needed.

### *Constraint from the threat of entry and expansion*

- 1.15 The threat of new entry and expansion will constrain the ability of the merged entity to raise prices.
- (a) Cold storage markets have no material barriers to entry although a relatively substantial capital investment is required to establish a new large-scale cold store, such investment is underpinned by stable long-term revenue, and can be staged so as to reduce up-front capex. Furthermore, the capital cost can also be reduced substantially by leasing facilities (as CSN does) or converting ambient warehouses to cold store facilities. Reflecting this are numerous examples of entry and expansion, including recent facilities in: Auckland (Big Chill); BoP/Waikato (Big Chill), Christchurch (Bidfood); Christchurch (Big Chill); and Christchurch (Coolpak). Accordingly, Lineage would expect entry/expansion to occur in the event it sought to increase prices above competitive levels (or drop service levels).
  - (b) Customers have shown a willingness to sponsor new entry by committing capacity which further facilitates new entry. For example, Lineage understands from industry participants that **[REDACTED]**.
  - (c) Competitors such as Americold, which are large, well-funded cold storage providers with global cold storage networks, could readily enter or expand in the Relevant Markets in response to increases in prices. For example, Americold has recently completed a 27,000 pallet expansion at its cold storage facility in Wiri, Auckland. **[REDACTED]**, evidencing the strong constraint these players impose on account of customers' willingness to switch in response to opportunities. Another example of expansion is the fact that Coolpak Coolstores is currently planning to expand its existing 16,000 m<sup>2</sup> cool storage facility in Rolleston by 2,200 m<sup>2</sup> in order to meet growing demand.<sup>3</sup>
  - (d) There is ample industrial land available in Canterbury for the development of new cold storage facilities. There is a substantial amount of industrial land becoming available in the BoP/Waikato region, including in Tauriko (where Lineage is building), Rangioru (directly adjacent to the Tauranga Expressway and beside the East Coast Main Trunk rail line) and Ruakura (being the Port of Tauranga inland port with excellent rail connectivity to the port, and **[REDACTED]**), all of which would be ideal for the establishment of new cold storage facilities.

### *Customers have a high degree of countervailing power*

- 1.16 Cold storage customers in the relevant markets have countervailing power that could be leveraged to constrain the merged entity post-Transaction. For example:

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<sup>3</sup> [Coolpak Coolstores Limited | Coolpak TMX Association](#).

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- (a) many customers have multi-facility, nation-wide requirements, which will limit the merged entity's ability to opportunistically raise prices in any particular location (even if they could, which is denied);
- (b) many customers can credibly threaten to sponsor new entry or reduce their demand for New Zealand-based cold storage by shipping earlier and storing more volumes in the destination market (and vice versa for imports). While this will not always be an option for all customers, it is a credible threat which can be deployed if needed; and
- (c) large customers have the ability to self-supply by building, integrating (or increasing) cold storage at their facilities. Indeed, there are instances of customers undertaking explicit assessments of the capex cost of new or additional on-site storage vs contracting with Lineage.

*Certain facilities are, practically speaking, committed to a particular customer*

1.17 Finally, the Parties each operate cold storage facilities in the Relevant Markets which are used exclusively, or nearly exclusively, by customers with fixed contracts. Accordingly, these dedicated facilities are not available to compete for new customers / contracts other than in a very limited sense, which means that the post-Transaction combined market shares, and the aggregation resulting from the Transaction, is much less than a simple review of market shares suggests:

- (a) [REDACTED]; and
- (b) Lineage's cold storage facilities in [REDACTED].

***Conclusion: no SLC in any relevant market***

1.18 For the foregoing reasons, Lineage submits that the Commission should be satisfied that the Transaction will not have, and will not be likely to have, the effect of substantially lessening competition in any New Zealand market.

## Part B: The Parties

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### 2. The Applicant: Lineage

- 2.1 Lineage is a New Zealand unlimited company, incorporated on 11 September 1920 (NZCN: 1232). Lineage is directly wholly owned by Lineage NZ OpCo Holdings LP and its ultimate holding company is Lineage Logistics Holdings, LLC. The general partner of Lineage NZ OpCo Holdings LP is Lineage NZ OpCo Holdings GP Limited, which is wholly owned by Lineage NZ Holdings.
- 2.2 A structure chart of Lineage (including Lineage's ownership of CSN following completion of the Transaction) and its corporate structure leading up to Lineage Logistics Holdings, LLC is set out in **Appendix 1** below.
- 2.3 Lineage is a cold storage logistics company, operating primarily in Europe, North America, East Asia, Australia and New Zealand. In New Zealand, Lineage has facilities in Auckland, Waikato / Bay of Plenty, Hawke's Bay, Canterbury and Otago. As indicated above, Lineage plans to establish a new cold storage facility in Tauriko, Tauranga. Lineage does not currently have a storage facility in the Bay of Plenty, with its nearest competing facility being its facility in Kerepehi, North Waikato.
- 2.4 Lineage provides cold (chilled and frozen) storage services in New Zealand through its various cold storage facilities across the country. Lineage also provides blast freezing, case picking and related (e.g., labelling) services at its facilities. Most of Lineage's facilities in New Zealand have full electronic data interchange (**EDI**) capabilities. Further details regarding each of Lineage's New Zealand facilities are set out in the table in **Appendix 2** below.

#### *New Zealand interests*

- 2.5 Lineage, including its shareholders and directors, has no interest, either directly or indirectly, in other providers of cold storage services and/or ancillary services in New Zealand, nor any entities that provide services in adjacent or relevant industries.<sup>4</sup>
- 2.6 As set out in Appendix 1, Lineage has four New Zealand subsidiaries:
- (a) Lineage NZ (CSN Holdings), which, as set out above, is a special purpose acquisition vehicle incorporated for the purposes of undertaking the Transaction;
  - (b) Lineage TRS Limited, which forms part of Lineage's business in New Zealand; and
  - (c) Polarcold Stores Limited and Whakatu Coldstores Limited, which have no business operations but rather are legacy entities carried over to Lineage's corporate structure following prior acquisitions by Lineage.

#### *Financial and capacity information*

- 2.7 Annual reports for Lineage for the past two financial years are attached as **Appendix 3**. For completeness, Lineage notes that while there has been some restructuring in its upstream holding structure, with certain entities being renamed and removed, these financial statements relate to Lineage's business in New Zealand.
- 2.8 Lineage's annual revenue for the last two financial years is set out in **Appendix 4** below.

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<sup>4</sup> For completeness, Lineage notes that Jeffrey Ernest Hogarth, being a director of Lineage, was, but has ceased to be, a director of Americold Logistic Services NZ Limited, Icecap Properties NZ Limited, Americold NZ Limited, and Icicle NZ Property Limited.

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### *Key customers, competitors, and trade and industry associations*

- 2.9 The names and contact details for each of Lineage's key competitors, and the trade or industry associations in which Lineage participates, are set out in **Appendix 5** below.
- 2.10 The names and contact details for each of Lineage's key customers (by value), and the revenue Lineage earned from them each in the last financial year, are set out in **Appendix 6** below. Also set out in Appendix 6 are Lineage's top 5 customers in each of the Relevant Markets (as defined below).

### *Internal documents*

- 2.11 Copies of Lineage's relevant internal documents are attached as **Confidential Appendix 7**.

### *Contact details*

- 2.12 Contact details for Lineage:

<i>Address</i>	<b>Lineage Logistics New Zealand</b> 88 Anderson Road, Whakatu, Hastings 4180, New Zealand
<i>Contact person</i>	Diane Jungmann (Associate General Counsel – Asia Pacific)
<i>Email Address</i>	[REDACTED]
<i>Telephone</i>	[REDACTED]
<i>Website</i>	<a href="http://lineagelogistics.com">lineagelogistics.com</a>

- 2.13 Please direct all correspondence and notices for Lineage to:

<i>Address</i>	<b>Bell Gully</b> Barristers and Solicitors PO Box 4199, Auckland 1140
<i>Attention</i>	Torrin Crowther / Charles Partridge
<i>Email Address</i>	<a href="mailto:Torrin.Crowther@bellgully.com">Torrin.Crowther@bellgully.com</a> / <a href="mailto:Charles.Partridge@bellgully.com">Charles.Partridge@bellgully.com</a>
<i>Telephone</i>	+64 9 916 8621 / +64 9 916 8855

## 3. **CSN: Cold Storage Nelson**

- 3.1 CSN is a New Zealand limited company, incorporated on 4 July 1975 (NZCN: 168655). CSN is directly owned:
- (a) 47.33% by Rubus Investments Nelson Limited;
  - (b) 31.89% by Waimea Investment Group Limited;
  - (c) 20.33% by Wai-West Horticulture Limited; and
  - (d) 0.45% by Saxton Fruit Limited,

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(collectively, the **Vendors**). The Vendors are predominantly owned by individuals.<sup>5</sup>

- 3.2 A structure chart for CSN is attached as **Appendix 8**.

### *Cold storage services in New Zealand*

- 3.3 CSN is active in the provision of cold storage and logistics services in New Zealand. It has cold storage facilities in Waikato / Bay of Plenty, Tasman and Canterbury that can handle a wide range of goods; from marine, agricultural, and horticultural products to manufactured food and nutraceuticals, both in the export sector and for domestic and import markets.
- 3.4 Specific details regarding CSN's facilities in New Zealand, their capacities and the services provided at each, are set out in the table in **Appendix 9** below.
- 3.5 CSN also coordinates supporting transport services for its customers and can handle containers in and out of its Nelson facilities using side-lifter trailers, and transportation between Mt Maunganui and the Port of Tauranga. Its largest facility is in Tauranga.

### *New Zealand interests*

- 3.6 CSN has no interest, either directly or indirectly, in other providers of cold storage services, ancillary services or any entities that provide services in adjacent or relevant industries.
- 3.7 For completeness, Lineage notes that:

- (a) Mike Glover, a current director of CSN, indirectly owns shares in, and is a current director of, FSL Foods Limited (**FSL**), a frozen food distributor based in Nelson, which owns cold storage space for its exclusive own use; and
- (b) Julian Raine, a current director of CSN, indirectly owns shares in, and is a current director of, Wai-West Horticulture Limited. Wai-West Horticulture Limited owns shares in Saxton Fruit Limited and indirectly The Fresh Fruit Company of Nelson Limited, which is involved with the packing, storing and supply of fruit and vegetables.

