

MILCHWELT

The Official Magazine of the DMK Group



DECEMBER 2019



Julia Büchel, 25 years old,
DMK dairy farmer
in Odenthal

Strong
Together.

We are shaping nutrition.

Markus Reiß, 25 years old,
trainee dairy technologist
in Erfurt



What does the word “nutrition” mean to you?

For some, nutrition is a trend, a lifestyle and a passion. For others, it is a means to an end. For farmers, it is the skill that they live by. One thing is true for everyone: it is a subject that people feel strongly about. Share your thoughts in our survey.

▶ Take part in our survey www.dmk.de/survey

Together into the Future



Oliver Bartelt
Global Head of Corporate Communications

Dear Readers,

Thousands of farmers took to the streets and, just like climate and human rights activists Greta Thunberg or Carola Rackete, took a clear stance on the issues that matter to them, confidently sharing their views in public. Good for them! I think that people only stay dynamic when they are open for dialogue and debate. And we need that openness in a world that is spinning ever faster.

The main thing is that people talk together – and, even more importantly, listen to each other, especially when it comes to topics that cannot be solved by farmers or climate activists alone. That is key for reaching a broad social consensus.

When change processes drive the pace of our times, clear values can help, along with taking a clear stance – casting an anchor in an ocean of possibilities.

DMK is also in the process of developing a clear position and engaging with issues such as company culture, sustainability and added value. One of our company values is being entrepreneurial, which means calculation, taking risks and having a clear plan. This is only possible thanks to DMK’s many doers who are filling the Target Image 2030 with life and driving it forwards with their engagement, enthusiasm and ideas. We asked colleagues what topics matter most to them in their areas of work and what they are working on (pages 22-27).

What employees think about Vision 2030, what they find most interesting and where they have questions also became clear during our tour with the “Watchbox” when we visited 20 plants (pages 18-21). There was a chance for dialogue wherever the box traveled, and the many fruitful discussions we had brought everyone closer together.

Enjoy reading, and please keep up the debate. Talking together always helps!

Best regards,

Oliver Bartelt

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DMK that is every single one of us. Much is changing – in agriculture, production and administration. Updates on team projects, trainee information, innovative strategies and Watchbox photos

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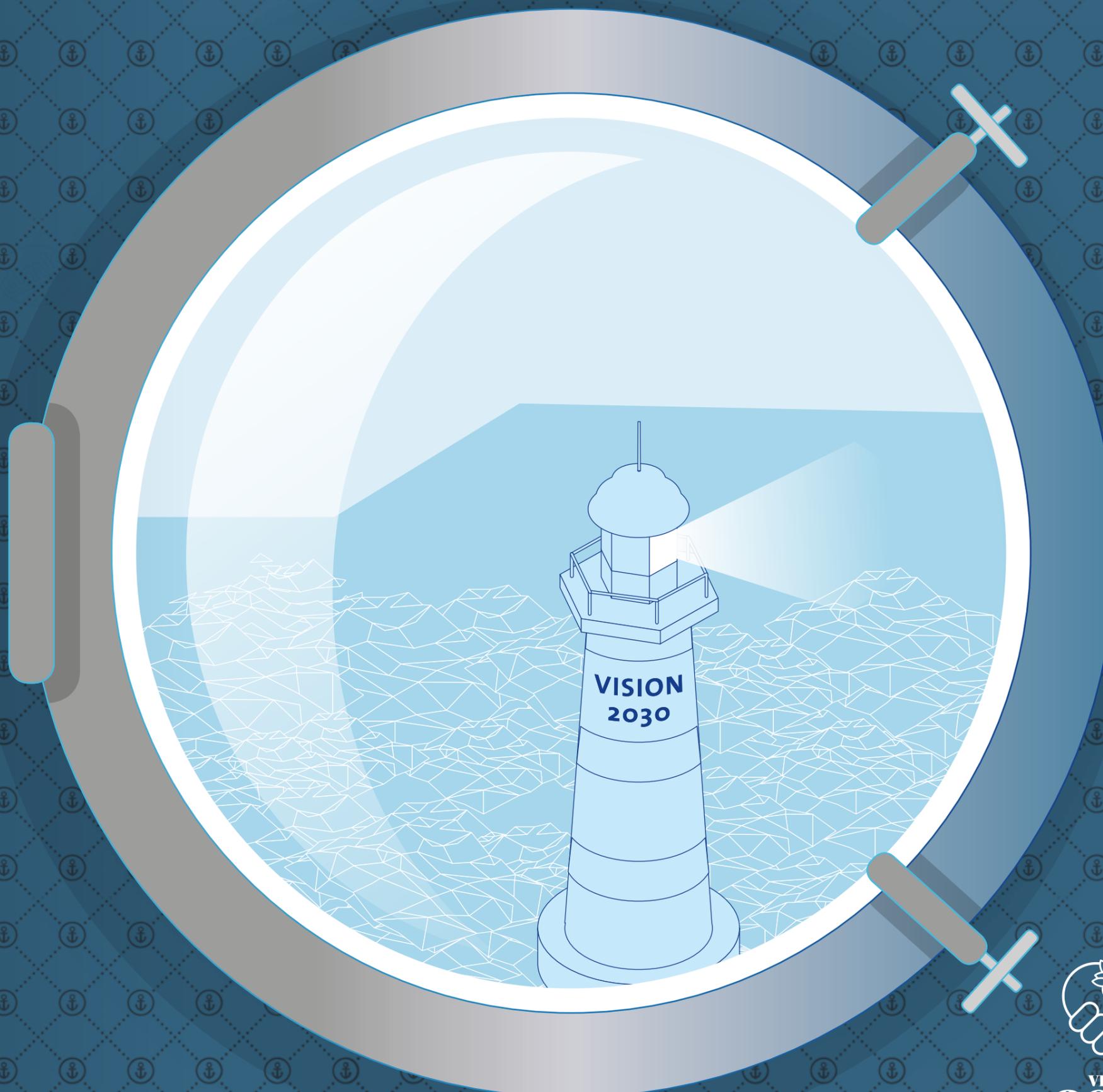


