



Engro Foods reports record profits with increased EPS

The profit after tax of Engro Foods Limited has increased by 370% to Rs 1,017.674 million in the half year period ended June 30, 2012, from Rs 216.442 million earned in the corresponding period in 2011. The company's earning per share (basic) has increased to Rs 1.35 in the period under review against Re 0.30 in the same period a year back.

The company's net sales increased to Rs 19.765 billion in the half year period this year against Rs 13.443 billion in the same period last year. The cost of sales increased to Rs 14.922 billion against Rs 10.621 billion. The company's marketing and distribution expenses increased to Rs 2.464 billion against Rs 1.701 billion.

The company's profit before taxation increased to Rs 1,535.889 million in the half year period this year against Rs 331.75 million in the same period last year.

The 370% increase in profit after tax is primarily due to a substantial year-on-year increase in sales during 1HCY12. As both the volume of sales and prices of items have increased, the increase in revenues is not surprising. The second quarter was particularly successful, with revenues rising by about 5% quarter on quarter during 2QCY12 and gross margins improving by over 2%. The rise in ice cream sales during the summer season can explain this boost. Also, the distribution and marketing expenses went up from 11% of sales in 1QCY12 to 14% in 2QCY12.

The company is likely to see a further improvement in revenues due to Ramadan as well as greater sales of new products such as 'Omung Lassi'. Ice cream sales are also expected to remain high during the remainder of the summer season.



McDonalds Pakistan wins Golden Arches Award 2011



McDonalds Pakistan has won the Golden Arch Award 2011 at McDonald's Worldwide Convention held in Orlando, Florida, USA.

McDonald's Pakistan President and CEO Amin Mohammed Lakhani received the award from Jim Skinner, CEO of McDonald's Corporation. The criteria for the Golden Arch Award includes relentless focus on customer service, outstanding quality, hygiene and cleanliness, significant community involvement and exceptional achievements in all areas of the business, as well as a positive contribution to the success of the McDonald's brand.



Dawlance achieves impressive sales growth

Dawlance commitment to the highest quality standards has led Dawlance into achieving impressive sales growth across the entire product portfolio during the the last fiscal year 2011-2012. Dawlance achieved phenomenal growth in Microwave oven sales and substantial sales growth in refrigerators, freezers, split ACs, automatic washing machines and washers.

Dawlance Head of Sales & Marketing, Hasan Jameel said, "The resounding success that Dawlance enjoyed last fiscal year shows that Dawlance is on growth trajectory that is nothing short of excellent. Load shedding and electricity short-fall has greatly affected the manufacturing industry. At the same time, end-consumers have also suffered because home appliances usage is dependent on the availability of electricity. Despite this problem, Dawlance managed to not just achieved but surpassed the sales targets hereby achieving growth in all its product categories.

"Furthermore, over the last year, we even increased our exports in several foreign countries such as Iraq, Afghanistan,

UAE, Libya, Mozambique, Yemen, Tanzania, Ethiopia, Oman, Sri Lanka, Armenia, Bangladesh; our exports in the refrigerator category in particular have grown phenomenally."

DuPont Tyvek® Protecting Date Crops in Pakistan

The monsoon season poses a serious threat to date farming in Pakistan, as even a little rain would result in destroying almost 80% of the crop. The traditional manner of protecting trees with date-palm leaves covering is ineffective.

Fortunately, DuPont has introduced DuPont Tyvek® paper to the Ministry of Agriculture to protect dates from rain hazards. DuPont Tyvek® is water-resistant but allows the air to pass through it needed by the date plant. Tyvek® is used globally to safeguard agricultural harvests from extreme conditions. This will also improve the quality of dates enabling our farmers to reap good profits.

The Agribusiness Support Fund (ASF) also approved a grant of Rs 1.45 million to protect dates crop of Khairpur, Sindh.

Dates having Tyvek® covers for two weeks benefitted from production increases (from 6 to 12kg/bunch) and enhanced date size, color, quality and taste.

Customer Day at KRONEN

German KRONEN recently invited its customers and interested processors to their premises in Kehl. The company will demonstrate many interesting KRONEN novelties and presentations of some of their system partners (dosing technology, packaging machines, etc.).



