

Agribusiness industry

Welcome to our National Agribusiness Industry Group

May 2019



GLOBAL

The rapid growth of the global population has increased the demand for food and textiles worldwide. This demand has had a significant impact on the global agribusiness sector, in particular Australia's production and distribution of its agricultural produce, a large part of which is exported overseas.

AUSTRALIA

The highly diverse Australian agribusiness sector is set to grow at a compound annual rate of 3.2% to \$206.9 billion over the next five years. The high-tech commercial sector centred on the business side of farming is now attracting more corporate interest than at any stage in its long history.

No longer characterised just by family farms, the Australian agribusiness market spans businesses ranging from the production and trading of commodities such as meat, fish and grain processors; textile and food manufacturers; and agricultural machinery sellers, through to all different types of farming and specialist services such as management consulting and technical services.

ASIA

Australia's agriculture and food sector is extraordinarily well positioned given its proximity to markets in Asia and has seen major growth in demand for domestic produce in recent years. With the Australian Government's recently commissioned "Australia in the Asia Century" White Paper and the Chinese Government's 12th 5-Year Plan on food safety and security, the focus has seen an increase in demand for Australian food exported into China.

At Hunt & Hunt, we understand it is important for businesses to be aware of the legal practicalities that surround the agribusiness sector in Australia as well as abroad. Having successfully provided advice and services to various companies in this sector since the firm was founded nearly 90 years ago, we are well positioned to protect and advance the interest of investors, operators and processors in Australia.

The services we provide include advising on the legal aspects of agribusiness operations, acquiring rural land, foreign investment regulation, export and import controls and regulatory issues. We have advised clients who trade and invest in China, and Chinese companies investing and trading in Australia since the 1980s.



Knowledge and expertise

CONNECTION TO THE LAND

Important to our clients is our practitioners' deep connections to the land, these connections run well beyond their practicing of the law.

The team's deep understanding of the realities, challenges and opportunities in the agribusiness sector, their longevity in the market and ability to deliver cost effective practical solutions for clients is second to none.

Senior Partner, Jim Harrowell's family has been actively involved in the agribusiness sector as wool and cattle producers since the first settlement in NSW. Jim continues the family tradition at the farm west of Armidale in northern NSW producing fine wool and cattle.

Senior Consultant, Ned Boyce, who has been with Hunt & Hunt for more than 40 years (including as a Senior Partner up until June 2014), grew up a son of a farmer and grazier, on properties in the Dubbo, Mudgee and Tamworth districts in NSW, Australia. His rural background, indepth knowledge of primary industries and expertise in advising agribusiness clients has led to Ned being involved in a number of significant transactions in the sector. This included advising Australia's own 'cattle king' S Kidman & Co Ltd (the largest owner by area of rural land in Australia) on their purchase of Kiargathur Station, western NSW.

OUR EXPERTISE

We provide advice and services on all areas of agricultural operations. Businesses we have provided legal advice to have included those involved in:

- Wool
- Dairy
- Beef and Sheep livestock operations
- Blood stock industry/ thoroughbred
- Fishing
- Wine
- Cotton
- Rural Finance
- Rice
- Forestry
- All other livestock, crop growing and processing operations.

Across these areas of the agribusiness sector, our legal team advises clients on a range of services, including:

- Acquisition, sales, joint ventures and management
- Trading agreements both national and internationally
- Corporate governance
- Research and development
- Intellectual property
- Disputes
- Employment and migration
- Rural conveyancing
- Succession planning for family owned farms and vineyards.

HUNT & HUNT ARE DEFINITELY EXCELLENT AT
LOOKING FOR SOLUTIONS" – 1847 WINERY
(SA) PTY LTD
(CLIENT SURVEY – AUGUST 2014)



Specific expertise

WOOL

- Hunt & Hunt negotiated with China for the Australian & New Zealand wool industry the Model Wool Contract now used for the majority of wool sales to China. The use of this contract saw an end to considerable contract disputes in the mid 1990s.
- Advising in relation to wool disputes where our team's personal knowledge ensures we understand the technical issues and wool specifications.

DAIRY

- Representing and appearing as counsel for a major Australian exporter of live dairy cattle to China in arbitrations in China.
- Advising dairy industry (QLD) in relation to structural issues, corporate governance, licensing and consulting agreements and, intellectual property matters relating to the development of dairy breeds suitable for tropical climates.
- Advising dairy industry (NSW) on behalf of major supermarket chain leading to deregulation industry in NSW and movement of milk to be sold across states.
- Advising Tasmanian's largest dairy on operational, regulatory, corporate structure and property matters.
- Acting on the purchase of a Duncraig dairy farming property in western Victoria for a Chinese investor and advising on the consulting/services arrangement with Total Livestock Genetics Pty Ltd to support the management of the farm's breeding program and export of dairy heifers to China.
- Advising on the legal requirements and procedures on the importation of milk powder into China.