70,000

visitors amble through Hamburg's fish market at dawn every Sunday. On this particular day, a DMK truck showed up at the Elbe river side, parking alongside all the legendary market criers at five o'clock on the dot. Christian Paulsen, Marco Augustin (on the flatbed, on the left), Ulf Tabel (wearing a white cap in the background) and Heino Wülpern showed passers by why MILRAM is the home of freshness

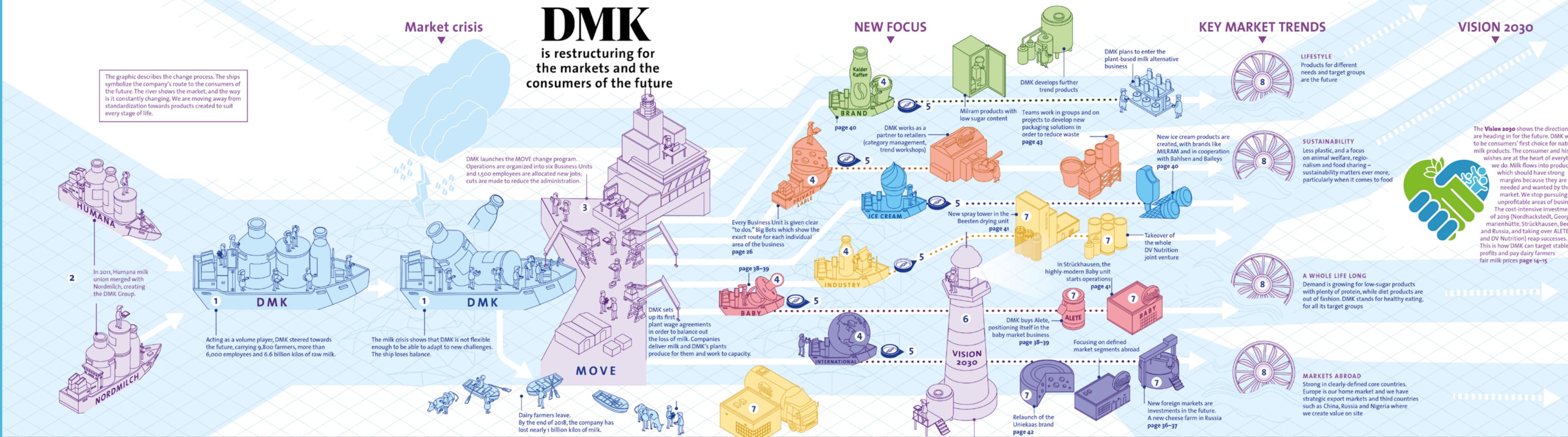
Full power ahead into the future

The milk market is changing. The milk quota is gone and now, talk is all about animal welfare, sustainability, trends and digitization. That has forced DMK to change its course too and break into new markets. The graphic overleaf maps out the areas we are working on, and the ship symbolizes the route the company is taking to reach the consumers of the future.



