

The Commissioner for Kangaroo Island Investment Attraction Project

Final Report

August 2018

Introduction

Hudson Howells has been engaged by the Commissioner for Kangaroo Island to undertake an Investment Attraction Project within the overall Growth Support Programs for Kangaroo Island and specifically to address:

- A lack of understanding on how to determine the nature of investment required.
- Exploring investor options.
- Acquiring an investor with appropriate government arrangements.

This Final Report summarises the outcomes of the the project including the Investment Attraction Workshop and Confidential Service undertaken on Kangaroo Island during week commencing 16th July 2018.

Investment Attraction Workshop (Stage 1)

A commencement meeting was held with the Commissioner for Kangaroo Island following which Hudson Howells prepared for and facilitated a Business Expansion Workshop at Kingscote on Kangaroo Island on Tuesday 17th July. The workshop attendees included:

Attendee	Organisation
Wendy Campana	Commissioner for Kangaroo Island
Jennifer Trethewey	Office of the Commissioner for Kangaroo Island
Sue Arlidge	Sue Arlidge Management
Sharon Kauppila	Kauppila Builders/KI Hire
Caitlan Gluche	KI Trails
Bronwyn Smith	Kangaroo Island Lavender Farm
Kathie Stove	Art Museum of KI
Pierre Gregor	TKI
Peter Murch	Peter Murch Artwork
Maria Morgan	Adelaide Training and Employment
Travis Bell	Bellevista
Rene Steyn	Emu Bay Holiday Homes

The workshop agenda comprised:

- Workshop Introduction
- Participant Introductions and Workshop Expectations
- Business Expansion and Investment Case Studies
- Expansion and Investment Options
- Governance Options
- Questions
- Next Steps and Individual Meetings (Confidential Service)

Confidential Service (Stage 2)

For those companies unable or not prepared to attend the Workshop, Hudson Howells offered a confidential service for the discussion of investment opportunities and inclusion in follow up programs. The companies that requested this Confidential Service included:

Representative	Organisation
Nick Hannaford	Lifetime Private Retreats
Paul Brown	Kangaroo Island Wilderness Tours

In addition to the above, some companies that attended the workshop did not wish to discuss their specific investment opportunities at the workshop, so these companies were also offered a confidential consultation meeting following the workshop. These companies included:

Representative	Organisation
Caitlan Gluche	KI Trails
Bronwyn Smith	Kangaroo Island Lavender Farm
Kathie Stove	Art Museum of KI
Travis Bell	Bellevista
Rene Steyn	Emu Bay Holiday Homes

Summary of Assistance Sought & Provided (Stage 3)

Following the Investment Attraction Workshop and Confidential Service, Hudson Howells worked with the participating companies to prepare short Investment Attraction Briefs to be supplied to potential investors, Regional Investment Australia and Invest SA (Department for Trade, Tourism and Investment) for consideration of further interest. Other companies not ready to seek external investment were assisted with advice and grants and potential actions to further progress their business development.

Following is a summary of ongoing investment attraction/business expansion assistance sought by each company, both within and outside of the project scope, and the assistance provided by Hudson Howells to date:

Organisation	Confidential Service Provided	Assistance Sought In Scope	Assistance Sought Out of Scope
Lifetime Pte Retreats (Nick Hannaford)	✓	Investment Brief Completed	Detailed Information Memorandum
KI Wilderness Tours (Paul Brown)	✓	Investment Brief Completed	Detailed Information Memorandum
KI Trails (Caitlan Gluche)	✓	Investment Brief Company Deferred – Not Ready to Action	Detailed Information Memorandum
KI Lavender Farm (Bronwyn Smith)	✓	Grant Information/ Action Plan Provided - Complete	Nil
Art Museum of KI (Kathie Stove)	✓	Investment Brief – Donors/Sponsors/Grants Completed	Potential Regional Growth Fund Application
Bellevista (Travis Bell)	✓	Investment Brief Company Deferred – Not Ready to Action	Detailed Information Memorandum
Emu Bay Holiday Homes (Rene Steyn)	✓	Grant Information Provided - Complete	Nil

Investment Attraction (Stage 4)

As detailed above, 3 organisations are ready to attract and receive investment and agreed to proceed to the Investment Brief stage including:

- Lifetime Private retreats
- Kangaroo Island Wilderness Tours
- Art Museum of Kangaroo Island

Hudson Howells has initiated long term actions to align opportunities and facilitate discussions with potential investors including local (Australian) and international investors (Singapore, Hong Kong, China and the Middle East). Discussions have also been held with Regional Development Australia (Adelaide Hills, Fleurieu and Kangaroo Island) for inclusion of these investment opportunities in the RDA’s long-term investment attraction program and for coordination with State Government investment attraction programs where appropriate.

The individual organisation and contact person details have been included on each Investment Brief to facilitate future and ongoing discussions between investors/investment facilitators directly with each organisation.

Confidential Investment Briefs have been provided to the Commissioner for Kangaroo Island under separate cover.

Consulting Budget and Funding Allocation

The following table summarises the consulting budget, time/costs for all stages of the project.

Project Stage	Consulting Fee	Project Costs	Total Costs
Stage 1 – Commencement Meeting	\$500 – Project Preparation and Meeting	Nil	\$500
Stage 2 – Investment Attraction Workshop and Confidential Service	\$6,000 - Workshop Preparation, Workshop, 7 Confidential Meetings	\$1,500 - Airfares, Accommodation, Car Hire, etc	\$7,500

Stages 3 & 4 – Investment Briefs, Action Plans & Investor Attraction	\$6,300	Nil	\$6,300
Total			\$14,300 (plus GST)

Conclusion

In conclusion, it should be noted that the circulation of the Investment Briefs and introductions to potential investment facilitators and investors is an ongoing and long-term process that will require further information to secure investment and to facilitate investor due diligence. In this regard, four companies are interested in further assistance to prepare comprehensive and bankable Information Memorandums (as noted above), while one is seeking assistance with a grant application (Art Museum of KI). These activities are however outside the scope of the current project and would require a funding contribution by the participating organisations at the appropriate time.