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## Massive Māori operation Ātīhau Whanganui has breeding, finishing and dairy farms

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Shareholders and managers tour the farms.

Ātīhau Whanganui Incorporation is a large Māori farm which runs from Ohakune through back country to Whanganui.

The farm is run by chief executive Andrew Beijeman who is supported by business manager, Siwan Shaw, 10 farm managers and an apiary manager for honey collecting.

Ātīhau Whanganui made a surplus before depreciation of about \$2.4 million last year. About \$360,000 went to the trust which governs the company with a further \$650,000 distributed through dividends. Another \$1.4m went back into the farms to pay for more fencing, water reticulation, subdivision as well as growing bee keeping.

PHOTO: QUENTIN BEDWELL/SUPPLIED

Atihau Whanganui farms have 2400 hives of their own and want to expand.

"It's a necessity. Without the money going back into the farms, we would be going backwards," says Beijeman.

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The falling wool price cost it dearly yet shearing expenses remain the same, he says.

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Atihau Whanganui Incorporation map of farms' locations.

"The change in wool price will cost Ātīhau Whanganui, about \$1.2m this year compared with what we made two years ago."

The company has about 50 staff and a breeding/finishing unit is used to train new staff. They are housed in an accommodation unit for one year before going onto one of the other farms for a second year. This year three trainees are going through their second year of training, and next year six will start.

Beijeman says they are well supported by a practical tutor and a kaiawhi.

PHOTO: QUENTIN BEDWELL/SUPPLIED

Manukā beehives on Atihau Whanganui farms.

He says they can apply for jobs at AWHI farms if there is a vacancy, otherwise they are qualified shepherds and will find employment in the industry, hopefully one day making their way back.

Beijeman says they look for managers who have managed large scale farms, who have leadership and people skills and fit in with the team. It is also important that managers have a sound technical base and are quick to make decisions and ask for help when they need it.

He says the incorporation includes "one dairy farm and two finishing farms on some of the best soil around".

PHOTO: QUENTIN BEDWELL/SUPPLIED

Atihau Whanganui Incorporation chief executive Andrew Beijeman.

They are on the red volcanic soils around Ohakune. Two breeding and finishing properties and five breeding properties are on rougher country.

He says most lambs and all cattle from the breeding units are finished ready for processing on the finishing farms with only a few lambs sold as store lambs - yet to finished for slaughter.

Ātīhau Whanganui manages 42,000ha with about 9500ha leased out.

Of the 32,500ha operated by its management, 21,330ha is in pasture running sheep and cattle. The remainder is in native bush, reverting mānuka and pine tree plantations.

On this base is run 75,000 ewes and 4000 beef cows. The dairy unit has 700 cows.

Ātīhau Whanganu started between 1902 and 1904 when Whanganui Māori landowners vested about 101,000 acres in the Aotea District Māori Land Council, as a means of protecting it from sale.

The incorporation was formed in 1970 and its purpose was to take back and manage the land that was vested in the council. To resume leased land, AWHI had to buy improvements from the lessees.

The land was returned in various state of disrepair.

"First in 1902, then again in 1970 the owners of AWHI fought to maintain control over their land so that future generations could benefit from its ownership," says Beijeman.

After a period of rapid growth, it was felt a change in management structure was needed in 2007. The management committee appointed its first chief executive and the committee moved into a governance role.

Today the operation is a fully fledged corporate farmer with close to 9000 shareholders. The shareholders are spread throughout the world but most of them are still around Whanganui.

The total turnover is \$20m a year, and that creates a total income of about \$4m.

Beijeman says they have several challenges ahead as Ātīhau Whanganu works to increase production without incurring additional costs.

"Insufficient infrastructure is a major limitation to productivity gains. More than 300 kilometres of fencing has been mapped out. With fencing water, yards and fertiliser, \$13m is the forecast cost to bring the farms up to an optimal state."

Greater subdivision of paddocks, along with improved water reticulation will allow rotational grazing to be used to its fullest advantage, he says.

Beijeman says that will increase pasture growth and utilisation, improve pastures and hopefully reduce the reliance on winter crops.

"As gains are made, AWHI will be in a better position to manipulate pasture quality, and animal intakes through management."

He tries to get out on one of the farms at least each month.

Ātīhau Whanganu likes to stick to its debt to equity ratio without going over that with more debt, he says.

Beijeman says there has been lots of progress when it comes to stock production in the past two years, but there is more to do with fencing, water reticulation and subdivision in paddocks.

He says while AWHI's history is unusual, the challenges the business faces and its plans for managing them is mostly similar to other New Zealand farms.

"We want to deliver the New Zealand story and improve aspects of product quality if we are to be competitive in the future."

He says AWHI wants to have less impact on the environment.

It is retiring land and allowing some of it to revert to mānuka for honey production.

"Waterways are being planted and fenced off from stock and about 3500ha are protected under Nga Whenua Rahui covenants."

Beijeman says AWHI is "always improving" on environmental issues.

"Our next goal is to provide a corridor from the mountain [Ruapehu] to the Whanganui River. It will be a corridor for birds. We have almost done that, but we have a few gaps to fill in."

"And we are working with the fertiliser company Ravensdown to make sure fertiliser goes on the land. It is targeted so that each square metre is getting the fertiliser it requires, not a blanket application."

Beijeman says there are plenty of opportunities to grow the business such as producing more manuka honey from scrub on the hills.

"We have 2400 hives of our own, and there are 3500 hives on the property in total [some are owned by others]."

"Our mānuka flowers late here, about December to January. This means when that when our manuka is flowering, the weather is right for bees to be flying. Because of this our honey production has been fairly consistent over the last three years."

He says mānuka honey is worth about eight times more than clover honey.

Beijeman says ecological development on the farms is exciting.

"Mitigating our effect on the environment is not just the right thing to do, but it is also critical to AWHI's value strategy. AWHI is working on improving both its environmental and animal welfare story."

He says an internal culture is being developed at AWHI so people think about the demands of the end customer.

"The intergenerational approach of ownership [owned by future generations] is a driving force behind AWHI's strategy ownership. Decision-making takes into account impacts and outcomes which may occur over multiple generations. Our decision horizon extends beyond the next five to 10 years."