### *Financial information*

- 3.8 CSN's 2021 and 2020 Annual Reports and financial statements are attached as **Confidential Appendix 10**. CSN's annual revenue for the last two financial years is attached as **Confidential Appendix 11**.

### *Key customers, competitors, and trade and industry associations*

- 3.9 The names and contact details for each of CSN's key competitors, and any trade or industry associations in which CSN participates, are set out in **Appendix 12** below.
- 3.10 The names and contact details for each of CSN's key customers (by value), and the revenue earned from each in the last financial year, are attached as **Confidential Appendix 13**. Also set out in Confidential Appendix 13 are CSN's top 5 customers in each of the Relevant Markets (as defined below).

### *Contact details*

- 3.11 Contact details for CSN:

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<sup>5</sup> [View All Details \(companiesoffice.govt.nz\)](https://companiesoffice.govt.nz).



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*Address* **Cold Storage Nelson Limited**  
83 Beach Road, Richmond, Nelson  
PO Box 3524, Richmond, Nelson 7050, New Zealand

*Contact person* Richard Aitken (CEO) / Sam Best (CFO)

*Telephone* **[REDACTED]**

*Email* **[REDACTED]**

*Websites* [csn.co.nz](http://csn.co.nz)

3.12 Please direct all correspondence and notices for CSN to:

*Address* **Duncan Cotterill**  
197 Bridge Street, Nelson, Whakatū 7010  
PO Box 827 Nelson, Whakatū 7040

*Attention* Hamish Grenfell / Jessie Stone

*Email Address* [hamish.grenfell@duncancotterill.com](mailto:hamish.grenfell@duncancotterill.com) /  
[jessie.stone@duncancotterill.com](mailto:jessie.stone@duncancotterill.com)

*Telephone* +64 3 359 5405 / +64 3 359 5426

## Part C: The Transaction

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### 4. Transaction structure

- 4.1 While clearance is formally sought on the terms set out in 7 below, the Sale and Purchase Agreement entered into between the Parties on 23 December 2021 (the **SPA**) provides for Lineage NZ (CSN Holdings), being an interconnected body corporate of Lineage, to acquire 100% of the shares in CSN from the Vendors.
- 4.2 The Transaction is conditional on Lineage receiving clearance from the Commission (amongst other conditions precedent, including approval from the New Zealand Overseas Investment Office).

### 5. Rationale

- 5.1 The Transaction represents an opportunity for Lineage to acquire a highly complementary cold store network in New Zealand, consistent with its desire to expand its infrastructure in core markets in order to improve customer offering.
- 5.2 The combined business will be able to generate efficiencies and thus be better placed to increase the services and locations offered to customers, thereby allowing for a more optimized supply chain.

### 6. Transaction documents

- 6.1 The SPA is attached as **Appendix 14**.

### 7. Clearance sought

- 7.1 Formally, this application seeks clearance for Lineage or an interconnected body corporate of Lineage to acquire up to 100% of the shares in, or the assets of, CSN.

### 8. Counterfactual

- 8.1 Lineage considers that the most appropriate counterfactual regarding its facilities is the continuation of the status quo, including its announced entry into Tauranga, thereby expanding its presence in the BoP/Waikato regional market.
- 8.2 Lineage understands that the counterfactual would also include **[REDACTED]**.
- 8.3 See **Confidential Appendix 15** in relation to CSN's counterfactual.

### 9. Global filings

- 9.1 There are no global filings involved with the Transaction as the only relevant area of overlap between the Parties is in New Zealand.

## Part D: Industry Background

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### 10. Overview of the third party cold storage industry

10.1 The Transaction concerns the market for third party cold storage services.

#### ***Food supply chain***

10.2 Cold storage is typically required for:

- (a) exported goods before they are exported out of New Zealand;
- (b) imported goods after they are imported into New Zealand, prior to their distribution to domestic customers; and
- (c) goods that have been manufactured domestically and are to be distributed to customer-nominated DC's or to individual customer outlets.

10.3 Cold storage facilities utilise specialty warehouses equipped with large-scale freezers and/or cool rooms for the storage of temperature-sensitive products.

#### ***Cold storage services***

10.4 There are typically two types of temperature controlled storage:

- (a) **freezer storage** (also called cold storage), which principally handles dairy, meat, fish and processed food products in a hard frozen form at minus 18 to 20 degrees Celsius; and
- (b) **chilled storage** (also called cool storage), which mainly accommodates fruit / food products in a slightly chilled state at circa minus 1.5 degrees Celsius.

10.5 Cold storage facilities operate through the use of specialised equipment to control the temperature of the facility. In basic terms, the facility requires refrigeration equipment and insulation. The difference between a chilled and frozen storage lies in the extent to which each is required – a frozen facility naturally requires a greater degree of cooling and insulation, especially in the floor. Unless a facility was being designed purely to cater for customers with only chilled requirements, firms will tend to design for frozen storage because rooms within that facility can be easily set to store chilled product – whereas moving from chilled to frozen will require additional insulation and invariably larger cooling units. Lineage's Kerepehi facility, for example, is split into different rooms for frozen and chilled storage.

10.6 Cold storage providers generally also provide a mixture of additional temperature controlled services such as ambient storage and blast freezing. Blast freezing is the process of freezing fresh product by storing it to maximise airflow around the product packaging (e.g. boxes) and then blasting it with freezing cold air in order to freeze it quickly. Blast freezing requires specific equipment, known as blast freezers, that can reach even colder temperatures than frozen storage, and control the airflow around products to be blast frozen. At any given cold storage facility, a blast freezer for denser products, such as meat, would form a distinct chamber to any frozen or chilled storage. A blast freezer of the type used at Wiri would cost in the order of \$850,000 to buy.

#### ***Transport, logistics and other additional services***

10.7 Third party cold storage providers typically also provide customers with a range of ancillary services, including:

- (a) transport and handling services, which vary depending on facility type and location;
- (b) picking and packing services, in particular, picking of individual cartons within a pallet for distribution in sub-pallet quantities of goods;

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- (c) using the inventory management IT system at a cold storage facility to coordinate the distribution, tracking and recall of goods from the facility, using the cold storage facility as a distribution centre;
  - (d) wrapping and labelling services; and
  - (e) services that are specific to the requirements of the goods being stored – for example, allowing for the aging of cheese within particular chambers.
- 10.8 The majority of cold storage providers in New Zealand can fulfil the majority of cold storage customers' needs (provided they have the physical capacity). While, naturally, all facilities differ to some extent (e.g., different IT systems, hours of operation, refrigeration technology, etc.), they all provide cold storage services.
- 10.9 There are various licensing, certification and approval requirements (**certifications**) for cold storage facilities, the need for which depends on the particular types of food products stored. There is a process which all providers must go through to achieve certification, but there are no structural impediments to certification and so it does not present a barrier to supplying any particular customer.

### ***Customers of cold storage services***

- 10.10 Customers of third party cold storage services are typically food manufacturers, exporters, importers, logistics providers, foodservice distributors or retailers. Goods that typically require cold storage include dairy products, seafood, raw and cooked meat, poultry, frozen vegetables, horticultural products and other frozen or chilled foods. Third party cold storage is needed where a customer has product that must be kept cold, but does not have sufficient capacity to store it themselves, prior to transporting that product to its New Zealand end point. This end point is often a domestic distribution centre (e.g. for Foodstuffs or Woolworths) or an export port.
- 10.11 In selecting a cold storage facility, customers (who typically arrange for all transportation between their facility and the end point) look to minimise the total cost of that transport. This means that, all things being equal, they will want a facility located on or close to the transport corridors between their facility (which will often be in a large 'source' catchment, e.g., BoP/Waikato) and the end point. As a result, cold storage facilities in many different locations within a region will tend to compete for various customers, including for their export and domestic requirements.
- 10.12 Some customers of cold storage services distribute their goods in whole pallets, whereas other customers distribute their goods in cartons which requires picking individual cartons from stored pallets which are then repackaged and sent back into cold storage. The length of time product is stored also varies, e.g., some retailers might require that goods be stored for less than a day whereas some manufacturers may store for an extended period of time, e.g., to manage seasonal fluctuations in production which are not matched to demand.
- 10.13 Lineage's customers almost entirely contract by way of bilateral negotiations, with the exception of Fonterra that runs formal tenders. That is not to say that Lineage's remaining customers cannot go to tender – Lineage's other large customers, including Silver Fern Farms and McCain, could, and have in the past, gone to tender. A list of each of the Parties' key customers (by value) are set out in **Appendices 6 and 13** below.

### ***Self-storage***

- 10.14 Food manufacturer customers of cold storage services necessarily have some cold storage capacity at their manufacturing facility to store chilled or frozen goods. Large retailer and distributor customers of cold storage services also generally have access to in-house cold storage services for chilled or frozen goods or both.

***Maps***

10.15 Maps of the BoP/Waikato and Canterbury regions that mark the Parties' and their competitors' facilities, as well as key infrastructure (including ports, rail and key roads) are attached as **Appendix 16** to this Application.

## Part E: Relevant Markets

### 11. Overlap between the Parties

11.1 The Parties' cold storage facilities are set out below.

Region	Lineage	CSN
Auckland	Wiri	(No presence)
BoP/Waikato	<b>Kerepihi</b> (northern Waikato/Hauraki Plains) <b>Tauranga</b> (from [REDACTED])	<b>Sulphur Point</b> (Tauranga) <b>Te Maire</b> (Mount Maunganui)
Hawke's Bay	Hawke's Bay (multiple facilities)	(No presence)
Tasman	(No presence)	Nelson Richmond
Canterbury	<b>Christchurch</b> (multiple facilities) <b>Timaru</b> (multiple facilities)	<b>Christchurch</b>
Otago	Dunedin (multiple facilities)	(No presence)

### 12. Commerce Commission's previous consideration of relevant markets

12.1 Lineage is unaware of the Commission considering cold storage markets.<sup>6</sup> Accordingly, Lineage assesses below the applicability of overseas precedent to the relevant New Zealand markets.

### 13. Australian precedents

13.1 The ACCC considered the effect of the acquisition of AB Oxford Cold Storage Company by Emergent Cold (two providers of cold storage services in the state of Victoria), on competition in the *market for the supply of third party cold storage services in Victoria*.<sup>7</sup> This was because customers typically acquire cold storage services separately in different states (or in different regions within states) – very few customers acquire cold storage services from a single provider nationally – and cold storage provided in other states was not a strong substitute for cold storage services provided in Victoria.