Autumn Customer Day at KRONEN.

MULTIVAC shows packaging and labelling range for bakery products

MULTIVAC will be exhibiting its broad range of packaging and labelling systems for fresh bread, pre-baked products, dough, cakes and patisseries at the international IBA trade show, being held from September 16th to 21st 2012. MULTIVAC will also be presenting the innovative MYLAR® BAKE concept.

With its R 225 model, MULTIVAC will be showing a flexible thermo-forming packaging machine, which is designed for the medium sized output range and which can pack bakery products under vacuum or with modified atmosphere. Its modular design enables the ease of its adaptation to individual requirements and applications. Also, the machine is versatile, and can use a variety of packaging materials, cutting units and formats. It is easy to clean due to easily removable side panels and generous cleaning spaces is a further advantage.

MULTIVAC Marking & Inspection will be showing the MR625 OP cross web labeller, which applies labels directly onto the upper web of thermoformed packs after sealing. It is ideal for product labelling which changes frequently.

From its traysealer range, MULTIVAC will be showing the semi-automatic T 250 traysealer, which seals 16 to 20 trays per minute. The traysealer is versatile in its use of materials, and can process plastic, board and aluminium trays and a range of upper webs. Its large tray drawer can be divided very flexibly, allowing great flexibility for the packing of cakes and smaller



confectionery portions. The MULTIVAC traysealer can process different plastic, board and aluminium trays as well as the widest spectrum of upper webs.

MULTIVAC will be presenting its two chamber machine models, the C 200 and C 400, for packing of bakery products and ingredients in pouches. The smaller C 200, a table-top machine, requires only a small footprint area and it packs quickly and efficiently with a high pump performance. The larger C 400 single chamber machine can be set very flexibly as regards the arrangement of the sealing bars and the chamber heights. Both machines have a viewing window in the chamber lid, which gives a clear view of the packaging process and thereby simplifies operation even for inexperienced personnel.

MULTIVAC is also presenting an innovation in baking, which allows food products to quickly go from freezer to the oven. The MYLAR® BAKE are thermoformable films, which were specially developed for the preparation of bakery products in the oven at up to 218 degrees Celsius. The material, developed by DuPont Teijin Films, is available exclusively from MULTIVAC in Europe, Oceania and on the American continent.

Bosch Packaging Technology to acquire Ampack Ammann

Bosch Packaging Technology has announced plans to acquire German manufacturer Ampack Ammann. Agreements to this effect were signed on July 20th 2012.

Employing some 250 associates, Ampack Ammann has generated average sales of some 35 million Euro over the past few years.

Equipment developed and produced by Ampack Ammann includes cup and bottle filling machines as well as dosing systems and peripheral machinery. The equipment is mainly used to fill and pack highly sensitive food such as dairy products, baby food, and hospital food, but also dosable products such as cereals. Moreover, the company has conducted its own research in the field of aseptics and run a microbiology test laboratory since 2005.



Produce and packed at Bosch.

"With the acquisition of Ampack Ammann we will be able to complement our existing product portfolio in this segment," said Friedbert Klefenz, president of the Bosch Packaging Technology division. Klefenz believes this will enable the Bosch division to extend its technological leadership in the packaging of liquid and paste-like food products.

Ampack Ammann also offers an extensive range of after-sales services, including maintenance and overhaul of used machinery and the supply of spare parts.

Ampack Ammann also acts as general contractor for complete filling and packing lines. Its customers include European dairies as well as producers of food and of nutritional products for hospitals and infants. Rainer Ammann, the executive director and son of the company founder Siegfried Ammann, regards the planned takeover by Bosch as an important milestone in the company's development: "Bosch Packaging Technology's global sales and service network will put us in an even better position to market our filling and packaging machines internationally."

In Ammann's view, exploiting this additional market potential will support the strong further development of this family business, which was established in 1973.

Matco Rice Processing mills plan expansion

Matco Rice Processing (Pvt.) Ltd. is a private-family owned limited company that processes and exports 'Basmati' and 'IRRI' rice. It exports up to 95% of the company's products to more than 40 countries. At present, the company has three rice processing plants, two in Karachi (Matco 1 & Matco 2) and one in Sadhoke, Gujranwala.

