

“Kia ora” welcome to the February edition of Strictly Business

Rotorua District Council's commitment to growing the local economy and to countering the effects of the global economic recession is in for a massive boost with the setting up of a \$7 million economic development fund.

The innovative **Grow Rotorua Development Fund** (GRDF) will see \$3.5 million made available in the current year (2009/10) and another \$3.5 million next year (2010/11) for building Rotorua's local economy, and specifically for:

- Reducing the impact of the economic recession on business and the Rotorua community;
- Improving local GDP and growth beyond the recession period; and
- Improving community capacity by growing the economy, local population and new business opportunities.

The development of online information and collateral detailing the **Grow Rotorua Development Fund** is already underway and promotion of the fund will commence soon.

Background Development:

Developing a clear and detailed understanding of the Rotorua economy and its markets, including trends and emerging industries (national and global), is a vital component of developing new business and investment for Rotorua. The Grow Rotorua Development Fund will be a key focus of the Rotorua District Council's economic development unit in the coming months. The focus is on attracting business that will complement rather than compete with existing Rotorua companies.

We see our key inward investment objectives as being based around attracting new businesses, increasing business investment and growing the district's GDP.

The **Grow Rotorua Development Fund** will also be used to help leverage additional funding sources that have the potential to complement the fund and these sources could be public, private or iwi based.

The **Grow Rotorua Development Fund** is one of the most comprehensive growth programs any council in New Zealand has undertaken. Rotorua is certainly a leader in this area. We thank local businesses for their involvement to date in this innovative economic development concept and look forward to working together to grow our economy for the benefit of all Rotorua businesses and residents.

For more information visit the web site; <http://www.growrotorua.com/>



Grant Kilby,
 Destination
 Rotorua
 Economic
 Development

Cycleway a boost for Rotorua

MP says \$3 million cycleway a boost for Rotorua

Rotorua MP Todd McClay has welcomed the announcement of the inclusion of Rotorua in the Prime Minister's National Cycleway initiative. Mr McClay said that "The Ministry of Tourism's decision to fund a \$3 million cycle route from Rotorua to Orakei Korako will be a big boost for local businesses".

'Thermal by Bike (Rotorua)' will be a 75km scenic cycleway incorporating four of the world's great geothermal areas. "This decision will allow cyclists to view one of the most beautiful parts of New Zealand" Mr McClay said.

Mr McClay said that during 2009 he established a local Working Group comprising representatives of the Rotorua cycling community and RDC representatives to focus on bringing the National Cycleway to Rotorua. We met in my office a number of times during the year to investigate different cycling options. "I would like to thank members of this Group and in particular RDC Councillor and cycling enthusiast Dave Donaldson, President of the Rotorua Mountain Bike Club Greg Brown and Grant Kilby General Manager of RDC's Economic Development Unit for their hard work. Without their support, Rotorua might have missed out on this important opportunity".

Mr McClay said that 2 proposals had been put to the Ministry of Tourism. The other proposal was for a cycle track using the old railway corridor between Putāruru and Mamaku.

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"Whilst it is disappointing that this option was not funded I have asked the Working Group to look into other funding opportunities to complete this project including local charitable trusts, Lotteries NZ and the South Waikato and Rotorua District Councils". He said

Mr McClay said that whilst \$3 million for the Thermal by Bike project was great news, more work needed to be done. "The next stage is for a feasibility study to be completed. We must report back to Ministry of Tourism by May of this year for final sign off of the design. I am confident that the community will get behind this project and that we will see the cycleway built over the 2010/2011 period".

