



BreakThrough

Ingredients of success in food, nutrition and pharma



Ingredients

Acne Away

Praventin™ will bring a bright look to many

Ingredients for Ideas

Systematic Inventive Thinking helps to develop new

Successful launch of hypo-allergenic babyfood by

Indonesian Delight

DMV Fonterra

DMV and Fonterra join forces with pharmaceutical divisions

Innovium opens officially

DMV International starts new innovation centre for food and nutrition in

Dairy Rhythm

Trends and new concepts in South-America

12-14

DMV opens rep office in Bangalore

Rutger Oudejans to further pioneer Indian market

Visits

Credits

BreakThrough is published by DMV International bv.

Concept and realization by BrandMagazines, The Netherlands.

Print and distribution by Bek Graphic Productions, The Netherlands.

DMV International by and BrandMagazines spare no effort to make sure all information is fully reliable. DMV International by. BrandMagazines as well as affiliated companies and suppliers accept no liability as to inaccuracies or any action taken based on information supplied in this magazine.

Copyright[©] 2006, DMV International by, The Netherlands

NCB-laan 80 P.O. Box 13 5460 BA Veghel The Netherlands

DMV International by

Tel.: +31 (0)413 372 222 Fax: +31 (0)413 372 914

service@dmv-international.com www.dmv-international.com

DMV International



Acne Away

Praventin™ will bring a bright look to many peoples' faces

Personal beauty is a much desired quality in the world today, regardless of gender, ethnic background or age. Consumers are at the beginning of understanding of how the outside appearance reflects what they put into their body. DMV International focused on providing Praventin™ to the supplement market in 2006 to promote new opportunities to successfully develop value added functional skin supplements tailored to a lifestyle need, beauty.

Repair from within

Maximizing on the \$13 billion consumer skincare and supplement products, Praventin™ addresses a specific health concern, targeting a poor complexion. Praventin™ supports the healthy appearance of skin from the inside. Praventin™, based on a patent pending bioactive protein complex rich in the Lactoferrin fraction derived from milk, targets the inner causes of skin's outer problems, allowing it to soothe and help repair from within.

Several forerunners took advantage of the Praventin™ ingredient by launching new products focused on the improvement of a clearer complexion, a number of these new products focus on new combinations of healthy ingredients to help consumers improve their outer appearance. The trend in beauty from the inside with supplements will continue to increase, Mintel's Global New Products Database indicates that 54 new supplement products containing references to beauty in their product

descriptions were launched between 2002 and 2005. Datamonitor, reports that 56.1% of all American and European consumers' reason for using a cosmeceutical is to solve specific beauty problems. According to Packaged Facts, the cosmeceutical market soared to \$13 billion in 2005 and is projected to exceed \$17.2 billion by 2010. A Datamonitor survey in 2004 revealed that 43% of the 1002 consumers, indicated that beauty benefits influence their purchases of supplements, and consumers will continue use of a supplement if they see external benefits.

Healthy and youthful skin

We always hear that beauty is only skin deep, but in reality a smooth, blemish-free complexion, healthy, and youthful skin, is exactly what the consumer wants and desperately wishes to hold on to, whatever the cost. Consumers have realized that beauty and health go hand in hand. For the effect to be long-term, one can take a supplement designed to nourish from the inside, with specific cosmetic effects. Consumers are realizing that what's consumed is just as important to skin as what is applied to it.







Successful launch of hypo-allergenic babyfood by Kalbe Group in Indonesia

Allergies are on the rise globally, especially among babies and children. Indonesian babies are increasingly prone to skin, respiratory and intestinal problems due to dairy intolerance. DMV International and the biggest Indonesian pharmaceutical company, Kalbe Group, are now the first to develop a hypoallergenic baby food: a powdered baby cereal made from red rice. Use of this product has been shown to significantly reduce allergic reactions in babies of six months and older. This baby weaning food was launched in the fourth quarter of 2005 and sales are already developing strongly.

