



ATEED

Leading the successful transformation
of Auckland's economy



HE MIHI

*E tū noa ana nga maunga
whakahii i te riu o
Tāmaki Makaurau.
E whakaruruhau ana
i nga ahikaa mai tawhiti.
E maumahara ana
i te nguha a Mataoho.*

*Rātou kua poto ki tua o te ārai,
e moe e okioki.*

*Tātou te hunga ora e kawe ana i te
aronganui mō te pai me te whai rawa o
Tamaki, tēna rā tātou katoa.*

*The volcanic cones of Tāmaki Makaurau
stand as sheltering monoliths to the people
from an ancient heritage who have kept
the home fires burning as a symbol of
remembrance of Mataoho whose rage
created this beautiful landscape.*

*To those who have passed into the night,
may you find eternal rest.*

*For those of us who have been left behind
to build the most liveable city in the world,
greetings to us all.*



Contents

01

Build a culture of innovation and entrepreneurship	6
Why & How?	7
Achievements	8
What's next?	9
GridAKL continues to thrive	10
Vital research gives Auckland companies a US boost	11
Lighting up innovation at Fieldays	12
FoodBowl finds the right recipe	13
Food and beverage workshops on the menu	13
Revolution Fibres spinning their way to success	14
CleanPaleo charming consumers	15
Fuelling the Māori economic powerhouse	16

02

Attract new business and investment	18
Why & How?	19
Achievements	20
What's next?	20
Tripartite summit a great success	21
Finding gold on the US West Coast	22
Life's just fine for Westbourne in Auckland	23
<i>Shannara Chronicles</i> signals screen industry's boom year	24
'India week' creates legacy of opportunities	26

03

Enable talent and education	27
Why & How?	28
Achievements	29
What's next?	29
Focus on migrant contribution	30
Auckland features at job expos	30
New programme for international students	31

04

Grow a skilled workforce	32
Why & How?	33
Achievements	34
What's next?	34
A focus on youth employment	35
Kick start for IdeaStarter	36
Saying YES to future businesspeople	37

05

Grow the visitor economy	38
Why & How?	39
Achievements	40
ATEED's major accolades	41
What's next?	41
Mining GEMs in China	42
Super yacht programme sets sail	43
Auckland advocate programme to drive business events growth	44
Football (and Auckland's economy) was the winner	45
Tourism team's Virtuoso performance	46

06

Build Auckland's brand and identity	47
Why & How?	48
Achievements	49
What's next?	49
A crucial project for Auckland	50
Auckland history in the bag	51



Foreword

From the outstanding success of Auckland's high-tech business delegation to the Tripartite Economic Alliance summit in Los Angeles, to the array of international business growth opportunities afforded by an unprecedented major events season, Auckland Tourism, Events and Economic Development (ATEED) had an exceptional 2014/15 year.

Our vision is to help transform Auckland's regional economy through implementing comprehensive programmes which drive our well-entrenched strategic framework based on six key priorities.

This highlights document is presented around those priorities, and includes just some of the resulting success stories.

ATEED shares the Mayor's aspirational approach to economic development. We have a single-minded focus on helping to deliver to Aucklanders the prosperity and liveability they need to flourish; we can do this by attracting smart new investment, and by delivering high-value jobs.

We implement diverse, dynamic projects – strategic interventions which will leave a legacy for Auckland and New Zealand, and produce world-leading outcomes.

I am proud to present the economic growth highlights we delivered on behalf of Auckland Council this year.

All of our achievements were the result of ATEED's cornerstone principle of kotahitanga – or shared purpose – which drives our connection and trusted partnerships with more private and public sector organisations than ever. We are grateful for

the support of all our partners.

ATEED always has one eye on the future – where we can achieve new economic growth; what industry sectors are emerging; and world trends where we can be at the forefront.

This document also captures our forward thinking across each priority as we continue to strive to be the world's best economic growth agency.

I thank the ATEED team for its outstanding dedication and contribution to Auckland this year.

David McConnell
ATEED Board Chairman

ATEED GROWTH AND COMPETITIVENESS FRAMEWORK



- Skills for growth
- Skills for work
- Employment pathways
- Business capability building



- Visitor product
- World class major events portfolio
- Business events
- Domestic and international marketing
- Industry development



- Student/talent attraction and retention
- Talent brokerage
- International marketing/branding
- Trade missions
- Industry leadership
- University development



- Destination brand
- Business brand/proposition
- Key identity enhancers
- Auckland visibility
- Māori attractions and events

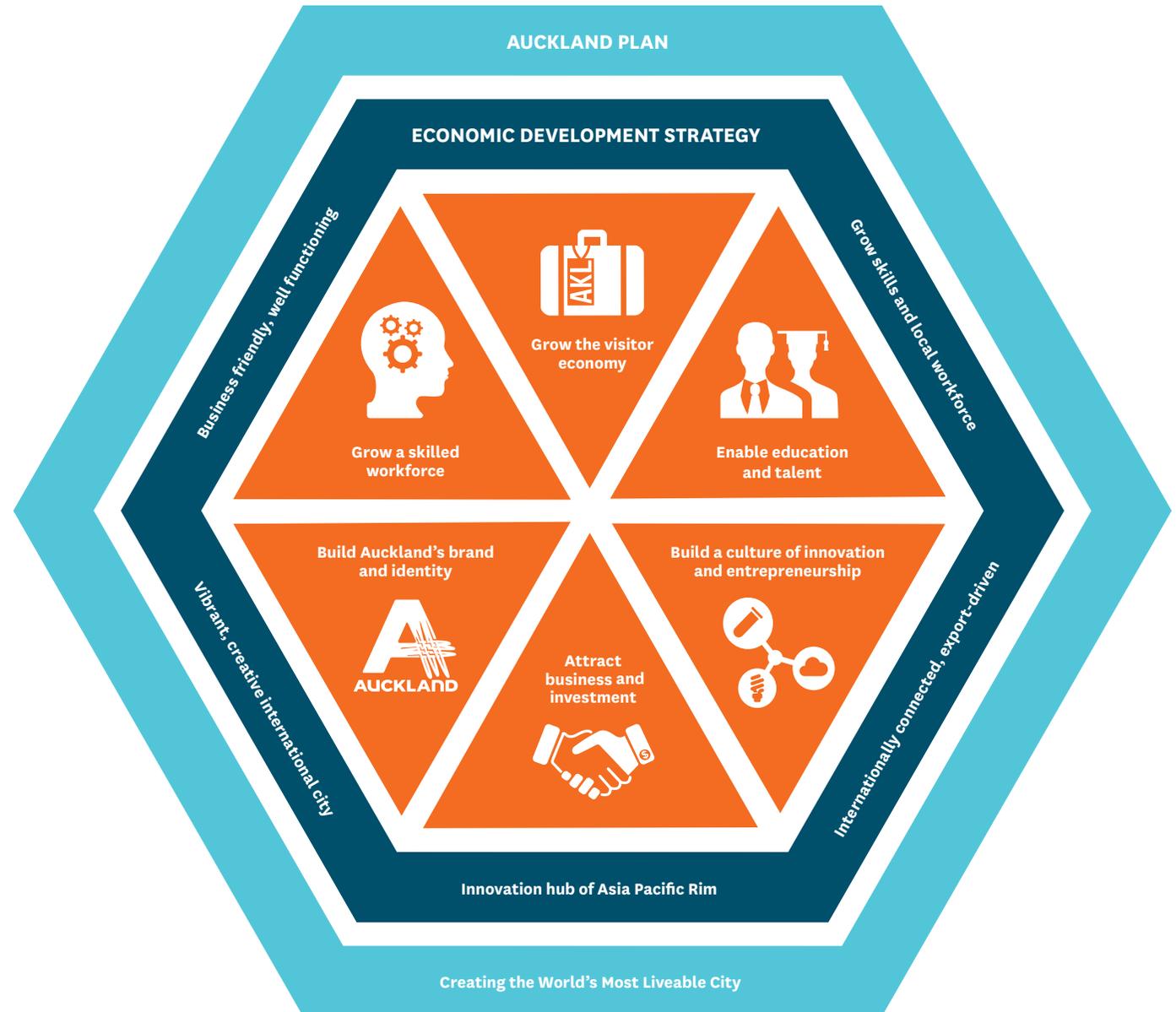


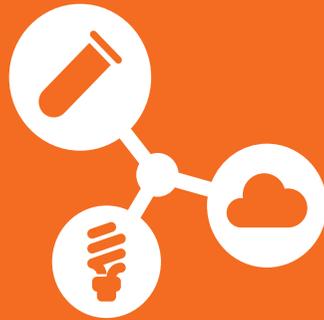
- Foreign Direct Investment attraction
- Partnerships for Auckland
- Screen attraction
- Sectors of competitive advantage
- Aftercare service (Aroha Auckland)



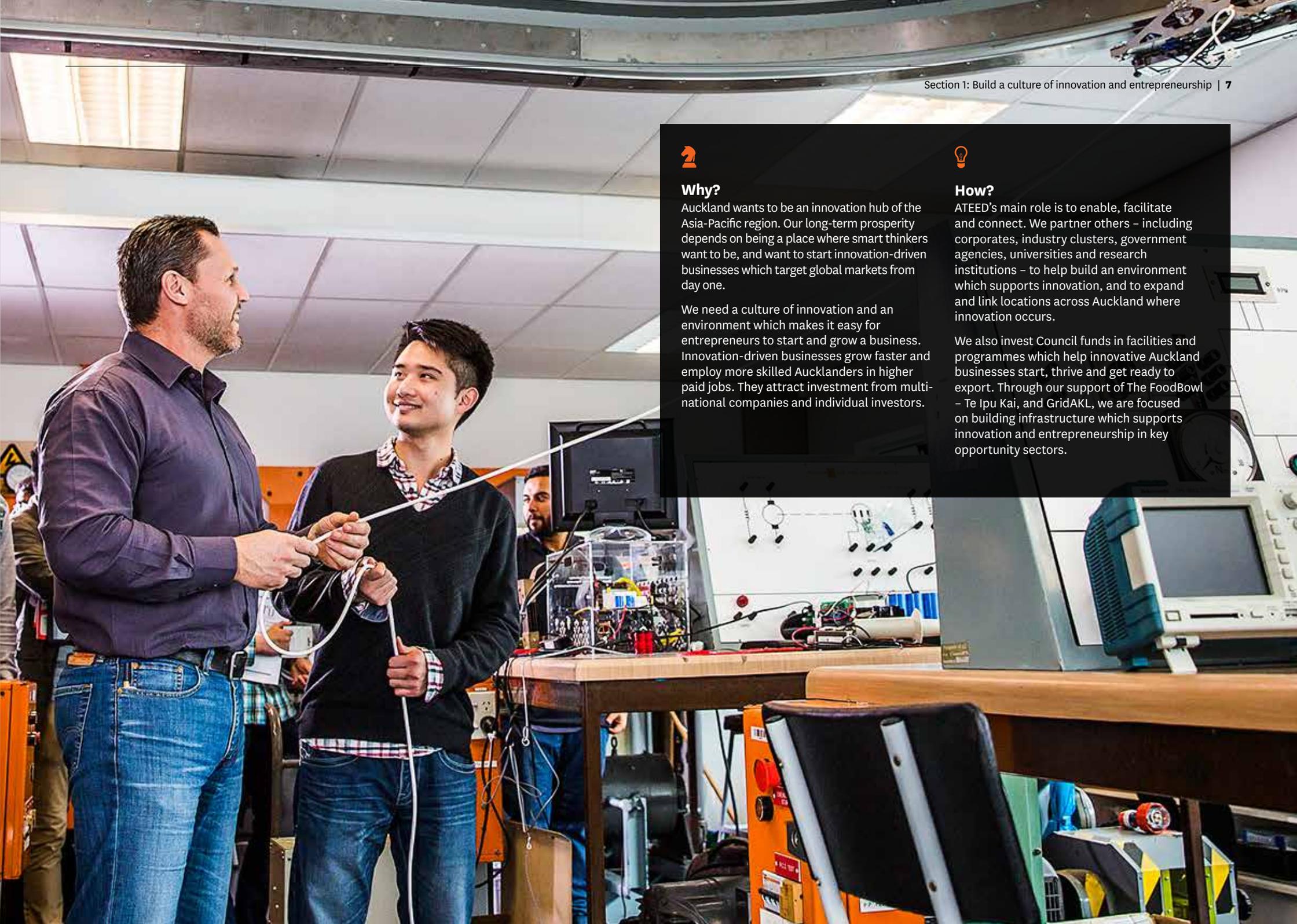
- Auckland's innovation ecosystem
- GridAKL at Wynyard Quarter
- Key sector growth
- R&D funding programme
- Māori business

- Auckland Plan
- Economic Development Strategy
- ATEED priorities





Build a culture of innovation
and entrepreneurship



Why?

Auckland wants to be an innovation hub of the Asia-Pacific region. Our long-term prosperity depends on being a place where smart thinkers want to be, and want to start innovation-driven businesses which target global markets from day one.

We need a culture of innovation and an environment which makes it easy for entrepreneurs to start and grow a business. Innovation-driven businesses grow faster and employ more skilled Aucklanders in higher paid jobs. They attract investment from multinational companies and individual investors.



How?

ATEED's main role is to enable, facilitate and connect. We partner others – including corporates, industry clusters, government agencies, universities and research institutions – to help build an environment which supports innovation, and to expand and link locations across Auckland where innovation occurs.

We also invest Council funds in facilities and programmes which help innovative Auckland businesses start, thrive and get ready to export. Through our support of The FoodBowl – Te Ipu Kai, and GridAKL, we are focused on building infrastructure which supports innovation and entrepreneurship in key opportunity sectors.



Above GridAKL fosters start-up companies, showcases Auckland's world-class ICT industry to international investors and potential multi-national partners, and is a venue for networking and ideas sharing

It is important to have a strong strategic framework around our programmes, and clear targets to measure our progress.



Achievements

In developing its overall approach each year, ATEED ensures a high level of alignment with the Government's Business Growth Agenda. The 'six key ingredients' outlined in the Government's 2015 agenda include innovation, export markets, investment, and skills – all key focus areas for ATEED. Two of the three cross-cutting themes in the Government's agenda are part of Auckland's Economic Development Strategy released in 2012, and are cornerstones of ATEED's work programme: Māori economic development, and regional economic development.

In innovation, the BGA is focused on developing New Zealand as a hub for high-value, knowledge-intensive businesses which conduct more R&D – and ATEED's work programme delivers in a number of ways to match the BGA.