More information: <http://www.toddmccclay.co.nz/>

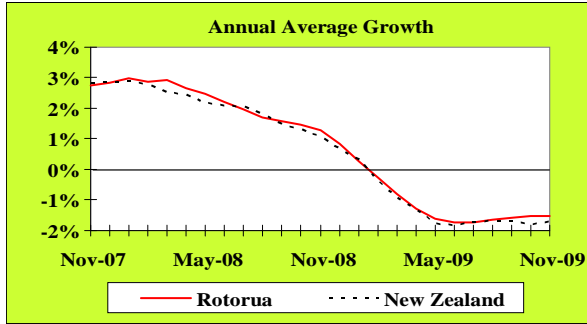
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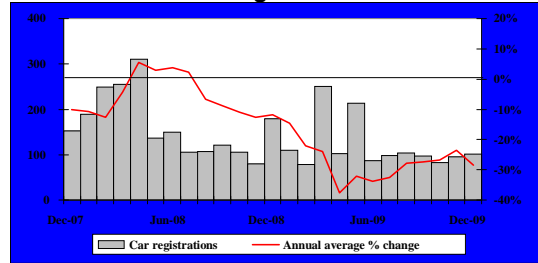
Economic Growth



Source: APR Consultants

The APR index of economic growth is constructed from key indicators. The annual growth rate in Rotorua's index was negative 1.5% for the year ended November 2009 which was faster than the negative 1.7% annual average growth rate in New Zealand's index over the same period.

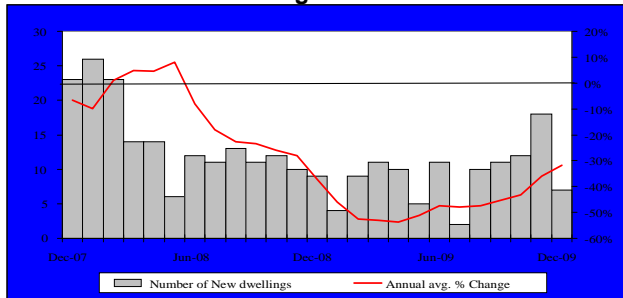
Car Registrations



Source: Land Transport Safety Authority

The nominal value of Bay of Plenty's retail sales increased from \$360.1 million in October 2009 to \$367.6 million in November 2009. Notably, the value of November 2008's sales was \$358.6 million. The annual average growth rate in the nominal value of Bay of Plenty's nominal retail sales has strengthened from negative 5.6% for the year ended October 2009 to negative 4.8% for the year ended November 2009.

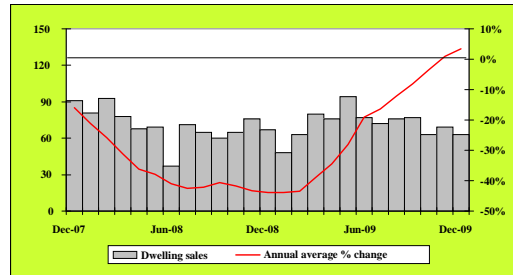
Building Consents



Source: Rotorua District Council

A total of seven new building consents with a combined value of around \$2.5 million were issued for residential dwellings in Rotorua during December 2009. This was less than the 18 consents issued in November 2009 and the nine consents issued in December 2008. The annual growth rate in the number of new building consents issued for residential dwellings in Rotorua was negative 31.7% for the year ended December 2009.

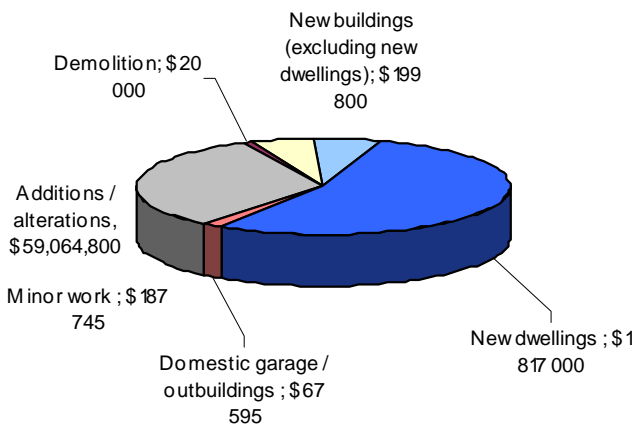
Residential Real Estate Sales



Source: Real Estate Institute of New Zealand

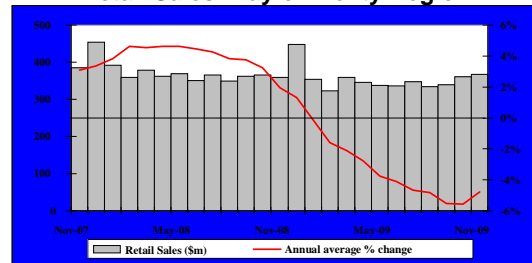
A total of 63 houses with a median sale price of around \$215,000 were sold in Rotorua during December 2009. This was less than the 69 houses sold in November 2009 and 67 houses sold in December 2008. The annual average growth rate in the number of houses sold in Rotorua was 3.4% for the year ended December 2009.