"From the beginning in 1985, our Goodmil products were especially developed for babies and children with very specific needs," says Ms Irawan Setiady, president director of Kalbe Health Food Division. "Until now, our most popular product in the Goodmil range was one that targeted weight gain. Although raw materials and research make this new product more expensive, we have high expectations. The need for this product is universal as allergies are found everywhere."

"Special baby food is a worldwide trend," agrees Asian area manager Martijn Jager. "DMV is increasingly using hydrolized whey proteins in baby food, as in the red rice brand. These are absorbed more easily by sensitive baby intestines and they also help to prevent allergies. This is Indonesia's first product that is specially made for allergic babies." Kalbe is already exporting the product to Malaysia and expects to market it in the rest of the Far East and other countries as well

Indonesia's birth rate is dropping with the increase in the standard of living. People are changing their traditional dietary patterns; these changes can cause allergies, especially in children. Babies are extra sensitive and can get sick from their mothers' diet. Also rice fields are polluted and various harmful substances find their way into the food chain. While the use of specialized baby food is a definite trend, there is also real need to help babies with chronic allergies.

Clinical study

DMV International and Kalbe Health Food started product development together about two years ago. They based their work on a global market study of available products to address dairy

allergies found in Indonesian babies. A product formulation was made in close cooperation with the Indonesian Pediatric Society and DMV's application group in the U.S.

Lab samples were produced for a joint clinical study

which showed a significant reduction in allergic reactions. Clinical trials are still ongoing at the Jakarta's Cipto Mangunkusumo Hospital by doctors Zakiudin Munasir and Sjawitri Siregar and Nia Kurniati of the allergy immunology department and mother and child health division.

After six months of trials, preliminary results indicate a 78% decrease in symptoms, 15% showed an increase and 7% are unchanged. The study aims to examine the effects of partial hydrolization of baby porridge on allergic symptoms in babies at risk of allergy. Allergic symptoms are evaluated using a scoring system to measure reactions, specifically pertaining to: skin (eczema, uriticaria/rash, angioedema, eyes (conjunctivitis), respiratory tract (dyspnea, cough, wheezing, nasal obstruction/hyper-secretion, sneezing, mucous sound), gastric intestinal tract (diarrhea, obstipation, anorexia, vomiting, colic) and others (excessive crying, mouth symptoms).

Pediatric support

The introduction of the red rice baby food (which is not red, but an ordinary porridge color) is being supported by pediatricians and food experts in Indonesia, who have been advocating the product on television. Kalbe is waging an extensive campaign to educate consumers and professionals about dairy allergies in babies and how to combat them. For this, they are

using strategic television advertising and informative programs. They were recently involved in organizing seminars for pediatricians on the subject of allergies. "We have been traveling from area to area and to many cities talking about the product in seminars for pediatricians. Our main focus has been how the incidence of allergies decreases with

the use of the Milna Goodmil baby cereal," says Pak Widjanarko, marketing and sales director at Kalbe Health Food.

The Milna Goodmil red rice product is available in Indonesia from retail stores, pharmacies and in hospitals and clinics.





Herman Ermens

CEO

DMV-Fonterra Excipients Goch, Germany

Two large, competing dairy companies, Campina (the Netherlands) and Fonterra (New Zealand), have recently entered into an exciting joint venture to unite their respective pharmaceutical divisions. DMV International's Pharma business unit and their counterpart Lactose New Zealand will quite literally cover the global pharmaceutical excipients market from north to south. "All of us have great expectations for DMV-Fonterra Excipients," says Herman Ermens, CEO for the new company and former business director Pharma for DMV International.

