



Decision Summary

Case: 200920032

Decision	Consent granted Section 12(b) Overseas Investment Act 2005
Decision Date	16 September 2009
Investment	An overseas investment in sensitive land, being the Applicant's acquisition of rights or interests in 100.0% of the shares of NZ Thoroughbred Holdings Limited (NZTHL) which owns or controls: <ul style="list-style-type: none">– a freehold interest in 63.9923 hectares of land at 700-716 Linwood Road, 20 Kidd Road, Te Hihi, Karaka; and– a freehold interest in 21.3674 hectares of land at 699 Linwood Road, Te Hihi, Karaka.
Consideration	\$1,000,000
Applicant	GH Westbury Pty Limited Australia (100.0%)
Vendor	Michael Tololi and Nominees and Trustees (No 1) Limited as trustees of the Tololi Services Trust New Zealand (100.0%)
Background	<p>In April 2009, consent was granted for the Applicant to acquire 50% of the shares of NZTHL. 50% of the shares of NZTHL remained with the Vendor.</p> <p>Receivers have now been appointed for the Vendor. The Investment will provide the Applicant with a continued presence in the New Zealand thoroughbred and horse breeding industry. It will continue to provide the Applicant access to one of New Zealand's largest sire rosters; enable the production of yearlings using stallions and broodmares sourced from both New Zealand and Australia; develop the New Zealand export market of thoroughbreds to foreign stables and auction houses; and position the Applicant to take advantage of the projected growth in the New Zealand thoroughbred industry. With the Vendor in receivership these opportunities could be lost. The Investment allows the Applicant to assume full control of the stud where the Vendor is unable to meet its obligations.</p> <p>The overseas investment transaction has satisfied the criteria in section 16 of the Overseas Investment Act 2005. The 'substantial and identifiable benefit to New Zealand' criteria were satisfied by particular reference to the following factors:</p> <ul style="list-style-type: none">• Overseas Investment Act 2005<ul style="list-style-type: none">– 17(2)(a)(i) – Creation/Retention of jobs– 17(2)(a)(ii) – New technology or business skills– 17(2)(a)(iii) – Increased export receipts– 17(2)(a)(iv) – Added market competition/productivity

- 17(2)(a)(v) – Additional investment for development purposes
- Overseas Investment Regulations 2005
 - 28(b) – Key person in a key industry
 - 28(c) – Affect image, trade or international relations
 - 28(f) – Advance significant government policy or strategy

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