Value of RDC Consents Passed Jan-09



Source: Rotorua District Council

Retail Sales- Bay of Plenty Region

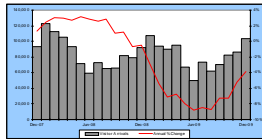


Source: Statistics New Zealand

The nominal value of Bay of Plenty's retail sales increased from \$360.1 million in October 2009 to \$367.6 million in November 2009. Notably, the value of November 2008's sales was \$358.6 million. The annual average growth rate in the nominal value of Bay of Plenty's nominal retail sales has strengthened from negative 5.6% for the year ended October 2009 to negative 4.8% for the year ended November 2009.

SUMMARY.

The annual growth rate in Rotorua's index was negative 1.5% for the year ended November 2009 which was faster than the negative 1.7% annual average growth rate in New Zealand's index over the same period.



Source: Statistics New Zealand – Commercial Accommodation Monitor

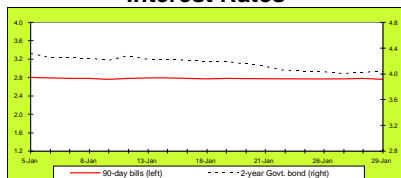
There is a seasonal pattern in guest arrivals to Rotorua's commercial accommodation premises where peaks occur in the summer months and troughs in the winter months. The estimated number of guest arrivals to Rotorua's commercial accommodation premises increased from 86,636 in November 2009 to 103,551 in December 2009. When compared with the same period of the previous year this was a 12.9% increase over the 91,745 guest arrivals recorded for December 2008. For the year ending December 2009 there were 1.0 million guest arrivals to Rotorua commercial accommodation premises - a 3.9% decrease over the same period of the previous year.

Full report available at:

<http://www.rotoruanz.com/downloads/pdfs/RTIF.pdf>

National Monitor

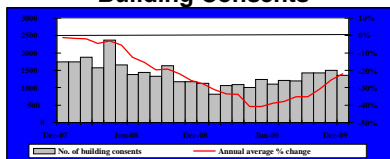
Interest Rates



Source: Reserve Bank of New Zealand

New Zealand short-term wholesale interest rates were mainly stable throughout January 2010 with the exception of the yield of two-year government bonds, which declined by 27 basis points. By the end of the month, the 90-day bill rate had stabilised at around 2.76%.

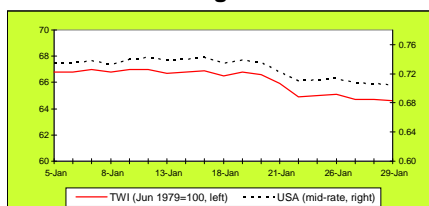
Building Consents



Source: Dept of Statistics Building Surveys and Vitals Section

A total of 1,353 new building consents with a combined value of around \$388.4 million were issued for residential dwellings in New Zealand during December 2009. While the number of consents issued increased by 226 compared to December 2008's level, the annual average growth rate in the number of new building consents issued for residential dwellings in New Zealand was negative 21.8% for the year ended December 2009.

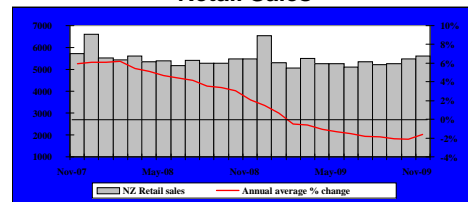
Exchange Rates



Source: Reserve Bank of New Zealand

Stronger than expected Australian retail sales helped boost both the Australian and New Zealand currencies in early January 2009. However, weaker CPI results saw the New Zealand currency fall in value later in the month. By the end of the month, NZ\$1.00 traded against US\$0.70 and the Trade-Weighted Index (TWI) stood at 64.6 points.