DMV and Fonterra join forces with pharmaceutical divisions

According to Ermens, there is a real need for a global supplier in this market, as manufacturers want a partner they can rely on absolutely under all imaginable and perhaps unimaginable circumstances. "Dairy products are produced to high standards, but pharmaceuticals have to meet far, far stricter ones. The pharmaceutical industry is fundamentally different from the dairy industry. I think people from both businesses in this joint venture have sometimes felt like a small contingent of crazies within the company. Like, say, Asterix and Obelix's village in the Roman Empire. It's sometimes hard to get your point across to a much larger company that's also in a different business," he explains. "This joint venture will give us all the scope to branch out, while adhering to current good manufacturing practices that rule out bad

Security of supply

"The new venture will enhance our ability to offer security of supply and provide a base for continued investments in cGMP, innovations and service," says Carey Lee, the New Zealand-based sales director for the new company. "The resulting expectation is that DMV-Fonterra Excipients will be a company that our pharmaceutical customers want to do business with." DMV-Fonterra Excipients is expected to generate a turnover of just under €100 million and will continue to employ the 100 to 110 people already employed by the merging companies. The parent companies will own the new company on a 50/50 basis. The company will focus on expanding the business with a broad portfolio of excipients with new functionalities. All current products used as excipients in pharmaceutical applications plus the

lactose used in the production of fine chemical or semi-pharmaceutical applications will fall within the joint venture's scope. Lactose for food production will stay with both parent companies.

Stronger

"Working together will make us much stronger," Ermens emphasizes. "Pharmaceutical companies increasingly demand certainties and services from their suppliers. And the more we can offer customers in terms of technical services and R&D support, the better. They need us to take on some of the pressure to reduce the lead times of new drug development and costs. DMV Fonterra Excipients will make all this possible, give us a wider base of operations and free-up more funds for R&D activities." The new company will also rise to the challenge presented by fast growing

pharmaceutical markets in the Asia Pacific region, notably in China and India (DMV International opened in April a representative office in Bangalore; see page 15).



Carey Lee, Sales Director **DMV-Fonterra Excipients**

China are becoming larger consumers of western drugs and they are also becoming larger producers of generics for the western market. Many patents are coming to an end, making the generic market



even bigger. Entrepreneurs in India and China are reacting to this. The big pharmaceutical multinationals are also increasingly investing in these emerging markets and expect the same service they are used to in their traditional home markets," Ermens explains.

Greater product availability

The joint venture will maintain its own production locations in the Netherlands (disintegrants, Foxhol), Germany (direct compression lactose, Nörten-Hardenberg) and New Zealand (inhalation lactose, Kapuni), with regional sales offices around the world. Systems in the whole operation will be brought into line with each other. The head office will be located in Goch, Germany. Both parents will continue to supply the joint venture with products under the joint venture's Quality Assurance responsibility. Customers will be supplied from both the northern and southern hemisphere locations, whatever is most efficient in any particular case. "This will allow us to offer greater product availability. That's a definite advantage in a market that prizes absolute certainty," says Ermens. "Also, New Zealand has had no serious agricultural issues as we have in Europe. This is an ideal place for a support base to a secure pharmaceutical excipients industry."

Big player in pharma lactose

DMV-Fonterra Excipients will be one of the largest pharmaceutical lactose producers in the world. Excipients are inactive substances used as carriers or diluting agents in active drug formulations, or to aid the process by which a pharmaceutical product is manufactured. DMV International started supplying pharmaceutical lactose more than one hundred years ago. Their first products were fillers and binding agents for tablets. DMV International's Pharma business unit branched out in 2003 into disintegrants and excipients. Fonterra has concentrated mainly on lactose. DMV International has a strong position in Europe and Japan, while Fonterra has been very successful in the Asia Pacific region.

Ingredients for Ideas



Systematic Inventive Thinking helps to develop new products



Limetree Business Refreshment

The Netherlands

Who can be creative at 8.30 on a Monday morning? Probably not many of us. However, at DMV International's Innovium, staff are using a tried and tested technique called Systematic Inventive Thinking (SIT®) to capture their ideas, anytime they need to. This creative method brings unconscious thought into the conscious realm and helps creativity.



