Connected city

Work-life balance opportunities

Visitor economy

Vibrant Innovation Precinct

PREPARED BY CANTERBURY DEVELOPMENT CORPORATION
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Information included in this issue of The Canterbury Report was accurate at the time of print. Sources include: Statistics New Zealand; Infometrics Ltd and Canterbury Development Corporation.

Front Cover: The annual Christchurch Lantern Festival is a celebration of culture, business, entertainment and diversity.
Realising our potential

The story of high levels of activity in the city with easing GDP growth figures as the rebuild peaks and plateaus will continue for another year or two.

As you travel around the city, especially the CBD, there is clear evidence of significant investment and development. This activity is driving growth of approximately 2 per cent in the underlying economy (non-rebuild economy) which makes up about 90 per cent of our current economy. Growth in the underlying economy is still creating new jobs and driving activity in manufacturing and the services sector.

However, the hard work isn’t over. The sectors affected the most by the earthquake disruption – tourism and international education – are still in recovery mode (although they have excellent growth levels currently). Both of these sectors require a strong city profile and amenity offering in order to attract tourists and international students to our city.

The $40 billion rebuild is developing a platform for Christchurch to position itself to the world as a city of opportunity, a city equipped for the future where you can realise your potential. This edition of The Canterbury Report showcases success stories emerging for the visitor economy in particular, alongside other parts of the economy.

The evidence is clear that cities with strong profiles attract and retain more people and business, and people who visit and enjoy a city are more likely to migrate there if they are looking to relocate.

The merger of Canterbury Development Corporation with Christchurch & Canterbury Tourism, the Convention Bureau, Council’s Major Events team and the International Education project team is very timely. The city will benefit from the combined forces of these groups working together as ChristchurchNZ.

So this is the last edition of The Canterbury Report from CDC. Future editions will be developed and presented by ChristchurchNZ, the new agency responsible for tourism, economic development, major events and international education.

Tom Hooper
Chief Executive
Canterbury Development Corporation
Key economic indicators

Christchurch and Canterbury’s economies continue to show positive signs, as they remain in transition between earthquake recovery and business-as-usual. Construction activity is starting to ease off to a sustained plateau, however labour market indicators continue to show a tight labour market, while economic activity remains at a very high level.

**Labour Market**

Unemployment in the city and region is moving closer to the national average. In the March 2017 quarter, the unemployment rate in Christchurch was 4.9 percent, just below the national average of 5.2 percent. Workforce participation remains at a very high level, with 73.0 percent of the population aged 15 years or older in work or looking for work, ahead of the national average of 71.0 percent. Average weekly earnings in the region continue to grow, but more slowly than the national average. Canterbury earnings grew 1.4 percent to $957.61 while national earnings grew 2.3 percent to $999.00.

**Performance of Manufacturing and Services**

Both the manufacturing and service sectors performance indicators show the sectors have been expanding in 2017. The BNZ-BusinessNZ Performance of Manufacturing Index for Canterbury recorded 55.5 in the March 2017 quarter, and has remained above the expansion/contraction mark of 50 since late 2012 on a quarterly basis. The Performance of Services Index for Canterbury/Westland recorded 56.8 in the March quarter, continuing an expansionary run since late 2013 on a quarterly basis.

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**Canterbury Gross Domestic Product (GDP)**

Annual Average Percent Change

*Source: Statistics New Zealand, Infometrics, CDC*

“$131 million of new developments were consented in March 2017, representing a solid forward-order book for the construction industry”
GDP

Gross Domestic Product (GDP) remains at a very high level and continues to grow, albeit at a modest rate compared to recent highs. Estimates from Infometrics indicate that GDP in Christchurch grew by 1.8 percent in the year to December 2016, reaching $19.3 billion. Canterbury grew by 1.4 percent, reaching $28.4 billion. The national economy is buoyant, growing 3.2 percent over the same period. Growth in the year to September 2016 was similar for all three areas.

Visitors

The visitor sector has been through a subdued summer season. Disruption and negative publicity from the Kaikoura earthquakes in November will have affected forward bookings for January and February. Growth in visitors from China eased this summer, both in Canterbury and New Zealand overall. It has also been a weak summer for domestic tourism, locally and nationally.

Housing

House prices and rents in Christchurch and Canterbury remain subdued relative to New Zealand overall, and new construction remains very strong. Christchurch house prices have grown by 3.4 percent on average over the past year, compared to 2.6 percent for Canterbury and 9.5 percent nationally. Rents in Christchurch and Canterbury have continued a falling trend – dropping by 5.2 percent and 3.9 percent respectively while New Zealand rents grew 4.6 percent. Christchurch missed the Auckland housing contagion, experiencing very strong price and rent growth earlier in the decade.

