

[REDACTED]

From: [REDACTED]
Sent: Friday, 16 January 2026 6:08 pm
To: [REDACTED]
Cc: [REDACTED]
Subject: Re: Kegstar/Konvoy Kegs [CCNZ-IMANAGE.FID452243]

Hi [REDACTED]

Thank you for your email. Please find my submission below.

I am writing today to express my concern with the proposed acquisition of Konvoy Kegs by its only competitor in NZ, Kegstar/Microstar. I am the head brewer at [REDACTED], we produce around 50,000L of beer annually, and we use a combination of our own kegs, some Kegstar kegs, and some Konvoy kegs. I am concerned about this acquisition for the reasons below:

- Firstly that it will drive keg rental prices up. The craft brewing and hospitality sectors are notoriously difficult to make a profit, and given no competition, I can see no reason why Kegstar would not quickly and potentially significantly increase their prices, which would affect not only the producers like ourselves, but then also the retailers such as bars and restaurants who would have to endure higher keg prices, and in turn the end consumers too. This would also disproportionately affect smaller producers who do not have the ability to negotiate keg rental pricing based on volume. We also employ more people per litre of beer than the larger producers, so proportionally more jobs are lost per beer volume when smaller producers close.

- Secondly keg availability. The suggestions Kegstar have made about breweries having other options is simply not correct. One way plastic kegs are uncommon in NZ and even if they were we would not consider using them due to their environmental impact. It is also not feasible for breweries to all of a sudden purchase a large number of new kegs.

This is very capital intensive, and there are usually long lead times for this kind of procurement and shipping from overseas. I am seriously concerned that if Kegstar is allowed to acquire Konvoy Kegs, that their parent company Microstar will decide to move some of their NZ keg fleet to other overseas markets, making it difficult or impossible for some breweries, especially those like ourselves with no keg supply agreements to continue operating.

- Thirdly, there will be no incentive to provide good service, especially to their smaller customers. Right now, I rent kegs from both Kegstar and Konvoy, and they know this. If there was only one provider, I believe it would lead to a reduction in service and ultimately cause us to not be able to rent the kegs we need to sustain and grow our business.

- Lastly, Kegstar has already proven to be anti-competitive. [REDACTED]

[REDACTED] I appreciate the desire for them to have supply agreements set up with larger breweries as they need to hold large volumes of keg stock in certain locations in order to be able to deliver kegs to those companies in a timely fashion when they are ordered, but for a small brewery like us whose sales volumes fluctuate significantly, this is not feasible.

Having the option rent kegs from multiple companies keeps the suppliers honest, keeps the prices fair, encourages innovation and gives smaller producers the flexibility they need to operate in this challenging industry.

Kind regards
[REDACTED]