Supported by 'business refresher' Annina van Logtestijn, DMV International has been working with SIT since 2004 in a bid to manage the most important raw material for an innovative company: ideas. "The system forces you to make new combinations and fosters interesting creative accidents," she explains. Van Logtestijn introduced the concept to DMV International's clients in a lecture and an afternoon of workshops during the recent opening of Innovium's new offices in the Wageningen Biopartner Center.

More chance

"Our customers were impressed by the workshop methods. Many are experienced technologists themselves and immediately saw the possibilities," says R&D director David Clark. "Our policy is to work with clients on developing their products. This is the perfect way for us to solve problems and to develop new products together." For SIT to work well, a multidisciplinary team is needed. The more different fields of expertise involved, the more chance of successful innovative ideas. Ideally, this includes the client, R&D, marketeers, sales people and others. There could, for example, be a test cook on the team. The outcome of the first five-day workshop in 2004 was 33 concepts, of which six were further developed. Various applications were found for Textrion GEL, a texture building concept initially developed as a gelatine replacer in dairy desserts. But as gelatine is made from the hide and bones of cows, pigs, poultry and fish, it is unsuitable for vegetarians and many religious groups with diet restrictions. Ordinary consumers were questioning its safety after the BSE outbreaks and food safety scares of the last few years. "Apart from in desserts, Textrion products are now being used in Halal, Kosher and vegetarian foods. Other possible future applications are in melt-resistant and non-drip ice cream products. Your kids will not be able to

make such a mess of eating ice cream in the back of the car if this is marketed. We are also looking at non-melting ice for use in transport purposes or in developing countries," says Clark. Textrion GEL won the Food Ingredients Gold Award or the most innovative food ingredient in 2003.

SIT uses tried and tested directions of thinking, it cuts through existing dominant thought patterns and it then tests the idea. The systematic approach looks at all the different components of a product and puts things in a new light. SIT is gaining ground internationally.

"SIT has already helped us recognise some real opportunities for the future."

Theory of Inventive Problem Solving

SIT is based on the 'Theory of Inventive Problem Solving' developed by the Russian patent expert Genrich Altschuller who was exiled by Stalin to the Gulag in the forties and fifties. With the help of other exiled scientists, he isolated forty recurring thought patterns used in over 400.000 successful patented discoveries. His methods were applied during the glasnost period and used in space technology, among numerous other scientific areas.

Simplify the method

A number of Altschuller's students later emigrated to Israel. They decided to simplify the complex method to something more commercially applicable. They narrowed the forty thought patterns down to only five, which cover 70% of all successful product innovations. The five universal principles are: subtraction, multiplication, task unification, division and attribute dependency. The method differs fundamentally from other creativity techniques.

Well-suited to DMV International

"SIT is very well-suited to DMV International because they have skills to develop almost anything they can imagine and SIT helps them imagine really new things. They also tend to think in possibilities rather than in problems," says Van Logtestijn. "Limetree hopes to continue to assist DMV International in harnessing creativity. For me personally, it's a joy to work with so many knowledgeable people, from so many interesting fields." "SIT can lead to some really wacky things, but has already helped us recognise some real opportunities for the future," concludes Clark.

BreakThrough 8

BreakThrough 9

Innovium opens officially

David Clark

R&D director

DMV International

The Netherlands

DMV International's new innovation centre for food and nutrition, Innovium, opened officially in May 2006. It shares a building with ten innovative companies working in various sectors of the food industry and agriculture. What could be a more appropriate location than Wageningen, right in the centre of the Netherlands' 'Food Valley'?

DMV International starts new innovation centre for food and nutrition in Food Valley

Some of the businesses in the 'incubator' are start-ups, others are established enterprises like DMV International. What they have in common is their innovative approach. Sometimes they share expensive equipment. "Everyone here works with innovation and change on a daily basis. Wageningen is a unique place for European agriculture and food industry," said the Mayor of Wageningen, Mr Geert van Rumond.