### 14. Relevant markets

14.1 The Parties' Overlapping Facilities and third party competing facilities all provide substantially the same mix of cold storage services, including frozen storage, chilled storage and blast freezing (although the vast majority of storage services provided are frozen storage), together with related logistics and transportation services. Accordingly, the Parties and third parties compete broadly in the provision of cold storage services.

14.2 Lineage considers that it is not appropriate or necessary to delineate this market into different customers segments (for example, for customers of different sizes, for customers that have a

<sup>6</sup> There is a 2001 Decision (Decision 418) relating to cold storage but that focussed on storage and picking services for retail and manufacturing customers, rather than storage per se. See P&O Cold Logistics (NZ) Limited / Eskimo Logistics Group Limited.

<sup>7</sup> [Emergent Cold proposed acquisition of AB Oxford Cold Storage Company | ACCC](#).

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wide geographic spread or for customers that do not require proximity to a port) for the following reasons.

- (a) The Parties' Overlapping Facilities and third party competing facilities are generally all able to supply, and do in fact compete to supply, a broad range of customers, including those requiring cold storage for dairy, seafood, meat, poultry, frozen vegetables, horticultural products and various other frozen or chilled foods. While different certifications may be required for each type of product stored, obtaining such certifications is simply a process to be undertaken. Not having a particular certification does not present a barrier to supplying customers whose products' require it.
- (b) Large cold storage customers do not require bespoke services: they generally also require cold storage, blast freezing and ancillary services. This is because customers' cold storage needs are not driven by their size, but rather by the needs of the products being stored. For example, a large dairy company would not require a different range of cold storage services to a small dairy company – the dairy products produced need to be kept cold between the customer's manufacturing facility and their end point (whether this is a port, distribution centre, etc.). While a customer with large third party requirements will, by definition, require more space for its products, customers have shown a willingness to split their cold storage suppliers across the country and even within regions – meaning an ability to supply the customer's entire requirements in the country or even within a region it is not a pre-requisite to securing that customer. For example:
  - (i) Lineage supplies some of New Zealand's largest and most geographically widespread customers, despite the fact that it is not present in every region in which such customers operate; and
  - (ii) more specifically, **[REDACTED]**.
- (c) Lineage considers that there is no sub-set of customers that require the cold storage facilities they use to be in close proximity to a port. Rather, what customers want is a cold store that is located along or near to transport corridors between their facility and the end point. A facility close to a port will achieve this, but so too will one closer to the customer's facility – which is why for instance there are large facilities located some distance from various ports.

14.3 Because the majority of demand for the cold store facilities in the overlap areas comes from the Waikato/Western BOP and Canterbury (being the key areas of primary production), Lineage considers that the relevant markets for the purposes of assessing the effects of the Transaction on competition are the:

- (a) market for the supply of third party cold storage services in the BoP/Waikato region; and
- (b) market for the supply of third party cold storage services in the Canterbury region.

14.4 Lineage has included Timaru in the market for the supply of third party cold storage services in the Canterbury region because customers' volumes in this region can (and are) moved between Timaru and Christchurch facilities. For example:

- (a) Lineage has facilities in both Christchurch and Timaru in which it stores products for **[REDACTED]**. These customers use both cold storage facilities and shift product between them from time to time; and
- (b) Lineage's customer **[REDACTED]** exports from Port Lyttleton, but Lineage stores its products in Timaru from time to time.

## Part F: Competitive Assessment

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### 15. Introduction

15.1 The Transaction will not have the effect or likely effect of substantially lessening competition in any New Zealand market because:

- (a) the merged entity will continue to face strong competition from a large number of well-resourced third party cold storage providers, such as Icepak, Coolpak Coolstores, Americold, RealCool, Port Pack, AvenueCool, Big Chill, [REDACTED] (which Lineage understands is establishing a [REDACTED] ) and others;
- (b) with relatively low barriers to entry and expansion, the threat of new entry into, and expansion by existing providers in, the relevant markets provides a substantial competitive constraint on Lineage;
- (c) many cold storage customers have a high degree of countervailing power – they have other options for sourcing cold storage (including self-supply, and bypassing local cold storage) and have a history of sponsoring new entry. Multi-site customers can also leverage nation-wide requirements to prevent localised price increases;
- (d) in relation to the BoP/Waikato regional market in particular [REDACTED]; and
- (e) in relation to the Canterbury regional market in particular:
  - (i) CSN is comparatively small, with only a [REDACTED] market share;
  - (ii) the Parties face strong constraint from Coolpak Coolstores and Americold, with market shares of [REDACTED] and [REDACTED], respectively; and
  - (iii) Lineage's cold storage facilities [REDACTED].

### 16. Competitive assessment

#### ***BoP/Waikato regional market***

16.1 Set out in the tables below are estimated market shares, based on pallet capacity, for the market for the supply of third party cold storage in the BoP/Waikato region.

16.2 Lineage has assessed market shares through the use of *pallet capacity*. This is because pallet capacity is the industry standard and is what Lineage uses internally. Alternative measures of capacity include by weight (tonnes) and floor area (m<sup>2</sup>). However, floor area is a less accurate measure of capacity than pallets, as cold storage facilities utilise vertical stacking / racking (which includes a volume dimension not captured by floor area). Weight is also a less accurate measure, as particularly heavy products do not take up additional capacity (although, in case it is useful to the Commission, Lineage notes that the members of the New Zealand Cold Storage Association (**NZCSA**) generally agree that one pallet equals one tonne).

16.3 The table below shows the estimated market shares based on current volumes, but also:

- (a) including the additional capacity planned at Lineage's Tauriko facility [REDACTED];
- (b) including new entry by Big Chill and [REDACTED]; and
- (c) excluding the volumes [REDACTED] and also those understood to be committed to [REDACTED].



BoP/Waikato – Estimated market shares <sup>8</sup>		
Participant	Pallet	Share
Lineage (Kerepehi)	[REDACTED]	[REDACTED]
Lineage (Tauriko, Tauranga) <sup>9</sup>	30000	[REDACTED]
CSN Te Maire (Tauranga) <sup>10</sup>	[REDACTED]	[REDACTED]
<b>Parties Combined</b>	[REDACTED]	[REDACTED]
[REDACTED] <sup>11</sup>	[REDACTED]	[REDACTED]
Big Chill (Ruakura) <sup>12</sup>	[REDACTED]	[REDACTED]
Port Pack (Tauranga)	[REDACTED]	[REDACTED]
RealCool (Tauranga)	[REDACTED]	[REDACTED]
Maleme Cold Storage (Tauranga)	[REDACTED]	[REDACTED]
Marsh Transport (Tauranga)	[REDACTED]	[REDACTED]
Icepak (Waharoa)	[REDACTED]	[REDACTED]
Cool Storage Express (Hamilton)	[REDACTED]	[REDACTED]
Aotearoa Park (Cambridge)	[REDACTED]	[REDACTED]
<b>Total</b>	[REDACTED]	100.00%

16.4 If the Commission would like to consider the split of cold storage capacity in the BoP/Waikato market between frozen and chilled storage, Lineage sets this out in the table below. However, Lineage notes that many of these figures are simply its best estimates.

Participant	Total	Frozen	Chilled
<b>BoP / Waikato</b>			
Lineage Kerepehi	[REDACTED]	[REDACTED]	[REDACTED]
Lineage Tauriko	30000	[REDACTED]	[REDACTED]
CSN (Te Maire) <sup>13</sup>	[REDACTED]	[REDACTED]	[REDACTED]
CSN (Sulphur Point)	[REDACTED]	[REDACTED]	[REDACTED]
Port Pack (Tauranga)	[REDACTED]	[REDACTED]	[REDACTED]
RealCool (Tauranga)	[REDACTED]	[REDACTED]	[REDACTED]
Maleme Cold Storage (Tauranga)	[REDACTED]	[REDACTED]	[REDACTED]
Marsh Transport (Tauranga)	[REDACTED]	[REDACTED]	[REDACTED]
Icepak (Waharoa)	[REDACTED]	[REDACTED]	[REDACTED]
Cool Storage Express (Hamilton)	[REDACTED]	[REDACTED]	[REDACTED]
Aotearoa Park (Cambridge)	[REDACTED]	[REDACTED]	[REDACTED]

<sup>8</sup> Lineage sourced its market share data for third parties primarily from NZCSA's website: [New Zealand Cold Storage Association \(coldstoragenz.org.nz\)](http://NewZealandColdStorageAssociation.org.nz) and from market intelligence. Size of new facilities and extent of likely third part commitments come from media reports and market intelligence. Estimates reflect future entry/expansion as appropriate.

<sup>9</sup> Currently not operational, but figure includes its full capacity (notwithstanding that will take some time to ramp up from the forecast [REDACTED] start date).

<sup>10</sup> [REDACTED].

<sup>11</sup> [REDACTED].

<sup>12</sup> Big Chill has announced plans for a new 16,000 pallet, 13,000m<sup>2</sup> cold store facility at the Ruakura Superhub. <https://www.stuff.co.nz/waikato-times/news/127776033/big-chill-distribution-to-have-major-footprint-at-ruakura-superhub>; and <https://www.nzx.com/announcements/387560>.

<sup>13</sup> [REDACTED].

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Big Chill	[REDACTED]	[REDACTED]	[REDACTED]

16.5 Lineage notes that [REDACTED].

*[REDACTED] does not provide a substantial competitive constraint*

16.6 [REDACTED] does not place a relevant competitive constraint on Lineage or the other third party cold storage providers in the region (neither currently nor in the counterfactual). This is because, [REDACTED].

16.7 As set out in the market share data above, [REDACTED] has a capacity of [REDACTED], equating to an effective useable capacity of [REDACTED]. [REDACTED]. (The difference reflecting the fact that a facility can never practically be operated at full capacity – with best practice maximum utilisation being around 87%.) [REDACTED].

16.8 [REDACTED].

16.9 The effect of this is that CSN (and post-Transaction Lineage) has a significantly smaller capacity available to compete for third party business than a simple assessment of its capacity would suggest.

*[REDACTED]*

16.10 [REDACTED].