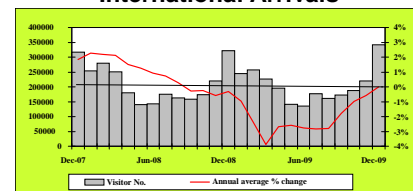
Retail Sales



Source: Statistics New Zealand

The nominal value of New Zealand's retail sales increased from \$5,467.4 million in October 2009 to \$5,618.1 million in November 2009. The annual average growth rate in the nominal value of New Zealand's retail sales was negative 1.6% for the year ended November 2009.

International Arrivals



Source: Statistics New Zealand

The number of international visitor arrivals to New Zealand stood at 341,337 visitors in December 2009. This was an increase of 19,130 visitors (5.9%) from the number recorded in December 2008. The annual average growth rate in the number of international visitor arrivals to New Zealand improved from negative 0.6% for the year ended November 2009 to 0.0% for the year ended December 2009.

SUMMARY AND COMMENTARY

According to the Quarterly Survey of Business Opinion (QSBO) for the December 2009 quarter published by the New Zealand Institute of Economic Research (NZIER), business confidence has stabilised. On a seasonally adjusted basis (s.a.), a net 23% of firms expected the general business situation to improve over the next six months. This was marginally greater than a net 22% of firms (s.a.) who were optimistic in the September 2009 QSBO.

Firms' expectations regarding potential improvements in their own level of trading activity over the March 2010 quarter stood at 13% (s.a.). This was similar to the long-term average. The number of firms experiencing a decline in trading activity improved from a net 20% (s.a.) in the September 2009 quarter to a net 9% (s.a.) in the December 2009 quarter. The number of firms intending to increase their prices over the March 2010 quarter stood at a net 24% while capacity utilisation nudged higher, from a net 88% as at the September 2009 quarter to a net 91% as at the December 2009 quarter. The labour market is still very sluggish with only a net 1% of firms expecting to hire more staff over the March 2010 quarter.

Overall, the latest QSBO results suggest that the New Zealand economy is slowly recovering. However, the moderate nature of the improvements in the QSBO's key results suggest that a full recovery is a long way off at this stage.

Disclaimer: "Strictly Business" is produced monthly by APR Consultants for Rotorua District Council. Although the monitor incorporates the most recent information available, many of the figures are provisional. Accordingly, no liability can be accepted for the accuracy of the material contained herein. Businesses and individuals are advised to seek professional advice before making major business decisions. Any decisions based on the information

This little piggy went to market..

....to experience the ultimate upmarket shopping and social experience in the 'The Heart of Tutanekai Street' between Haupapa and Pukuatua Streets which is destined to become a vibrant alfresco meeting place of the CBD with a weekly road closure every Thursday night from 5pm.



This high profile, main street location with new permanent lighting and sound will come alive every Thursday night, providing a community focal point for the many thousands of Rotorua's visitors and local families alike.

Permanent LED street lighting matched perfectly with the crisp white peaked canopies of the stalls will provide a lively market environment with the many market stalls showcasing their wares giving shoppers the opportunity to interact with producers, chefs, artisans, artists and designers from in and around our region including existing Tutanekai Street retailers who will compliment the marketplace.

A culinary experience of diversity offering an opportunity to meet the makers and indulge in high end gourmet foods, savour a selection of wine, boutique beers, handcrafted cheese.

Taste authentic Artisan products, honeys, preserves, oil, chutney and jams and a variety of ethnic eateries with flavours from around the world, French patisseries, handmade Italian pasta, Indian and of course our local kai.

See, smell and taste fresh seasonal fare, buy your flowers and enjoy fresh brewed coffee with a selection of stunning desserts and cakes while being entertained by a variety of performers.

Be inspired by the array of local New Zealand influenced art from weaving to internationally acclaimed glass works, talk with the interior designers, and jewellers who reflect in their design a pacific style of retro chic vintage and kiwiana fabrics, accessories and home wares.