KEY TO OUR RESTRUCTURING

- 1 Our mother ship.** DMK was a volume player on the milk market up until 2017. The company's success was based on quantity and standardized products.
- 2 The river and its streams.** The milk market has grown ever more complex. DMK is now focusing on the major trend markets, from health to lifestyle, sustainability and growth abroad, and providing good modern products to fit these. The graphic shows some examples.
- 3 The shipyard.** Hundreds of farmers left the ship during the milk crisis and the company had to be completely restructured in order to be able to reach the consumer of the future.
- 4 The speedboats.** DMK organized its operations into six Business Units (BUs). They focus on domestic and international markets and products for specific target groups.
- 5 The compasses.** Each Business Unit has 'big bets' that set the strategy and help them to navigate difficult waters. They mark the exact route to follow, and clearly set the milestones along the way.
- 6 The lighthouse.** Vision 2030 was presented in 2019 and, like a lighthouse, it shows the route we have to take into the future. Everyone in the DMK Group is steering towards the same goal: Value added comes before growth, with the consumer constantly in the focus. DMK Group wants to be the first choice for modern food products.
- 7 The biggest cost drivers** in 2019 were investments in the Nordhackstedt and Georgsmarienhütte facilities (mozzarella and the plant wage agreements), the new construction in Strückhausen, Beesten and Russia, and taking over Alete and DV Nutrition.
- 8 The waterwheels.** DMK has set its course over the last few years, signed contracts and allocated employees into the right positions. The results of the restructuring will start becoming visible in 2020. DMK will be able to create value in the areas of business it is focusing on.



2011 — 2014 — 2015/16 — 2017 — 2018 — 2019 — 2030

MARKET DEVELOPMENT TIME LINE

<p>Structural change Smaller companies in the dairy processing industry merge to create larger dairies. In 1950, Germany had 3,401 dairies; now it has 145.</p>	<p>Milk consumption The amount of milk consumed per person begins to decrease. Each person in Germany consumes an average of 56.3 kilos of milk per year. By 2018, that number has dropped to 50.6 kilos. Almost 10 percent of people in Germany are vegetarians, while 900,000 people adopt a vegan diet.</p>	<p>Milk crisis The EU milk quota system ends in spring 2015. In the following months, the market is flooded with milk and the price drops to a drastic 18 cents per liter. Farmers cancel their contracts with dairies and some abandon the dairy farming business.</p>	<p>Reorientation Since the crisis, 5,600 dairies in Germany have closed their doors. Consumers, meanwhile, are looking for healthier products. More than 52 percent of people in Germany are overweight. The government and the food industry together agree to reduce salt, fat and sugar in convenience products by 2025.</p>	<p>Environmental movement This year sees the start of the Fridays for Future movement. Consumers want sustainable, regional products and transparent supply chains. Ekoplaza, a Dutch supermarket chain, opens a plastic-free zone offering 700 products. Veganism becomes a lifestyle. German retailers make €235 million with plant-based milk products.</p>	<p>Export markets Germany has 4.1 million dairy cows and 61,087 milk producers. They produce 33.2 million tons of milk every year. Half of this is exported.</p>	<p>Plant-based alternatives The market for plant-based milk alternatives will reach 28.3 billion dollars worldwide this year, according to market researchers, who forecast a 9.1 percent average annual growth rate for this market segment.</p>	<p>Consumer trends The market for healthy and sustainable foods continues to grow, and modern lifestyle products along with specific foods for different generations fulfill consumers' wishes.</p>
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For 2019, we can't pretend otherwise: DMK faces challenges that we have to overcome and there is no way around that. There is a gap in our performance and we have to close it. But the signs are good that we will finally manage that in 2020, after all, we have completed DMK's fundamental restructuring. You can't just turn a tanker like DMK in the blink of an eye - such a transition takes time to steer, and long levers, and we said that back in 2017 as we set out on this journey to refocus DMK. When we have finally turned our tanker around, then we can also use these long levers. We now face the consolidation phase without new investments.