Construction

Residential building consents, a forward indicator of housing supply, have fallen by 15 percent on average over the past year in Christchurch. Nonetheless with 302 new dwellings consented in March 2017, supply is still strong and will continue to suppress house price growth throughout 2017. Turning to commercial buildings, $131 million of new developments were consented in March 2017, representing a solid forward-order book for the construction industry. Major commercial construction projects yet to be consented include the East Frame residential project, Metro Sports Centre and Christchurch Convention Centre.

Labour Force Participation Rate
Percent working age population in labour force
Source: Statistics New Zealand HLFS
A city of opportunity

Christchurch’s population has hit pre-earthquake levels. Its reputation as a city of opportunity is continuing to drive migration and relocation.

Both overseas immigrants and those from other New Zealand centres are choosing Christchurch as home, with its population increasing by 1.9 percent in the past year and now sitting at 374,900, back at 2010 levels.

Canterbury Development Corporation Chief Executive Tom Hooper says Christchurch is in an exciting position, as it rebuilt and reinvented itself after the earthquakes.

“This truly is a city of opportunity for entrepreneurs, business people, investors and developers. In Christchurch, there is the freedom to grow new ideas. It is a hub for learning and development.

“There is also the chance to make real connections – to each other, the rest of the country and globally. We are big enough to make these global connections, while keeping a community spirit and working together collaboratively.”

Tom said one of the biggest drawcards to Christchurch was the work-life balance it offered to residents.

“Where else in the world can you be in a modern city and yet have nature in all its forms – from mountains to lakes to rivers – on your back doorstep? When this rebuild is complete Christchurch will be New Zealand’s most pedestrian and cycle friendly city, offering interesting and challenging work opportunities alongside great outdoor recreation and a vibrant Central City.”

He said the population will continue to grow as the rebuild progresses and the new identity becomes more of a reality.

The opportunity to grow

One Christchurch-based company now well established in overseas markets is human resource software company Pivot, which formed in 2001.

Managing Director Philippa Youngman said the foray into Australia started with a handshake with a small market remuneration consultancy based in Sydney. The consultancy was acquired by Hewitt Associates and then by AON, who have been a partner since 2007. Pivot entered the Australian market directly in 2009 once it had a proven track record and glowing client references.

A similar process is now underway in India, partnering with AON to create a presence in this market where the unique requirements relating to remuneration management can be handled effortlessly within Pivot’s specialised configurable solutions.

Pivot also recently announced a merger with Australian-based company Remesys, with the business now boasting over 120 clients across Australasia.

Philippa said Christchurch was a good city to be based in and grow from.

“It’s easy to get to Australia. How we do things from a people management perspective is similar and it is amazing how many Kiwis we meet within the sales process.”

She said it wasn’t hard to attract the right people.

“A couple of the team have moved back to Christchurch specifically after being recruited or we have had people join after arriving back from overseas with great experience.”

Future business goals are to realise the huge potential within the company’s existing markets, as well as choosing another beachhead in either the United States or Canada or the United Kingdom.
Christchurch is the place to try out new ideas because of the support and connections available to start-ups and businesses looking to expand.

Lauren Merritt, who has been Chief Awesome Officer at the Ministry of Awesome for the last three years, said the start-up ecosystem has developed well in the city with people taking advantage of events where they can connect and grow.

“We hold a coffee and jam event weekly that is generally only marketed on Facebook and has between 70 to 100 people showing up each time. They know it is a place to go to make connections,” she said.

Ministry of Awesome is a major connector. In the last 18 months, around 400 entrepreneurs have been through its start-up activator programme which provides tailored support to talk through early-stage ideas, a place to share tools and resources and a way to make the right connections to transform ideas into reality.

“We focus on the entrepreneur, not just the idea. That idea might not work out but we want to develop the entrepreneur’s capacity to try out other ideas they might have in the future. Some may realise the journey is not for them, while others realise their idea isn’t viable but the next one they have could be.”

Lauren said Ministry of Awesome’s five full-time staff spend a lot of time making sure they know what support is available to start-ups so they can point people in the right direction.

Ministry of Awesome also wants to make information accessible, implementing digital resource the Canterbury Innovation Ecosystem Map so start-ups can make their own connections.

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The opportunity for balance

Christchurch is the perfect spot for outdoor enthusiasts to find balance alongside work commitments according to business owner and immigrant Philipp Schacht.

Philipp, who moved to Christchurch with his wife, two children and dog from Germany in 2009, is the founder and managing director of Revbox – an innovative stationary bicycle trainer used by the likes of Commonwealth and World Title medallist Linda Villumsen and the Lotto-Soudal UCI Pro World Tour Team from Belgium.

He admits his work is busy and having places to go mountain biking on his back doorstep makes it more achievable. He appreciates first-hand the work-life balance the city can provide to residents.

“For somebody who likes the outdoors and mountain biking, Christchurch is the place to be. We live in Sumner and the access to the ocean and hills is amazing. And the Port Hills are phenomenal.”