*Majority of aggregation results from Lineage’s planned new entry*

16.11 While the planned Lineage Tauranga cold storage facility will have a capacity of 10,000 pallets on completion of phase one of its development ([REDACTED]), utilisation will take some time to build. Following its stage one development, the facility will proceed through [REDACTED] further development stages bringing it to a planned 30,000 pallets, but again with utilisation increasing over time. The facility is only expected to become operational (stage 1) in [REDACTED].

*CSN’s planned [REDACTED]*

16.12 [REDACTED].

*Strong competition from Icepak (Waharoa), [REDACTED] and Big Chill*

16.13 The merged entity will face strong competition from multiple, well-resourced third party cold storage providers in the BoP/Waikato region, which have significant positions. In particular, Icepak, [REDACTED] and Big Chill, further details of which are set out below.

(a) **Icepak**

- (i) A provider of storage and logistics capabilities for primary food producers and manufacturers throughout New Zealand. Icepak provides chilled, frozen and ambient storage at its eight New Zealand sites, with a total national storage capacity of approximately 76,000 pallets. It has three sites in Auckland, and additional sites in Waharoa, Oringi, Longburn, Feilding and Christchurch. Icepak additionally provides complementary services such as blast freezing, chill down, thaw down and cross docking. Icepak is export licenced, and provides a full range of logistics and management services.
- (ii) Icepak Waharoa (just north of Matamata) is currently the largest cold storage facility in the BoP/Waikato region. It has existing cold storage capacity of 27,000 pallets.

Icepak Waharoa provides the full range of cold storage services, including frozen and chilled storage, and blast freezing, primarily for dairy, meat, seafood and pet food.

- (iii) Icepak is owned by Halls Group, a refrigerated and frozen transport company. Halls Group has a large (500-plus) fleet of purpose-built units for line haul, short haul and metro services. Together with Icepak, Halls Group provides an end-to-end service: integrating refrigerated and frozen transport, cold storage, cross-docking, warehousing and distribution.<sup>14</sup>

(b) **[REDACTED]**

- (i) **[REDACTED]** is a large global logistics company, and is a provider of chilled and frozen storage facilities worldwide. **[REDACTED]** offers a broad range of cold storage facilities, and offers services such as blast chilling and freezing, palletising and de-palletising, pick and pack, packing and re-packing and cross docking. **[REDACTED]** storage facilities also offer atmosphere-controlled conditions, for example, for pharmaceutical products, to ripen certain fruits and to enable long-term cold storage for fresh fruits.
- (ii) **[REDACTED]** is not currently present in the BoP/Waikato region. However, Lineage understands from industry participants that **[REDACTED]**.
- (iii) **[REDACTED]**.
- (iv) There is a substantial amount of land at Ruakura available for expansion (which Lineage understands is the location of **[REDACTED]** planned cold storage facility). As set out below, the Ruakura Inland Port is surrounded by 263 hectares of industrial land and is connected with rail services that operate between MetroPort Auckland and Tauranga. It is also close to the Waikato expressway. All of which makes it a highly competitive option for the development of cold storage facilities.

(c) **Big Chill**

- (i) Big Chill is a nationwide freight carrier with nine depots positioned throughout New Zealand. Big Chill is well known player in temperature-controlled transport, specialising in fast moving consumer goods and time critical parcel freight, both chilled and frozen. Big Chill operates a fleet of over 200 temperature-controlled trucks and trailers and delivered more than 2 million shipments in 2018 through its nationwide network of depots and purpose-built cool stores. Big Chill is owned by NZX listed Freightways Limited.
- (ii) Big Chill recently announced that it has committed to a new 16,000 pallet facility in Tainui's Ruakura logistics hub (the "Ruakura Superhub"), which should be ready for completion by July 2023.<sup>15</sup> The Ruakura Superhub is located at the nexus of the golden triangle between Auckland and Tauranga and is anchored by an inland port adjacent to the East Coast Main Trunk rail line. Further details regarding the Ruakura Inland Port, which is connect with the Ruakura Superhub, are set out below.

*Constraint from other third party cold storage providers*

16.14 In addition to Icepak, **[REDACTED]** and Big Chill, the merged entity will face substantial competitive constraint from a large number of competitors with a smaller presence in the region, including Port Pack, RealCool, Maleme Cold Storage, Marsh Transport, Cool Storage Express and Aotearoa Park.

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<sup>14</sup> [Refrigerated & Frozen Transport - Hall's Group Ltd \(halls.co.nz\)](https://www.halls.co.nz/).

<sup>15</sup> <https://www.nzx.com/announcements/387560>.

(a) **RealCool**

RealCool has a storage facility in close proximity to the Port of Tauranga that offers chilled, frozen and ambient storage, with a capacity of around 6,000 pallets. RealCool offers a range of additional services, including blast freezing, export reefer packing, import reefer unloading, transitional facility, management, inventory stock controls, and has full MPI electronic certification. RealCool's website states it is able to blast-freeze over 120 tonnes of product within 24 hours. RealCool is a very experienced competitor, with over 120 years of experience in the cold storage industry.

(b) **Port Pack**

Port Pack & Cool Storage operates a licensed export and import cold store facility in Mount Maunganui, a short distance from the Port of Tauranga. It services both local and overseas companies, and offers frozen and chilled storage for approximately 4,000 pallets. Port Pack typically provides storage for the seafood, dairy, juice, pet food, honey and local market meat industries. In addition to its cold storage facilities, Port Pack offers risk and inventory management services, unloading and loading services, sorting services, re-palletising, pick to order service, bulk storage and organisation of transport.

(c) **Aotearoa Park**

Aotearoa Park is an industrial complex in Cambridge that provides cold storage and blast freezing facilities. The complex includes a range of additional infrastructure, such as ready-made office space for lease, bare land that is able to be developed, truck parking, distribution facilities, and food processing areas. It has capacity for 3,524 pallets of cold storage.

(d) **Maleme Cold Storage**

There is a cold storage facility at Maleme Place ('Maleme Cold Storage') that offers cold storage and blast freezing (albeit, that it undertakes blast freezing via RealCool's blast freezers).

(e) **Marsh Transport**

Brett Marsh Transport is a trucking company based in Tauranga that specialises in refrigerated food cartage. It has a fleet of 28 trucks carting chilled and frozen consignments to all destinations in New Zealand, and provides next day and same day services on demand. It also offers line haul and general cartage services, predominately for the dairy, kiwifruit, avocado and stone fruit industries.

Marsh Transport provides cold storage services (in addition to its cold transportation services), to food producers in New Zealand in competition with the Parties. For example, Lineage understands that Marsh Transport provides cold storage services to Bakels.

(f) **Cool Storage Express**

Cool Storage Express is a cold storage, freight forwarding and customs brokering provider. It operates a cold storage facility in Hamilton with the ability to store over 500+ pallets of dry goods, 500+ pallets of chilled goods and 1,200+ pallets of frozen goods, in addition to a 12-ton blast freezing facility. Cool Storage Express is licensed to store animal, dairy and non-animal products, and has a transitional certification enabling it to de-van import containers. Its storage services include blast freezing, frozen storage, chilled storage and ambient storage, and it also offers unpacking and palletising of sea containers.

*Constraint from threat of new entry*

16.15 In addition to the threat of existing competition (and known new entry), the merged entity will face substantial competitive constraint from the threat of new entry in the BoP/Waikato region.

16.16 Lineage considers that barriers to entry are relatively low for the following reasons.

**(a) Capital investment**

- (i) A greenfield cold storage facility with a capacity of 10,000 pallets could be established in two years, at a cost of approximately \$10 million. However, Lineage notes that this cost can be reduced substantially if an operator chooses to lease a new facility (as CSN does) or if they convert ambient storage to cold storage. While the up-front capital investment to establish a greenfield cold storage facility is not insubstantial, such investments are underpinned by strong, stable and long term revenue streams meaning there are numerous examples of such investment – including of course Lineage’s investment at Tauriko, [REDACTED] and Big Chill’s recently announced investment in Ruakura, but also Auckland (Big Chill); Christchurch (Bidfood); Christchurch (Big Chill) and Christchurch (Coolpak).
- (ii) Additionally, as demonstrated by Lineage’s proposed greenfield cold storage development in Tauranga, cold storage facilities can be developed in stages, allowing for staged capital expenditure, further reducing up front capex.

**(b) An absence of demand is unlikely to be an issue**

- (i) Port of Tauranga has experienced throughput growth of >60% since 2015, meaning there is strong demand for additional cold storage. The Port itself is incentivised to keep the transport and logistics infrastructure, including from inland through to the port, competitive and cost efficient for its customers.
- (ii) Demand for perishable foods (which typically require cold storage) has grown around the world as a result of population growth and, especially in Asia (a key New Zealand export market), a growing middle class, which have boosted export volumes from New Zealand.

**(c) Land availability does not present a barrier**

- (i) Cold storage providers need land that is zoned industrial or light industrial to establish a greenfield cold storage facility. Land availability does not present a barrier to entry into the Relevant Markets as there is a significant amount of land becoming available in the BoP/Waikato region and there is plenty of land already available in the Canterbury region. Further details regarding land availability in the BoP/Waikato region is set out below.
- (ii) In any event, re-configuration of existing sites and conversion of ambient to cold storage present a viable path to new entry.