So what are the good reasons? We know what caused the shortfall in our performance. The 2019 gap is obviously due to massive yet necessary investments we made in DMK. We are still mainly focused on standard products which are more exposed to price fluctuations than brand products. We had hoped to see a price upturn after the drought, particularly for standard goods, but this didn't happen, so we didn't have special effects in 2019 as we did in 2017, when our standard products benefited from market prices.

Then there were the measures we took to boost our competitiveness in the long term. These were not completed so the construction of the Strückhausen plant, where we are in the start-up phase, is still generating high costs. That applies to the plant wage agreements as well which also needed investments during 2019. However, we will finish these major yet necessary investments in our restructuring at the end of 2019 and start of 2020. That means costs of more than €200 million from the last few years that won't apply as of 2020, for projects such as Strückhausen, the plant wage model, the DVN purchase, the takeover of the Alete brand, building a new plant in Russia, a new spray tower in Beesten or the plant closures that also cost us a one-time payment. We are all aware of the drastic situation on the farms. We know the struggles that our farmers face as individual entrepreneurs and that we experienced as

Mr. Müller, what will be different in 2020?

DMK is in a transition and these are challenging times. The current change process demands performance, patience and courage. At the same time, people are struggling amid the ongoing debates about climate protection, changing nutritional habits and greater political uncertainties. We asked the DMK Group's CEO how he sees 2019 and the direction he is planning for 2020

a cooperative - and partly are still experiencing. We know that we were under the Federal Office for Agriculture and Food average in 2019. Even if we feel the shortfall more keenly than it actually is, either way you look at it, 2019 was not a good result and in no way reflects our ambitions. **But as I described, the result is clearly affected by the investments we had to make and we have set a clear direction with Vision 2030, which will protect us from making unwise investments or lacking focus. Another thing I want to say is that our team is really committed. For many, DMK is not "only" an employer - we want to prove that together, we can manage to drive DMK forward. I can't tell you how much I value that in these times when we see so many headwinds.** I'd also like to comment on a question that people keep asking me: We often tend to calculate how many employees we should have theoretically. But the thing is, given our extensive product portfolio, the number of our locations and our many national and international businesses, we can't be compared to smaller competitors. For example, we have DP Supply, Sanotact, Ice Cream, Baby, F&S, Russia: that alone means 2,900 of 7,700 employees and very few of them process even a liter of milk. By this model calculati-

on, we come to 4,800 employees who process milk. And then we have IT, internal audit, data protection, ASI/environment, agriculture and personnel. We need these company structures because we are so big. It is our responsibility to make the best out of these, and we are working on that. Our new CFO Frank Claassen has a clear plan for that in 2020 (*editor's note, see pages 34-35*). That's why we, as DMK, have a vision, called Target Image 2030. All of the measures we take, whether they are investments in the Strückhausen plant or the Alete purchase, our plant wage models or the development of our business abroad, all of that is part of our concept for the future. In June, we presented clear roles as part of our Target Image 2030 in order to position our different business areas as best we can. Why was that necessary? Because nutritional trends are changing in a way that is fast, surprising and extensive. We have to be prepared and flexible in order to react. Nonetheless, we also have to follow a clear route otherwise we will fritter our efforts away. As one of the largest suppliers to Germany's food trading business, we are like a tanker and at the same time, we have to show the agility and speed that the market demands of us. Issues such as sustainability or animal welfare, new nutritional trends, regionalism or convenience, all these must guide



our actions. There are barely any companies nowadays that can escape change. We are watching not only the German market but also global developments. That includes Russia. As the business in Russia developed so

well, we raised our stake in the Russian RichArt Group to 100 percent (*editor's note, see pages 36-37*). We are not focusing on standard products at the plant in Russia, but producing Tilsiter, cooking cheese, blue cheese, Mascar-

pone, mozzarella and soft cheese there. That good business justified building a second dairy. The primary production of specialty cheeses expands DMK's product portfolio and will also generate growth. We invested a sum in the low double-digit millions in market processing on site so we can systematically expand local business and also this area's contribution to our international business. That is also the context for our 100 percent takeover