Revbox is seeking investors or additional funding to progress even further. They have new products being launched this year and are looking to build distribution channels with other international centres.

“For somebody who likes the outdoors and mountain biking, Christchurch is the place to be. We live in Sumner and the access to the ocean and hills is amazing.”

– Philipp Schacht, Founder and Managing Director of Revbox

Philipp Schacht, originally from Germany, appreciates the work-life balance in Christchurch
Successful technopreneur Amar Verma has never looked back since moving to Christchurch four years ago from New York. Amar and his wife Shobha, originally from India, knew little about the city before coming here in 2013 but are thrilled they have been able to establish a growing business, DataGenius, while enjoying the great outdoors. They also continue to successfully lead a software development centre back in India with over 150 staff.

“New Zealand always rates well in the annual World Happiness Report. We wanted a friendly nation where our kids can get the best education and also experience diversity. I was fed up with my fast-paced work life in the United States and wanted a healthy lifestyle with enough time to exercise every day in a pollution-free environment and to enjoy great business growth with lots of time for family,” he said.

The couple started operating ICT company DataGenius in mid-2014. In less than three years of operation, the company has a strong export-oriented consulting base and provides custom software solutions to global clients including Inc1000 and Fortune 5000 companies.

The business goal is to become more product-oriented, with a new Verifone-certified Point of Sale system, POSLee, having already been successfully developed and launched. Callaghan Innovation also granted Getting Started funding in January 2016 for a mobility product, with a development grant having been approved in principle recently so work can begin.

“Products made up 12 percent of our revenue last year and we expect that to grow to 25-30 percent this year. Next year that will grow to 50 percent and will start to outpace the consulting side of the company,” Amar said.

Future goals will be analysed in greater detail while the business takes part in the 2017 Hi Growth Launch Programme, run by Canterbury Development Corporation. The programme provides owners and senior managers with guidance on essential topics focused on growth in the fast-changing business world and practical mentoring from some of New Zealand’s most successful business people and entrepreneurs.

“We want to take DataGenius beyond NZ$1.5 million mark by March 2018, and so far the company is tracking pretty well,” Amar said.

He hopes other benefits of the programme will be an introduction to the export ecosystem between New Zealand and San Francisco/Los Angeles and introductions to possible investors for product development.
Equipped for the future

Christchurch City Council is making progress with major rebuild and restoration projects in the central city.

Mayor Lianne Dalziel says plenty of progress is being made on the Lichfield Street Car Park, which will be open later this year, and the Town Hall and Central Library sites. “These facilities are on track to be completed this year or next and will bring more people into the central city,” she says.

“The new Lichfield Street Car Park will support the development of the Retail Precinct.

“The Town Hall is one of the city’s most treasured civic buildings. Many people can remember watching a performance or graduating there and will no doubt be looking forward to creating more memories in the restored building.

“And the new Central Library will be much more than a library. It will be a place where people of all ages will be able to immerse themselves in new spaces, digital technology and programmes not found in traditional libraries,” Mayor Dalziel says.

Town Hall

The Town Hall restoration in Kilmore Street is on track to be completed by mid-2018.

As part of a three-year conservation project, the Town Hall’s auditorium, entrance foyer, James Hay Theatre and the Limes Room are being restored. The former Boaters restaurant is also being rebuilt.

The public can watch construction progress via a time lapse camera at www.ccc.govt.nz in “The Rebuild” section.

Lichfield Street Car Park

The Council is due to open the first stage of the Lichfield Street Car Park in September this year, making about 400 parking spaces available.

Eventually, the $28 million building on the site between Lichfield and Cashel Streets will have 804 parking spaces and 953m² of retail space.

The original building was demolished after being badly damaged in the February 22, 2011 earthquake.

The Lichfield Street parking building is a key part of the Christchurch Central Parking Plan, which lays out the Council’s parking strategy for the city centre.
Central Library

Construction of the new Central Library is well underway and it is due to open in mid-2018 as planned.

The 9850m² library is being built on the corner of Gloucester Street and Cathedral Square.

Construction of the library’s steel structure is underway and Council staff are currently focusing on developing the services that will be available at the 21st century knowledge centre. They are working with partners, Spark, TSB and Southbase on exciting new programmes for library users.

Farmers Market for Re:Start Mall site

Construction of a high-end retail development on the site of the Re:Start Mall – including a Farmers Market, restaurants, food stalls and retail shops – will begin early next year.

The development by Peebles Group is going to become a hub for events in the city.

Investor Richard Peebles has wanted to create a Farmers Market in the city for a long time, but finding the right location was difficult until the Re:Start site and surrounding land became available through Ōtākaro.

“The way I see it, there is nothing else in the city that’ll attract people like a market,” Richard said.