**(d) Certifications do not present a barrier**

- (i) There are various certification requirements for cold storage facilities, including: Food Safety Plan (“FSP”), Risk Management Plan (“RMP”), Unique Location Identifier (ULI), Transitional Facility, Secure Export Scheme Partnership (“SESP”), and specific certifications for different markets, such as Halal Storage. These certifications are assessed and monitored by the Ministry of Primary Industries, other than FSP which is assessed by local councils (or AssureQuality) and SESP which is assessed by New Zealand Customs Service.
- (ii) While these certifications can be required, they do not present a barrier to entry or expansion. There is a process which all cold storage providers must go through to achieve certification, but there are no structural impediments to certification. Accordingly, it does not present a barrier to supplying any particular customer.
- (iii) Lineage notes that many cold storage facilities do not have all available certifications. This is not, however, a result of any inability of cold storage providers to obtain them. Rather, cold storage providers only obtain the certifications necessary to store their

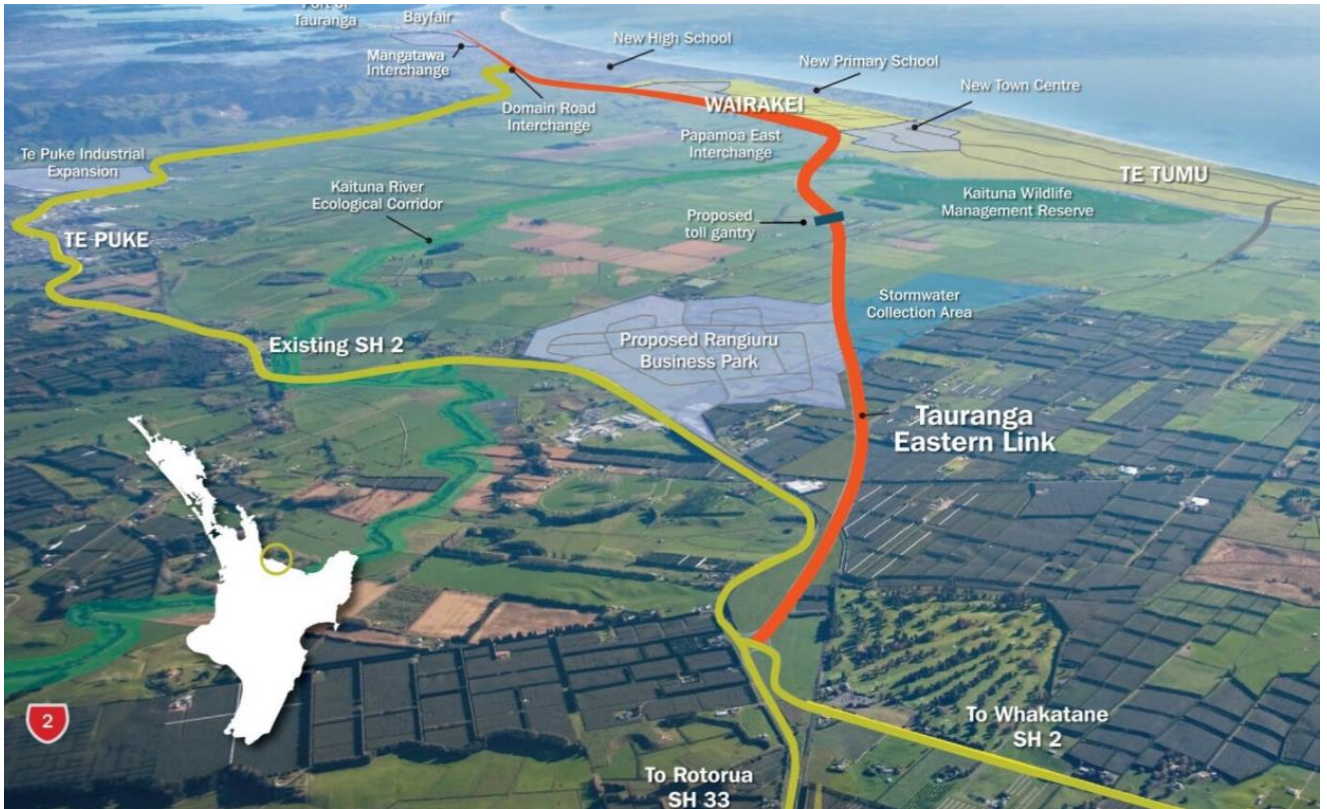
customers' products. Further details regarding the requisite certifications for cold storage are set out above under industry background.

*Land available for new entry and expansion*

16.17 In addition to the scope for new entry/expansion via re-configuration of existing sites and conversion of ambient to cold storage, there is also a substantial amount of industrial / light industrial land becoming available for new sites. The inland port at Ruakura (with all the post-related efficiencies that brings) is an obvious candidate, as are the following two developments, located close to the Port of Tauranga.

**(a) Rangioru Business Park**

- (i) [Rangioru Business Park \(RBP\)](#) is a large scale (148 net hectares) industrial development, which is currently just bare land. It is located directly adjacent to the Tauranga Expressway and beside the East Coast Main Trunk rail line – both being key transport modes serving the Port of Tauranga. The promoter of the RBP is Quayside Properties, a unit of the economic development arm of the Bay of Plenty Regional Council (and majority owner of the Port of Tauranga).
- (ii) The RBP development is planned to occur in four stages, with the latter stages being conditional on sales of land in the first. The first stage is to be undertaken in two parts, the first of which commenced in September 2021.
- (iii) Within approximately the next five years, the first stages of more than 200 ha of new industrial land at RBP and Tauriko (see below) is expected to come on stream in the greater Tauranga area. This is more than twice the size of present day Tauriko (which is understood to be ~80 hectares). Title for the first part of stage 1 is likely to be issued late in 2023 / early in 2024, and the first buildings are expected to be completed late in 2024 / early in 2025, although this could be earlier, e.g. if construction commences before title is issued (such as will likely occur at Lineage's new Tauriko facility). Further development depends on how quickly Stage 1a sells, but it is expected that RBP will provide a large industrial land bank for perhaps more than 15 years.
- (iv) A plan showing the scale of the RBP development, including the large amount of industrial land becoming available, is set out below.



(b) **Re-zoning of Tauriko – Tauriko Business Estate**

- (i) Recently, Tauranga City Council has proposed rezoning certain land at Tauriko to *industrial* to allow for further development. The land expected to be re-zoned is an adjacent parcel of circa 50-60 hectares.
- (ii) A map showing the scale and location of the Tauriko Business Estate is set out below.



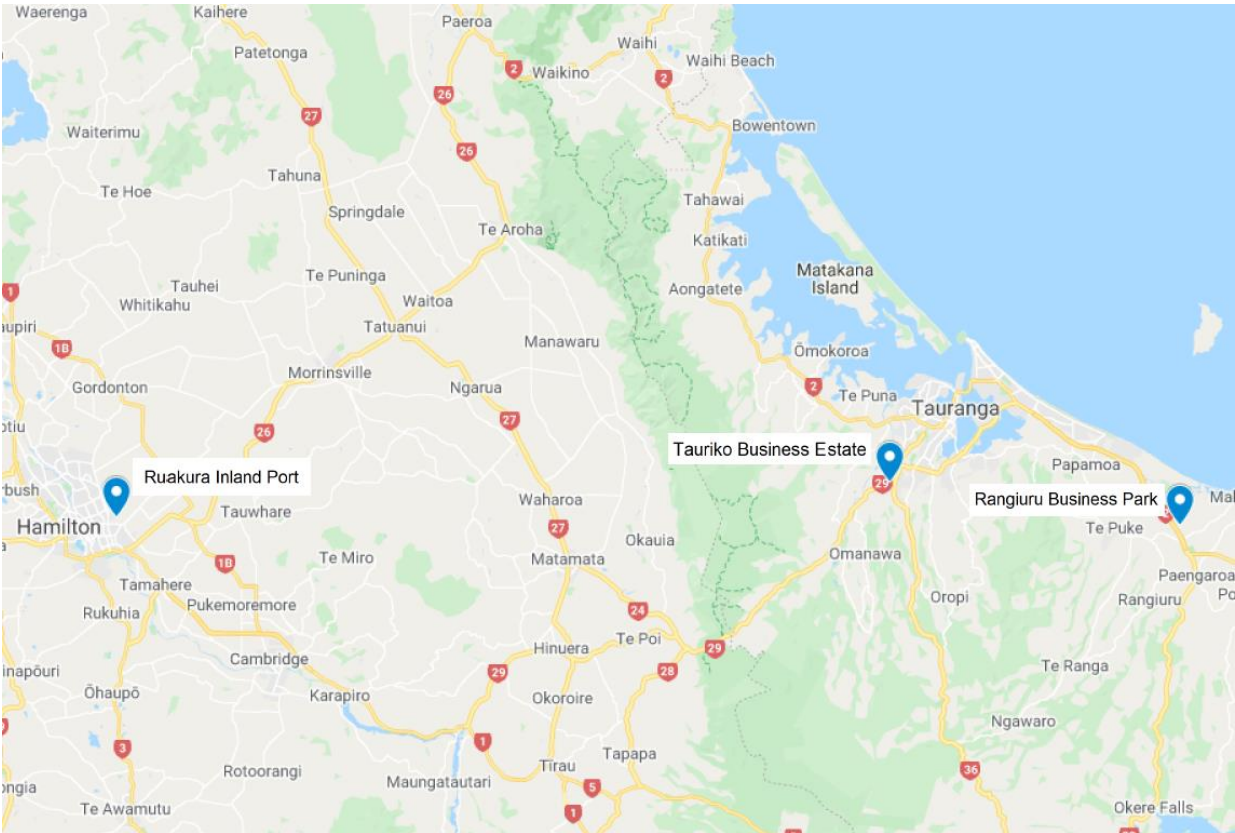
(c) **Ruakura Inland Port**

- (i) Port of Tauranga and its 50/50 joint venture partner, Tainui Group Holdings, are developing the Ruakura Inland Port, which they intend to be the premium logistics and industrial hub in New Zealand. It has been designed for businesses seeking supply chain savings, resilience and sustainability. Central to the development is a 30 hectare inland port, operated by the joint venture. The port will be surrounded by a 263 hectare industrial and logistics park with a mix of uses to help businesses thrive.
- (ii) The Ruakura Inland Port is also to be connected with rail services (with the 80+ trains per week) which will operate between MetroPort Auckland and Tauranga. This lowers the cost of temperature controlled product transportation, thereby making cold storage facilities in Ruakura more competitive.
- (iii) Land in Ruakura is ripe for cold storage development in the BoP/Waikato region, due to its access to rail connecting it to the Port of Tauranga and Auckland.
- (iv) A plan showing the scale of the Ruakura Inland Port development, including the large amount of industrial land available, is set out below.





16.18 The location of each of these three areas of land development are also marked on the map below:



16.19 The threat of new entry is made all the more strong by the fact that customers have shown a willingness to sponsor new entry. For example, earlier in 2021, [REDACTED]. Lineage understands from industry participants that [REDACTED] (as discussed in detail above).

**PUBLIC VERSION**

16.20 There are numerous strong, well-established cold storage providers which have large cold storage networks nationwide and / or globally, but which have a smaller or no presence in the BoP/Waikato region. These competitors could establish new cold storage facilities in response to an RFP / tender or an opportunity more generally. For example, Americold has a global network of cold storage facilities, spanning Europe, North and South America and Oceania, and has a network of seven cold storage facilities in New Zealand (in Auckland, Palmerston North and Christchurch). However, notably it has no presence in the BoP/Waikato region.