The Night Market is located in a high profile location and through the support of local businesses the District Council is providing further targeted promotion to ensure that everyone knows about the new Night Markets.

Maximum exposure through regular advertising in the Daily Post, Weekender and Thermal Air supported with on air promotion with More FM, The Rock, Solid Gold and The Breeze.

Posters will be distributed throughout the city including hotels, motels and lodges with further direct marketing through Council and Business databases targeting both locals and the various inbound tourism networks. A Night Market website is under construction that will feature the stall holders and provide further promotional opportunities. The Night Market launch will be a significant affair with thousands of invitations going out.



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www.rotoruanightmarket.co.nz

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Major Marketing initiative takes off

A major campaign geared towards attracting the lucrative Australian tourist market in Sydney is well under way, with 100 lucky Australians vying to win Air New Zealand tickets to Rotorua in May through Destination Rotorua Tourism Marketing (DRTM).

Teaser advertising for the campaign through such websites as Facebook has already started and in March, will be driven by a leading Sydney radio station and the interactive use of DRTM's new microsite :>>

www.WinYourWaytoRotorua.com.au.



"The funding made available by Minister for Tourism John Key as a first-time initiative for Regional Tourism Organisations (RTO's) means we now have a level of funds we have not had access to before," says Marketing Manager for DRTM David Whorwood.

The campaign is designed to highlight the 'gateway to the region' created by the ongoing Trans-Tasman flights and to provide visitor information.

"Australia provides one of our biggest tourist markets and with Rotorua now having an international airport, our focus is very much on the education of Australians to come and enjoy what our region has to offer and for us to gather valuable information on this part of our operations," DRTM general manager Don Gunn says.

"This particular campaign, along with the newly established Central Park which incorporates a joint approach by central North Island RTO's offering a much wider range of opportunities, is seeing the much-needed funding put to very good use," Don Gunn says.

Visitor arrivals into New Zealand from the Australian market continue to improve, with the figure up 9.5 percent (84,502) for the month of November 2009 over November 2008. Rotorua is now perfectly placed to get a higher percentage of those visitors.

For more information visit : >>

<http://www.rotoruanz.com/news/funding-sparks-campaign>

Settlement Support update -

Being familiar with varying cultures and customs can assist with communication and relations in the workplace.

Communication styles, language and mannerisms can differ widely across ethnicities. There may be good reason for why someone may seem abrupt.

For example, someone with a Ukrainian background may initially seem abrupt. However, there are no 'please' and 'thank-you' in their language.

Settlement Support Rotorua and English Language Partners are running a lunchtime series on the last Friday of each month, where a new local resident will share background information about their home country, culture and how they settled into the local community.

It is an opportunity to gain an insight into the challenges and successes of settling into a new homeland, while learning unusual and interesting facts. All who attend get a small reference booklet about the host country.

The first 'Neighbours in Our Community' was held on 26 February 2010. Twenty people were 'entertained' by Yulia and Luda from the Ukraine. It was a colourful spectacle, as they shared experiences.



*Yulia Tunik and Luda Shelton
(4 months and 3 years living in Rotorua)*



Left to right Luda Shelton, Yulia Tunik, Susanno So (Rotorua Multicultural Council), Judy Winiata (English Language Partners), Heather McAllister (Settlement Support Rotorua), Rika Otto (Waiariki Institute of Technology)

Next meeting: Friday, 26 March 2010, 12.10 – 12.50pm
Rotorua Arts Village, (RAVE)

1240 Hinemaru Street, Rotorua Bring your own lunch,
refreshments provided Guest Speaker: Nicole Bahalo from
Mauritius

For further information and to register, contact
Heather McAllister on 07 3500 533 or at
ssnzrotorua@rdc.govt.nz

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Looking for skilled staff? Advertise on www.rotorua-business.com/employment.asp

Would you like to share your business success with others ?

Business Mentors are currently recruiting, if you have recently retired from business but feel that after many years of success running your own business you would like to be of assistance to other businesses in need of mentoring , please let us know as we are currently seeking new mentors to compliment our current resource in the Rotorua Region.

We will be holding an information evening in April where you can meet some of our existing mentors and find out more about this worthy and rewarding cause.