GridAKL, Auckland Council's thriving innovation hub and precinct at Wynyard Quarter, highlights our region's growing culture of innovation and entrepreneurship – the single most crucial driver of Auckland's economic transformation.

GridAKL fosters start-up companies, showcases Auckland's world-class ICT industry to international investors and potential multi-national partners, and is a venue for networking and ideas sharing.

There was an exciting milestone for GridAKL in May with the announcement of global technology giant Huawei as foundation partner – a three-year \$1 million deal which will help Auckland become an international high-tech force (see more about GridAKL's great year on page 10).

It is important to have a strong strategic framework around our programmes, and clear targets to measure our progress. So we put a lot of effort and thought into the *Auckland Innovation Plan*, which was released in November 2014. Developed with the close involvement of partners

including Callaghan Innovation, New Zealand Trade and Enterprise (NZTE), the Ministry of Business, Innovation and Employment (MBIE) and tertiary institutions, the plan sets out how we will create an environment which fuels innovation, and more importantly, some meaningful targets – the key one being that innovation injects an extra \$8 billion a year into the regional economy by 2025.

GridAKL is the central hub of the region's expanding innovation corridor, which now includes the vibrant 'Techapuna' and iTEC high-tech clusters on the North Shore, the AUT Millennium world-class sports training and medicine facility, and numerous public and private sector institutions including co-working spaces, incubators and accelerators, research hubs, and the commercial-focused parts of our excellent tertiary institutions.

We are delighted that The FoodBowl – Te Ipu Kai, our joint venture with Callaghan Innovation, is becoming a crucial contributor to the region's growing global reputation as an innovator in food and beverage. This state-of-the-art production, test and industry training facility near Auckland Airport worked with more than 120 companies this year, including twice as many medium-sized companies (\$500,000 to \$5 million turnover) compared with last year. The FoodBowl's revenue grew 30 per cent, to \$630,000. Almost as importantly, the facility served as a connection point for Auckland with the global industry, hosting delegations from China, Korea and Australia (read more on page 13).

We started new innovation initiatives including workshops for Māori tech businesses, and to encourage our smart-thinking youth (for more on that focus, see the chapter on developing a skilled workforce).

We made a real difference to the region's small to medium companies by delivering the Government's Regional Business Partner Network programme Auckland-wide. Our research and

development specialists helped Auckland companies successfully apply for \$3.59 million in Callaghan Innovation grants (read about some of the amazing world-class innovations being developed in Auckland with our help on pages 11, 12, 14 and 15).

Innovation continues to drive the regions' economic growth.



What's next?

Another important milestone for GridAKL will be the opening of its second building, planned for December 2015. The refurbished character Lysaght Building is leased from Pānuku Development Auckland and will have co-working space with up to 140 desks, an event zone, meeting rooms and new drop-in tech café.

The entrepreneur expansion programme will get underway to help develop and connect innovation hubs (dense geographic clusters of innovation) across Auckland.

We will implement the Tertiary Student Entrepreneurship programme, which has two primary objectives:

- increase the number and calibre of student entrepreneurs across Auckland's tertiary sector
- collaborate with partners to provide more places for students to develop their business ideas, receive advice on starting a business, and have access to funding sources and other early stage business support services.

ATEED will support a feasibility study for a proposed business incubator or 'hatchery' for the development of early stage business ideas by teams of entrepreneurs from across Auckland's tertiary sector.

The Auckland Innovation Event programme will make the most of opportunities provided by sports, cultural and business events to develop Auckland's reputation as an innovation hub.

The FoodBowl is expecting the arrival of new machinery which will help fast-track the projects of at least three large companies using the facility.

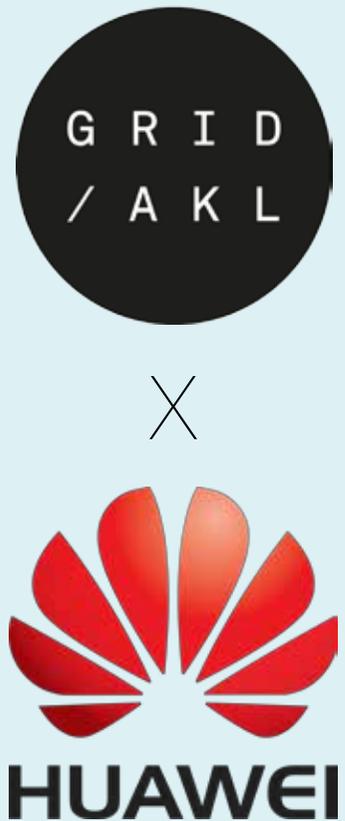
The Food Portal will be ready to start signing up capability providers and end users. This comprehensive online directory covering Auckland's entire food and beverage industry is designed to enable greater opportunities for Auckland companies to collaborate and manage issues. The FoodPortal was showcased in our 'Auckland on the Menu' pop up area at the 2015 Auckland Food Show.

The DigMyIdea Māori Innovation Challenge is an exciting new competition designed to inspire Aotearoa's top emerging entrepreneurs to turn their innovative ideas into reality. DigMyIdea was co-designed with Ngā Pū Waea, the National Broadband Working Group, and supported by Poutama Trust, an independent charitable trust which provides business development services to Māori and Callaghan Innovation. Launched just after the reporting year, it offered great prizes for the best digital business ideas which have the potential to 'go global'.

Innovation Week will take place in May 2016, to coincide with Auckland's hosting of the Tripartite Economic Alliance.

The Auckland Innovation Event programme will make the most of opportunities provided by sports, cultural and business events to develop Auckland's reputation as an innovation hub.





GRIDAKL CONTINUES TO THRIVE

The announcement of global technology giant Huawei as GridAKL's foundation partner – in a three-year \$1 million deal – is the cornerstone of ATEED's strategy to ensure council's \$20 million investment in the innovation precinct leads to corporate opportunities which deliver for Auckland's economy. The sponsorship is expected to help Auckland's most innovative ICT and digital companies make inroads into international markets.

Huawei Global Deputy Chairman and rotating CEO Guo Ping visited Auckland to attend an event marking the milestone alongside Economic Development Minister Honourable Steven Joyce.

The partnership allows Huawei to showcase its technology within the first two permanent GridAKL's buildings. At the announcement, Mayor Len Brown said: "Auckland Council is delighted to have a company of Huawei's global reach and expertise as its GridAKL foundation partner. Huawei is building nearly half of the world's 4G networks, and this is a potent indicator of their scale and reach. Huawei is the kind of multi-national company which can make and attract investment into GridAKL, and help our emerging 'born global' ICT and digital companies on their journey to export."

During his visit, Mr Guo toured the character Lysaght Building which we are in the process of outfitting for the end-of-year opening. This character building will blend the heritage of old Wynyard Quarter with state-of-the-art systems featuring Huawei's world-leading communications technology.

China is a huge growth market for Auckland and New Zealand. The partnership creates significant potential opportunities for GridAKL to connect with China, and also other regions, through Huawei's international networks. The company will bring its procurement team to meet GridAKL resident companies.

Following nine months of complex negotiations, we agreed a long-term head lease deal with developer Precinct Properties to build GridAKL's first new building, to open in mid-2017.



With a working title of 'Innovation 5A', the building will likely house start-ups, small and medium-sized enterprises, and a large corporate.

GridAKL's first building, Polperro, reached its capacity of 15 start-up tenants within four months of its opening in May 2014. It also became the Auckland home of New Zealand's leading digital start-up accelerator, The Lightning Lab, which supports nine Auckland early-stage companies.

By its first anniversary in May this year, GridAKL had hosted more than 150 innovation events, including international speakers Sam Altman (Y Combinator), Scott Nolan (Founders Fund) and a real coup – a private audience with Pixar Founder Alvy Ray Smith.

There were many highlights for GridAKL's resident companies, but two stand out:

- Video company 90 Seconds tripled its local team to 12, set up in Singapore and Australia, and won the coveted 2014 Entrepreneurs Challenge, allowing the company to access low-risk expansion capital
- Software firm Revert.io increased its staff four-fold. This was helped by \$1.2 million investor funding, and the company received great international media coverage in *Forbes* and *Life Hacker*.



Above Jane Mattsen pictured at San Diego State with Abel Software's Allan Baird (left) and Caleb Queern, the university's project lead of Abel's US market research programme

VITAL RESEARCH GIVES AUCKLAND COMPANIES A US BOOST

Five Auckland companies are looking to make the most of a great opportunity to launch their innovative products into the lucrative United States market. Wayne Voss, one of our business growth experts, helped them connect with San Diego State University's international business opportunity development programme.

Each company is receiving free valuable market research, and a US market entry plan, from a four-person team of skilled business executives as part of the team's MBA studies at the university – work which would otherwise collectively cost hundreds of thousands of dollars through a consulting firm.

Wayne Voss introduced the Auckland participants to the San Diego programme after recognising that a lot of small to medium New Zealand companies struggle to pay for crucial in-depth market research.

The programme hugely helped the companies' efforts to enter the lucrative US market because the executives doing the research live and work there, and have their own networks and connections.

The Auckland companies accepted for the 2015 programme were:

- Abel Software, which provides enterprise resource planning business management software with a focus on manufacturing, distribution and services businesses. Abel is used by more than 200 companies in 12 countries
- Flow Software, a North Shore-based information technology company specialising in electronic data interchange and rapid integration
- FoundationFootprint TM, which provides a comprehensive cloud-based solution designed to support organisations with environment, sustainability, and health and safety management and reporting
- Lighting Design Practice, a lighting and electrical design consultancy which has lit up Cambridge Velodrome, Wynyard Crossing, sports fields, aquatic centres, motorways and the new Doha International Airport
- Xorro Solutions, which develops desktop and cloud-based solutions which transform the live audience experience in any group learning or collaboration setting. Xorro's tools visually

organise shared information and stimulate participation.

Flow Software is confident it will now be armed with the most detailed and relevant intelligence to successfully launch its innovative product into the US. General Manager and Director, David Masters says Flow wanted to find the right US partners.

"We had an over-arching strategy for entering United States through a partnership model rather than looking at multiple approaches or direct sales," he says.

"The research will profile, identify and validate potential partners for us in different market segments. The timing is perfect for us. Once we make arrangements with new partners and train them, we could have our first run (sales) on the board by the end of the year [2015]."

Flow has weekly conference calls with the MBA students and has provided extensive product and company information and organised product demonstrations.

Abel Software's Business and Channels Manager, Jane Mattsen says: "Although we already have a large number of Abel sites in the US, the focus for us is to expand our channel partners network".

On the US business trip in April, Jane and Allan met the students assigned to them. "We were very impressed with the calibre of the four team members and their enthusiasm toward our project."

Wayne Voss keeps in touch with the Wellington-based New Zealand co-ordinator for the San Diego programme, and will continue to look for Auckland candidates for future intakes.

LIGHTING UP INNOVATION AT FIELDAYS

Two agritech companies ATEED has supported received big boosts after winning innovation awards at this year's National Fieldays in Hamilton.



Above Roger Marty and Michael Joynt of Felton Industries, with the Ag Oxijet

Felton Industries, based in Glen Innes, collected the 'Tru-Test Grassroots Innovation' award for its unique Ag Oxijet washdown nozzle that reduces water usage and energy costs in dairy sheds.

South Auckland business Farm Medix was awarded the 'Launch NZ Innovation' and 'Innovation Den' titles for its simple, low-cost and effective on-farm CheckUp Mastitis Diagnostic tool.

Both companies made large strides in developing their innovative products after our research and development (R&D) specialists supported them to successfully gain Callaghan Innovation R&D grants.

Felton's general manager Roger Marty says without ATEED and Callaghan Innovation's assistance to make the R&D work on the Ag Oxijet feasible, it wouldn't have happened: "We would just be 'sticking to our knitting' with showers and tapware".

Felton talked to hundreds of farmers at Fieldays and had the opportunity to refine the product before full market launch: "A lot of the products in the innovation area were not yet commercially available and we found farmers were upfront with suggestions, knowing we weren't trying to 'sell' them something."

Armed with the farmers' feedback, the company is now making the water-saving nozzles in anodized aluminium rather than injection-moulded plastic - to create extra functionality and broader market appeal.

The Ag Oxijet reduces water flow, but maintains pressure and power. The water flows through very small holes and speeds up, creating a vacuum and competing with air. The resulting energy makes the water drops bigger and fly further, easily hygienically washing away milking shed effluent.

Felton caught the Fieldays judges' eyes thanks to the market research it did to help perfect its

product. But before it started, the company used a Callaghan Innovation 'Getting Started' Grant to undertake a world-wide intellectual property review. It followed that with a \$50,000 Callaghan Innovation 'Project' Grant for a five-month field trial on 30 North Island farms.

"We didn't want to make claims till we had some robust facts and numbers. We will complete a further six-week trial on a handful of farms later this year just to be sure of the water, energy and environmental savings before we launch the final product," says Roger.

At this stage, Felton knows Ag Oxijet uses 20-40 per cent less water than alternatives - compelling savings that will bring smiles to farmers' faces. Actual savings will vary, based on a farm's pump size and washdown operation.

Roger says ATEED helped immensely. "We would not have done the field trial and we wouldn't have the product today without their support. It led to a relationship with DairyNZ and AgResearch, and we now have an exciting opportunity of turning into an agritech company."

Felton intends to launch the Ag Oxijet to market by the end of 2015 through existing distribution channels in New Zealand, Australia, Singapore, Czech Republic and Spain, as well as developing new markets.

Farm Medix has a similar success story. It tested and refined its CheckUp mastitis diagnostic tool, and is now selling thousands of the screening kits around the world, thanks to a Callaghan Innovation 'Getting Started' Grant secured through working with ATEED.

Following its award-winning efforts at Fieldays, Farm Medix has picked up clients locally, and in Australia, US, Canada, and South America. They include dairy processing and animal health companies, and farmers with big herds.

The kit contains a high-tech petri dish divided

into four sections and tests for multiple bacteria strains from one milk sample. Each kit can complete 10 tests and identifies the bacteria pathogen or bug associated with a case of mastitis.

Farm Medix Co-director Natasha Maguire says standard testing of herds and daily milk supplies gives farmers an indication of their animals' general health, but they lack information about the cause of infections.

Rather than guessing, CheckUp produces fast results and farmers can then work with vets to establish the right treatments: "Without measurement, farm-side treatment is frustrating," says Natasha. "Some cases respond, some don't and others came back as soon as treatment stops. Since the bug is not known, often the treatment is a guess, yet everyone wants to reduce the use of [unnecessary] costly antibiotics.