BEEF AND SHEEP LIVESTOCK OPERATIONS

- Acting for over 20 years for the Japanese owners and operators of the largest wagyu beef cattle feedlot operations in Australia. This included advising in relation to the use of the term wagyu, preparing applications to government for water licenses for ring dams, advising on intellectual property matters relating to cattle breeding operations and the transfer of cattle brands, advising in relation to the appointment, conduct and removal of property managers, advising in relation to injuries to workers and family members and advising on the sales and acquisitions of properties.
- Acting on behalf of a South Australian company in relation to the drafting of trading terms and resolving disputes in relation to exporting beef to Egypt.
- Acting in relation to beef contracts, the last major matter involving the issue of bone taint in relation to export contracts to Korea which involved Federal Court proceedings.
- Acting on behalf of a large lamb producer in relation to issues concerning misleading and deceptive conduct and breaches of the litigation Trade Practices Act by a shareholder and former CEO.
- Advising a Chinese Government joint venture party in dispute with its joint venture partners over each parties' role in a sheep grazing property in central western Queensland. We successfully protected our client's investment in the business.
- Acting on behalf of a large lamb producer in relation to a claim against one of its service providers for failure to process meat in accordance with appropriate standards.
- Applying our industry knowledge in representing a number of meat processors in relation to employment and industrial relations issues including G&K O'Connor in a seminal dispute with the meat industry union over a period of five years. The experience included a vast array of issues in relation to industrial relations, garnered press coverage and comment in parliament.
- Assisting the Australian Meat Industry Council to grow the exports of frozen and chilled beef to China.

BLOOD STOCK INDUSTRY/ THOROUGHBRED

- Acting for owners and currently acting for major bloodstock agents in Australia, in relation to issues with contracts, taking security over livestock, dispute resolution in relation to livestock purchased and disputes concerning pedigree and use of surrogate mares. This included appearing at hearings conducted by the Australian Jockey's Club (AJC), Victoria Racing Club (VRC) and the Studbook Committee. We have also acted in relation to disputes relating to the ability to register bloodstock foals delivered using surrogate mares.
- Advising a Japanese joint venture partner in a dispute over the commercial arrangements in relation to a horse stud property. The dispute related to the ownership and management of the facility. The matter settled in mediation and was favourable to our client.

FISHING

- Advising fishing operators and processors in relation to 457 Visa applications, labour agreements and subsequent transitions to permanent residency.
- Advising fishing vessel owners and operators on the acquisition and sales of licenses for export stock.
- Advising NSW Fisheries in relation to prosecutions for licence breaches.
- Acting for a number of Tuna industry companies at Port Lincoln, in relation to a range of matters including sale and purchase of tuna quotas, establishing processing plants and joint ventures locally and in Croatia with other fishers.

WE COMBINE LEGAL EXPERTISE
WITH KNOWLEDGE OF THE
AGRIBUSINESS INDUSTRY TO
PROVIDE OUR CLIENTS WITH COST
EFFECTIVE, PRAGMATIC AND
COMMERCIALY ASTUTE ADVICE.



WINE

- Advising Australian wine producers in relation to exporting Australian wine to China.
- Advising inbound Chinese investors on vineyard projects in Tasmania and South Australia.
- Advising on the establishment of two managed viticultural funds for Australia's largest independent grape grower, including the establishment of these funds, devising the fund structure, undertaking due diligence on the vineyards to be acquired, and closing the public application process.
- Acting for private and institutional buyers in relation to the acquisitions of vineyards and wineries in Victoria and the Barossa Valley, McLaren Vale and Langhorne Creek regions. These acquisitions were varied and included acquisitions of land, entire businesses and investments in corporate structures with a value in the \$2 to \$10m range. Our role included undertaking due diligence, negotiating contracts, post-acquisition restructuring, and resolving disputes.
- Advising established wineries on maximising their intellectual property, including advising on copyright and trademark issues.

- Restructuring an ASX listed company in preparation for its \$120 million merger with a large Chinese based agricultural and manufacturing company. This included divesting assets, restructuring the company's capital, and negotiating the merger agreements. Approval was also required from the ASX and the company's shareholders.
- Advising the Barossa Grape and Wine Association Inc. (BGWA) in relation to the preparation and negotiation of an agreement and other legal issues concerning the setting up of the Barossa wine school in Beijing.
- Advising BGWA in relation to the setting up of the Barossa Trust Mark Inc. whose members are the BGWA, Food Barossa and Tourism Barossa.