The production activity in Karachi comprising mainly of re-processing includes polishing, length grading, color sorting, and packing lines of 5 and 25 tons per hour (tph) capacity respectively. Sadhoke has paddy drying, storage and milling processing line of 10 tph capacity.

The expansion project is expected to be financed by US\$8.3 million of long term debt, US\$4.7 million of cash generation and US\$4.8 million of IFC equity which is required to finance the remaining silos construction and some of the permanent working capital requirements.

BASF confirms outlook for 2012

BASF's business performed solidly in the second quarter. The company improved sales by 6% to EUR19.5 billion and income from operations before special items increased by EUR253 million to EUR2.5 billion. The main contribution came from the strong performance of the Agricultural Solutions and Oil & Gas segments. In the first half of 2012, sales were EUR 40.1 billion, 6% more than in the same period of the previous year. At over EUR 5 billion, EBIT before special items matched the level of the first half of 2011.

BASF expect that a pressure on margins will continue, although it may be somewhat lessened due to slightly lower raw material costs.

To counter the challenges of the markets and the great political and macroeconomic uncertainties, BASF wants to protect its margins and create value. The excellence program, STEP, announced in November 2011, which is expected to contribute around EUR 1 billion to earnings each year as of the end of 2015, is fully on track.

Measures will be accelerated and spending carefully analyzed. BASF is continuing to optimize its working capital, as is demonstrated by the good cash flow development in the second quarter. Although the company had planned a slight increase in its workforce in 2012, especially in emerging markets, it will slow this down due to the lack of visibility as to when business in Asia will pick up again.

Unilever sells frozen foods to ConAgra

North American food company ConAgra Foods announced the acquisition of Unilever's North American frozen-meals portfolio for a total cost of \$265 million.

Unilever's brands, Bertolli and P.F. Chang's are key players in the frozen multi-serve meals segment, currently generating approximate sales of \$300 million a year.

The purchase agreement includes a license for the use of the Bertolli brand name and the transfer of Unilever's existing license with P.F. Chang's for use of the P.F. Chang's Home Menu brand name, said ConAgra.

The deal will broaden ConAgra's frozen-meal product line, currently made up of Marie Callender's, Banquet, Healthy Choice and Kid Cuisine. The addition of Bertolli and P.F. Chang's will broaden the Italian and Asian food segments of their product line.

The acquisition is expected to support ConAgra's growth strategy, including the growth of its core businesses, its expansion into adjacent categories, building its private label business and continuing to develop the company's international presence.

ConAgra's acquisition of Unilever is its fifth purchase within the last 12 months, after snagging National Pretzel Company, Del Monte Canada, Odom's Tennessee Pride and the pita chip business of Kangaroo Brands.

ConAgra stated that the acquisition will not alter its fiscal 2013 financial goals; however it now expects 2013 earnings to grow 6 to 8 per cent from earnings of \$1.84 per share in fiscal 2012. The company re-affirmed its forecast of operating cash flow to surpass \$1.2 billion in fiscal 2013. ConAgra shares increased almost 2% to \$24.70 recently.



CompAir upgrades DH range of oil-free compressors

CompAir's DH range of water injected screw compressors distinguishes itself from all others by being completely free of oil, thus providing complete air purity. High-quality water injection lubricates, cools and seals the compression process, providing low operating temperatures of just 60°C resulting in high efficiency and low component wear.

The high quality of the range is guaranteed by its ISO8573-1 CLASS 0 (2010) and SILICONE FREE certifications, making it the ideal solution for operators in the food and beverage industries.

The new models are equipped with touch-screen controls and are energy efficient, for improved cost of ownership. The units also offer a lower noise level of 68 dB(A) for the air-cooled models, providing simple installation close to the the point of use. CompAir's DH models are constructed with fewer parts, resulting in a simpler construction that minimizes maintenance time and costs.