*Relevance of Port of Tauranga*

16.21 Despite the Port of Tauranga decommissioning a 20,000-pallet cold storage facility (to free up space for alternative port uses), it remains highly incentivised to keep the supply chain from inland through to the port competitive and cost efficient for its customers.

16.22 If Lineage was to attempt to increase prices post-Transaction, Lineage anticipates that Port of Tauranga would apply pressure to Lineage to bring pricing down to competitive levels or assist customers to find alternatives where it considered that was required. Port of Tauranga is also well resourced, and, as with its Ruakura investment (50/50 with Tainui Group Holdings) can facilitate industrial expansion in the region.

**Canterbury (including Timaru) regional market**

16.23 Set out in the table below are estimated market shares, based on pallet capacity, for the market for the supply of third party cold storage in the Canterbury region.

Canterbury (including Timaru)		
Supplier	Pallet	Share
CSN	[REDACTED]	[REDACTED]
Lineage (Christchurch)	[REDACTED]	[REDACTED]
Lineage Timaru	[REDACTED]	[REDACTED]
<b>Combined</b>	[REDACTED]	[REDACTED]
Coolpak Coolstores (Timaru)	[REDACTED]	[REDACTED]
Coolpak Coolstores (Christchurch)	[REDACTED]	[REDACTED]
<b>Combined Coolpak Coolstores</b>	[REDACTED]	[REDACTED]
Americold	[REDACTED]	[REDACTED]
Avenue Cool	[REDACTED]	[REDACTED]
Icepak	[REDACTED]	[REDACTED]
San Won (Timaru)	[REDACTED]	[REDACTED]
<b>Total</b>	[REDACTED]	<b>100.00%</b>

16.24 As can be seen, CSN is a very small player in the Canterbury region meaning there is a minimal market share increment, and hence no meaningful change to the competitive process as a result of the Transaction. In contrast, Coolpak and Americold are both much larger players, and are both well regarded and hence well placed to expand. Indeed, Coolpak has recently announced an expansion of its Rolleston site.<sup>16</sup>

16.25 In addition, Lineage’s cold storage facilities have [REDACTED].

<sup>16</sup> <https://www.stuff.co.nz/timaru-herald/news/125036652/south-island-coolstore-operation-expands-due-to-increase-in-primary-produce>

**PUBLIC VERSION**

16.26 If the Commission would like to consider the split of cold storage capacity in the Canterbury market between frozen and chilled storage, Lineage sets this out in the table below. However, Lineage notes that many of these figures are simply its best estimates.

Participant	Total	Frozen	Chilled
<b>Canterbury (including Timaru)</b>			
Lineage Christchurch	[REDACTED]	[REDACTED]	[REDACTED]
Lineage Timaru	[REDACTED]	[REDACTED]	[REDACTED]
CSN	[REDACTED]	[REDACTED]	[REDACTED]
Coolpak Coolstores (Timaru)	[REDACTED]	[REDACTED]	[REDACTED]
Coolpak Coolstores (Christchurch)	[REDACTED]	[REDACTED]	[REDACTED]
Americold	[REDACTED]	[REDACTED]	[REDACTED]
Avenue Cool	[REDACTED]	[REDACTED]	[REDACTED]
Icepak	[REDACTED]	[REDACTED]	[REDACTED]
San Won (Timaru)	[REDACTED]	[REDACTED]	[REDACTED]

*Strong competition from Coolpak Coolstores and Americold*

16.27 The merged entity will face strong competition from multiple, well-resourced third party cold storage providers in the Canterbury region, which have significant positions. In particular, Coolpak Coolstores and Americold, further details of which are set out below:

**(a) Coolpak Coolstores**

Coolpak Coolstores has facilities in Timaru and Rolleston, Christchurch, with a combined total of over 55,000 pallets of cold storage space (25,000 pallets in Rolleston and 30,000 in Timaru). It offers ambient, chilled and frozen storage, together with 280 tonnes of blast freezing capacity per day. In addition to its storage capacity, Coolpak offers a range of services, including inventory management, container devanning or packing (domestic and international), registered transitional facilities and transport to and from facilities with its own dedicated fleet.

Coolpak Coolstores has also recently announced an expansion of its cold storage facility in Rolleston. With many of Coolpak Coolstores' customers experiencing high business growth, it is expanding its existing 16,000 m<sup>2</sup> cool storage facility with an additional 2,200 m<sup>2</sup> of cold storage space. The new section of the facility is set to be operational by January 2023, which will allow Coolpak Coolstores to meet increased demand from growing customers.<sup>17</sup>

**(b) Americold**

Americold operates a global temperature-controlled storage and distribution network, and has storage capacity of 80,100 pallets in New Zealand through its cold storage facilities in Auckland (56,700 pallets), Palmerston North (5,300 pallets) and Christchurch (18,100 pallets). Americold offers ambient, chilled and frozen storage, as well as a full range of technologically advanced additional services, including reverse logistics, pick and pack, labelling and repacking, order assembly, bagging / cartonising, blast freezing and cross docking services.

<sup>17</sup> [Coolpak Coolstores Limited | Coolpak TMX Association.](#)

## PUBLIC VERSION

### *Constraint from other third party cold storage providers*

16.28 In addition to Coolpak Coolstores and Americold, the merged entity will face substantial competitive constraint from a large number of competitors with a smaller presence in the region, including Icepak and Avenue Cool.

(a) **Icepak**

Details regarding Icepak's national network and business are set out above.

Icepak's Christchurch facility offers ambient storage for 1600 pallets, chiller storage for 350 pallets and freezer storage for 1100 pallets. In addition to its storage capability, Icepak Christchurch offers a full range of related services, including order picking, pick & pack, container handling, distribution & transport and an approved transitional facility.

(b) **Avenue Cool**

Avenue Cool operate a cold storage facility in Wigram, Christchurch, offering frozen, chilled and dry storage options, with capacity of 2,000 pallets. Avenue Cool also offers refrigerated transport, picking, packing and distribution services. Its cold store is an approved transitional facility, with a racked frozen, chilled and accredited bio security site.

### *Constraint from threat of new entry*

16.29 As in the BoP/Waikato regional market, the merged entity will face substantial competitive constraint from the threat of new entry in the Canterbury region.

16.30 The time and cost of new entry into the Canterbury market is similar to that in the North Island. However, Canterbury has substantially more and significantly cheaper industrial land available than the BoP/Waikato region. This further reduces barriers to entry in this market.

16.31 There are also numerous strong, well-established cold storage providers which have limited or no presence in Canterbury. If Lineage were to attempt to increase prices above competitive levels, Lineage's competitors could easily establish new cold storage facilities in response. As in the North Island, this is particularly the case in large customer tenders / RFPs, where the customer could sponsor new entry or facilitate new entry by way of commitment.

## 17. **Competitive constraints present in both Relevant Markets**

### *Customers have other options and strong countervailing power*

17.1 As set out above, customers consider the entire cost of the supply chain when deciding their cold storage requirements. This involves the balancing of many different factors in addition to the cost of the cold storage itself, such as transportation costs to the cold storage facility and from the cold storage facility to their final local destination (e.g., port, or local distributor and retailers). Some customers have the ability to bypass or reduce demand. For example, a local food manufacturer may store its fresh produce in refrigerated containers and ship them directly to the export destination, where it is stored in cold storage facilities locally (or blast frozen on arrival and then stored).

17.2 Lineage sets out examples of this below.

(a) **[REDACTED]** has previously threatened to switch to cold storing its products out of market, thereby bypassing cold storage in New Zealand (storing more products off shore) reducing its requirements at **[REDACTED]**. It did this in response to Lineage's pricing on that occasion. Lineage did not change its price in response. Lineage notes for completeness that while **[REDACTED]** threatened to switch to out of market cold storage, it ultimately went to **[REDACTED]**.

(b) Lineage is the main cold storage provider for **[REDACTED]** in New Zealand. However, **[REDACTED]** also engages cold storage providers overseas (including Lineage). In the

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past, [REDACTED] has altered its supply chain arrangements to bypass cold storage in New Zealand when Lineage had insufficient capacity. Lineage considers that if it were to raise prices above competitive levels (or drop service levels), and [REDACTED] could not otherwise source cold storage at competitive levels in the Relevant Market (which, for the reasons set out above, is unlikely to be the case) [REDACTED] could similarly pivot to offshore cold storage, bypassing cold storage in New Zealand.

### *Customers can self-supply*

- 17.3 As set out above, all food manufacturer customers of cold storage providers have cold storage capacity at their manufacturing facility to store frozen and chilled food products. Large retailer and distributor customers of cold storage services also have access to in-house cold storage services for chilled and frozen products. If the merged entity were to attempt to increase prices above competitive levels post-Transaction, it expects (in addition to switching to competitors) customers would also look to leverage the self-supply options.
- 17.4 Lineage estimates that it would take a customer around 24-36 months to switch from a third party cold storage supplier to self-supply from scratch. A party such as [REDACTED] (as discussed below) with well-established self-storage, could extend its facility in 12-18 months. Those timeframes, in the context of a negotiation in relation to future cold-storage pricing, is a credible constraint.
- 17.5 Lineage sets out below examples of such constraints operating in practice.
- (a) In 2017, [REDACTED].
  - (b) In 2018, [REDACTED].
  - (c) In Australasia, Ingham's have been progressively building their own facilities and exiting Lineage facilities.
  - (d) [REDACTED] has the capability to be self-sufficient in cold storage.

### *Multi-site customers can constrain attempts to exercise localised market power*

- 17.6 While, strictly speaking, a customer cannot switch demand for storage in Auckland to a Timaru site (which is why information is provided on a regional basis), many customers contract with Lineage for storage in multiple locations. Any attempt by Lineage to purport to exercise market power in, say, BoP/Waikato would likely also provoke a response by that customer in other markets and thus constrain Lineage in other locations.

## 18. **No coordinated effects**

- 18.1 Lineage considers the third party cold storage markets in New Zealand are not vulnerable to coordination for the following reasons.
- (a) Prices are not transparent. Arrangements are the subject of bilateral negotiations and as such there is no 'price list' to facilitate the co-ordination of, and the detection of any cheating on, a tacitly colluded price.
  - (b) The Relevant Markets consist of competitors of many different sizes, including global, regional and local players, with different cost basis and margin requirements.
  - (c) The Transaction will not result in the removal of a maverick competitor.
  - (d) The Relevant Markets are characterised by strong customers with a substantial degree of countervailing power (and practical options to exercise this power, including sponsored new entry, self-storage and avoidance of local cold storage).
- 18.2 The Transaction does not change any of these factors and hence cannot be said to facilitate the exercise of coordinated market power.