COTTON

- Advising the Board of a cotton processing co-operative in contract negotiations with the incoming Chief Executive Officer.
- Advising operators of a cotton ginning operation in relation to a workplace health and safety prosecution.
- Acting for promoters of schemes to enable people to invest in the Australian cotton industry, including advising a structure of documents in relation to investment as joint venture or partnership and dealing with the dispute between the promoter and investors.



OTHER LIVESTOCK, CROP GROWING AND PROCESSING OPERATIONS

- Advising for 15 years, a former listed company in relation to the company's acquisitions, management and sale of vast primary industry holdings in Queensland and northern New South Wales. The company's livestock interests are in beef and dairy cattle and crop interests in cotton, wheat and soy bean.
- Advising on the purchase of Kiargathur Station for S Kidman & Co Ltd from National Mutual and the subsequent acquisition of several adjacent farming properties and acting in the sale of this property many years later.
- Acting for an insurer in relation to product liability claims relating to agricultural chemicals and an olive grove where the issues related to root stock contamination. DNA testing was used on the olives to assist in the case.
- Advising a number of private investors on the acquisition and/or sale of a number of farming properties in New South Wales, Queensland and Victoria. These transactions have included every type of title, freehold, crown leases, western division leases and most farming activities such as crops (including rice and cotton) and grazing.
- Acting in insurance matters relating to product liability claims for chemicals contamination and loss of crops, relating to herbicides and accidental over flights.
- Acting on behalf of food exporters through the CBFCFA, Austrade and Australia Institute of Exporters (AEIX) and working closely with importers through the CBFCFA and the Food and Beverage Importers Association.

- Acting for one of the largest and most recognised suppliers to Australia's feedlot sector and manufacturer of a highly competitive liquid supplement market for grazing livestock.

RURAL FINANCE

- Advising an Australian bank on excess of 100 Agribusiness loans, most of which involved not only a security over a farm, but also security over water licenses, stock and crops.
- Advising an Australian Bank in relation to a facility of \$23.75 million, which involved taking security over a rural property with 181 separate certificates of title, mortgages over water access licences, stock mortgages and crop liens.

FORESTRY

- Acting for private and institutional landowners on the collapse of management investment schemes in forestry. This includes matters in relation to unpaid rent, plantation ownership, title encumbrances and ongoing plantation management.
- Advising forestry contractors and landowners in relation to legislative operating requirements.

Our team



JIM HARROWELL AM

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Providing easy to understand, comprehensive advice while taking into account key issues has been the driving force of Jim's success as a specialist commercial and litigation lawyer for more than 40 years.

Jim and his family have been actively involved in agribusiness sector as wool and cattle producers since the first settlement in NSW and in the support industries including manufacture of equipment and production of dips and drenches to treat livestock

Jim continues the family tradition at the farm west of Armidale in northern NSW producing fine wool and cattle. He understands the realities, challenges and opportunities in the agribusiness sector.

Jim is an experienced litigator. His experience has been recognised internationally as one of only six Australians appointed to the Chinese Arbitration Commission (CIETAC) and he has represented Australia companies in CIETAC hearings in relation to disputes concerning wool and live cattle export contracts.

Jim's agribusiness practice has included being part of the Australian team which negotiated the Model Wool contract for sale of Australian wool to China, commercial agreements and disputes relating to products including wool, beef, dairy and grain, agricultural chemicals and cotton.

Jim has also experience in relation to contracts and disputes relating to the occupation and operation of rural properties and debt recovery relating to rural properties.



EDWARD BOYCE

Senior Consultant, Sydney

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Ned is a highly regarded lawyer with over 35 years' experience in property and finance law and general commercial advice.

Ned is the former head of Hunt & Hunt's Commercial and Property Group in Sydney (to June 2014). He handles complex transactions, and commercial contracts, including the purchase, sale and leasing of commercial, residential and strata title real estate, and primary production land. He is regularly retained as an expert witness in property related litigation.

Other areas of expertise include stamp duty and GST issues relating to land and commercial transactions, retail leasing, contracts for vendors 'off the plan', joint venture/partnership agreements and acquisitions of business.

Ned was recognised in the AsiaLaw Leading Lawyers survey as one of the most highly recommended Asia Pacific focused lawyers in Australia in Construction and Property.





PENNY CABLE

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Property transactions are Penny's specialty and she has significant experience within the agribusiness sector. With thorough technical skills and a focus on reducing risk for her clients, Penny's advice helps balance their legal, commercial and financial needs.