Coupled with having no oil or oil laden parts to dispose of appropriately and responsibly, this can significantly reduce life cycle costs. Regulated speed models in the range feature modern inverter technology to ensure that the units match compressor flow to plant demand with great efficiency, helping to avoid offload running. Using regulated speed technology can easily provide a saving of 25% on annual energy costs, compared to a typical fixed speed compressor.

CompAir provides warranty services for up to 44,000 hours or 6 years of use, through CompAir's authorized service providers, Rastgar & Co. in Pakistan.



CompAir's DH range is ideal for food and beverage industries.

Coca-Cola pilots water recovery system and wins IWA Award

The Coca-Cola Company has developed and tested at commercial scale a first-of-its-kind beverage process water recovery system to produce high-quality water that meets and/or exceeds drinking water standards for use in non-product



activities such as clean-in-place and bottle washing. The innovative system expands the range of manufacturing applications for recovered process water and sets precedent for conservation and reuse in the beverage industry.

"Because responsible water management is at the heart of a sustainable future, overcoming today's water challenges calls for extraordinary action," said Bea Perez, Chief Sustainability Officer, The Coca-Cola Company. "We've assumed an active role in advancing innovation that conserves and sustainably manages water resources for the benefit of all communities, nature, and business."

By reusing rather than treating and discharging the water used in bottling facilities, the Coca-Cola Company can reduce operational water needs and improve water use efficiency by up to 35%, contribute to growth and local economic development opportunities, further support local communities, and reduce its water footprint.

In the absence of global reuse standards for the food and beverage industry, the Company pursued a scientifically rigorous, widely applicable water recovery and reuse approach.

The resulting beverage process water recovery system provides water for reuse in selected operations, including clean-in-place and bottle washing. The system takes highly treated process water and further treats it using proven, state-of-the-art technologies: biological treatment in a membrane bioreactor, ultrafiltration,

reverse osmosis, ozonation, and ultraviolet disinfection. The high-quality water meets and/or exceeds stringent drinking water standards.

"Addressing global water challenges requires our business to take an active role

in conserving water resources," said Carletta Oton, Vice President, Chief Quality, Safety, and Sustainable Operations Officer. "We have approached this new technology with the goal of achieving the highest possible quality in recovered water. The multi-barrier system meets or exceeds even the most stringent water quality standards, reflecting our companywide commitment to safety, quality, and the environment in everything we do."

In the Coca-Cola system alone, this new water reuse approach could save as much as 100 billion liters of water annually if implemented across all bottling plants. Perhaps even more significant is that the project's multi-year bench- and commercial-scale testing, specific operating criteria, best practices, and excellent finished water quality set a precedent for the beverage industry by expanding the range of manufacturing processes that can benefit from water reuse. The Company is currently reviewing internal plans to rollout this technology to its bottling partners and align plans for implantation across bottling facilities in 2013 and beyond.

The Coca-Cola Company and this innovative technology have been recognized with the 'Innovation in Small Projects Award' by the International Water Association at its Asia Pacific Regional Innovation Awards.

The Company submitted the water recovery and reuse system technology and results from its pilots in India and Mexico. The project will also be entered in the IWA Global Awards later this year.

Shan Foods wins Superior Taste Award from ITQI

Shan Foods Private Limited is the first Pakistani company to win third consecutive 'Superior Taste Award' from International Taste and Quality Institute (ITQI).

ITQI is the leading independent Chef and Sommelier based European organization dedicated to testing and promoting superior tasting food and drink from around the world. This year judges from 12 European culinary and sommelier association ranked Shan Food's 'Tastiest Salt' as the winner for the award.



Krones signs up to the UN Global Compact

Entrepreneurial action, plus commercial and technical progress are closely linked to social responsibility. Krones AG, the world's market leader in manufacturing machines and lines for the beverage industry in the categories of process, filling and packaging technology, took this insight on board very early, and has accordingly always viewed its social responsibilities to its staff, its business associates, society as a whole, and the planet's natural environment as fundamental elements of its corporate culture, firmly anchoring them in its mission statement.



In order to communicate to the public its corporate commitment to issues of business ethics, Krones AG has signed up to the United Nations (UN) Global Compact in May 2012.