The Farmers Market will house around 30 ‘ready to eat’ vendors and 45 stalls offering produce, baked goods and flowers. There will be a roof top outdoor area and a large internal seating floor above the market.

Richard said there will be around 16,000 people working within a small radius of the market, meaning it will become a staple lunch time destination and the place to get fresh food on the way home. Peebles Group has been involved in several other central city projects.

“It’s great to be part of the momentum. The CBD is going to be far more densely populated compared to pre-quake, which is going to make everything a lot more lively and active,” Richard said.

“There are still hurdles to be crossed but I have great confidence in the city.”

The Farmers Market development is planned to open in Summer 2018.

A year of progress for Crown-led anchor project

The central city rebuild is making visible progress during 2017, as anchor projects and commercial developments ramp up.

Ōtākaro Limited Chief Executive Albert Brantley said most crown-led projects are now either in construction or nearing the building phases.

“We completed the Canterbury Earthquake National Memorial in February. The feedback from those who lost loved ones and others impacted by the quakes has been very positive,” he said.

“By early next year we will have completed another four projects with the restoration of Victoria Square, the East Frame public space, the third largest park in central Christchurch, the widening of Manchester Street to become a tree-lined boulevard, and improvements to Durham Street.”

Work is underway on three key ‘vertical’ construction projects. Fletcher Living has begun work on the first East Frame residences. Earth works are nearing completion for the Convention Centre and the Metro Sports Facility.

“We’re also continuing to make good progress with the Avon River Precinct. We’re currently building a key section of the City Promenade along Oxford Terrace between Cashel Mall and Christchurch Hospital.”

Mr Brantley said these are key projects for locals and visitors to Christchurch alike.

“We continue to look for ways to accelerate our works to minimise inconvenience and remove as many of the ever-present construction cones from the city streets as we can.”

Ōtākaro is also responsible for divesting Crown land that is not required for anchor projects.

“In selling these parcels of land, we balance the need to acquire commercial outcomes with good regeneration outcomes. We have just one opportunity to get this right for Christchurch.

“Our sale of land for the new Farmers Market at the western end of Cashel Mall, and for the Hoyts Cinema Complex adjacent to the Bus Interchange and the Retail Precinct, are good examples of Ōtākaro trying to get that balance right,” Mr Brantley said.
Visitors important economic contributor

Visitor spending in Canterbury is increasing every month, making it an important part of the region’s economic growth.

Visitors spent $3.3 billion in Canterbury in the year to January 2017, up five percent on the previous year. Statistics show that figure is increasing month on month, with tourism currently the country’s top export earner.

Christchurch & Canterbury Tourism Chief Executive Vic Allen said the amount of money being spent by visitors in the last 12 months exceeded pre-earthquake levels.

“The objective for the city now is to get our pre-earthquake national market share back by 2025.”

Vic said having the Convention Centre operating by 2020 will be critical in helping tourism operators build business in the off-season as delegates support local accommodation and hospitality suppliers and also look for pre and post touring opportunities.

“We need those conventions and conferences back in the city during the winter months. And, of course, a big part of visitor spend is in retail, so it's great to see more shops re-opening in the central city.”

International visitor arrivals into Christchurch airport grew 11 percent from 2015 to 2016. The total number of international visitor arrivals into New Zealand also grew by 11 percent from 2015 to 2016.

The number of visitors staying in the region is on the increase as well, with guest nights in Canterbury growing 4.9 percent in the past year and bringing them back to the pre-earthquake (2010) level of 5.1 million for the year to November. Christchurch guest nights grew by 3.4 percent, reaching 2.7 million per year but still short of the pre-earthquake figure on 3.3 million.

Vic said visitor accommodation capacity in the city was adequate, although it was good to see hotels such as the former Millennium Hotel building on Cathedral Square being refitted to become the 4.5 star Distinction Christchurch and a former office block being converted to a new Crowne Plaza opposite Victoria Square.

“These hotels will be needed as more and more visitors continue to come back. They will also provide additional facilities for smaller conferences to be held in the city too – so it’s a win win.”

Central city shops and attractions are reopening, including the Avon River redevelopment.
The couple, who started Hassle-free Tours in 2003 with just themselves and one vehicle, now employ 35 staff during the peak tourism season and have a fleet of 14 vehicles operating day tours throughout Christchurch and Canterbury. Pre-earthquake they employed 15 staff and had seven vehicles.

The fleet includes five classic 1960s London double decker (open and closed top) buses and unique six-wheeler land cruisers.

It hasn’t been an easy ride. In the month after the February 2011 earthquake they didn’t have any business and their city tours had to be shut down until the following summer as overseas tourists kept away.

“At the end of the 2011/2012 financial year we were 60 percent down on the previous year. We carried big losses for the first couple of years. But I’ve always been a “glass half full” kind of guy and prefer to look at the positives, not the negatives,” Mark said.