"Our tool indicates which cases are likely to respond to treatment, which to give up on, and which do not need intervention - in 20 per cent of cases the cow has already eradicated the pathogen herself," says Natasha.

Farm Medix believes the screening kit will improve the on-farm management of mastitis and result in improved milk production volumes.

FOODBOWL FINDS THE RIGHT RECIPE

The FoodBowl – Te Ipu Kai is a central pillar in Auckland’s innovation ecosystem and helped the region’s food and beverage (F&B) sector contribute \$3.2 billion of Auckland’s regional GDP in 2014 and employ about 25,000 people.

A number of large companies are undertaking ongoing project work over a two-year period within The FoodBowl. They include ANZCO Foods, Sanford, Manuka Heath, and Comvita.

Smaller companies enjoy access to the facility’s specialised equipment to train staff and carry out regular production as they grow their business and make plans to eventually build their own facility.

The FoodBowl focuses on collaborations with other capability providers, Crown Research Institutes and tertiary institutions to bring new innovations to market, and grow or develop the industry as a whole.

Open days held at The FoodBowl in March attracted more than 900 people who toured the facility and attended workshops. This was a great way to educate and inform companies of The FoodBowl’s product development possibilities.



Food and beverage workshops on the menu

This year, we linked with The FoodBowl to launch a unique F&B Capability Reinforcement Workshops programme which featured expert specialists and provided access for attendees to The FoodBowl at reduced rates.

Supported by NZTE, the workshops were aimed at seizing the substantial opportunities to grow exports from Auckland’s innovative F&B companies via an accelerated learning programme designed to boost Auckland’s exports and help get innovative product ideas to market.

The workshops provide practical advice to help businesses springboard into export markets and are being held across Auckland, covering a diverse range of topics from marketing, packaging design and product strategies to specific food engineering (such as retort and thermal processing, shelf life extension and UHT, pasteurisation and hot fill liquids).

To be eligible to attend workshops, businesses have to meet a number of criteria, including having 50 or fewer full time equivalent staff, be trading, and have local or international growth potential.

Open days held at The FoodBowl in March attracted more than 900 people who toured the facility and attended workshops.

REVOLUTION FIBRES SPINNING THEIR WAY TO SUCCESS

Revolution Fibres' co-director Iain Hosie couldn't be happier about the benefits of attending June's Tripartite Economic Alliance as a member of Auckland's 43-organisation delegation.



Above Revolution Fibres' state-of-the-art Komodo machine produces world-leading nanofibre products.

With the help of ATEED's tripartite project team and its 'NZ Inc' partners on the US West Coast, the Henderson company made important connections with the Los Angeles manufacturing network and the Larta Institute, which has assisted and transformed thousands of innovations into commercially successful ventures.

Revolution Fibres, which started producing its custom-made nanofibre in 2009, is now negotiating two major deals – one with an American firm and the other Chinese – as a result of the delegation.

Hosie says: "Things are bubbling along very nicely and the summit was fantastic. It was a great delegation and the fruits of it are beginning to surface.

"The delegation worked as a team – I've never been on one that operated like that. If we met someone and couldn't help, we suggested 'you should talk to that person over there'. There are now half a dozen companies (on the delegation) using each other's networks and working together on various initiatives targeting China and United States."

Hosie says there isn't a lot of nanofibre manufacturing in the US. "What we are doing is quite unique to them. They love our business model of bringing ideas to them and partnering early to get innovations to the marketplace.

"The summit was timely. We can partner with an expert and get some good leverage in the United States," he says.

Hosie says the company's ongoing growth and innovation has been made possible through the support of ATEED's research and development

(R&D) specialists. Through ATEED's delivery of the Government's Regional Business Partner Network programme, it has helped the company successfully apply for three R&D grants from government agency Callaghan Innovation to help Revolution Fibres grow capability and develop its products.

ATEED also helped the company gain government funding to invest in a masters student at Waikato University to test and prove the performance of nanofibre in composites.

The funding Revolution Fibres has received means it is still privately owned, a fine achievement since many high-tech startups have to sell equity to seed investment funding.

Revolution Fibres has a good mix of engineers and scientists who can manipulate and customise the nanofibre technology to quite diverse sectors. The company made its own industrial-scale electrospinning machine – the only one of its kind in the Southern Hemisphere – and has produced nanofibre for air filters, fishing rods, skincare products, pillow liners and office furniture.

The products using the fibre are more durable, stronger, lighter, cleaner and more effective. The spinning machine, nicknamed the 'Komodo', can produce a 100m roll of nanofibre in 15 minutes.

Minute strands of fibre are electrically extracted (or electrospun) from a range of materials including polymers and in some cases natural sources such as collagen from hoki fish skins. The electrically extracted fibres are deposited as a dense, non-woven mat up to 2m wide and rolled up.

The Komodo produces fibres 1000 times thinner than human hair, which means the eventual

matting has an incredibly high surface area. This is ideal for products like air filters where fine particles such as bacteria can be captured.

Revolution Fibres' most recent R&D Project Grant led to the development of a new product range – Nanodream Pillow Liners. The company's technology creates a natural barrier from dust mites and allergens in pillows, and has put manuka extracts in the fibres, creating a natural antibacterial layer without using chemicals – an ideal situation for allergy sufferers.

The tripartite summit complemented the company's pursuit of global opportunities and partnerships. "The potential is huge," says Hosie. "A lot of people want to use nanofibre but they don't have the expertise or machinery, and we have a head start in the production of commercial nanofibre."

Revolution Fibres credits ATEED for helping the company to grow its client base and create partnerships through introductions, including with West Auckland high-tech furniture specialists IQ Commercial.

Hosie has high praise for ATEED R&D specialist Grant Hemmings: "Grant has been very supportive and working with him has been fantastic. Having him as a local R&D specialist who is able to support the business, whether there is a current funding project in the works or not, has proven to be valuable business support.

"ATEED has made it a lot easier to work with Auckland Council as a whole. I think it is great from an R&D perspective, and makes Auckland a great city to innovate in."



Left CleanPaleo directors Ryan Kamins, left, and Mitchell McClenaghan

CLEANPALEO CHARMING CONSUMERS

Put three mates together – *The Bachelor NZ* star Arthur Green, Black Caps fast bowler Mitchell McClenaghan and level-headed manager Ryan Kamins – and they from a dynamic business trio. Their Auckland-based health food company, CleanPaleo, is experiencing a rapid growth spurt with ATEED’s help.

Green is chief operating officer of Clean Paleo and led the company’s discussions with potential US distributors and retailers this year. McClenaghan, CleanPaleo director, has created important business connections in India while playing for Mumbai Indians in the Indian Premier League.

CEO Kamins led the organisation of a new processing facility near Auckland Airport and arranging distribution of his company’s products through a supermarket chain in New Zealand.

CleanPaleo, which was established in mid-2013, produces four health products based on the paleo or caveman’s diet – free range egg white protein powders for smoothies; breakfast cereals of lightly dry roasted nuts, seeds and coconut; grass-fed and air-dried Biltong dried beef (flavoured with coriander, salt and pepper) and coconut CoGo Bites snack foods.

The products are made from ingredients that are hunted or found naturally rather than processed – whole food such as fish, meats, regional vegetables, fruit, leafy greens, nuts and seeds.

The CleanPaleo directors got hooked on the diet and are making a successful business of it.

They met on location during filming of the *Spartacus* television series in Auckland. “We were action extras running around sword fighting,” says Kamins. “Mitchell was using the paleo diet and told us about its benefits. He had a lot of injuries and he credits the diet to keeping his cricketing career alive.”

Kamins came up with the business model, and he and McClenaghan began making their own paleo protein powder and cereal. Their first production run was 20 bags for the local health store at Highland Park near Pakuranga, and they soon sold out. They then pitched to their first major client, Farro Fresh.

ATEED has helped CleanPaleo grow, providing valuable advice on sourcing suppliers, completing R&D and attracting investors.

“As a small business, relationships and partnerships are the key to our success,” says Kamins. “ATEED has been able to support us by creating the right connections for our business, both for suppliers and sales opportunities.”

Wendy Voegelin, ATEED’s Growth Specialist Economic Development, arranged for CleanPaleo to make a presentation and “open up doors” at the India New Zealand Council Business Summit in March, and included the company in a Food as Wellness presentation at The Food Show Auckland; and ATEED also made an introduction to investors looking to sell health food products in China.

Up till now, the CleanPaleo protein powders, cereals and Biltong are made by contract

manufacturers in Auckland, and the CoGo Bites snack food is bulk imported from Germany and packaged locally. But production capability is being stretched.

CleanPaleo is leasing a food-graded building and turning it into a storage and processing facility with dicing and roasting machinery bought in China.

After two years operating, CleanPaleo has 100 retail outlets in New Zealand, a mixture of pharmacies, health, organic and gourmet stores such as Farro Fresh, Nosh Food Market and Hardy’s Health. Clean Paleo also supplies 80 stores in Australia through two distributors based in Perth and Brisbane.

Its production grew 300 per cent in its second year and Kamins is targeting a 10-fold increase in production by the end of its third year. Kamins is expecting to supply 150 supermarkets in New Zealand and a further 120 stores in Australia, after appointing a third distributor to service Victoria and New South Wales and “one or two of their own sales guys.”

Clean Paleo has high hopes of entering the Chinese, Indian and US markets. McClenaghan helps develop these markets as he uses his profile to make connections during his cricketing travels.

FUELLING THE MĀORI ECONOMIC POWERHOUSE

One of ATEED's key roles is to significantly lift the economic wellbeing of Māori across the region, and the Māori Economic Development Programme was designed to achieve long-term change.

Steady progress is being made in partnership with 19 mana whenua iwi authorities on an anchor major event to celebrate our region's Māori culture. This festival, scheduled for January next year, will showcase Tāmaki Makaurau's unique and treasured Māori identity, and provide significant long-term economic growth opportunities. This year, a proposed co-governance model for the festival was presented to iwi, and this will be developed in the early part of the 2015/16 year.

ATEED Chief Executive Brett O'Riley is the Programme Convenor for the Whai Rawa Māori economic wellbeing workstream of Council's Te Toa Takitini Māori Responsive High Performance programme. Through his role, ATEED is responsible for convening a cross-council work programme to significantly lift Māori economic wellbeing.



Through council's Long Term Plan process, ATEED has confirmed direct operating expenditure of at least \$825,000 towards these activities to benefit both mana whenua and mataawaka.

ATEED's current Māori Economic Development Programme focus areas, in collaboration with central government and industry partners are:

- DigMyIdea Māori Innovation Challenge – a national digital challenge in collaboration with Nga Pu Waea to encourage Māori to develop online businesses (launched in August 2015) which have the potential to go global
- a Māori Digital Technology Working Group in partnership with Nga Pu Waea, involving a number of Māori-owned digital companies
- helping to grow Māori tourism businesses in the region through a dedicated Tourism Development advisor
- refining the concept for the second Tāmaki Makaurau Māori Economic Forum – probably as a series of events in early 2016 to target specific audiences/themes such as youth/rangatahi and digital business.

GridAKL – the council-funded innovation precinct for ICT and digital media companies – this year hosted a Māori ICT workshops series. ATEED is also initiating a pilot scheme to drive cadet/ internship pathways for Māori youth to ICT employment.

Council's other cornerstone innovation investment The FoodBowl – Te Ipu Kai, a state-of-the-art food test and production facility in Mangere, is working with one of the largest Māori food and beverage clusters in New Zealand – Nuku ki te Puku – to promote and accelerate new product development within iwi.

The third Māori Tourism Trade Day was organised by ATEED and Air New Zealand and again successfully generated business between Māori tourism operators and the inbound travel industry. This year, 30 operators from around the country exhibited at the event, with 20 inbound tourism companies and also hotel concierge sector representatives attending. As an added service this year, ATEED also partnered Te Puni Kokiri and Crowe Horwath to deliver a Business Risk Management workshop.

ATEED's Tourism Development team then put together a roadshow of five Auckland-based Māori tourism operators for three of Auckland's largest inbound tourism operators.

A number of growth initiatives for Māori are underway:

- working with Ngati Whatua o Orakei on an opportunity to develop a motorhome venue close to central Auckland
- working with Ngati Whatua ki Kaipara and its tourism partners to promote the Woodhill region as an Auckland adventure hub
- commissioning research for the Auckland Airport Tourism Cluster to identify the best tourism development investment opportunities for iwi.

Finally, through its delivery of the Government's Regional Business Partner Network programme, ATEED this year helped 23 companies owned by people who identify as Māori to successfully apply for NZTE Capability Development Vouchers.



Above A waka greets the Polynesian Voyaging Society's expedition

Steady progress is being made in partnership with 19 mana whenua iwi authorities on an anchor major event to celebrate our region's Māori culture.



Attract new business
and investment



Why?

Attracting overseas companies and investors to Auckland will create jobs and increase capital available to spend on innovation and business expansion in industries where we are globally competitive.

A rapidly growing Auckland needs to find more than \$10 billion to fund major infrastructure such as rail and road networks. Major international investors and companies can help.