If you are interested please contact

Chris Heywood mob 0276521 423 or
chris.heywood@rdc.govt.nz



Support Earth Hour 2010

Earth Hour is when the world unites in a stand against climate.

At 8.30pm on 27 March 2010, cities and towns across the world will turn off their lights for one hour – Earth Hour™ – sending a powerful global message that we can meet the challenge of global warming.



New Zealand's official Earth Hour 2010 countdown was launched at a high-profile event in Auckland last week. Welsh singing legend Tom Jones was amongst the guests showing their support for Earth Hour, along with TV, radio and sports personalities. They joined WWF staff and Earth Hour 2010 national sponsors TV3, More FM, Toyota, Trade Me and Powershop to show their support for Earth Hour, which will see millions of people around the world turn off their lights and unnecessary appliances for one hour.

Turning out your lights for Earth Hour on 27 March 2010 sends a powerful message to world leaders that people support strong action on climate change.

Earth Hour began in 2007, when more than 2.2 million households and businesses in Sydney committed to taking action on climate change, by simultaneously performing one symbolic act - turning off their lights for one hour.

One year later, Earth Hour reached cities and towns in more than 35 countries across 18 time zones, including New Zealand's first Earth Hour city, Christchurch.

Landmarks including New Zealand's Christchurch Cathedral, San Francisco's Golden Gate Bridge, Rome's Coliseum, New York's Coke billboard in Times Square and Jumeirah Hotel in Dubai darkened for one hour.

This year, more than 70 countries are taking part in Earth Hour™.

Everyone can be part of Earth Hour by switching out their lights at 8.30pm, Saturday 27 March 2009. For more information visit www.earthhour.org

Business Mentors New Zealand provides business mentoring to businesses that have been operating for at least six months and have fewer than 25 staff. This service is provided in Rotorua under the umbrella of Destination Rotorua Economic Development.

Topics covered include:

- strategic planning,
- finance and accounting,
- marketing, human resources,
- legal compliance,
- process management and more.



Take advantage of this opportunity and follow the simple instructions to request a mentor on the website <http://www.businessmentor.org>, or phone 0800 103400.

Become Involved!

“Why not Live, Work, Invest and Do Business where the rest of the world comes to Play?”

We have produced a Living in Rotorua Guide for newcomers which is aimed at assisting new migrants locate information and services in Rotorua if you would like this publication or any other information about settling in Rotorua

For more information:

heather.mcallister@rdc.govt.nz or visit our website www.rotorua-living.com

Log on to www.rotorua-business.com and take a look at the official Rotorua living, working, investing and doing business site generating around 120,000 hits and 12,000 visits per month. Enhance your business communication strategy by registering on the Rotorua business database or list your latest job vacancy.



Rotorua 2006 “Promotional DVD

We have a few 9 minute promotional DVDs which showcases Rotorua as a living, working, investing, business and visiting location.

This DVD is designed to assist you with the attraction of staff and investment.

These DVD's are now available for purchase at just \$ 10.⁰⁰ excluding GST each. This is a great way to promote Rotorua.



For more information: Visit our Web Site www.rotorua-business.com or contact us: Tel 348 4199 Ext 8055 or e-mail info@rotorua-business.com

BA5 Seismic Bar and Restaurant
09/03/2010 5:30 - 7:30 pm
@ Seismic



BA5 ThisIsMe Web Solutions and Imagine Marketing
23/03/2010 5:30 - 7:30 pm
Venue TBC

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Finance Workshop

“Setting Effective Key Performance Indicators (KPI's)”

Wednesday 17 March 2010, 9am - 12pm

Business Planning Workshop

“Work Smarter – Get Organised”

Wednesday 17 March 2010, 1-30pm – 4.30pm

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Feedback

If you have anything to contribute please let us have your news, views or stories, as well as any business events you have coming up by contacting us:

Chris Heywood (Project Officer - Destination Rotorua Economic Development)
Tel (+64) 7 348 4199
Fax (+64) 7 350 0182

“Computers make it easier to do a lot of things, but most of the things they make it easier to do don't need to be done.”

Andy Rooney (1919-->)