The UN Global Compact lays down guidelines of worldwide validity for the fields of human rights, labour standards, environmental protection and combatting corruption, and obligates its member companies to comply with these guidelines.

JBT Corporation announces freezing and chilling technology contracts

JBT Corporation announced that its JBT FoodTech business signed contracts totaling \$7.5 million with a global food provider.

JBT FoodTech will supply and integrate new freezing lines in Europe, including high productivity Frigoscandia GYRoCOMPACT® M8 spiral freezers and energy efficient Frigoscandia LVS FRIGoPAK® refrigeration systems, for the production of frozen protein products.

"We are very pleased to be awarded these projects," stated Torbjorn Arvidsson, Vice President and Division Manager for JBT FoodTech's Food Solutions and Services Division. "They are an excellent example of how JBT FoodTech partners with our global customers to provide them with freezing solutions offering higher capacity and lower operating costs."

The projects are scheduled to be fully operational in the first quarter of 2013.

MESPACK awarded with best innovative pack at Expo Pack Mexico 2012

The recent Expo Pack in Mexico, one of the most important exhibitions in Central America in the sector, ended in Mexico DF on 29th June with a resounding success.

The exhibition was an opportunity to show one of their special pack presentation with two chambers in stand up pouch for customer MIXPACK, which was awarded the most innovative package. MESPACK also promoted their new manufacturing and office facilities with more than 7000 sq metres.



The high number of quality visitors included a wide percentage of companies from different countries of Latin America, which underlined the achievement of Expo Pack and the importance of exhibiting at this event.

According to MESPACK, "We also had the opportunity to meet the major part of our actual Mexican customers and show them our new packaging machinery program, which has been increased with some new models. These are positive results, giving a considerable number of new contacts and the opportunity for new business, all of which rewards Mespac's commitments to the high quality of products & technology presented at the event."

IMA Industries: New machines for packaging of coffee, tea and other solubles!

The Gima FTB 549 machine, already on the confectionery market for the packaging of bottles of chewing-gum and candy, can now manufacture pods starting from the open blank, for American and espresso coffee, tea and other soluble beverages in general.



These products are packaged thanks to robots fitted with gripping, suction cup type hands that first rotate the pods and then approach and bring them close together in nest-like fashion to reduce to a minimum the spaces between one pod and the other.

In its standard version, the machine can put together up to 80 boxes/minute and can manage up to 500 pods/minute.

This machine has great flexibility, even in the management and formation of the pod layers, and performs rapid size changeovers. There is also the option of adding two accessories to the machine's standard version: Pod and box marker and device for counting large numbers. ♦

Vegetable exports from Pakistan decline by 40%

After growing at a steady rate in the last decade, Pakistan's vegetable exports have suffered volumetric year-on-year decrease of 40.4% in 2011-12, according to Pakistan Bureau of Statistics (PBS).

The significant drop in vegetable exports is mainly because the onion crop was destroyed by floods. Pakistan exported about 150,000 tons of onion from December 2010 to March 2011. However, during the corresponding period in 2011-12, Pakistan's onion exports came down to about 1,000 tons only.

Pakistan fetched \$180.6 million by exporting edible vegetables in fiscal 2011-12. The exports increased at 42% annually between 2007 and 2011, as per the World Trade Organisation (WTO). Notably, the rise in the country's vegetable exports between 2010 and 2011 alone was a staggering 117%.

One of the reasons for the unprecedented hike in vegetable exports in 2010-11 was the shortage of potato in Russia. Pakistan exported 125,000 tons of potato to Russia in 2010-11. The figure dropped to roughly 15,000 tons in 2011-12, a decrease of well over 700%.

Fruit exports: a better picture

The situation is slightly better in Pakistan's fruit export market, as it grew by 8.1% between 2010-11 and 2011-12. However, one of the highest exported fruit mango production dropped to 1.3 million tons in the most recent season compared to last year's production of 1.8 million tons, representing a decrease of 38%.

Pakistan's exports of edible fruits, nuts, peel of citrus fruit and melons have grown at an annual rate of 27% between 2007 and 2011. With the share of 0.4% in total global exports, the value of Pakistan's exports in this category was \$311 million in 2011, according to the WTO report. ♦