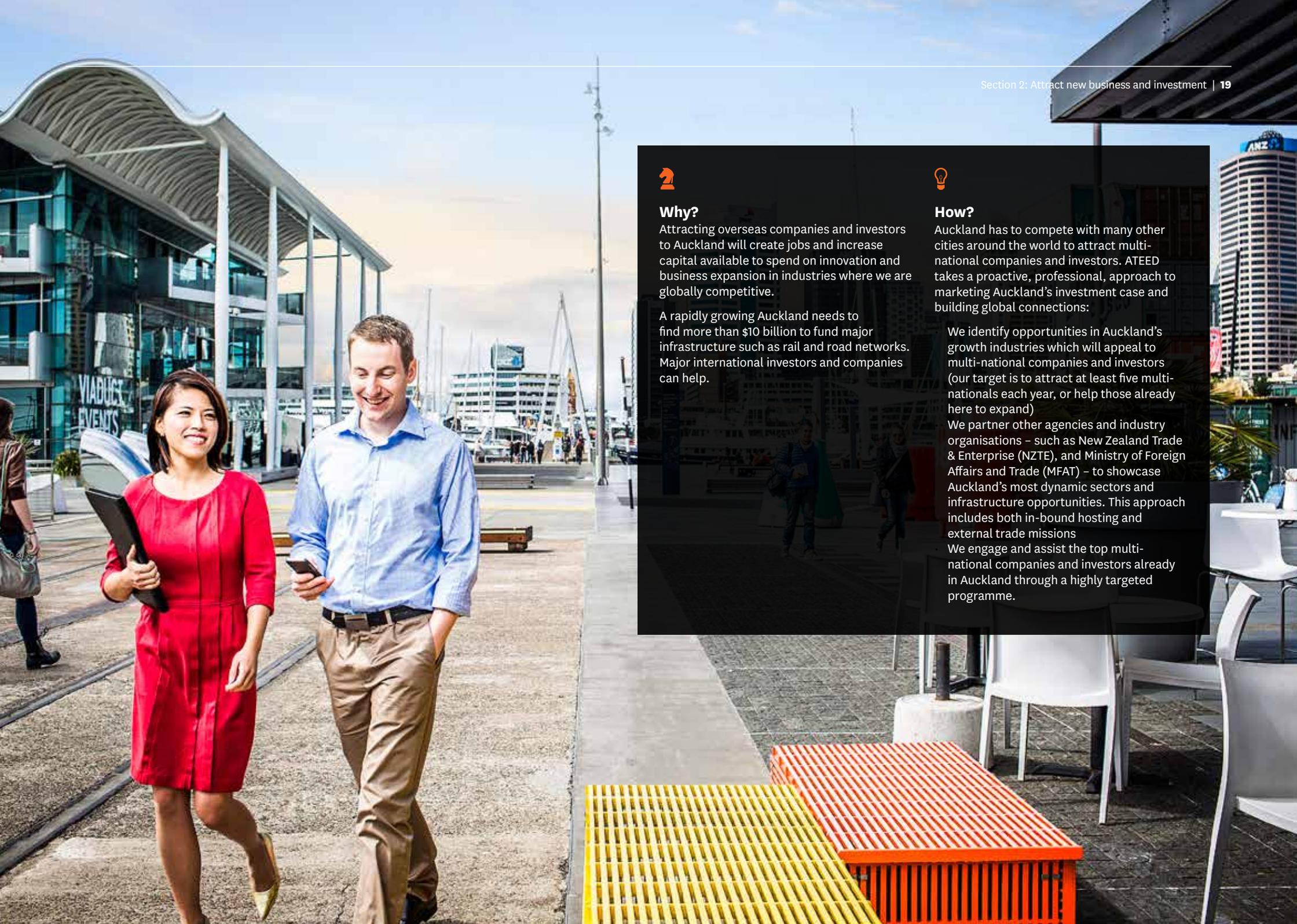
How?

Auckland has to compete with many other cities around the world to attract multi-national companies and investors. ATEED takes a proactive, professional, approach to marketing Auckland's investment case and building global connections:

We identify opportunities in Auckland's growth industries which will appeal to multi-national companies and investors (our target is to attract at least five multi-nationals each year, or help those already here to expand)

We partner other agencies and industry organisations – such as New Zealand Trade & Enterprise (NZTE), and Ministry of Foreign Affairs and Trade (MFAT) – to showcase Auckland's most dynamic sectors and infrastructure opportunities. This approach includes both in-bound hosting and external trade missions

We engage and assist the top multi-national companies and investors already in Auckland through a highly targeted programme.



A major work stream for the External Relations team will encompass leading the planning and delivery of a huge milestone for Auckland – hosting next year's summit for the Tripartite Economic Alliance.



Achievements

In 2014/15, ATEED secured an estimated \$265 million of foreign investment in Auckland. More than half came from helping the establishment or expansion in Auckland of six multi-national companies (\$91.5 million from new business arrivals, \$61 million in expansion investment); while \$113 million was from screen production investment.

This investment created at least 200 new jobs (permanent full time equivalents), plus more than 1700 jobs during the short-term screen productions.

The Tripartite Economic Alliance summit in Los Angeles in June was a boon for Auckland's high-tech exporters. ATEED and council's Global Partnerships team spent months preparing for the highly successful delegation to Los Angeles, following the signing of the historic agreement between Los Angeles, Auckland and Guangzhou in November 2014. More than 40 Auckland organisations were part of the delegation and reported great immediate results, including potential new and angel investment, as well as long-term leads and connections.

The summit created an ideal forum for ATEED's screen and investment attraction experts to pursue promising opportunities for Auckland – deals which are likely to be worth tens of millions to the economy.

Making the most of business growth opportunities created by Auckland hosting some of the world's major sporting and business events is a big priority. Taking part in a government trade delegation to India in November helped to forge links with India's hugely powerful business and investment community, and provided the opportunity to invite its members to visit Auckland during ICC Cricket World Cup 2015. Find out how successful that was on page 26.

ATEED's Aroha Auckland programme – which promotes regular engagement with 100 of the top multi-national companies and investors present in Auckland – made major strides during the year. The programme now includes 85 companies being actively managed, and helping to meet their needs. This has huge potential for growing jobs and investment into the region.

ATEED incubated the Auckland Investment Office (AIO), which leads an integrated approach to the attraction of investment into the region's crucial transformational projects such as the City Rail Link, and large-scale residential developments in the region's 85 special housing areas. The AIO's operation transitioned to Auckland Council for the 2015/16 year.

This year, our Screen Auckland team issued a record 543 Auckland Council permits for filming on open public spaces across the region, for shoots worth nearly \$130 million to the region's economy. The 2014 year industry economic data released by Statistics New Zealand showed screen production and post-production in Auckland generated gross revenue of \$647 million (nearly half the national industry). The screen sector employs more than 4500 people. Read more about this screen production boom on page 24.

Screen Auckland's production attraction specialist joined a New Zealand Film Commission delegation to China which continued our strong collaborative relationship with the commission. Screen Auckland's manager is working on Auckland Council's initiative to develop a memorandum of understanding between Auckland and the Korean city of Busan, which has a growing screen sector.



What's next?

A major re-focus of the Business Attraction and Investment business unit will see increasing resources allocated to our role as an investment promotion agency, with clear targets to help foreign direct investment into the region's key growth sectors.

We will continue our lead generation programme to attract productive investment into those sectors, plus key projects and initiatives.

Our screen team is negotiating with several major international film productions about them using Auckland as a base.

A major work stream will encompass leading the planning and delivery of a huge milestone for Auckland – hosting next year's summit for the Tripartite Economic Alliance. This is scheduled for May, and will feature a series of business growth events including Auckland Innovation Week and other opportunities to connect international investors and companies with our growth sectors.



Above Mayor Len Brown (back row, second from right) at the summit in Los Angeles

TRIPARTITE SUMMIT A GREAT SUCCESS

In June, Los Angeles hosted the first Tripartite Alliance Summit with Auckland's sister cities Guangzhou and Los Angeles. Auckland's delegation, led by Mayor Len Brown, included 43 Auckland organisations for the summit themed 'Innovation – through Commercialisation and Connectivity'.

With help from the US Consulate, ATEED and our 'NZ Inc' partners – NZTE and MFAT – organised a special workshop with LA leaders in innovation, entrepreneurship and investment. Mitch Berman, principal of LA-based Zen Media Group, created panel discussions with some of the best and brightest digital and media technology leaders in the world. Our delegation visited LA's clean tech incubator and other innovation sites.

ATEED and our partners helped the Auckland businesses prepare for the summit, organised an Auckland reception to fuel networking, and put in place great bespoke business-to-business opportunities.

Examples of success stories from the summit include:

- ATEED's Screen Auckland production attraction specialists held discussions with Los Angeles and Guangzhou counterparts and identified potential production opportunities that could be worth tens of millions to Auckland's economy long term. Screen Auckland will work hard to secure these opportunities
- Digital Water met senior executives of the Los Angeles Department of Water and Power, and is planning a trial for its water meters in LA
- High-tech business incubator Astrolab progressed its plans to partner a business incubator in LA, providing a stepping stone for Auckland biotech companies to commercialise and expand in to LA
- Building ventilation equipment manufacturer

HRV had discussions with a Chinese company which came to the summit to specifically meet HRV, and is now exploring expansion into China

- Flux Animation Studio found a potential new distributor, secured contract work with Disney, and discussed two potential contracts with a Canadian production company
- World-class furniture manufacturer IQ Commercial estimates its revenue will increase 20 per cent and its employee base grow by 7-10 per cent, directly due to joining the delegation.

The business outcomes already being realised out of the summit are a great endorsement of the effort that was put into the project by ATEED and our partners.

Planning is underway for the next tripartite summit, which Auckland will host in 2016.



Left A New Zealand industry group visiting an aquaponics ranch in Pescadero, California

The programme is designed to deliver new smart money into Auckland and New Zealand.

FINDING GOLD ON THE US WEST COAST

It is important for Auckland to have a significant international presence to successfully connect with the most influential investors in places such as the US West Coast. So ATEED has been a significant partner in the 'NZ Inc' VIP programme which grew out of the business connections made during the 2013 America's Cup event in San Francisco. Led by the MFAT, the programme continues Auckland's international connectivity in California.

It is designed to deliver new smart money into Auckland and New Zealand. The project also includes the New Zealand Consulate General - West Coast US, NZTE and Immigration New Zealand, and ATEED values their support.

The programme works with people invited to a range of Auckland and New Zealand events who are potential investor migrants, luxury travellers, investors or entrepreneurs (or a combination of all these interests). The relationships developed with these US investors has led to new networks and introduced Auckland entrepreneurs to potential investors, partners and talent.

The programme was integral to the success of this year's Tripartite Economic Alliance summit. Other examples of work being done include the team assisting a Palo Alto-based firm interested in setting up an Auckland location; events in San Francisco and New York targeting high net worth individuals who are prospective 'investor migrants' to Auckland; and facilitating a visit by influential Silicon Valley food tech investor Rob Trice to Auckland. He looked at potential investments and engaged Auckland's food sector with the rapidly growing food tech scene in the US.

LIFE'S JUST FINE FOR WESTBOURNE IN AUCKLAND

Westbourne, an IT solutions provider based in Cork, Ireland, opened in Auckland in September 2014 with eight staff and quickly grew the number to 20.



Above Darren Leahy, Westbourne's chief operations officer

Just 10 months after setting up its Asia-Pacific office in Auckland, Westbourne IT Global Services was already in expansion mode, leasing additional office space next door to accommodate up to 24 more staff, as new clients came on-board.

"We planned to double our staff here within 18 months, not 10 months," says Darren Leahy, Westbourne's chief operations officer. "Our office is a multi-lingual, remote technical support helpdesk and having the space (to expand and take on more support workers) is what allows us to grow.

"We can get out in the marketplace and find new clients. Ideally, we'd like to provide technical support to New Zealand companies which want to go to Europe. Our Auckland work day covers the afternoon on the West Coast of United States and Asia through to breakfast time in Europe. Our Cork office covers the European working day.

"Conversely, for Irish companies wanting to come down here, Auckland can provide the Asia-Pacific support. We have a 'follow the sun' business model," says Leahy.

Westbourne, founded in 1994, provides a full range of IT services – from advising and improving a company's network and systems, and re-selling hardware and software, through to data storage and professional services such as re-setting a password even before clients realise they have locked themselves out of their PC or mobile devices.

"Our aim is to keep you working efficiently all the time," says Leahy.

Westbourne's first point of contact in Auckland was ATEED's Business Attraction and Investment unit, which helps multi-nationals understand Auckland's proposition and guides them through the relocation process.

"They gave us practical advice about establishing the business here and office location, and

directed us to the right people to talk to. They were an ear for me. I asked questions day and night and they would come back with the answers within 24 hours to help us make decisions.

"Even now we regularly meet with ATEED and draw up plans. They are still helping with introductions, and getting me involved with networking and events such as the ICC Cricket World Cup and Volvo Ocean Race Stopover. Settling into Auckland has been seamless," Leahy says.

Much of the staff's time in Auckland is focussed on a major pharmaceutical client based in California with its people working through Asia and in other parts of the world.

So why didn't Westbourne locate its Asia-Pacific officer closer to that client? "We considered various locations – Japan, Singapore, Melbourne, Sydney and Auckland – and in looking at the right time zones it came down to Melbourne and Auckland," says Leahy.

"I initially thought it would be Melbourne with its bigger population – before I visited Auckland (in June 2014). Auckland was definitely more business friendly. Melbourne was very much in a rush and people didn't spend the time to find out how our company worked.

"One day in Auckland and I met lots of people who were willing to help us set up the office. The office costs was slightly cheaper than in Melbourne but not a whole lot. In Auckland I was able to develop longstanding relationships and that's what is important," Leahy says.

"When I went back to Cork I wondered whether the people I had met were putting on a show and would they be the same when we set up the office. They were absolutely the same and provided all the support and services they said they would do, which is fantastic."

Leahy says doing business in Auckland is similar

to Ireland. "People make it easy for you to create connections, they are not putting road blocks in front of you, and it's straightforward to set up a business here (such as incorporation). We did that from Ireland."

He was due to return to Cork a year after establishing the Asia-Pacific operations in Auckland. But when he mentioned this to his wife and son, they didn't want to leave. So the Leahys are now staying on in their new home.

Because Westbourne provides multi-lingual technical support, Auckland's multi-cultural population is a big advantage, as is its pool of skilled staff. Westbourne easily recruited the people it wanted, and it has developed a strong relationship with Auckland University of Technology.

The staff are multi-lingual and university graduates, and they come from England, China, Japan, Maldives, India, Philippines and New Zealand. "They all see themselves as Kiwis and they love it here. Why not, when you can see this out your office window," says Leahy of the view from the company's offices in the fast-developing Wynyard Quarter which have views across the downtown skyline to the sparkling Waitemata Harbour.

Not that they are too distracted. They are getting on and providing quality IT support services and helping their company grow quickly in Auckland.



**SHANNARA CHRONICLES
SIGNALS SCREEN INDUSTRY'S
BOOM YEAR**

The filming at Auckland Film Studios this year of MTV Networks and Sonar Entertainment's *The Shannara Chronicles* – a 10-part television series adaptation of the Terry Brooks' best-selling fantasy adventure book series – was further great news for the region's screen sector.

Auckland's wild west coast was a perfect location for filming of *The Shannara Chronicles*, which will begin screening in the US in January on MTV.

Photo: Kirsty Griffin, for MTV Networks.

The end of 2014 ushered in a boom year for Auckland's industry with *The Shannara Chronicles*; the new *Power Rangers* series *Dino Charge* for Saban Brands; Stephen Spielberg's *Lumen*; Starz Entertainment's series *Ash vs Evil Dead*; and the Weinstein Company's *Crouching Tiger, Hidden Dragon II: The Green Destiny* – all significant Auckland-based international productions either in pre-production, shooting, or wrapping in early 2015.