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### **19. No vertical or conglomerate effects**

19.1 There is no vertical or conglomerate relationship between the Parties that is relevant to the assessment of the Transaction.

## Part G: Confidentiality

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### 20. Reasons for seeking confidentiality

20.1 Confidentiality is sought in respect of the information in this application that is highlighted blue (being Lineage's confidential information) and green (being CSN's confidential information) (the **Confidential Information**). Confidentiality is sought for the Confidential Information for the purposes of section 9(2)(a) and 9(2)(b) of the Official Information Act 1982 on the following grounds.

- (a) The Confidential Information is commercially sensitive and valuable information which is confidential to either, or both, Parties.
- (b) Disclosure of the Confidential Information would be likely to prejudice unreasonably the commercial position of the Parties.
- (c) To protect the privacy of natural persons.

20.2 Lineage requests that it is notified if the Commission receives any request under the Official Information Act 1982 for the release of any part of the Confidential Information. They also request that the Commission seek and consider their views as to whether the Confidential Information remains confidential and commercially sensitive before it responds to such requests.

**Part H: Declaration**

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I, \_\_\_\_\_, have prepared, or supervised the preparation, of this notice seeking clearance.

To the best of my knowledge, I confirm that:

- all information specified by the Commission has been supplied;
- if information has not been supplied, reasons have been included as to why the information has not been supplied;
- all information known to me that is relevant to the consideration of this notice has been supplied; and
- all information supplied is correct as at the date of this notice.

I undertake to advise the Commission immediately of any material change in the circumstances relating to the notice.

I understand that it is an offence under the Commerce Act to attempt to deceive or knowingly mislead the Commission in respect of any matter before the Commission, including in these documents.

I am a director/officer of the company and am duly authorised to submit this notice.

**Name and title of person authorised to sign:**

\_\_\_\_\_

**Sign:** \_\_\_\_\_

**Date:** \_\_\_\_\_

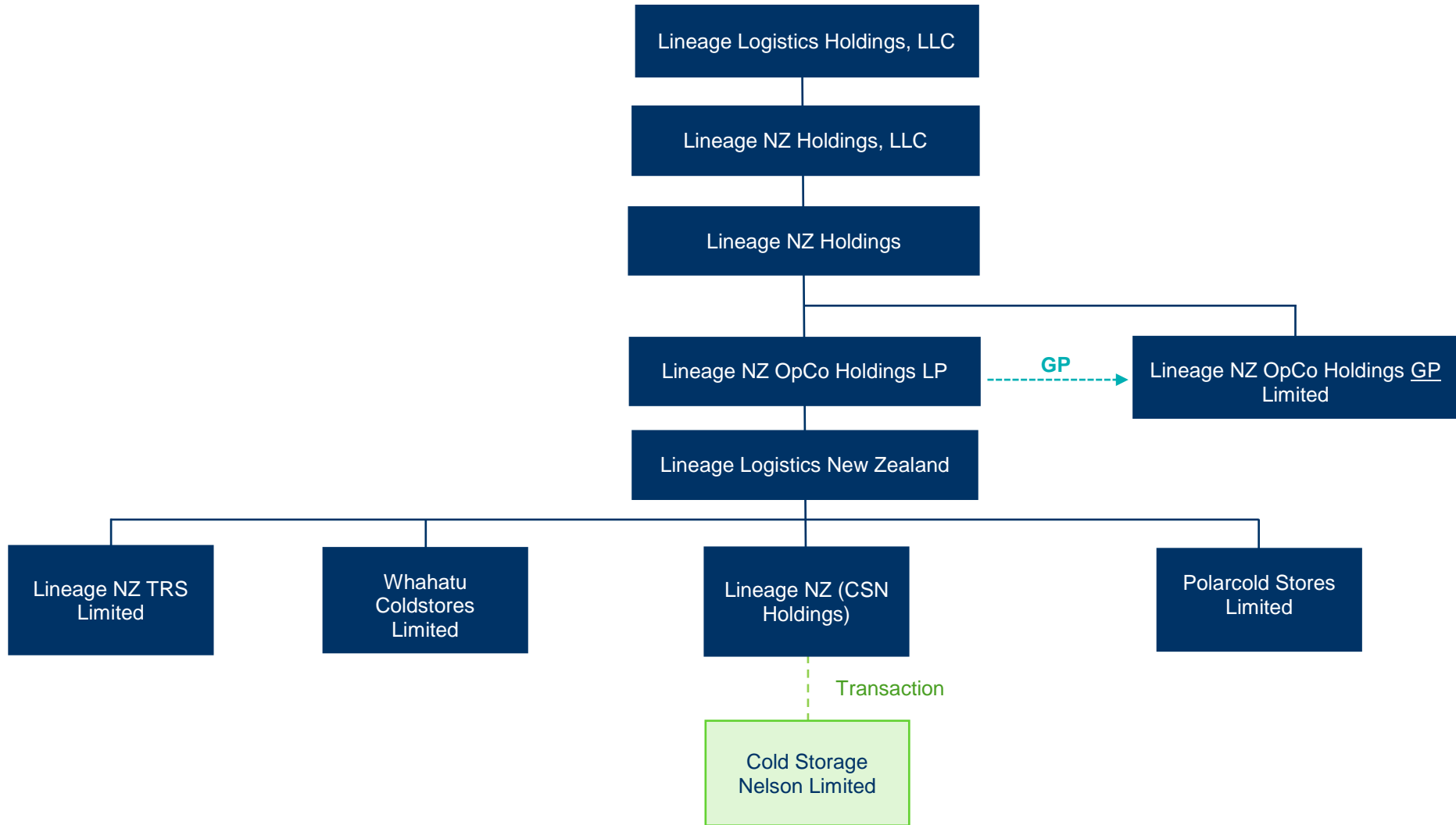


**Part I: Appendices**

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<b>Appendix 1</b>	Lineage’s structure chart
<b>Appendix 2</b>	Lineage’s New Zealand cold storage facilities
<b>Appendix 3</b>	Lineage’s 2020 and 2019 Annual Reports
<b>Appendix 4</b>	Lineage’s annual revenue for the last two financial years
<b>Appendix 5</b>	Lineage’s key competitors and trade or industry associations
<b>Appendix 6</b>	Lineage’s key customers
<b>Confidential Appendix 7</b>	Copies of Lineage’s internal documents
<b>Appendix 8</b>	CSN’s structure chart
<b>Appendix 9</b>	CSN’s cold storage facilities
<b>Confidential Appendix 10</b>	CSN’s 2021 and 2020 Annual Reports and financial statements
<b>Confidential Appendix 11</b>	CSN’s annual revenue for the last two financial years
<b>Appendix 12</b>	CSN’s key competitors and trade or industry associations
<b>Confidential Appendix 13</b>	CSN’s key customers
<b>Appendix 14</b>	Sale and Purchase Agreement
<b>Confidential Appendix 15</b>	CSN’s plans in the counterfactual
<b>Appendix 16</b>	Maps showing the locations of the Parties’ and their competitors’ facilities and key infrastructure

Appendix 1 – Lineage’s structure chart



Appendix 2 – Lineage’s New Zealand cold storage facilities

No.	Region	Facility type	Facility	Services provided
1.	Auckland	Public warehouse	Auckland	<b>Core services:</b> Cold storage (capacity of [REDACTED]). <b>Additional services:</b> Blast freezing; case picking; full electronic data interchange (EDI) capabilities.
2.	Waikato	Regional distribution centre	Kerepehi	<b>Core services:</b> Cold storage (capacity of [REDACTED]). <b>Additional services:</b> Full EDI capabilities
3.	Bay of Plenty	Active construction greenfield	Tauranga	Phase 1 opening planned for [REDACTED]. <b>Core services:</b> Cold storage (capacity of 10,000 pallets at opening and [REDACTED] pallets soon after. Ability at a future date to expand to 30,000 pallets in [REDACTED] extra stages). Further details regarding the development of this site are set out elsewhere in this Application.
4.	Hawke’s Bay	Port location	Hawke’s Bay - E Block	<b>Core services:</b> Cold storage (capacity of [REDACTED]). <b>Additional services:</b> Blast freezing; case picking; full EDI capabilities.
5.	Hawke’s Bay	Public warehouse	Hawke’s Bay - Kirkwood Road	<b>Core services:</b> Cold storage (capacity of [REDACTED]). <b>Additional services:</b> Blast freezing; full EDI capabilities.
6.	Hawke’s Bay	Port location	Hawke’s Bay - Port store	<b>Core services:</b> Cold storage (capacity of [REDACTED]). <b>Additional services:</b> Full EDI capabilities.
7.	Hawke’s Bay	Port location	Hawke’s Bay - Railway Road	<b>Core services:</b> Cold storage (capacity of [REDACTED]). <b>Additional services:</b> Full EDI capabilities.
8.	Hawke’s Bay	Port location	Hawke’s Bay - Whakatu Industrial Park	<b>Core services:</b> Cold storage (capacity of [REDACTED]). <b>Additional services:</b> Case picking; full EDI capabilities.
9.	Canterbury	Regional distribution centre	Christchurch - Braeburn Drive	<b>Core services:</b> Cold storage (capacity of [REDACTED]). <b>Additional services:</b> Blast freezing; case picking; and full EDI capabilities.