High expectations

Expectations of the synergy created at Innovium are high. DMV International sees this as an ideal location to achieve its ambitions in innovation. It is a place where customers, marketing and R&D people can all interact to come up with new or better products. "Within Innovium we are bringing together critical disciplines involved in the innovation process. The creative, transparent feel of the work environment provides extra

stimulus for cooperation, both internally and externally with our customers," explains David Clark R&D director at DMV International. "It is always our intention to work together on products with customers. That's exactly what we're doing here. But I can't say exactly what we're working on without giving away our clients' secrets."

Cooperation is key

DMV International is not only looking for a fruitful exchange of knowledge with clients and among its employees, but certainly also with universities and other research institutes. This is one of the reasons for the move to Wageningen. DMV managing director Xander Wessels comments: "We chose the Wageningen Food Valley location because of the prevalent attitude here that encourages the exchange and development of knowledge. Food Valley is home

to one of the most renowned concentrations of scientists and food technologists in the world.

DMV's R&D centre and Wageningen University and Research have an agreement for knowledge exchange in the form of joint innovation projects and facilities. Cooperation among groups of scientists and the business community is the key to the Food Valley concept."

This potential at Wageningen certainly contributed to DMV International's decision to move their R&D centre from the Veghel production facility in the south of the Netherlands to Food Valley. Innovium's new building accommodates a laboratory (physical/chemical analyses, biochemical analyses, cell culture), test kitchens, the technicum (process pilot for test production), a library, offices and meeting rooms. Fifty employees from marketing, basic research and product and process development work at Innovium.

"Within Innovium we are bringing together critical disciplines involved in the innovation process. The creative, transparent feel of the work environment provides extra stimulus for cooperation, both internally and externally with our customers."



"We chose the Wageningen Food
Valley location because of the prevalent attitude here that encourages
the exchange and development of
knowledge. Food Valley is home to one
of the most renowned concentrations
of scientists and food technologists in
the world."



Expectations of the synergy created at Innovium are high. DMV International sees this as an ideal location to achieve their ambitions in innovation





Sales manager

DMV International

South America

DMV International has pinpointed South America as an important growth market for the future. Brazil in particular looks promising: an enormous country, with a population of 190 million, where the company has barely made a dent in the market until now. But it's not all about market share. A country like Brazil has its own food culture and DMV is tailoring products and ingredients to make the most of that.

A big job

Tjalling Bekker, many years with the company and DMV International's new sales manager in South America, has a big job to do and a large area to cover. There are nineteen countries in South America, DMV is already active in the



Dairy Rhythm



Trends and new concepts in South-America

nine most economically prosperous of them. Bekker spends two weeks a month working from home in Buenos Aires, where he lives with his wife and two young children. He then goes on the road for two weeks to visit existing and prospective clients. Bekker is supported by colleague Floris Stehouwer, who is an experienced R&D man and specialises in the technological side of things. The two-man team is a new departure for DMV in this region; previously sales rep Jacques Baijens did the job by himself, also from Buenos Aires. "In the past five months I've visited most of our existing clients and prospects. I've also been to most of the countries where our products are used. I've flown to Brazil a number of times. As in the rest of South America, our agent/distributor there plays an important role - they are in day-to-day contact with our customers. This agent is Selectchemie Brazil, part of the Swiss-based Selectchemie group. Together with Selectchemie Brazil's product manager Ana Flávia de Aurujo Kolling, DMV has already booked some very promising successes. And of course this gives us high expectations for the near future," he explains. Selectchemie is internationally active in the distribution of ingredients for food, pharmaceuticals and feed.

Local tastes

DMV International's top three in South America are currently Chile, Argentina and Colombia.

South American countries have things in common with each other, but each country still has its own specific character and food industry.

Chile is a place where DMV is already firmly established. "With 17 million people, Chile is our best market in the region. We realize our largest turnover in South America there. Chileans have the most European tastes in all of South

America," Bekker explains. "So our products don't need much adjusting there. In Argentina it's the same story, where many of the inhabitants are of Spanish and Italian origin."