Just after the reporting year, Auckland's industry received fantastic global recognition with the US release of the first trailer for *The Shannara Chronicles*, which had moved into post-production after finishing filming in June. The trailer was revealed at the hugely influential Comic-Con International event in San Diego, California. It quickly received world-wide media coverage and went viral among the *Shannara* series' huge fan base with more than 420,000 YouTube watches within hours.

In the trailer, *The Shannara Chronicles*' Executive Producer Jon Favreau says: "The talent that's been assembled, the variety of locations, the beautiful backdrop of New Zealand – it really establishes the world of *The Shannara Chronicles* in a way that separates it from other genre tales."

On his blogsite, Terry Brooks wrote: "I am in awe of the sets, both indoors and out, which are so much better than I had any right to hope for. I think the writers have done an incredible job with turning the book [*The Elfstones of Shannara*] into a TV series."

The series was filmed at locations around Auckland including Fort Takapuna, Bethells Beach, Woodhill Forest, Henderson Park, and Lake Wainamu.

Power Rangers (made in Auckland for more than a decade, and now in its 22nd season) and *Ash vs Evil Dead* – the long-awaited follow-up to the classic horror film *The Evil Dead* – also headlined at the annual three-day convention which attracts more than 130,000 fans and global media.

This year has also seen great local productions shooting across Auckland, including Toa Fraser's film *6 Days* and television productions such as the second season of *Brokenwood Mysteries* and new series *Filthy Rich*. A competitive Kiwi dollar led to an increase in international commercials looking to film in Auckland – including a Korean commercial, with locations including Fort Street and Albert Park being transformed into a winter wonderland. International ads shot in Auckland in the year include Lipton Tea, Ford, BMW, Asics, Hyundai, Honda, Playtex and Visa.

Several major New Zealand productions took place in Auckland this year – including Lee Tamahori and Robin Scholes' collaboration *The Patriarch*. Many of the domestic productions have the support of the New Zealand Film Commission or NZ On Air.

Screen Auckland, the specialist industry development team within ATEED, plays a major role in facilitating the productions which take place across the region.

ATEED is working with *The Shannara Chronicle*'s producers to analyse the wider economic impact of screen productions on Auckland's economy. The production is likely to be worth tens of millions to the regional economy, employed more than 300 local crew and extras, and will add to our growing reputation as a screen production location.



Screen Auckland has assisted the producers since early 2014, providing services including: a location feasibility study and reference images; funding a budget comparison showing Auckland's favourable status compared with other territories; and working with regional film offices to organise three location reconnaissance trips for the producers around Auckland, central North Island and Queenstown.

Production of The Shannara Chronicles is likely to be worth tens of millions to the regional economy.

Above Multi-cultural, hip and beautiful Auckland was a star of *Born to Dance*, a home-grown feature film which had its world premiere at the prestigious Toronto International Film Festival and secured an international distribution deal. Supported by Screen Auckland, the movie was choreographed by international dance sensation Parris Goebel, and was made mostly on location in Auckland suburbs including Mangere Bridge, Otara, Papakura, Belmont and Northcote Point, and in the inner city. The big dance scenes were filmed at Manukau's Vodafone Events Centre.



‘INDIA WEEK’ CREATES LEGACY OF OPPORTUNITIES

Exciting business links with one of the world's most powerful emerging economies were the legacy of Auckland's week of meetings with more than 40 influential Indian business figures which coincided with India's ICC Cricket World Cup 2015 match at Eden Park in March.

ATEED's strategy to leverage business connections created by major events culminated in opportunities centred on the India New Zealand Business Council's (INZBC) two-day summit in Auckland.

The business meetings were held in partnership with INZBC and specialists at NZTE, and Sport New Zealand, and followed a similar format to a programme for business visitors from other cricketing nations including South Africa and Australia.

Many of the Indian delegates were involved in Auckland's key growth sectors including information and communications technology (ICT), screen and digital, international education, food and beverage, and high-tech manufacturing.

It was a gilt-edged opportunity to introduce Auckland to wealthy Indian tech entrepreneurs, investors and companies and put Auckland on their radar. One magnate shown around Takapuna expressed an interest in potentially developing a mixed-use precinct amid the growing 'Techapuna' ICT cluster – for early stage Auckland tech companies alongside Indian companies, combined with education and apartment living.

Left India's supporters at an ICC Cricket World Cup 2015 match at Eden Park

World-leading Indian animation company Toonz presented at the summit and agreed to establish its Australasian innovation division in Auckland.

The high-calibre summit keynote speakers included Nandan Nilekani – the billionaire co-founder of multi-national Infosys Technologies, the fifth largest publicly traded company in India – and Dr Reuben Abraham, the chief executive of the Infrastructure Development Finance Company Institute – a think tank founded by the largest infrastructure funding company in India. The summit was gold for Auckland.

Their message to Auckland companies was to think big and high volume if they want to make an impression in India.

ATEED helped five emerging innovative Auckland companies – Revolution Fibres (nanofibre, see more on page 14), CleanPaleo (health food, page 15), Petromac (oil exploration), TigerTurf (synthetic turf) and Medicine Mondiale (LifePod infant incubators) – showcase their products to summit delegates. The companies reported strong interest about investment or distribution deals.

Six of India's top international education agents came to Auckland for the week. Indians are the second-largest national group of the 68,000 international fee-paying students in Auckland who Education New Zealand says injected about \$1.7 billion into the regional economy in 2014.

ATEED introduced the agents to Auckland schools and tertiary providers, helped them understand employment opportunities for Indian graduates who want to remain in Auckland, took them to this year's international student welcome event at The Cloud, and helped them experience some of Auckland's top tourist and lifestyle activities.

ATEED has put in place a comprehensive follow up process to ensure the connections made deliver long-term results.

Their message to Auckland companies was to think big and high volume if they want to make an impression in India.



Enable talent
and education



Why?

Talent is the lifeblood of any successful city, and high-quality education is essential to a productive and competitive economy. New Zealand's world-class education system is a key competitive advantage.

We need to ensure Auckland (and the rest of the country) produces skilled future workers and attracts the right international talent to support high-growth innovative businesses.

International students (both school and tertiary) are major contributors to Auckland's economy and there is significant growth potential.



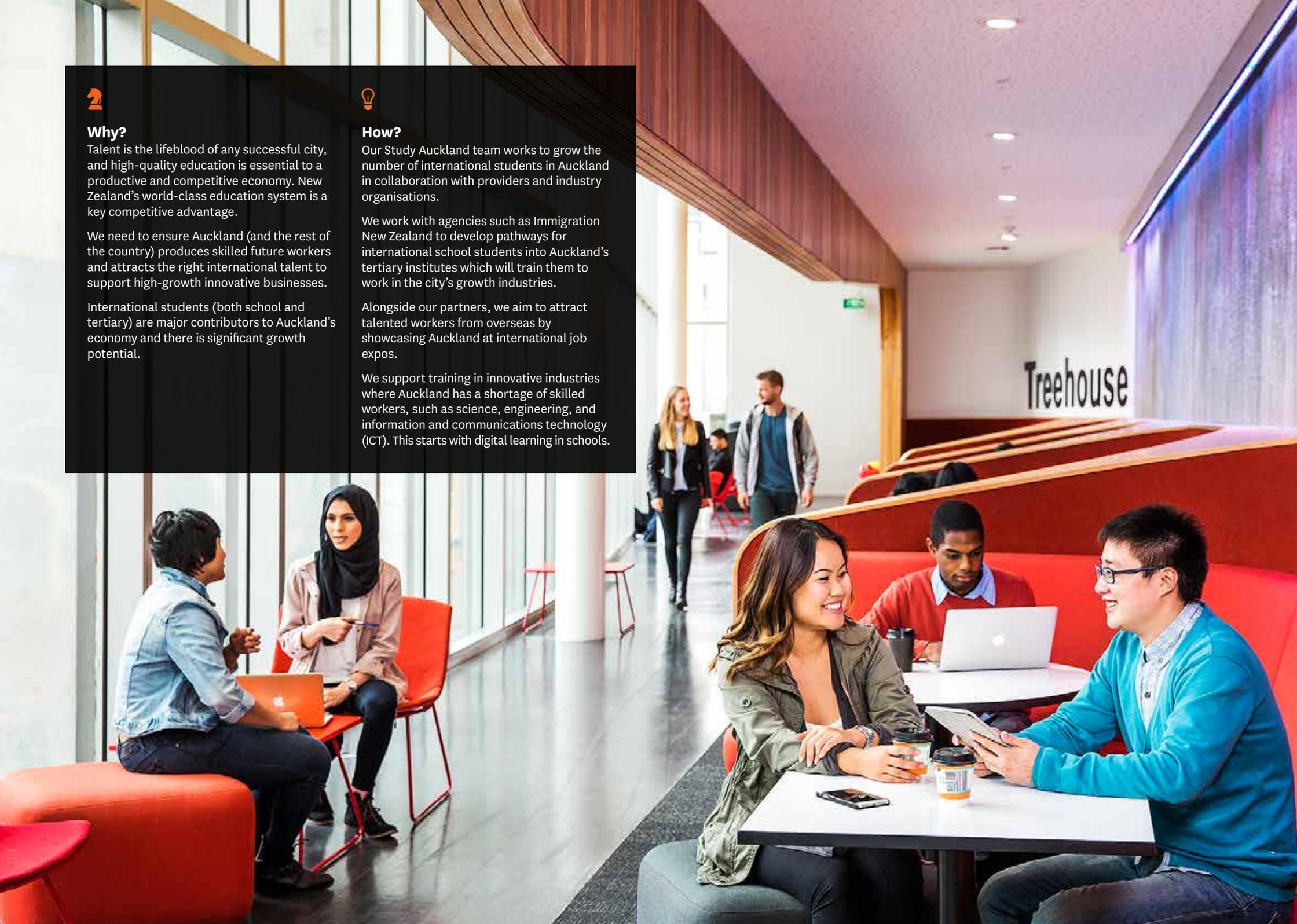
How?

Our Study Auckland team works to grow the number of international students in Auckland in collaboration with providers and industry organisations.

We work with agencies such as Immigration New Zealand to develop pathways for international school students into Auckland's tertiary institutes which will train them to work in the city's growth industries.

Alongside our partners, we aim to attract talented workers from overseas by showcasing Auckland at international job expos.

We support training in innovative industries where Auckland has a shortage of skilled workers, such as science, engineering, and information and communications technology (ICT). This starts with digital learning in schools.





Achievements

A new Auckland Regional Partnership Agreement with Immigration New Zealand is the centrepiece of the programme to attract talented migrants for Auckland's key growth sectors.

In March, ATEED was part of an Auckland Council group showcase at job fairs in London and Manchester aimed at attracting skilled migrants.

In partnership with the Ministry of Business, Innovation and Employment (MBIE), ATEED hosted stands at two job expos in Australia in November – our focus in Sydney was ICT workers, and in Perth, construction and infrastructure roles.

We supported the 'Innovation Islands' digital marketing campaign launched in September by MBIE and Workhere New Zealand to help attract top tech talent from Australia.

Our Study Auckland team worked with more than 130 client organisations to expand Auckland's \$1.7 billion a year international student economy. This included the launch of the INAKL international student experience pilot programme to improve engagement with the region's 68,000 fee-paying students, and particularly help convince those with the right skills to stay on to work in Auckland's growth sectors. The pilot was launched with a vibrant welcome event which was attended by more than 2000 international students. The INAKL programme's digital engagement level by year end was excellent, with more than 2200 Facebook followers and strong click through statistics compared with industry standards. Read about the INAKL programme on page 31.



What's next?

In 2015/16, we will continue to work with our partners to directly attract talented workers to Auckland.

There will be an expansion of the activity with Immigration New Zealand focused on attracting migrants and returning expats into skills gaps in Auckland – including a presence at the most relevant jobs expos.

One initiative will involve the launch of a micro-website on aucklandnz.com to showcase Auckland as a place to work. This will include an Auckland jobs 'widget' which will link prospective talented migrants to high-value jobs in growth sectors.

Following on from its pilot programme success, INAKL will move to being a core Study Auckland initiative in collaboration with our partners such as Education New Zealand – particularly to retain international students and develop pathways into employment in growth sectors.

Our Study Auckland team worked with more than 130 client organisations to expand Auckland's \$1.7 billion a year international student economy.



FOCUS ON MIGRANT CONTRIBUTION

The Auckland Regional Partnership Agreement is a three-year plan signed this year which identifies how Immigration New Zealand (INZ) can support Auckland's migration priorities – to attract and retain skilled migrants who have a critical role to play in the region's economy, particularly to help fill the shortage of skilled workers.

In addition to meeting gaps in Auckland's workforce, skilled migrants also help stimulate economic growth through the transfer of knowledge and skills which provide the necessary innovation and acceleration for growth.

The agreement's three partners are ATEED and Auckland Council – which develop relationships with local and regional stakeholders – and INZ, which leads central government relationships.

The agreement recognises that Auckland won't be able to transform the economy without a strong relationship between the Auckland Council group and government agencies.

The organisations will share research, information, and best attraction and retention practises across regional, national and international settings.

ATEED and INZ will focus on skilled migrants, particularly via existing work programmes in international education and priority sectors. Auckland Council will focus on migrant retention and community building.

The partnership was reflected in the Perth and Sydney job expos, where ATEED and INZ worked together to attract skilled talent to Auckland (See sidebar).

Right Auckland's stand at the London job expo



Auckland features at job expos

Hundreds of potential returning expats and skilled migrants expressed an interest in moving to Auckland at a series of international jobs expos attended by ATEED during the year alongside INZ.

They included the highly-respected Working International jobs expos in London and Manchester, which followed similar expos on both coasts of Australia.

In London, the ATEED stand targeted skilled workers who could help fill the existing and growing skills shortages in Auckland's key growth sectors – including ICT, engineering and construction – which will reduce the region's productivity if not addressed.

ATEED's representative at the expo also gave presentations across the four days and spoke about Auckland as an option for skilled migrants in several high-profile media interviews focused on the expos and broadcast across the UK.

Auckland is the dominant force in New Zealand's unprecedented levels of growth in building and construction – major transport infrastructure such as the City Rail Link, major five-star hotels, and high-density housing

developments are expected to create an extra 32,000 Auckland jobs in construction and infrastructure by 2018. The projects are also creating significant demand for engineers, including within Auckland Council group.

