



HD Fonterra's mega-farms in China

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New Zealand owned **dairy** giant Fonterra has opened a **dairy** hub milking 15,000 cows in **China** this year.

The hub produces 150 **million** litres of **milk** per year and is part of the **company**' aim to produce one **billion** litres per year in the country by 2020.

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Managing director of international farming at Fonterra, Henk Bles, says the farm using cows imported from Australia and New Zealand is just the beginning.

"We are already at the moment constructing the second hub, in another area," he said.

"We are starting with construction and the goal is that for next year, 2015, we also have 150 **million** litres produced over there."

The hub cluster is made up of five farms milking between 3,000-3,500 cows, each employing about 100 workers at each farm.

These farms are very different to Australian-style pasture-based **dairy** farms.

"We have all the cows housed in barns like a feedlot system."

None of the **milk** produced is processed by Fonterra.

It is **sold** to local manufacturers at what the **company** says is a premium price because it can assure food safety.

Mr Bles says the **dairy** hubs are very profitable.

"There is no one **company** who can just make those major investments without making profit.

"There is a big need, a big demand, for high quality **milk** and they're paying us a big premium because the quality of the **milk**."

CO foncop : Fonterra Co-operative Group Limited

IN i010010502 : Dairy Cattle Farming | i4131 : Non-frozen Dairy Products | i0 : Agriculture | i01001 : Farming | i0100105 : Cattle Farming | i41 : Food/Beverages/Tobacco | i413 : Dairy Products | icnp : Consumer Goods | ifood : Food Products | ilsfarm : Livestock Farming

NS ccat : Corporate/Industrial News | ghea : Health | gcat : Political/General News

RE austr : Australia | china : China | nz : New Zealand | victor : Victoria (Australia) | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRIC Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia

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