“I just thought if we could get through this bad point, that the future would be brighter. We had a choice to either shut down or downsize or look at expanding the business and tap into different markets like the cruise ships.”

The past summer season has also been challenging, with the Kaikoura earthquake impacting on day tours as well as the TranzAlpine passenger service being out of service.

“It’s been another tough season but profitability and numbers are getting better.”

Mark expects things to improve even more when the Convention Centre and other anchor projects are completed.

“Tourism is at an in-between stage at the moment as the city rebuilds. The biggest challenge for us is the winter; it is hard. There are fewer people around the city and no big conference business like there used to be. The Convention Centre is vital.

“Of course, once the city is rebuilt it will be a real draw card. It’s going to be pedestrian and cycle friendly, green and modern,” he said.

hasslefreetours.co.nz
Christchurch’s Innovation Precinct is bringing people and businesses together in the heart of the central city as the vibrant anchor project continues to build momentum.

A diverse mix of businesses and innovators, ranging from start-ups to large corporates and multinationals, are located within the precinct. Alongside these are retail, hospitality and tertiary institutions – all adding to its vibrancy and success.

Canterbury Development Corporation Chief Executive Tom Hooper said everyday something exciting is happening, such as the giant outdoor arcade game on the Vodafone building that has been bringing business people, gamers and tourists out to try their skills or the regular Ministry of Awesome ‘coffee and jam’ sessions held in EPIC every Tuesday.

“This is Christchurch’s innovation ecosystem in action. The connections and collaborations within this community provide valuable support to assist business growth. This is a business community that encourages idea generation and sharing and transforms creative ideas into market leading goods and services,” he said.

Knowledge intensive companies are linked through networks, events, shared spaces and close proximity that lead to shared ideas and partnership opportunities. A tenancy group has been formed to develop the community and find new ways to enable people to participate and collaborate.

Tom said there is easy access to infrastructure and support services important to growing and developing businesses, such as networking events and business mentoring services.

“This is all vital to growing our city’s economy and ensuring that businesses survive. There must be innovation so today’s experts can keep ahead of the accelerating technological change and continue to succeed.”
Ministry of Awesome

Ministry of Awesome has started a new accelerator course targeting secondary school students in its bid to create a thriving, connected and activated city.

LabS is a five-day hyper accelerator course launched this year, with 120 Year 10 students taking part at Awesome HQ on St Asaph Street. Students are encouraged to come up with a problem they are passionate about, find a solution and then pitch their concept to the community, family and friends.

The course teaches students about business skills required to make a social impact in a fun, hands-on way, preparing them for their working future.

The course fits in with Ministry of Awesome’s Start-Up Activation Programme, which is funded with support from Canterbury Development Corporation, where entrepreneurs are supported in the very early stages of their business or project development.

EPIC Innovation

EPIC Innovation and Ministry of Awesome have formally joined forces through the EPIC Awesome Alliance – a partnership pulling in some of New Zealand’s most innovative companies across multiple industries.

The EPIC Awesome Alliance is a foundation for key partners to engage with the local entrepreneurial community and international high-tech companies, amplifying the success the two organisations have already had in their own rights. It will directly connect a pipeline of the best talent, partners and community with disruptive products and services and an opportunity to get involved in solutions that matter.

Budding entrepreneurs with ideas, start-ups wanting to scale or larger businesses needing to attract talent and innovate products and services can use the alliance to get advice, mentorship or find partner organisations to grow.

SIGNAL ICT Grad School

SIGNAL – the new ICT Grad School – has opened in the Christchurch Innovation Precinct.

The Educate programme helps teachers develop their knowledge and skills to teach Digital Technologies, particularly computer science curriculum and computer programming.

Lecturer Tim Bell, a professor at the University of Canterbury and SIGNAL’s Educate Programme Director, said participants were from around the country. The programme, which runs for a year, involves mainly distance learning while they can continue working.

“The industry visit component gives teachers a vision of what they are preparing their students for. Many teachers may not have actually worked in the industry and can be surprised at the skills needed and how diversity is valued out there by businesses.”

SIGNAL is a partnership between Ara Institute of Canterbury, Lincoln University, Otago Polytechnic, the University of Canterbury and the University of Otago.

BizDojo

The reputation of the new BizDojo Christchurch site grows almost as quickly as the companies who call it home.

Nestled amongst Vodafone and Kathmandu, the new location means growth for the national co-working operator and a secure footing for growing local businesses.

BizDojo Christchurch Regional Manager Leon Mooney said it’s incredibly exciting to be part of the growth of the Christchurch Innovation Precinct.

“‘There must be innovation so today’s experts can keep ahead of the accelerating technological change and continue to succeed.’” – Tom Hooper, Canterbury Development Corporation Chief Executive

“For us, the new premises means a greater ability to bring together and support exciting and innovative businesses in a collaborative environment. We can’t wait to see the precinct continue to develop and thrive.”