"We are already selling a range of ingredients in Brazil. But it appears that our ingredients need to be adapted to the local eating habits and recipes. For example, the flour used in cakes is very different from other countries. That influences the functionality of our ingredients. So we needed to adjust the recipes and maybe also tailor our ingredients. Also consumers in South America, especially in Brazil, generally like their cakes and desserts sweeter than people do in Europe," says Bekker. "Brazil has a very diverse population, with many Europeans, people of African and Native American descent. All these cultures are reflected in culinary tastes and traditions."

"Peru, Venezuela and Middle America are also markets we want to further develop. These are perhaps not the first markets that come to mind as promising. But customers and prospects have told us that we can play an important role there with our functional ingredients. That is one of the drivers to organize a bakery seminar in Peru in lune"

Something extra to offer

"We want to show that we have something extra to offer clients. In South America we can really help clients with product development. They are open to co-operation in this area and value our help in developing their ideas," he explains. This is where R&D man Stehouwer comes in.

"We plan to build on existing excellent contacts, helping our clients to develop their products, not only commercially but also technologically. Working in a two-man operation keeps us

flexible, while still offering valuable technical support. We will be concentrating on actively developing new products with clients and translating trends and ingredients to local conditions and situations."

In South America, DMV International supplies customers with its well-known dairy proteins such as caseinates and the Esprion line for SMP replacement. The new Textrion PROGEL 800, a WPC80 with special high gelling properties, is expected to catch on for use in dairy, bakery and meat products. According to Bekker, DMV's ingredients in pre-mixes for cakes, fillings, mousses and decoration cream are even more important. These mixes are used by bakeries but many supermarkets also carry products with DMV ingredients, such as yoghurts and ice cream.

"New applications to add could be fruit mousses, dairy shakes and mousses with typical local flavours like 'dulce de leche'. We will adjust our concepts to local conditions. For example, whippable cream in powder form is a handy product for bakeries, and its something we're already doing in many areas of the world. But cream is made sweeter, thicker and with a heavier feel to it in some countries. This is the kind of thing we can adjust for local markets," Bekker explains.

Results

Tjalling Bekker expects to show results in South America quickly, generally expanding the business and increasing sales. "In a few years we will evaluate our progress and see whether our expectations were justified. I think South America will not disappoint. The opportunities are here, all we need to do is grasp them. I'm convinced we will see excellent results and further open up this market for DMV International."

BreakThrough 12 BreakThrough 13

DMV joins forces with Vitalus

DMV International's growth strategy for ingredients is in high gear. A 50/50 joint venture with Vitalus in Canada in August is the newest development, following earlier developments with companies in Argentina and New Zealand (see page 6) announced earlier in the year. This latest move will boost DMV's business in functional and nutritional ingredients in the North American market and smooth the way for further penetration of this market.

The joint venture will focus on expanding the business with a portfolio of dairy protein specialties such as whey protein concentrates for use in infant

and diet nutrition formulas and in food products generally. Vitalus will contribute its range of specific dairy-based ingredients and US customer base to the merger. DMV International will cover sales marketing and customer support throughout the USA. The new company will operate under the name DMV-Vitalus Ingredients N.V. and employ

Strengthen its presence

"With this joint venture DMV International will improve its position in the international ingredients business and strengthen its presence in the important North American dairy ingredients market. This market represents an impressive a value of 4 billion annually, with a growth rate of three to four percent," says Xander Wessels, Managing Director of DMV International.

Wessels expects DMV's ongoing investment project 'Veghel Force' to contribute in a big way to the success of the partnership. By the end of the year a highly efficient whey processing plant in the



Netherlands will be ready to give North American markets better access to DMV-Vitalus' promising ingredients portfolio.