There is strong competition from Canada and Australia for the same workers being targeted by Auckland.

ATEED also supported MBIE's New Zealand Jobs Expos in Perth and Sydney. The Perth expo focused on skilled workers for Auckland's construction and infrastructure sector, and resulted in about 350 job seeker interests logged, while the Sydney expo, which aimed to attract top ICT and tech talent, yielded about 200. ATEED is also collaborating with INZ to support MBIE's 'Innovation Islands' campaign focused on ICT talent from Australia.

ATEED directly followed up with people who expressed interest in moving to Auckland and helped connect them with companies which had vacancies.

NEW PROGRAMME FOR INTERNATIONAL STUDENTS

A hugely successful, fun and interactive International Student Welcome event was attended by more than 2400 students at The Cloud, launching a new pilot programme to improve the experience international students have in Auckland, and promote stronger connectivity between the students and the Auckland region.

International education is a major growth industry for Auckland and a priority target sector for ATEED on behalf of Auckland Council. Education New Zealand data shows the industry was worth \$1.7 billion to Auckland's regional economy in 2014.

Auckland hosts more than 60 per cent of the international students in New Zealand. The number of students in Auckland grew 17 per cent in the year to reach about 68,000 by the end of 2014.

Aside from the direct spending on fees, accommodation and living costs, students are high-value visitors because of the numbers of family and friends who regularly visit them. They are also seen as a major solution for Auckland's current shortage of skilled workers, if the right pathways are put in place to keep them in the region, and they enjoy their experience in Auckland.

The pilot programme – called **INAKL** – was run through ATEED's Study Auckland team. Students who joined received regular communications about upcoming events, activities and opportunities in Auckland.

It was a significant success, and became a permanent programme.

INAKL's pilot incorporated a mixture of activities and communications, including the welcome event and:

- a targeted digital strategy including a Facebook site which reached more than 2000 likes in the first month
- International Student Ambassador project
- ongoing events, activities and initiatives, such as group trips to FIFA U-20 World Cup games (more than 440 attended), and Blues rugby matches.



Ketaki Khare (left) was one of four ambassadors selected to represent the region's international student community who were formally welcomed to Auckland by Mayor Len Brown at an international student function held at Auckland Zoo.

As well as being a student ambassador, and working part-time for the **INAKL** project, Ketaki is among 10 Indian students awarded the Prime Minister John Key's Sports Scholarships for 2015. She is a member of the Indian women's rugby team, India's first female rugby referee and the first Indian woman to pursue a professional career in rugby.

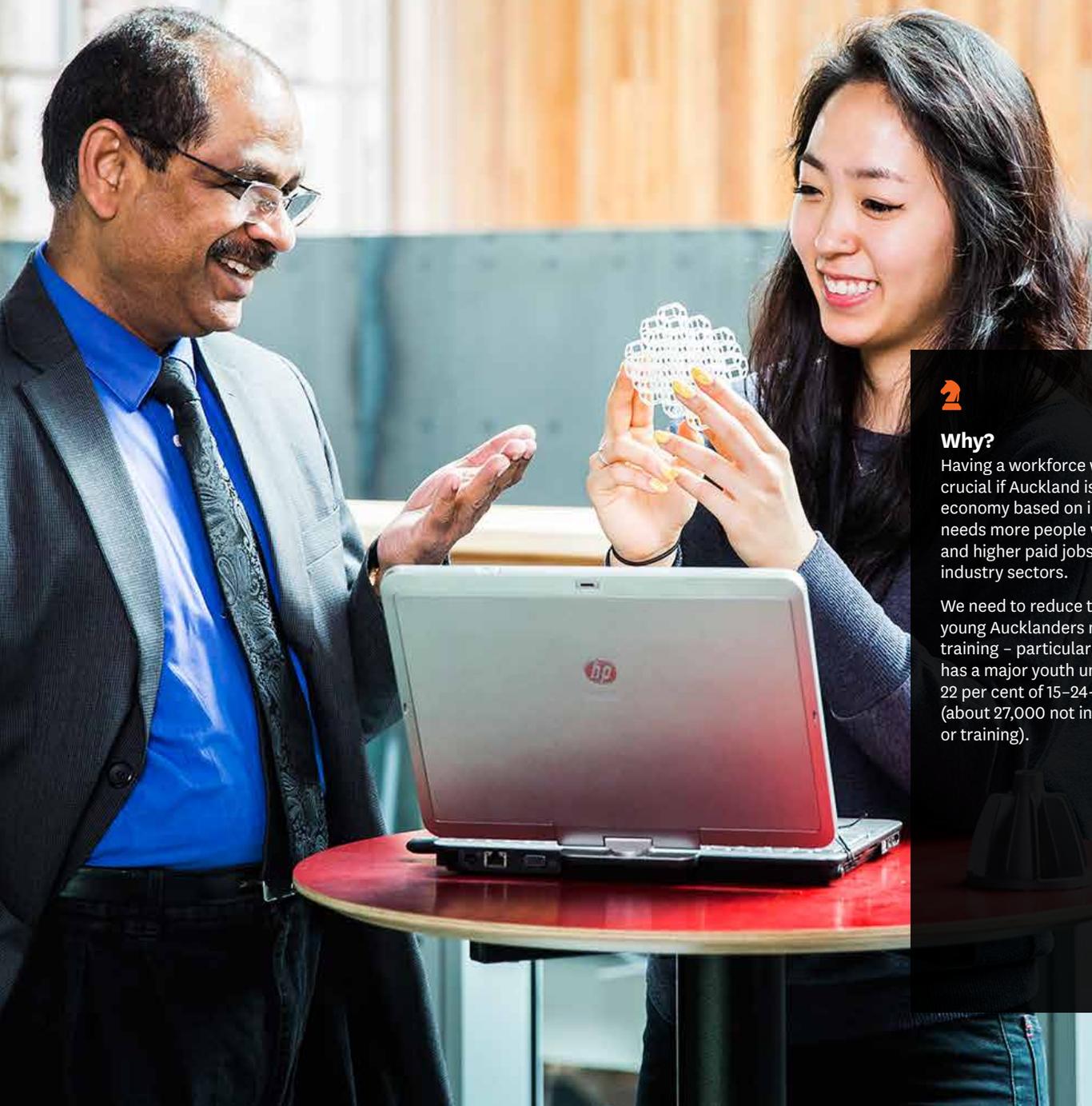
She is enrolled in a Bachelor of Sports Coaching at Unitec, and says she loves the varied experiences Auckland offers.

As an ambassador, Ketaki is documenting her experiences of being an international student in Auckland in a blog: "Being an **INAKL** International Student Ambassador is an amazing opportunity to view this magical city in all its glory and it gives me immense pleasure to be able to write about all my experiences. I want to showcase studying and living in Auckland to everyone who wants to have an education abroad."

A key part of **INAKL** is to explain to students the pathways to further education, employment and business opportunities in Auckland. International students could be one solution for Auckland's current shortage of skilled workers if the right pathways are put in place to keep them in the region, and they enjoy their experience in Auckland. **INAKL** held two fully subscribed workshops in partnership with Immigration New Zealand, to explain how students can stay on to join the workforce through post-study work visas or the Skilled Migrants immigration category.



Grow a skilled
workforce



Why?

Having a workforce with the right skills is crucial if Auckland is to become a high-tech economy based on innovation. Auckland needs more people working in higher skilled and higher paid jobs in our most important industry sectors.

We need to reduce the high number of young Aucklanders not in jobs, education or training – particularly Māori youth. Auckland has a major youth unemployment issue, with 22 per cent of 15–24-year-olds unemployed (about 27,000 not in education, employment or training).



How?

We work with industry to find out where there are shortages of skilled workers – for example, we already know ICT companies can't get enough people with the right skill level – and work out how we can help to fill those gaps.

ATEED participates in the Auckland Skills Steering Group, and the Education and Skills working group. We deliver the Lion Foundation Young Enterprise Scheme (YES) across the region, which gives school students real-life experience running a business.

We partner the Auckland Council group, other agencies and the education sector on a range of targeted youth employment initiatives to make it easier for young people to move into jobs, and to encourage businesses to invest in skills training.

We help small-to-medium companies apply for New Zealand Trade & Enterprise (NZTE) Capability Development Vouchers, which can be used to increase specific workplace skills.



Above Construction companies were among the first to sign the Auckland Employer Pledge



Achievements

This year saw real progress on our work with partners to deliver Auckland Council's Youth Employment Traction Plan. The initial target industries for jobs growth are construction, ICT, health, and hospitality.

ATEED hosts the plan's hub, which is a holistic approach to employment solutions in partnership with external organisation Youth Connections. The team developed the Youth Employer Pledge, which makes the employment process much easier for both employers and young people.

ATEED has obtained commitment to the pledge protocols from major Auckland companies – initially in the construction and hospitality sectors. So far, more than 40 organisations have agreed to join the Auckland Employer Pledge programme – 13 signed by the end of the financial year, and the rest are still working their way through the authorisation process.

JobsFest15, an event in South Auckland to connect unemployed youth with 40 potential employers, was attended by more than 2000 Aucklanders. A Youth Employability Passport trial began in April – a partnership with the Ministry of Social Development, Careers New Zealand and the Employers and Manufacturers Association.

ATEED's delivery of YES in the 2014 school year saw more than 1200 students from 40 Auckland schools complete another multi award-winning programme. IdeaStarter – a new ATEED-supported competition for entrepreneurial Aucklanders aged 15–24 – attracted more than 60 entries of innovative business concepts. Read more about all of these initiatives from page 37.

Through its delivery of the Regional Business Partner Network this year, ATEED actively managed 884 businesses, and facilitated more than \$1.76 million in NZTE Capability Development Vouchers to improve the management skills of small to medium enterprises.



What's next?

We will release our Skills, Education and Employment Action Plan – which was developed this year following in-depth discussion with industry, central government and other partners about issues and priority actions.

We will increase our focus on the development of employment pathways for Māori youth, particularly as part of council's The Southern Initiative.

We will continue to grow the number of companies signed up to the Auckland Employer Pledge, and continue to partner Youth Connections on the JobFest programme.

We will strive towards our goal, in partnership with Auckland Council's local boards, to get YES into all Auckland 120 secondary schools.

We will work with government and tertiary education providers to identify and support training in the industries which have the most critical shortages – at the moment, the most glaring are in ICT, science and engineering, all of which are crucial to innovation and therefore, economic growth. This includes working with youth organisation COMET to develop and deliver a 'Science in Society' pilot project in South Auckland.

A FOCUS ON YOUTH EMPLOYMENT

ATEED is at the forefront of programmes to tackle youth unemployment, being a partner in the Youth Employment Traction Plan and host of the plan's hub.

One major programme is the Youth Employer Pledge, which makes the employment process much easier for both employers and young people. ATEED has obtained commitment to the pledge protocols from major Auckland companies – initially in the construction and hospitality sectors.

Companies which have signed the pledge include: AWF Group; Fletcher Building; G J Gardner Homes; Hilton Auckland; Intercontinental Hotels Group; Rainbow's End; SkyCity; Stamford Plaza; The Langham Hotel Auckland; The Rendezvous Hotel Auckland; The Warehouse; Veolia; Xero and Wharehine. More are in working through the process.

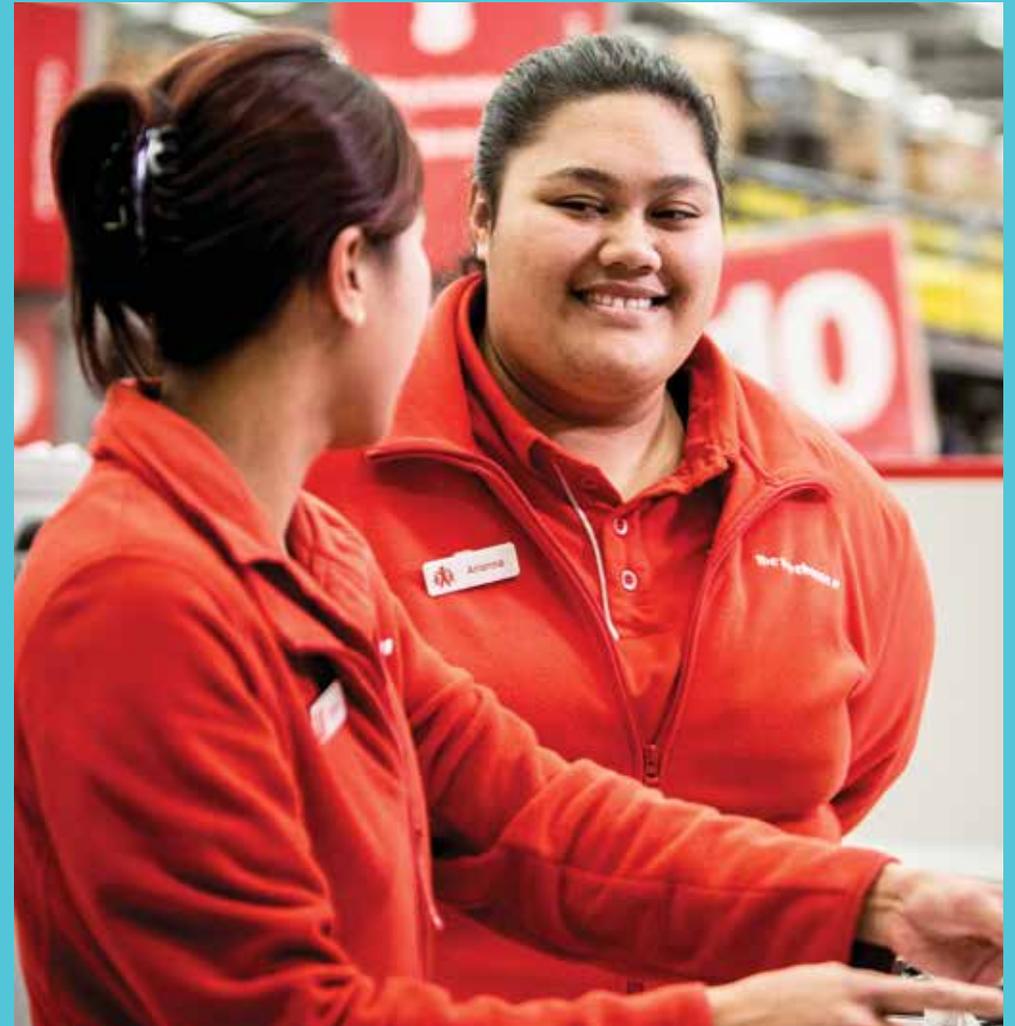
Almost 150 young, would-be Auckland entrepreneurs took the opportunity to test their business ideas by entering the inaugural IdeaStarter – an ATEED-backed competition which helped young people turn their energy and ideas into potential career opportunities (see page 36).