It is an approach that is working for companies like Traverse and Orbica, who chose BizDojo in the Innovation Precinct as the space to intentionally grow a culture of collaboration and innovation together.

Vodafone xone

Vodafone xone is an Innovation Lab and Startup Accelerator helping to bring the best startup and corporate ideas global.

The first cohort of businesses to go through xone have experienced overwhelming success, fulfilling the accelerator’s aim to nurture growth and leverage off innovative ideas.

Ten Kiwi start-ups and SMEs were selected to be part of xone last July and, as of March 2017, between them all there had been a total of $9 million in new revenue and $7 million local and offshore investment in the companies.

Each business received a package worth more than $150,000, including $25,000 in seed-funding and world class mentoring as part of a six-month programme. The companies also received access to a collaborative working space in Vodafone’s headquarters in Christchurch, and

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technology development through the Vodafone xone Innovation Lab.

**GreenHouse**

Collaborative hub GreenHouse – based in the Innovation Precinct and part of the city’s start-up ecosystem – is set to become a city asset bringing the innovation system to life.

The hub, operated by Canterbury Development Corporation with support from the Ministry of Business, Innovation and Employment (MBIE), focuses on supporting and commercialising early-stage digital and tech start-ups.

In the two years since it opened, GreenHouse has hosted the digital business accelerator Lightning Lab and provided support services and co-working space to more than 10 start-ups.

The rapid expansion of Christchurch’s entrepreneurial eco-system means an expanding focus for GreenHouse over the next 12 months, seeing it become more open and accessible supporting a wide range of initiatives and events to encourage innovative thinking, commercialisation and collaboration across the ecosystem.

It will also be used as a ‘landing pad’ and connection hub for entrepreneurs, investors and experts arriving in or visiting Christchurch.

**Start-ups: Inductive**

The Innovation Precinct has become home to exciting start-ups in the city.

Inductive is one of many newly founded businesses choosing to base itself within the precinct at innovation hub GreenHouse, alongside other co-working spaces also on offer such as BizDojo and EPIC.

Co-founded by Andy Masters and Chris Saunders in mid-2016, Inductive offers end-to-end software development as well as consulting work in Artificial Intelligence, innovation thinking and the digital currency Bitcoin. The business has also started producing its own products, such as ChessChecker – a way to automatically convert hand-written chess scoresheets into electronic files and help players improve.

Andy, a keen chess player who moved to Christchurch from the United Kingdom with his wife and two children six years ago, said ChessChecker has been well received. The Canterbury Chess Club is using it as their official system, and there has been interest from as far afield as New York and the Netherlands.

“Obviously, there are a limited number of chess clubs in New Zealand, so we are aiming for a global market from day one,” he said.

Andy and Chris have a lot of other ideas for products, which they will work on once ChessChecker is more established.

“Being in GreenHouse is really cool. There is a smörgåsbord of start-ups all going through similar issues and we can all learn from each other. Being based there you feel like you are part of a community, not just a few people stuck in your bedroom working on an idea,” Andy said.
Logan Williams is on a mission to change the world with his business that uses invasive freshwater algae didymo to create sustainable and biodegradable paper, plastic and fabric.

The 21-year-old, who is studying a Master of Science specialising in Applied Psychology at the University of Canterbury (UC), had a "eureka moment" when he saw dried didymo in an infected river and was astounded by its similarity to raw paper pulp.

"I enjoy fishing, tramping and camping but had seen first-hand the rivers I love being infected with didymo. I was devastated as the infection seemed irreversible. But seeing the dried up didymo inspired the formation of my company Biome Innovation."

"I want to take a pest and create sustainable products – it’s a win win."

Logan, who took out first prize and the people’s choice award at UC’s Summer Startup 2016/17 Programme, has synthesised small quantities of paper, plastic and fabric from didymo and has several patents in process.

He is now looking to create marketable prototypes and scale the company by applying for governmental grants, while also researching possible techniques for removing didymo from our waterways.

"I want to manufacture sustainable, biodegradable and environmentally friendly materials for the future. Create bulk paper, plastic and fabric from raw didymo, to be sold to larger manufacturers to turn into marketable goods."

From there it will be about forming relationships with international manufacturers and potential customers and, after creating company infrastructure, looking to scale the business.

Support has come already from academic, political and business leaders – reaffirming that New Zealanders share his passion to restore the environment.

"Initial forecasts have indicated that didymo-based materials will be priced competitively in the global market due to decreasing resources such as timber and oil, while didymo is available and has potential to cultivate."

For Logan, passion for the environment is part of his identity as a New Zealander and sustainability is the way of the future.
Looking out the window of a luxury home in Taiwan and seeing it surrounded by slums was a pivotal moment for Geoff White.