A good fit

Vitalus' CEO J. Hugh Wiebe commented that the joint venture is definitely a good fit for his company. "Our goal has been to develop nutrifunctional ingredients derived from whey and milk-based proteins, meeting the needs of our customers. The joint venture will strengthen our dedication to customers and bring our products to the world market. Our growth potential will

Vitalus supplies 'nutrifunctional' products: products that provide nutritional and/or functional benefits. The company has a production facility and offices in Abbotsford, Canada. Vitalus also maintains a sales office in Bellingham, USA.

Rutger Oudejans to further pioneer Indian market

DMV opens rep office in Bangalore

Trading in the East is a time-honoured Dutch tradition. But this multinational is not looking for spices. DMV International is sending former Hong Kong-based area sales manager, Rutger Oudejans, to pioneer the pharmaceuticals market in India and to enlarge the existing market share. He will man DMV's first Indian representative office in Bangalore.

"Building my own network in this market will be a tremendous challenge. India has extremely dynamic business practices. People there are interested in a personal relationship with their clients and suppliers. They have a totally different approach to what we are used to in Europe," says Oudejans.

Booming

DMV wants to get more out of the Indian market, a booming economy with 1.2 billion people. "Apart from achieving efficiency advantages, improving synergy and trying for more profits in existing sales, I expect to discover new angles for DMV just by being the company's man on the

The Indian office will cover all business

within the pharmaceuticals market, including the full range of excipients DMV supplies to the market. Oudejans hopes to drum up more business from both multinationals and Indian companies manufacturing generic medicines both for local and international markets. DMV supplies these companies with fillers for tablets, making it possible for them to export creliable generic medicines to highly regulated first world markets.

Support

Oudejans will initially be running the office by himself and personally make the rounds of all existing DMV International's clients. He will gather market information and try to expand existing potential. He has the support of DMV agents Sainathan, Narayan Sainathan and Ravi Markers who have done a great job for the company in India for the past 30 years. "I bring a fresh perspective to this market, but these agents have the local knowledge and their own impressive network," says Oudejans.

Oudejans moved to Bangalore with his wife and two-year old daughter in April of this year.

What's on?

Food

September 12 - 14

FI South America

www.fisa.com.br DMV booth 740

Where?

Transamérica Expo Center Sao Paulo, Brasil

October 3 - 5

CPhI Worldwide

www.cphi.com DMV booth Hall 5, 5N40

Where?

Centre des Expositions Paris-Nord, Villepinte, France

July 30 - August 3

SIM Annual meeting and exhibition

www.simhq.org

Baltimore Mariott Waterfront, Baltimore, USA

Inovatech takeover is growth injection useful growth injection for our Industrial Products

DMV International has acquired a production plant in Argentina which will create new growth opportunities in the region. Parent company Campina brokered the takeover of Inovatech Argentina S.A. in Villa Nueva, Cordoba. The acquisition became effective on June 1. Inovatech will be integrated into DMV International's Food Systems and Nutrition business line.

"With this acquisition we gain access to production capacity in a country that is well-known for its efficient dairy industry infrastructure. It is considered an attractive source of dairy proteins internationally. Inovatech represents an extremely

group," explains Xander Wessels, Managing Director of DMV International.

"The takeover will boost our market position for ingredients in the Americas," says Xander Wessels. "This will give us an opportunity to develop and become stronger in market that is increasingly important to us." Inovatech's core activities are the production of a range of dairy based ingredients, supplying customers in the food and nutrition industry the world over. These ingredients are used in dairy, ice cream, bakery, sports and nutrition products, and in infant

formula. The plant is GMP, Halal and Kosher certified. South America's dairy market is currently showing marked growth. According to the FAO dairy market assessment report of June 2005: "For Latin America, overall milk output is expected to grow by 4 to 5 per cent in 2005. In Argentina, forecasts indicate a 10 per cent increase in production for 2005".

Annual turnover at Inovatech is about €12 million. The factory processes some 45 million kilos of milk every year. The company will continue to employ their 65 existing staff. Additional investments are expected.

More information?

www.dmv-international.com

BreakThrough 14