She has a proven ability to identify issues quickly and apply the best strategy to address them in line with her clients' goals efficiently and cost-effectively. Her sensible, practical and collaborative approach has seen Penny develop successful, long-term relationships with many satisfied clients over the past 20 years. These clients range from Australian and international entities across a range of industries and businesses of all sizes.



RUSSELL WIESE

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Russell is a customs and global trade specialist with a strong focus on helping clients proactively manage customs risks and opportunities.

Russell has worked with food manufacturers and food importers/exporters over a variety of customs issues including utilising free trade agreements and export concessions, managing the customs costs of capital projects, classification of imported and exported food products and managing the various customs and quarantine issues associated with importing goods. Russell has also provided advice to the food industry on other indirect taxes such as GST (both on imports and domestic sales) and excise (fuel tax credits).

More broadly Russell assists those involved in global trade with related commercial issues such as drafting agreements, parallel imports, product labelling, disputes between different parties in the international supply chain and regulatory compliance.

On top of his work with Hunt & Hunt, Russell's experience over the past 10 years includes roles with the Australian Taxation Office and a global advisory firm. This breadth of experience means that Russell not only identifies the correct legal answer, but can take into account the various other commercial and operational factors affecting clients.





NICK MILLER

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Nick specialises in corporate and commercial transactions, with a particular emphasis on M&A work. His expertise includes joint ventures, commercial contracts, due diligence and foreign investment approvals.

One of Nick's areas of focus is advising privately owned businesses on exit strategies and business succession planning.

Nick's clients include Australian, European, Asian and United States organisations across various industry sectors, with a bias towards agribusiness, manufacturing and distribution businesses. In the agribusiness sector, Nick has advised on a range of transactions and agreements involving dairy (and dairy processing), wine, horticulture, fertiliser and timber enterprises, as well as assisting numerous services businesses focussed on the rural sector.

He is highly regarded for his negotiation skills and pragmatic approach.



TONY RAUNIC

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Tony's approachable manner and friendly disposition has seen him develop a long-standing and loyal client base, with expertise provided for:

- China based entities in the purchase of large Australian agribusiness holdings including Victorian dairy farm enterprises for the export of milk and milk product back to China and the purchase of several hundred thousand hectare plus wheat farms in the West Australian wheat belt
- Developers, vendors and purchasers regarding residential and commercial sales, leases, subdivisions and off-the-plan developments
- Due diligence investigations undertaken for both international and Australian based parties in regard to the proposed purchase of significant Australian real estate and business assets
- Statutory and local government authorities – advising on general property, commercial and town planning matters

Tony has also been selected by the respected and international Institute of Public Accountants to present to several large delegations of senior China based accountants on the laws relating to investment in Australian real estate.





HONGLIANG LIU

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Hongliang has been advising foreign companies doing business in China for over 20 years. He specialises in foreign direct investment in China, mergers & acquisitions and corporate operations.

His recent agribusiness experience includes advising on the legal requirements and procedures on the importation of milk powder into China.

When he was awarded as one of the Leading Lawyers by Asia Law & Practice, Hongliang was considered as "one of the few lawyers in China who can combine both People's Republic of China (PRC) legal knowledge and knowledge of the modern business operation when providing clients with value-added advice".

Hongliang is also considered as an expert on dispute resolution. He is an arbitrator of Shanghai Arbitration Commission and mediator of Shanghai-Rhone Alpes Mediation Center.



ABOUT HUNT & HUNT

With offices across Australia and a client base of major corporations, government departments, small to medium enterprise and individuals, we have the experience, resources and reputation to support your needs wherever you need us. Our team provides you with local knowledge spanning many decades, underpinned by the collaboration of national expertise.

Across our legal group, we employ approximately 30 partners and 120 professionals who have an unwavering commitment to client service. Confident in our technical abilities, we build relationships founded on a genuine interest in our clients, characterised by understanding and trust.

We have also carved out an enviable position in the Australian legal market by positioning our firm at the midpoint on price, and will assist you in containing your legal costs without compromising results.

OUR PEOPLE

It's our people who make Hunt & Hunt an invigorating and positive workplace. There is a strong focus on the professional development and mentoring of our legal and internal support professionals, promoting long-term career opportunities and a healthy and happy work/life balance.

GIVING BACK

Our people want to make a difference – not only in law and business but in the wider community. We believe it's our responsibility to minimise our environmental impact, and to give our time and skills to benefit the communities in which we work and live.

INTERLAW

Hunt & Hunt is the only Australian member of Interlaw – an international network of quality-monitored, corporate, commercial and independent law firms – which enables us to provide our clients with access to a range of specialities, expertise in local jurisdictions and a roadmap through the legal, cultural and linguistic difficulties which cross-border commercial transactions can involve.



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