



New Zealand Kiwifruit

ZESPRI INTERNATIONAL LIMITED

14 October, 2003

Douglas Webb
Telecommunications Commissioner
PO Box 2351
Wellington

Dear Sir

RE: Submission to the Telecommunications Commissioner on Local Loop Unbundling

ZESPRI is the worlds largest kiwifruit marketing company and the New Zealand Kiwifruit Industry is considered the world leader in this category. The New Zealand Kiwifruit Industry has sought to lead the world in innovation across the entire value-chain. This begins on the orchard and transfers through the supply chain and into retail stores in more than 60 countries supplied with ZESPRI kiwifruit.

On-orchard husbandry and post-harvest activities in New Zealand have evolved into a high-tech, global business that is rapidly changing and developing to remain competitive and at the forefront of global competition. If this industry is to remain at the cutting edge of fruit production and supply chain practices we must have continued access to new and developing technologies. Accordingly, growers and supply chain managers are becoming more reliant on telecommunication infrastructure builders, relying on them to continue their investment and development in New Zealand's network. The only way of truly delivering to some of our more isolated growers and post-harvest operators is through the continued attraction of investment in alternate technologies, such as wireless and satellite, and through continued alternate infrastructure roll out. It is our view that a focus on the copper network will not serve this industry into the future.

Future technologies in New Zealand

Access to the most up to date telecommunications services is critical for the future development of this very successful and growing sector. We are currently considering delivering high-speed broadband access to all of our growers and post-harvest operators. Broadband is, however, only the start of what may be available in the future and we want to make sure that incentives for investors to enter the market and provide alternative telecommunications systems are still there. As a global company we rely on technological advancements to remain competitive on an international level. It is our opinion that extreme forms of unbundling may lock New Zealand into a reliance on the existing copper network.

Although many countries have implemented unbundling we would note that the Commission itself has stated that the tangible benefits for customers and its incentive to encourage the rollout of advanced services such as broadband is not clear. With this in mind we would reiterate to the commission that caution needs to be taken in any decision.

400 Maunganui Road
PO Box 4043
Mt Maunganui South
New Zealand

Telephone:
+64 (7) 575 1600

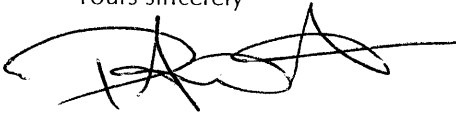
Facsimile:
+64 (7) 575 1646

www.zespri.com

Zespri believes that unbundling may make it harder for infrastructure builders and developers because any regulation that focuses telecommunications players on the copper network can only serve to blunt the incentives to find a business case for the rollout of alternate networks.

Finally, the Telecommunications Act was only passed in December 2001. It is our opinion that existing regulations should be given a reasonable opportunity to "bed in" before additional regulatory intervention is imposed.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Patrick Watene', written over a horizontal line.

Patrick Watene
Grower and Government Relations Manager