

Hide plant on shaky ground

By Iain Hyndman

Agricultural Editor

The future of Wanganui hide processing plant Hollander Waitotara is on shaky ground as the end of a longstanding supply contract looms.

When Richmond bought the Waitotara Meat company several years back it inherited the remainder of a seven-year contract to supply skins to the Gilbert St hide processor – that contract ends on September 30 this year.

The Wanganui processing operation is a 50:50 joint venture between Richmond and Graeme Lowe Hastings, a Hawkes Bay-based tanning enterprise, while the plant itself is owned by Graeme Lowe Hastings and will revert back to that company after September 30.

While none of the company representatives involved in the Hollander Waitotara Processing operation were willing to comment at this stage, industry insiders claim the expiry of the supply contract and other factors combined to paint a dim picture for the future.

At the height of the tanning season Hollander Waitotara Processing employs up to 90 staff, although during this time of the year only 40 are in work.

Industry insiders say the move by another traditional skin and hide supplier, Progressive Meats' leather division, to build its own fellmongery in Hawkes Bay and the possible loss of supply from Cavallier Meats at Bennydale were also factors pointing to a dim future for the Wanganui plant.

Graeme Lowe also operates other small tanneries – one in the North island and one in the South – and has just acquired more than a 50 percent share of another in Hawkes Bay.

It is also understood, however, that representatives of the Wanganui-based company are endeavouring to secure supply contracts in an effort to continue processing.



The days may be numbered for Wanganui skin and hide processor Hollander Waitotara.