

Costco

Case Study

Costco Wholesale New Zealand Limited (Costco) – was in March 2020 granted consent by the Office to acquire about 2.7 hectares of land in Westgate for approximately \$23 million. It was also granted consent to establish a business in New Zealand where expenditure (before opening the business) is likely to exceed \$100 million.

Costco is a global membership retail warehouse business, and this will be the first Costco in New Zealand. The company plans to build a large retail warehouse and parking for at least 750 cars, and will also develop a petrol station nearby. The land needed for the petrol station does not need consent under the Overseas Investment Act because it is not sensitive land.

The Office granted consent because the benefits to New Zealand include new jobs for the construction and ongoing operation of the warehouse, car park, and fuel station.

Costco is a US\$138 billion retailer that operates over 770 membership retail warehouses in 40 US States and other countries like Canada, the United Kingdom, Japan and Australia. It employs over 245,000 people and serves over 98 million members worldwide. It is the third largest retailer in the world.

**98**million members
worldwide**770**membership retail
warehouses**245**thousand employees
worldwide

The Office granted consent because the benefits to New Zealand include new jobs for the construction and ongoing operation of the warehouse, car park, and fuel station. There is also additional investment into New Zealand, as a new retail format in New Zealand adds increased market competition and options for consumers. This investment also provides an opportunity for the increased export of New Zealand products to other Costco stores worldwide.



Costco has been granted consent by the Overseas Investment Office to establish a business in New Zealand

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About the Overseas Investment Office

The Overseas Investment Office regulates access to New Zealand's land, residential properties and significant business assets by overseas investors, and makes decisions on overseas investment applications. It administers and applies the Overseas Investment Act. Its work contributes to more homes and jobs for New Zealanders, thriving companies and industries, protection of the places Kiwis treasure, and greater access to them.

