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Auckland Airport to build new distribution facility for Fonterra Brands New Zealand

Auckland Airport is to build a state-of-the-art new distribution centre for Fonterra's New Zealand consumer business (Fonterra Brands New Zealand), the two companies announced today. Fonterra Brands New Zealand (FBNZ) is scheduled to occupy the new premises under a long-term lease from March 2017.

The 11,000sqm facility – which will enable FBNZ to consolidate multiple existing warehouses into a single, multi-temperature space – will be built on Timberley Road as part of Auckland Airport's world-class industrial business park, The Landing.

Mark Thomson, Auckland Airport's general manager - property, says the partnership with Fonterra is a welcome addition to Auckland Airport's growing property portfolio.

"We are thrilled to be partnering with Fonterra to provide facilities that will directly benefit its customers. This is a long term relationship that complements our existing asset base and customer mix."

Mr Thomson says attracting long-term tenants such as FBNZ to Auckland Airport's business park is not simply about location, but is testament to the quality of the infrastructure provided for companies and their staff. Comprehensively landscaped, The Landing provides easy access to a range of social and leisure activities.

Leon Clement, FBNZ's Managing Director, says the business is excited by the prospect of moving to the new facility at the airport as it will consolidate seven warehouses – four of its own and three third parties' – into one, optimising storage and reducing complexity in freight movements.

“Our new distribution centre, which will be purpose built for us, will help us deliver a step change in service to our export and domestic retail and foodservice customers.”

“Having a single dispatch point in Auckland for all our dairy products, except ice cream, will greatly improve the efficiency of our North Island supply chain operation – for example, instead of supplying a customer order from two or three DCs we will be able to supply it from one, reducing movements on busy roads and improving service levels for customers.

“We operate in a high demand category and having the latest warehouse technology will also enable us to meet our customers’ expectations around the product mix they want when they want it.”

FBNZ will lease the building from Auckland Airport, but will be responsible for its operation.

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