

For fresh fruit and vegetable marketing and distribution in Asia



By Gabrielle Easter

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## Scales acquires Longview NZ

Scales Corporation has acquired Hawke's Bay apple grower-packer Longview through its subsidiary Mr Apple



**L**eading New Zealand business Scales Corporation has acquired Longview New Zealand through its subsidiary Mr Apple for NZ\$20.5m (US\$14.95m).

The standalone grower-packer-marketer in Hawke's Bay is expected to see Scale's earnings per share increase 4 per cent in FY2017, with the transaction including 76ha of orchard and bare land leased by Longview, as well as 22ha of orchards surrounding the Longview packhouse and coolstores, and a further 17ha of orchards.

"We are extremely pleased to announce the acquisition of Longview and nearby orchards today," said Andy Borland, Scales' managing director, in

a statement released 3 November. "The Longview team is highly capable and very experienced and shares a strong customer-focused and apple quality alignment with Mr Apple."

Longview sold 62 per cent of its 530,000 TCEs (tray carton equivalents) to Asia in 2016, with the China Fruit Marketing Association recognising Longview as one of the top ten brands of fruit imported into China, Borland added.

"Our strategy is to become the preferred supplier of apples within the Asian region. Longview's focus on near markets makes it a highly compelling addition to our existing operations."

The transaction is expected to be completed by 7 November

2016, and will take Mr Apple's total planted apple orchard area to 85ha, with 30ha of bare land for future development.

"We have a strong track-record for improving the productivity of orchards we lease and expect no less from these orchards. In addition, the transaction extends our network of independent Hawke's Bay growers by approximately 300,000 TCEs." Borland said.

Longview's modern packhouse and coolstore facilities will provide Mr Apple with increased post harvest capacity, as well as operation efficiencies.