The Trade Aid Chief Executive, who will be speaking at the Social Enterprise World Forum 2017 (SEWF2017), was visiting a Taiwanese factory to learn about production costs for his business at the time, Seventhwave Wetsuits.

“This factory was in the back of beyond and there was no hotel suitable for me to stay so I was at the factory owner’s home. We arrived in the dark and the next morning I woke on the fifth floor of his house and looked out to see his putting green and pool and then a 10-foot-high brick wall, with slums surrounding us.

“I thought to myself, there is something wrong with this picture. I’m on the wrong side of this fence.”

It was the start of a new way of thinking about business for Geoff. About 18 months later he sold his share in Seventhwave Wetsuits and began looking for something he felt more suited to. His wife saw the role with Trade Aid Importers Ltd advertised, the country’s largest and oldest fair trade company.

He has been with Trade Aid for 15 years, although it is now 10 times the size it was when he started. He still travels overseas regularly to countries the company trades with, which helps him appreciate the lifestyle New Zealanders have but also challenges where happiness comes from.

Geoff is now Vice President of the World Fair Trade Organisation, a Board member of New Internationalist NZ and on the Executive Committee of the Fair Trade Association of Australia and New Zealand. He has a strong interest in international trade rules and global supply chains and their impact on developing country economies. He will speak on trade as a tool for international development at SEWF2017.

Geoff said many people are realising a different business model is needed to go forward, creating real opportunities for social enterprise.

“There is another way. Having closer relationships in global supply chains means everyone is a winner and the wealth is shared around. Without an alternative model, we get protectionism and nationalism.”

He is excited to see the number of social enterprise startups in Christchurch, many with the potential to scale.
Christchurch is attracting social enterprise entrepreneurs capitalising on the city going through a critical time in its history.

Camia Young, an American-born architect who moved to Christchurch in 2011, is well known for founding Exchange Christchurch – a startup space for the creative industries based in Waltham. More recently she has started Ohu Development, which she thinks is the future of architecture. Ohu works with communities to develop assets that will sustain and strengthen them.

“"I think it is possible for people with a common purpose to work together to collectively create and own assets that generate both a social and economic value,” she said.

Ohu Foundation is developing the infrastructure needed to support communities to collectively own what they create together, including financial, legal and social structures.

Camia, who has worked for top global architects, said Christchurch provides fertile territory for the social enterprise to grow.

""I couldn’t go anywhere else in the world with these extreme ideas and test them. I don’t have a great deal of money but here, with a small amount, I can achieve a lot. I call Christchurch ‘prototype city’.

""It’s the crisis the city has been through that brings the opportunity. It is a pivotal time in the city’s history; there is 20 years of development occurring in a compressed five-year period."

She said the social enterprise network in the city is “wonderfully diverse”, made up of people with different interests, ages and cultural backgrounds.

What is social enterprise?

Social enterprises are purpose-driven organisations that trade to deliver social, environmental and economic impact. Their social mission is as core to their success as any potential profit.

While New Zealand’s social enterprise sector is fledgling, it is starting to come of age as more entrepreneurs move into this space and long-term stalwarts lend support and give advice. The sector has the potential to make an important contribution to the country’s economy.

Christchurch: A hub for social enterprise

Christchurch’s emerging social enterprise sector will be under the spotlight when the city hosts the Social Enterprise World Forum (SEWF2017) in September.

SEWF is an international event for social enterprises to come together, share wisdom, build networks and discuss how to create a more sustainable future.

The event, which started in 2008 in Scotland, attracts social entrepreneurs, policy makers, community leaders, investors, academics and more from across the globe.

The theme is “Ka koroki te manu – creating our tomorrow”, which seems fitting in post-quake Christchurch.

sewf2017.org
When Leone Evans decided to leave corporate life, she wanted to use her knowledge to help other businesses and organisations. So she started volunteering through Business Mentors New Zealand and more recently with Community Mentors, working with not for profit organisations, social enterprise groups, charities and non-government organisations.

The regional mentoring programmes are part of the service delivered by Canterbury Development Corporation through the national Regional Business Partners programme. Following registration with Business Mentors, clients undertake a needs assessment and are matched with a volunteer Business Mentor who has the experience and skills to support the identified skill gaps.

From a mentoring point of view, Leone sees little difference in working with either commercial or not for profit organisations. “We all exist in a community, although the size, location, complexity and other influencing factors can differ. But the critical success factors for a business remain similar. What counts more is the market or community in which the business seeks to sell its products or services,” she says.

Leone enjoys the diversity of assignments the volunteering brings. “I like being able to take one set of experiences and apply them to a totally different scenario.”

Her skills and experience have come from working in a variety of industries over more than 30 years. Most recently she worked in a New Zealand international trade promotion and economic development agency and has also held management roles in the apparel, arable, dairy and meat industries.

