

Young, Philip

From: Johnston, Timothy
Sent: 05 March 2014 10:43
To: Peter Robinson
Subject: FW: Brazil July

From: Alastair Hamilton [mailto:alastair.hamilton@investni.com]
Sent: 04 March 2014 17:08
To: Johnston, Timothy
Cc: Gardner, Jeremy
Subject: RE: Brazil July

Tim,

- Moypark plan a £257m investment to meet the demands of large supermarkets to guarantee UK product following the horsemeat issues.
- We are competing with Grantham site, which got a £20m investment last year.
- We are proposing a £9.5m assistance package
- 628 new jobs will be created
- This complements the NI Executive funded Agri-food loan scheme.

Moy Park, NI's largest Food Manufacturing Company (turnover £1.1Bn, employing over 5000 individuals), is planning a major capital investment programme totalling £257m over the next five years to support the expansion of its operations across the UK and Europe, in particular the exploitation of opportunities for significant UK growth which have arisen primarily as a result of the shift by UK supermarkets to a policy of sourcing only British primary fresh chicken, accelerated by the Horsemeat crisis. Over £170m of the forecast level of capital expenditure is currently earmarked for potential investment in Moy Park's Northern Ireland operations which would see NI turnover reach £1.5bn.

The Craigavon site is the Company's European HQ and Invest NI is proposing to offer £9.5M assistance to secure this NI investment which has the potential to create 628 new jobs above a base of 5299. 70 of the jobs are within the area of innovation and range from £30-50K per year; 20 of the jobs are at supervisory levels and salaries range from £20-25K per year; the remainder of the jobs (538) are in processing/ financial services and salaries are within the £15-20K range. Circa 150 - 200 jobs have been already created.

The two important elements in securing the project for NI are those of Mobility and Timing. Moy Park has the option of making the investment in mainland UK and indeed made a £20M outlay in its convenience plant in Grantham last year. Additionally the timing of the growth project is critical to its success. Moy Park must capitalise on the new sourcing policy with the UK retail multiples whilst also taking advantage of a number of suppliers seeking new secondary sources of supply (as a direct result of Moy Park's major competitor, 2 Sisters, acquiring Vion.

To meet the general growth in retail demand and the expected move to British meat, it is estimated that the total weekly kill of chickens within the UK market will need to increase from 16.84 million to up to 22.95 million by 2016. The expansion project has strategic importance and close links with recommendations made in the "Going for Growth" Agri Food strategy i.e. the launch of the Agri food loan scheme; the supply chain link with the wider farming community; the planning issues associated with the construction of new poultry houses to meet the raw material supply requirements; and the necessity to resolve the poultry litter issue.

Moy Park is targeting an 29% increase in its weekly kill of chickens across its UK sites from 4.5 million to 5.8 million by 2015. The launch of the Agri Loan Fund In Northern Ireland which will assist the expansion in NI poultry farms, where access to finance has been highlighted as a constraint to growth, has been one of the key influencers in the location of the proposed project.

Regards
 Alastair

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From: Johnston, Timothy [<mailto:Timothy.Johnston@ofmdfmi.gov.uk>]

Sent: 04 March 2014 14:55

To: Alastair Hamilton

Cc: Gardner, Jeremy

Subject: RE: Brazil July

A

FM wanting a little more info around point one. Subject to getting that firmed up I have asked Jeremy to talk to you about arrangements.

Tim

From: Alastair Hamilton [<mailto:alastair.hamilton@investni.com>]

Sent: 04 March 2014 13:23

To: Parker, Vincent; Johnston, Timothy

Subject: Brazil July

Gents,

Following our conversation last week, I can confirm that it would be possible to get 3 tickets for the Semi Final programme. The outline programme is as follows :-

Sunday 6th July – Travel to Rio de Janeiro

Monday 7th July – Marfrig Business Leaders' Forum including dinner - Rio de Janeiro

Tuesday 8th July – Travel to Belo Horizonte (1 Hour flight). PM – 1st Semi Final

Wednesday 9th July – Travel to Sao Paulo (1 Hour 20 mins flight). PM – 2nd Semi Final

Thursday 10th July – Depart

I can confirm that

1. the large Moypark project will be coming to a conclusion around that time and accepting this offer will help us in the final stages of that major project. We may even be able to announce it while there
2. we are in early discussions with Moypark about organising a focused NI-themed communication/hospitality event for Brazilian investors at the event.

We need to confirm ASAP as internal flights are nearly fully booked. International flights will become very restricted. Rooms are being held.

Regards

Alastair

Alastair Hamilton

Chief Executive

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