ATEED is also supporting the Youth Employability Passport trial, which involves about 100 young people from Auckland schools and COMET, and is designed as a method for young people to build and be recognised for the employability skills they need for their transition into early adulthood. The 'passport' attests to a young person's skill and character development, based on a range of skills identified as essential for employability.

During the year, the first JobFest15 in South Auckland attracted more than 2000 potential workers aged 16-24. Supported by ATEED, it featured about 40 businesses with 300 employment vacancies. After the reporting year, the JobFest15 at Albany continued this initiative's success. It featured about 60 employers with more than 300 entry-level jobs connecting with thousands of potential workers.

JOIN LEADING
AUCKLAND BUSINESSES

MAKE THE
YOUTH EMPLOYER
PLEDGE



IDEA Starter

KICK START FOR IDEASTARTER

Almost 150 young, would-be Auckland entrepreneurs took the opportunity to test their business ideas by entering the inaugural IdeaStarter – an ATEED-backed competition which helps young people turn their energy and ideas into opportunities.

IdeaStarter called on Aucklanders aged 15–24 to share their business ideas for a new product or service, with 60 team and individual entries received.

IdeaStarter is a programme developed by Youth Connections, which supports youth employment and enterprise in Auckland. It is primarily funded by The Tindall Foundation and Auckland Council and targets those who are not in employment, training or education.

Sir Stephen Tindall, The Tindall Foundation Co-founder, says: "IdeaStarter has presented Auckland's young entrepreneurs with a chance to test their business ideas, and they've taken it with both hands."

The judges announced 15 winners at the IdeaStarter Summit in May at GridAKL.

The ideas included 'bio-corridors' that connect people and habitats, organic solid perfumes, an app to teach young children Pacific Island languages, and a youth-focused interactive news platform.

ATEED sees IdeaStarter as a stepping stone towards Auckland's goal to become an innovation hub of the Asia-Pacific region

The summit was supported by ATEED's Business, Innovation and Skills unit, which provided advice and connections for the entrants. The winning teams and individuals were each presented with a business tablet, and will receive two mentoring sessions with a business or social entrepreneur.

Sir Stephen Tindall says: "These entrepreneurs now have an opportunity to refine and develop their products and services, working with business experts who will act as mentors to help them bring their business ideas to life."

IdeaStarter entrants were supported through Idea Generator sessions to help them crystalise and progress their ideas before they entered. Judges sought ideas that had the potential to be the 'next big thing', were compelling, well communicated and innovative, and had the customer in mind.

ATEED sees IdeaStarter as a stepping stone towards Auckland's goal to become an innovation hub of the Asia-Pacific region. For that to happen, Auckland needs to get young people into sustainable career pathways where they can succeed and innovate.



Above Ideastarter mobilised young entrepreneurial talent



Above The YES programme involved more than 1400 school students

SAYING YES TO FUTURE BUSINESSPEOPLE

Auckland needs more young entrepreneurs and business people to capitalise on opportunities in high growth sectors such as ICT.

These sectors are people-intensive, offer higher paid jobs, and the opportunity to reduce the high number of young Aucklanders who are out of work, education or training.

One important way to develop Auckland's future business leaders, entrepreneurs and workforce is YES, which ATEED delivers across Auckland on behalf of the Young Enterprise Trust. For the 2015 school year, more than 1400 year 12 and 13 students from 52 Auckland schools are taking part in YES, forming more than 180 small enterprises.

Many of New Zealand's best business leaders, such as Rod Drury, learned real-life experience in YES teams that create their own unique product or service and take it to market, emulating the process a start up business must go through on the pathway to success.

The students are provided with coaching and mentoring from business people throughout the year. They also take part in a range of regional events, ranging from Dragon's Den-style challenges through to the annual trade fair where they demonstrate and sell their innovative products to the public. This 2015 cohort's products included recycled furniture, robot making classes, boxed herbal teas and almond milk yogurt.

Through these hands-on, practical experiences, students are challenged to go beyond the boundaries that would normally be set in the classroom, developing entrepreneurial skills that will help fuel Auckland's economic growth for years to come.

Auckland schools again had outstanding results at the national finals: Nude Water, St Cuthbert's College took second place overall, and Pakuranga College's Bizz Bros came third.

Auckland's national category winners were: El Paleo, Henderson High School (Excellence in Pasifika Business, and Excellence in Sales & Marketing); Tutorlink, Macleans College (Innovation in ICT); Luna & Co, St Cuthbert's College (Global Sales & Marketing Planning); Closing the Loop, Takapuna Grammar School, (Excellence in Innovation); and Liston College's DexTech Ltd won 'Start Up Company of the Year' for year 12 students.



Grow the visitor
economy



Why?

High-value visitors inject new money into the economy and create jobs for Aucklanders – particularly in the service sector. Events, attractions, restaurants and shopping precincts which appeal to visitors also help make Auckland a more exciting place to live, and a more attractive place for migrants, businesses, investors and students.

International business people who come to Auckland for events such as global sporting tournaments are ideal targets for tailored programmes to showcase the region's opportunities for investment or business expansion, and for local export businesses to connect with.

An enhanced visitor economy will contribute to Auckland's emergence as a global city.



How?

We explore all cross-industry opportunities connected to the visitor economy. For example, we target bids for business events which relate to Auckland's growth industries, and create specific business-showcasing events to coincide with global sporting tournaments.

We market Auckland to high-value visitors from around New Zealand and from select target countries who can deliver the most economic impact including: tourists interested in golf, equine, and marine activities (including super yacht owners); and business event attendees.

We market Auckland as a unique destination – not an arrival and departure point. We build partnerships with agencies and the industry to increase Auckland's ability to bring in and cope with more visitors.

We work with partners to build a world-class major events portfolio, and build our annual international business events schedule.

We identify gaps in Auckland's visitor attraction offerings and work with partners to fill them.



Left Crowds at FIFA U-20 World Cup 2015



Achievements

An unprecedented major events season saw our Major Events business unit busier than ever, and the city's hotel accommodation reach record occupancy levels.

The numbers are impressive: 15.3 million visitors to Auckland who stayed 29.2 million visitor nights and spent \$5.3 billion in 2014; Auckland's portfolio of more than 30 major events injected \$73.1 million new money into the regional economy and generated nearly 400,000 visitor nights.

In the calendar year to December 2014, Auckland Airport received more than two million international arrivals for the first time. This helped to push hotel occupancy rates to record levels – 93.5 per cent in February 2015.

The growth in high-end tourism requires a major increase in the number of luxury hotel rooms available. During the year, ATEED helped efforts to secure investment from international companies

which have the capability and experience to construct high-quality hotels in Auckland.

ATEED is engaging with the hotel investment sector and working with NZTE and other agencies to create a clear strategy to help investors understand opportunities at a national and local level.

With a number of new 5-star properties now announced, the key investment opportunities exist in the 3.5-4.5 star accommodation segment – but the current cost of land and construction is a barrier to investors. Areas outside the CBD are more attractive because lower costs and new construction methods provide greater return on investment.

The portfolio featured memorable global events from the Festival of Tennis through to group matches, knock-out rounds and the final of FIFA U-20 World Cup 2015 – the largest football event held in New Zealand. Read more about the success of this tournament on page 45. The worldwide television feed from ICC Cricket World

Cup 2015 went to more than 2 billion potential viewers in 212 countries.

Planning by ATEED's subsidiary company towards World Masters Games 2017 proceeded well, with milestones including the announcement and contracting of 45 competition venues; two strategic partners, a hospitality 'experience' partner, and a trust partner; and setting three registration price points.

ATEED worked with a range of partners to further develop its programme to bring luxury market Chinese visitors with specialist interest in golf, equine and marine sectors to Auckland – this programme has cross-sector benefits for inbound investment and exports. Read more about this programme on page 42.

Our Auckland Convention Bureau (ACB) team developed the Auckland Business Events Plan in conjunction with industry. The nation's first specific regional business plan was released in August, and outlines a compelling action plan to nearly double the annual economic contribution of this sector to \$430 million in 2023. Reducing seasonality is a key aim in the plan.

The bureau's International Bid team supported 37 international bids during the year. Of these, 12 were won, with an estimated \$9.6 million future contribution to Auckland's regional economy. In addition, confirmation was received that five bids supported in 2013/14 had been won with an economic value of \$2.4 million. Bids for a further 17 events (with an estimated value of \$21 million) were in progress at year end.

One of the critical actions in the plan was for ACB to develop an innovative Auckland Business

Events Advocate Programme. Called the Auckland Advocate Alliance, this was launched in May. Read more about this impressive programme on page 44.

A major milestone was reached with the iwi-led new visitor experience Rangitoto Motutapu Haerenga – 'A Journey Through Sacred Islands' operational in November, to coincide with Conservation Week. The haerenga is a collaboration between ATEED and partners including the Department of Conservation, Ngai Tai, Ngati Whatua Orākei, and Ngati Pāoa.

The haerenga's development has been accompanied by significant private sector tourism product investment such as Waka on the Waitamata, and Waiheke's EcoZip adding to Auckland's attractions.

The regional i-SITE network managed by ATEED experienced a significant uplift in tourism sales this year. By the height of summer, the number of bookings in the key branches at Auckland Airport, Sky City, and Princes and Queens wharves had increased by 6.5 per cent (a value of \$2.17 million for tourism operators). This growth was enabled by improved cruise ship operations at Princes and Queens wharves, with the total value of bookings up more than 28 and 20 per cent respectively.

The 2014/15 cruise ship season was another strong one – 115 voyages brought more than 263,000 passengers and crew to the Port of Auckland. The ships' visits injected about \$190 million into Auckland's economy.

The coming season is shaping up to be a record with more ships and passengers set to visit than ever before. The Cruise Action Plan for Auckland, finalised this year, identifies opportunities to

increase the regional economic benefits from the cruise industry and its contribution to the visitor economy. Implementation will focus on ensuring Auckland is recognised as the best cruise destination in the Oceania region.

New cruise infrastructure to cater for the growth in cruise ship visits, and larger ships, is critical to ensure the growth of Auckland as the cruise hub for New Zealand. ATEED continues to support the development of a council group strategy to open up the downtown waterfront, including a longer cruise ship berth and improved passenger facilities.

ATEED continued to support local tourism clusters in Auckland's Franklin and Rodney regions, and on Great Barrier and Waiheke islands; and strengthened its international industry partnerships with Flight Centre Australia and Virtuoso. Read more about our involvement with Virtuoso on page 46.



What's next?

There will be major progress on Auckland's journey towards hosting World Masters Games 2017 – which will involve nearly 30,000 participants and supporters, and be the largest major event held here since Rugby World Cup 2011. This will provide major opportunities to have concurrent business events.

Key focus areas will be finding a games merchandise partner, confirming the athlete and companions registration packages, the announcement of a motor vehicle partner, and the announcement of the entertainment hub venue and concept.

The world's largest celebration of Pacific Island culture, Pasifika Festival, will return to Western Springs Park in 2016. This decision was based on feedback from the Pacific Island community via the Pacific People's Advisory Panel and the Pasifika

Village Coordinators, following the one-off move to South Auckland due to the fruit fly outbreak just before this year's festival.

We will partner Auckland's 19 mana whenua iwi authorities on an anchor major event to celebrate our region's Māori culture. This festival, scheduled for January next year, will showcase Tāmaki Makaurau's unique and treasured Māori identity.

Our ACB team will continue to grow the advocate programme, which will play a major role in helping to grow the value and volume of business events in Auckland, and in turn, support growth and investment into the region's key industry sectors. We will continue to focus on developing events which help to reduce the summer seasonality of the region's visitor economy.

We will continue to grow our international consumer marketing presence in key target markets alongside partners including Tourism New Zealand, Auckland Airport, and Flight Centre Australia.

We will grow the extent of the successful regional tourism clusters to help increase connections and promote local areas.

We will continue to improve how we provide information to visitors, particularly through digital channels and the i-SITE network.



ATEED's major accolades

2015 New Zealand and Recreation Awards

'Innovation Excellence' award for Dick Smith NRL Auckland Nines

2015 Local Government New Zealand Excellence Awards

Highly Commended, 'Fulton Hogan Excellence Award for Community Impact', for Auckland Lantern Festival

New Zealand Association of Event Professionals Awards 2015

The Volvo Ocean Race Auckland Stopover – 'Best New Zealand Hosted Major Event'

Dick Smith NRL Auckland Nines – joint winner, 'Best New Zealand Owned Major Event'



MINING GEMS IN CHINA

This year saw major progress on ATEED's GEM – golf, equine, marine – programme to develop economic ties with China; in particular, to engage with China's growing luxury visitor and equine markets.

During the year, there was growing investment interest from China in Auckland infrastructure and business.

The GEM programme encompasses opportunities in tourism, foreign direct investment, international education, business and major events, innovation and trade.

The programme this year included showcasing Auckland at the influential 8th Beijing Horse Fair in conjunction with a range of New Zealand and Chinese equine partners.

ATEED formed a strategic partnership with Inner Mongolian-based Rider Horse Group, and progressed discussions about a potential major horse event in Auckland. Rider Horse Group opened a downtown Auckland office this year. The company's thoroughbred Mongolian Khan became the first Chinese-owned New Zealand horse to win a Group 1 race, the prestigious TV3 NZ Derby at Ellerslie – a landmark for Chinese investor involvement in our equine industry.

ATEED worked with NZ Bloodstock and central government agencies to showcase the Karaka Million Series and the company's national yearling sales to a major delegation of Chinese equine industry leaders.

A specialist from Auckland Convention Bureau marketed Auckland's offering at one of the world's biggest business event industry conventions – the China Incentive, Business Travel & Meetings Exhibition in Beijing.

GEM involves ATEED developing connections based on an initial golf and marine sector focus through Mission Hills Resort and sponsorship of the China Cup yachting regatta, and extending through a formal memorandum of understanding with China Southern Airlines signed this year.

ATEED's sponsorship of the 8th China Cup Sailing Regatta provided opportunities for sailing school programmes for young Chinese sailors in Auckland; promotion of the region's marine innovation to Chinese investors, government agencies and distributors; and a joint venture to seek ways to promote our region's world-renowned marine proposition to high net worth individuals – with a visiting delegation hosted during the Volvo Ocean Race Stopover 2015.