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10.	Canterbury	Dedicated or leased warehouse	Christchurch - Broad Street	<p><b>Core services:</b> Cold storage (capacity of [REDACTED]), but none available to compete for new customers).</p> <p><b>Additional services:</b> Full EDI capabilities</p> <p>This warehouse is dedicated to <b>Wattie's</b>.</p>
11.	Canterbury	Public warehouse	Christchurch - Canada Crescent	<p><b>Core services:</b> Cold storage (capacity of [REDACTED]).</p> <p><b>Additional services:</b> Blast freezing; case picking; full EDI capabilities.</p>
12.	Canterbury	Port location	Christchurch - Curries Road	<p><b>Core services:</b> Cold storage (capacity of [REDACTED]).</p> <p><b>Additional services:</b> None</p>
13.	Canterbury	Dedicated or leased warehouse	Christchurch - Foundry Drive	<p><b>Core services:</b> Cold storage (capacity of [REDACTED]), but none available to compete for new customers).</p> <p><b>Additional services:</b> Case picking; full EDI capabilities.</p> <p>This warehouse is dedicated to <b>Silver Fern Farms</b> and <b>Wattie's</b></p>
14.	Canterbury	Regional distribution centre	Christchurch - Springs Road	<p><b>Core services:</b> Cold storage (capacity of [REDACTED]).</p> <p><b>Additional services:</b> Blast freezing; case picking; full EDI capabilities.</p>
15.	Canterbury	Port location	Timaru - Butter Store	<p><b>Core services:</b> Cold storage (capacity of [REDACTED]).</p> <p><b>Additional services:</b> Full EDI capabilities.</p>
16.	Canterbury	Port location	Timaru - Dawson Street	<p><b>Core services:</b> Cold storage (capacity of [REDACTED]).</p> <p><b>Additional services:</b> Blast freezing; case picking; full EDI capabilities.</p>
17.	Canterbury	Port location	Timaru - DB 2	<p><b>Core services:</b> Cold storage (capacity of [REDACTED]).</p> <p><b>Additional services:</b> Full EDI capabilities.</p>
18.	Otago	Port location	Dunedin - French Street	<p><b>Core services:</b> Cold storage (capacity of [REDACTED]); and port-centric warehousing.</p> <p><b>Additional services:</b> Case picking; and full EDI capabilities.</p>
19.	Otago	Regional distribution centre	Dunedin - Silverstream	<p><b>Core services:</b> Cold storage (capacity of [REDACTED]).</p> <p><b>Additional services:</b> Blast freezing; case picking; full EDI capabilities.</p>

**Appendix 3 – Lineage’s 2020 and 2019 Annual Reports**

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Provided as separate document.

Appendix 4 – Lineage’s annual revenue for the last two financial years

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Financial year	Revenue
2020	[REDACTED]
2019	[REDACTED]

Appendix 5 – Lineage’s key competitors and trade or industry associations

Key competitors	Contact details
Americold (National)	Tavita Sao. Director Operations NZ. <b>[REDACTED]</b>
Cool Pack (National)	Sid McAuley Managing Director <b>[REDACTED]</b>
Icepak (National)	Aaron Chudleigh Director of Transport <b>[REDACTED]</b>
Big Chill	David Emery Gen Mgr Operations. <b>[REDACTED]</b>
EverestKool	Chandana Lokuge. NZ General Manager <b>[REDACTED]</b>

Association	Contact details
The New Zealand Cold Storage Association Incorporated	Bruce Mulligan President <b>[REDACTED]</b>

Appendix 6 – Lineage’s key customers

No.	Key customers – nationally	Revenue	Contact details
1.	[REDACTED]	[REDACTED]	[REDACTED]
2.	[REDACTED]	[REDACTED]	[REDACTED]
3.	[REDACTED]	[REDACTED]	[REDACTED]
4.	[REDACTED]	[REDACTED]	[REDACTED]
5.	[REDACTED]	[REDACTED]	[REDACTED]

\* [REDACTED].



No.	Customer	Revenue	Contact details
<b>BoP/Waikato</b>			
1.	[REDACTED]	[REDACTED]	[REDACTED]
2.	[REDACTED]	[REDACTED]	[REDACTED]
3.	[REDACTED]	[REDACTED]	[REDACTED]
4.	[REDACTED]	[REDACTED]	[REDACTED]
5.	[REDACTED]	[REDACTED]	[REDACTED]
<b>Canterbury</b>			
1.	[REDACTED]	[REDACTED]	[REDACTED]
2.	[REDACTED]	[REDACTED]	[REDACTED]
3.	[REDACTED]	[REDACTED]	[REDACTED]
4.	[REDACTED]	[REDACTED]	[REDACTED]
5.	[REDACTED]	[REDACTED]	[REDACTED]

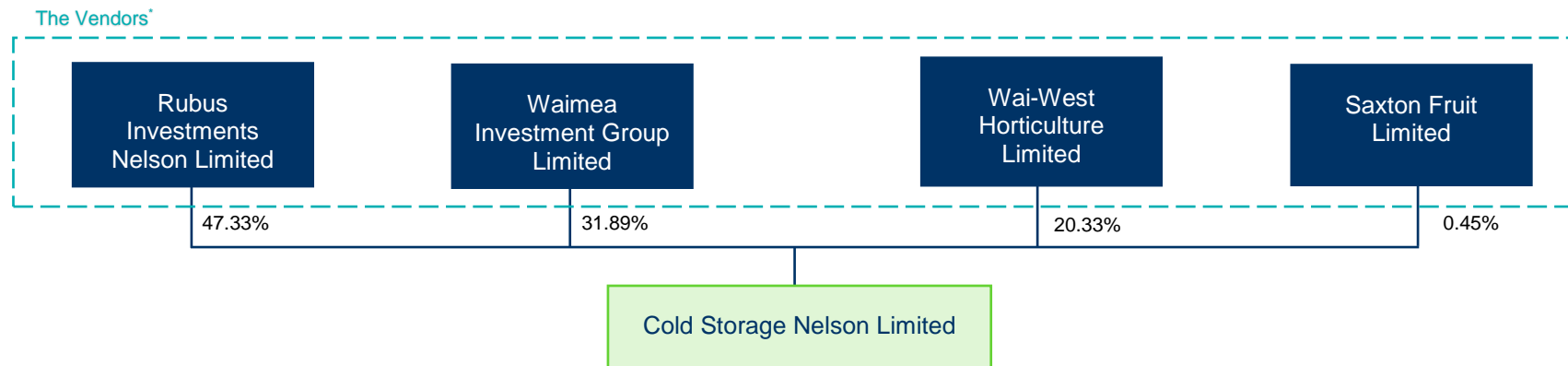
**Confidential Appendix 7 – Copies of Lineage’s internal documents**

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Copies of Lineage’s relevant internal documents will be provided with the final application as **Confidential Appendix 7**.

Appendix 8 – CSN's Structure Chart

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\* The Vendors are predominantly owned by a wide range of individuals.

Appendix 9 – CSN’s cold storage facilities

No.	Region	Facility	Services provided and other key details
1.	Bay of Plenty	CSN Sulphur Point	<ul style="list-style-type: none"> <li>• Located inside the Port of Tauranga, the biggest export port in the country</li> <li>• Able to cater for a full range of goods, including dairy, meat, fish, and French fries</li> <li>• Offers freezer and chilled storage facilities, as well as a large blast freezing facility</li> <li>• Fully outfitted: wireless barcode recognition technology, inventory tracking &amp; provides access online through client login</li> <li>• <b>[REDACTED]</b></li> <li>• SES approved</li> <li>• Transitional facility</li> <li>• <b>[REDACTED]</b></li> <li>• <b>[REDACTED]</b></li> </ul>
2.	Bay of Plenty	CSN Te Maire	<ul style="list-style-type: none"> <li>• Located near Port of Tauranga, the biggest export port in the country</li> <li>• Able to cater for a full range of goods, including dairy, meat, fish, mussels and French fries</li> <li>• Offers freezer and blast freezing facilities</li> <li>• Can arrange container transport from storage to wharf</li> <li>• Fully outfitted: wireless barcode recognition technology, inventory tracking &amp; provides access online through client login</li> <li>• <b>[REDACTED]</b></li> <li>• <b>[REDACTED]</b></li> <li>• <b>[REDACTED]</b></li> <li>• Mostly export (albeit with some import)</li> <li>• All cold storage is from Port of Tauranga</li> </ul>
3.	Tasman	Nelson cold storage facility	<ul style="list-style-type: none"> <li>• Located at the Port of Nelson</li> <li>• Operates as a freezer and a cool store, with a focus on apples and fish products for export</li> <li>• <b>[REDACTED]</b></li> </ul>

			<ul style="list-style-type: none"> <li>Fully outfitted with wireless barcode recognition technology, inventory tracking and access online through client login.</li> <li><b>[REDACTED]</b></li> <li>Transitional facility</li> <li>SES approved</li> </ul>
4.	Tasman	Richmond cold storage facility	<ul style="list-style-type: none"> <li>Located in the fruit-growing region of Tasman</li> <li>Mostly used for storing berries, kiwifruit, pip-fruit and dairy</li> <li>Offers chilled storage, frozen storage, dry storage and controlled atmosphere storage</li> <li>Fully outfitted with wireless barcode recognition tech, inventory tracking and access online through client login</li> <li><b>[REDACTED]</b></li> <li>Transitional facility</li> <li>SES approved</li> <li><b>[REDACTED]</b></li> </ul>
5.	Canterbury	Christchurch cold storage facility	<ul style="list-style-type: none"> <li>Freezer and cool store facilities, with a focus on local manufacturing and food services</li> <li>Focuses on local manufacturing and food service. Delivers to retail food service outlets</li> <li>Fully outfitted with wireless barcode recognition technology, inventory tracking and access online through client login</li> <li><b>[REDACTED]</b></li> <li>Transitional facility</li> <li>SES approved</li> <li><b>[REDACTED]</b></li> </ul>

**Confidential Appendix 10 – CSN’s 2021 and 2020 Annual Reports and financial statements**

Provided as separate document.

**Confidential Appendix 11 – CSN’s annual revenue for the last two financial years**

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Provided as separate document.

**Appendix 12 – CSN’s key competitors and trade or industry associations**

Key competitors	Contact details
Americold (National)	Andrew Mates (Managing Director) <b>[REDACTED]</b>
Icepak (National)	Michael Van Staden (National Operations Manager) <b>[REDACTED]</b>
Cool Pack (National)	Sid McAuley Managing (Director) or Myra Robertson (Executive Director) <b>[REDACTED]</b>
Tasman Coldstore (Nelson / Tasman)	Steve Wallace <b>[REDACTED]</b>
Realcool (Bay of Plenty)	Karen Carruthers (Manager) <b>[REDACTED]</b>

Association	Contact details
The New Zealand Cold Storage Association Incorporated	Bruce Mulligan President <b>[REDACTED]</b>



**Confidential Appendix 13 – CSN’s key customers**

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Provided as separate document.

**Appendix 14 – SPA**

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Provided as separate document.

**Confidential Appendix 15 - CSN's plans in the counterfactual**

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Provided as separate document.

**Appendix 16 - Maps showing the locations of the Parties' and their competitors' facilities and key infrastructure**

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Provided as separate document.