“Becoming a Business Mentor was part of my transition plan for when I left corporate life in October 2011. I get a lot of enjoyment from interacting with a business owner and their senior management team; to help them to become the best they can be – and to ensure that their business or professional aspirations also align with their own personal lifestyle goals.”

Leone also operates her own business coaching service, as well as professional and life coaching services.

Leone recommends businesses get a mentor on board at start-up stage, to validate their business proposition and to ensure it is viable.

Canterbury Business Mentors Manager Ellen Pender says the success of the mentoring programme comes from the commitment of the volunteer mentors. “Mentors range in age and experience and give valuable support based on their working backgrounds. The service has gone from strength to strength since its beginning in 1991.”

Looking for mentoring support to help a not for profit organisation or commercial business, or considering becoming a Business Mentor? Please contact Ellen Pender on 03 378 0094 or email ellen.pender@cdc.org.nz

www.communitymentors.org.nz
www.businessmentors.org.nz

“I would recommend a mentor to anyone that feels a little lost with their business direction. It’s been fantastic.”

– Philippa Murphy, BabyCues – Nurture with Nature Founder of The Pudding Club Postnatal Practitioner and Educator
Christchurch is attracting visionary global entrepreneurs aiming to tackle the world’s problems, as part of a new initiative launched nationally earlier this year.

The Edmund Hillary Fellowship (EHF) is leading a programme to attract up to 100 global and 20 Kiwi entrepreneurs, investors and start-up teams every year to incubate and grow global impact ventures from New Zealand. Fellows receive individualised support to help them maximise impact, along with access to workshops, retreats, demo days, and a global network of mentors, ambassadors, partners and investors.

A key enabler of the programme is the Global Impact Visas (GIVs), a new visa category which Immigration New Zealand will issue to global entrepreneurs nominated by EHF for the three year programme. The visa provides a three-year open work visa to live and work in New Zealand to build global businesses, and offers eligibility for residence after 30 months in the programme.

Preston Hegel, the Operations Manager at Exchange Christchurch – a community project providing space for creative people to connect while producing or showcasing their work – has expressed interest in applying for a GIV.

His work at Exchange Christchurch is a good fit for GIVs, and he knows of several others applying who see Christchurch as a great place to create and develop initiatives which can make a significant positive contribution globally.

Edmund Hillary Fellowship Chief Executive Yoseph Ayele says GIVs are attracting global entrepreneurial talent with the drive, sense of purpose, capability and connections to create great outcomes for Christchurch, New Zealand and ultimately, the world.

He said the addition of up to 20 Kiwi entrepreneurs and investors each year to join the international talent creates a supportive environment for the exchange of different perspectives, talents and skills.

The first cohort will begin the Fellowship in October 2017, with a new cohort every six months.

Apply, or find out more at ehf.org

“"The fellowship aspect of the new visa is a revolutionary approach to immigration that will enable both Kiwis and immigrants to work together and add value to our country. It’s not just a ticket in the door, it’s a supportive system to help entrepreneur immigrants quickly add value by growing their companies from New Zealand.”

– Sam Johnson,
Entrepreneur and Student Volunteer
Army Founder

Preston Hegel
A lasting legacy

Major events like the Chinese Lantern Festival and the DHL New Zealand Lions Series bring Christchurch people together to celebrate (and sometimes commiserate), but the opportunities extend far beyond what happens on the day.

Major events play an important role in helping accelerate Christchurch’s economic growth and creating a sense of community by attracting visitors, business and investment, increased spending and creating a higher profile and lasting legacy for the city.

Richard Attwood has worked in the major events industry for 15 years and is one of the people tasked with helping to attract national and international events on behalf of the city.

“Hosting major events provides Christchurch with the opportunity to tell our story, to showcase the city and its culture. Hosting events shows international audiences that the city is well equipped and open for business.”

Richard explains a “major event” is an event that attracts visitors to the city, builds a strong profile and reputation nationally and internationally and leaves a positive legacy for residents. Such events can include business, entertainment, sporting or cultural celebrations.

“Lots of cities around the world can host events – our job is to promote the attractions and benefits of holding events here in Christchurch.

“We’ve got some wonderful assets like Hagley Park with the space to be able to hold larger events, and being a flat city is a real benefit because it’s easy for people of all ages to get around. And our people are always a great selling point for Christchurch – we’re welcoming and friendly and visitors love that.”

One of the major events in the pipeline is the World Golden Oldies tour which Christchurch is due to host in 2018. The event is expected to attract 9,000 participants, 4,000 supporters and officials and could contribute $33 million of direct economic benefit to the Canterbury region.
The world's best are coming to Christchurch

New Zealand v Scotland
4 November
Quarter-Final
18 November

Be ready for November 2017

November will be a busy month with three major events in the city:

- Rugby League World Cup 2017
  - 4 Nov: NZ vs Scotland
  - 18 Nov: Quarter Final
- New Zealand Cup and Show Week: 11 to 18 November