During the year, there was growing investment interest from China in Auckland infrastructure and business. ATEED continued to grow or establish valued partnerships with Fu Wah, ICBC Bank, China Travel Service, GZL, Wanda Group and Reignwood.





SUPER YACHT PROGRAMME SETS SAIL

The multi-agency Destination New Zealand Super Yacht Attraction Initiative Group is making excellent progress.

ATEED played a significant role in the group's formation alongside Tourism New Zealand, NZ Marine, and New Zealand Trade and Enterprise (NZTE) – with the goal of making New Zealand a desired super yacht destination and a target of attracting 74 super yachts a year to New Zealand shores by 2018.

The collaboration helped drive the arrival of a record 57 super yachts to New Zealand in the 2014/15 season – an increase of more than 50 per cent and the highest number since the 2000 America's Cup. In April, the group had a presence at the Singapore Yacht Show, part of an annual showcasing programme at the world's most important industry events attended by owners, captains, brokers and agents.

As with many of ATEED's initiatives, this programme will have cross-sector benefits – in this case, for Auckland's world-class marine industry.

Auckland is the hub of New Zealand's marine sector with 60 per cent of the country's industry based within the region – including increasingly important and renowned refit and maintenance capability.

The results show the benefit of the organisations within the group bringing their expertise together to really put New Zealand on the map as a super yacht destination.

Each super yacht contributes more than \$1 million to the economy with each visit and in many cases more than \$5 million. This includes expenditure on tourism by the owners and crew, and for berths and marine services for yachts.

If a super yacht has a major refit while in New Zealand, the cost is up to \$6 million for a 50m yacht, and \$20 million for a vessel 100m or larger.

Auckland's ability to host an increasing number of super yachts has been buoyed by an expansion to Waterfront Auckland's main location for vessels to berth – Silo Marina in Wynyard Quarter – with the facility tripling in size.

Each super yacht contributes more than \$1 million to the economy with each visit and in many cases more than \$5 million.



Auckland Advocate Alliance

AUCKLAND ADVOCATE PROGRAMME TO DRIVE BUSINESS EVENTS GROWTH

Fourteen distinguished leaders in the health, medical, education and ICT fields will represent Auckland on the world stage when the city bids for international business events, thanks to ACB's new Auckland Business Events Advocate Programme.

Launched in May, the programme is the first of its kind in New Zealand and aims to help ATEED achieve its target to increase delegate days in Auckland from 1.98 million to 2.55 million by 2023. It is designed to contribute to increase in international convention bid opportunities within key sectors for Auckland.

The Auckland advocates are highly regarded both at home and abroad, and recognised for their professional achievements, passion in their field and dedication to promoting Auckland as a global events destination.

Collectively, they have already secured \$8.5 million worth of business events to Auckland since 2011 – now there is a formal process around their advocacy work as they help to generate more leads, more bids and a higher conversion rate of winning bids.

Business events are a key factor for destinations seeking a global brand, and advocate programmes have proven to be highly successful overseas.

ATEED welcomed May's confirmation of the revised preliminary design for the planned national convention centre – crucial infrastructure for Auckland which underpins both *Auckland's Business Events Plan*, released in August 2014, and the *Auckland Visitor Plan*.

Auckland is losing conventions to other destinations, particularly Australia, because it is not able to offer a venue suited to large scale conferences.

Business events delegates are high-value visitors who deliver strong economic returns. They stay longer, often visit during the tourism low season and spend more each day than an international leisure visitor.

Shortly before the year end, ACB announced the successful joint bid win for Auckland to host the next Higher Education Technology Agenda (THETA). This was spearheaded by Liz Coulter, one of the advocates. Her contribution to winning this bid demonstrated the benefits of working closely with some of the region's top thought leaders to promote Auckland's world-class business events sector.

The Auckland Advocates are:

Professor Hugh Blair, Ms Elizabeth Coulter, Associate Professor Dawn Garbett, Dr Andrew Hill, Dr Andrew Holden, Dr Peter Huggard, Mrs Anne Kolbe, Liz Schoff, Dr Libby Limbrick, Mr Dean Lawrence, Dr Scott Macfarlane, Ms Kim Mundell, Dr Alan Ovens and Dr Verica Rupar.



Left Mayor Len Brown, ATEED Board members and senior staff with the advocates at their investiture in May

FOOTBALL (AND AUCKLAND'S ECONOMY) WAS THE WINNER

When the final whistle blew on the FIFA U-20 World Cup 2015, it had proved to be another excellent Major Events Fund investment for Auckland.

The statistics were impressive:

- more than 100,000 people attended matches at North Harbour Stadium
- more than 30,000 people visited the Fever Pitch experience at Queens Wharf (including more than 30 schools)
- more than 18,000 patrons travelled to and from North Harbour Stadium on public transport.

The tournament marked the end of an unprecedented major event season for Auckland, which started with the NZ Summer of Tennis, and included the Volvo Ocean Race stopover, and ICC Cricket World Cup 2015.

In line with the move to increase its focus on leveraging business growth opportunities around major events, ATEED delivered two successful business events around FIFA U-20 World Cup in association with Sport New Zealand and NZTE. The first was a New Zealand/US event with the support of the American Chamber of Commerce. The second was a German Business Lunch held in association with the New Zealand German Business Association. Each resulted in great connections being made in some of Auckland's key growth sectors.

This year, the return on Auckland's Major Events Fund investments was \$73.1 million, and the major events portfolio generated 390,000 visitor nights (each figure excludes the FIFA U-20 World Cup data calculated independently).



TOURISM TEAM'S VIRTUOSO PERFORMANCE

Virtuoso is the world's top luxury travel network, with more than 7200 travel advisors in 20 countries, and clients who represent the top one per cent of high-value travel customers in the US and South America – with an average spend of US\$110,000 on a two-week holiday.

ATEED became a 'preferred member' of Virtuoso last year as part of a focus on attracting high-value visitors to the region. The typical Virtuoso client is a high-earning, well-travelled 56-year-old, and about half of them take multiple trips a year.

This year, two senior ATEED Tourism team specialists – the Travel Development Manager, and Manager Trade Partnerships – represented Auckland at August's Virtuoso Travel Week in Las Vegas, Nevada. It is one of the world's biggest travel events, and allows travel advisors to be personal shoppers for their high-end clients. About US\$450 million in sales were made during the five-day event.

More than 90 countries showcased their product offerings to about 1800 suppliers and 2100 advisors, and more than 370,000 business meetings took place.

The ATEED team had just three minutes to convince an advisor to promote Auckland to their clients. Their pitch focused on Waiheke Island, an Auckland jewel which is easily accessible on a short trip from the CBD by helicopter or ferry, followed by a private tour, relaxing day spa visits, and luxury accommodation for overnight stays.

ATEED's focus is to ensure the Auckland story is included within the broader New Zealand context. Virtuoso Travel Week allowed ATEED to help the travel advisors understand Auckland's offering and firmly put Waiheke on the radar of some of the world's most affluent travellers.

To reinforce the strategy, ATEED worked in partnership with Tourism New Zealand to host senior Virtuoso managers on a visit to Auckland and Waiheke.

Preferred New Zealand suppliers, including luxury lodges and inbound tourism operators, met the Virtuoso representatives. While on the island, the Virtuoso team viewed the work of a renowned Māori sculptor and carver, and were hosted by Mudbrick Vineyard's winemaker.

Auckland and Waiheke featured in an edition of *Virtuoso Life: Sun and Sand*, a magazine distributed to about 200,000 of Virtuoso's top US clients.





Build Auckland's
brand and identity



Why?

A great brand and identity can help Auckland stand out from its global competitors.

A clear and compelling brand story, and value proposition, will attract investors, entrepreneurs, innovators, tourists, events, students and skilled migrants. Each will bring extensive benefits to Auckland and its economy.



How?

We develop brand identities specifically for domestic and international markets, and work with partners to ensure they are used by all organisations which market Auckland.

We promote Auckland's brand and identity consistently across all business, tourism and major event activity. We ensure Māori identity, which is a key point of difference for Auckland, is included.





Achievements

This year, ATEED embarked on the Global Auckland project – an important review of the region's global identity and story.

At the end of the review, we expect to be able to articulate what makes Auckland unique on a global level, and to have developed a distinctive brand story. This brand will help to differentiate Auckland and enhance its international reputation, and provide a coherent value proposition to attract skilled migrants, investors, innovators, visitors, entrepreneurs and events – and the economic growth benefits they bring.

In parallel with Global Auckland, we will continue to develop the region's domestic brand.

We asked a diverse range of Aucklanders what makes their city unique. If Auckland is to remain competitive in attracting both visitors and investment, and sustain a vibrant and competitive economy, we need to stand out from global competitors. Read more about the project on page 50.

In addition to the international brand, we are committed to refreshing Auckland's domestic marketing. The 'AKL – *The Show Never Stops*', developed in partnership with Heart of the City, was supplemented by a comprehensive campaign to promote Auckland's summer of major events.

We joined with partners to help Auckland celebrate its 175th anniversary. We commissioned renowned animator Ian Taylor to develop a special video about the city's story which was greeted with acclaim on its first screening at The Cloud just prior to Anniversary Weekend. This was subsequently adapted into versions suitable for showcasing the region to global investors. An innovative series of special Auckland merchandise was launched to coincide with the 175th anniversary (read more on page 51).

Auckland received excellent international profile following our ATEED-instigated special profile published by influential international luxury publication *Monocle Magazine*. Jointly funded by a partnership with Tourism New Zealand, Air New Zealand, and New Zealand Trade and Enterprise, the insert in October's issue profiled the city's food, retail, innovation and transportation to a key target audience – luxury travellers.



What's next?

Having completed the first phase of Global Auckland, the focus moves to strategy and finally creative development, with target for delivery of a new brand by the end of 2015.

This involves all inputs from the research phase being collated and evaluated, themes summarised, and one complete global Auckland brand direction being developed that is consistent in its look, tone and personality – but can be tailored to specific audiences.

We will work with our partners to take the new Auckland brand and story to our region, the country and the world.

In parallel with Global Auckland, we will continue to develop the region's domestic brand. This will include campaign initiatives such as Auckland Restaurant Month, in collaboration with our 'AKL: *The Show Never Stops*' partner Heart of the City. This fits nicely with our innovation and growth ambitions for the food and beverage sector, and can be used to reduce seasonality in the visitor economy.



IEDC Excellence in Economic Development

ATEED's investment presentation (see text at left) won a silver 'IEDC Excellence in Economic Development' award at the 2015 International Economic Development Council (IEDC) Annual Conference (multimedia/video promotion category for cities with a population greater than 500,000)



A CRUCIAL PROJECT FOR AUCKLAND

The Auckland Plan, Auckland's Economic Development Strategy, and ATEED's Statement of Intent 2014-17 each highlight the need for the region to have a strong brand identity which is unique on a global level, and resonates with international investors, businesses, skilled migrants, students and visitors.

ATEED's response is the Global Auckland project, a major review of Auckland's narrative and global identity which began in late April. Since then, senior staff have interviewed and briefed nearly 100 high-profile Aucklanders – including CEOs, innovators and entrepreneurs.

The project team has used council's People's Panel survey to ask thousands of Aucklanders what they think defines the region, and sought an international perspective via Kiwi Expats Abroad's global membership. Nearly 50,000 people engaged with the #loveAKL digital campaign, and more than a million people were exposed to it.

The project is now in its second phase – Strategy. The team is distilling the research results into themes, developing a strategy, and testing that through stakeholder validation.

The project was spurred by the immense changes Auckland has undergone in recent years, and the recognition that if Auckland is to remain competitive on an increasingly fast-paced world stage and sustain a vibrant and competitive economy, it needs to stand out from global competitors.

The iconic 'City of Sails' campaign, created by Tourism Auckland in 1984, focused heavily on the natural beauty of the landscape and harbour, and targeted tourism growth.

Since then there have been several iterations of the brand, progressively moving away from solely tourism to broaden the city's appeal and reach. The stylised 'A' logo is the current visual symbol.

ATEED's view is that Auckland lacks a consensus public and private sector Auckland story and brand – despite general agreement there should be one.

Ultimately, ATEED hopes to have Auckland's unique story and various promotional tools developed late this year, ready to be outlined to the local and international market.

AUCKLAND HISTORY IN THE BAG

A new merchandise range celebrating Auckland's people and places was launched in November to help celebrate the city's 175th anniversary in 2015, and develop a new revenue stream.

ATEED's Brand and Marketing team developed the concept for the merchandise – which includes t-shirts, mugs, bags, tea towels and hoodies – in partnership with Auckland Libraries and successful online apparel retailer Mr Vintage.

The Auckland Heritage Collection range features some of Auckland's earliest photographic images, iconic landmarks, heritage maps, and a range of products bearing the Auckland 'A' brand.

The new online store offers a unique retail opportunity for Aucklanders to share their pride in the city, and visitors a chance to secure quality souvenirs.

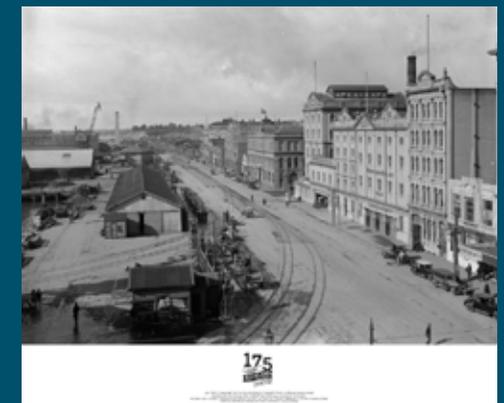
The intention was for new merchandise to be designed for other events such as Pasifika and Auckland Lantern festivals.

The launch of the online store, which involved a licenced merchandising agreement, reflects ATEED's focus on developing potential new sources of revenue for Auckland Council. The merchandise is expected to have significant growth potential long term.

The photos and maps of Auckland used in the collection are available online through Auckland Libraries' 200,000-strong heritage image database. The selected photographs are by early Auckland-based photographer Henry Winkelmann, and depict Edwardian Auckland, the

waterfront and town centre in the early years of the 20th Century.

Auckland Libraries' Iain Sharp says Winkelmann was a meticulous recorder of Auckland's changing streetscape: "This is a tremendous opportunity to share Winkelmann's work and of course entice people to delve into the collection themselves."



For more information

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