“DMK faces challenges that we have to overcome and there is no way around that”

of DV Nutrition: The DMK Group has bought a flourishing whey derivatives business with highly efficient production which means we can look to rapidly growing international markets, particularly in Asia, and supply them with high quality whey derivatives. For anyone who comments that I said no more acquisitions, let me say that taking over the remainder of DVN is not a merger and DVN is not a dairy. This move secures valuable market cultivation that fits perfectly with our future vision. And we must do better with our own brands. The first indicators show that we are able to do that. Together with Baileys and Bahlsen, we have developed new ice cream products. And with MILRAM, we have brought “Kalder Kaffee” to stores, with lactose-free milk and without additional sugar or artificial ingredients. That puts us right at the heart of current trends and we can profile ourselves as a brand producer. As Germany's biggest dairy, we want to move away from working as a volume player in the dairy business and become a provider of select products with natural origins that suit everyone. This is where our acquisition of the Alete brand fits into the overall picture (*editor's note, see page 38*). You see the puzzle is slow but all these individual pieces are gradually coming together to create a bigger picture.

Strong Together.

We are shaping nutrition.



Only With Us

DMK's massive change process would not have been possible without its employees. They are the company's backbone and it is thanks to them that the transformation is succeeding

A great deal has changed. A massive process of transformation at DMK means that now, the massive "dairy ship" is turning towards the future. The changes were often radical: departments were merged, production processes optimized, new products developed and in the future, too, we won't be able to sit back and take it easy as we drive Vision 2030 forwards. The DMK Group is steering its focus away from volumes and onto margins, and putting customer wishes at the center of everything it does. The changes involved all demand a lot of patience, engagement and trust on the part of employees. Some of the aspects of this extensive change process have been easy to implement quickly, while others will take longer.

Some 1,5000 employees were transferred to different positions. Three plants had to be closed, although investments were made in other locations. For example, DMK spent €145 million to transform the former factory at Strückhausen into a high-tech location for the production of baby food. Now, after three years of intense upheaval, we can say that it was worth it! Thanks to all of these measures, the ship is on course for a new, changed world that is full of opportunities – and that secures the jobs of our employees. Because none of these changes would have been possible without the people who work here: the people who succeed in helping DMK every day.

A Wooden Box goes on Tour

Vision 2030 comes to visit the locations pages 18–19

Meetings, Done Differently

Employees describe their experiences with the "Watchbox" pages 20–21

Teamwork Before Ego

European football champion Marco Bode on soccer and business page 21

Colleagues Report

How they are changing DMK pages 22–27

Trainees for Tomorrow

DMK improves its training pages 28–31



YOU are DMK.

A Wooden Box goes on Tour

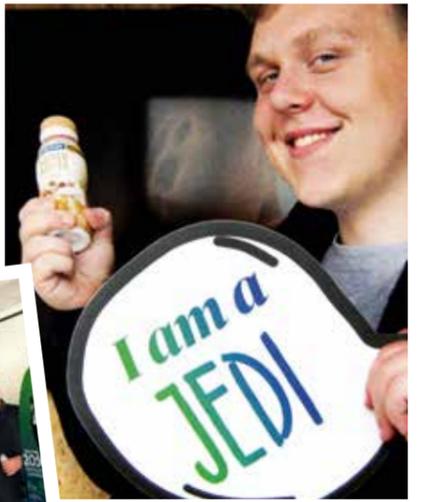
DMK took the "Watchbox" to all of its plants to share the Target Image 2030 and present a new kind of meeting culture

A box where a couple of people can watch a film. A group of colleagues encouraging people to talk about what they saw. That was the idea behind the "Watchbox" which toured the company's different locations. The film on show was about the new Target Image 2030.

All that generated a community feeling around a question that is close to everyone's hearts. How will things develop at DMK? What does the future hold? People had lots to say and they shared their thoughts openly. "We will only be able to fill the new DMK with life if everyone feels the change and understands the reasons for it," said communications director Oliver Bartelt. The aim is to increase that sense of community feeling with the farmers and among colleagues, independently of who works at what location. The Box encouraged most people to talk about the Vision. At the same time, they had a chance to experiment with a new kind of meeting culture where people spontaneously shared their ideas and suggestions but also talked about their fears and concerns. "Everyone is called upon to seek solutions," Bartelt said. "We want employees to pursue this path together, side by side, with some who have the courage to be at the front." Everyone, he said, can internalize the message: I am DMK, I am creating the future.



HELLO 2030



OUR TEAM

The "Watchbox" visited our team on the very first day. The film is excellent! It's cool that we can bring Vision 2030 to all the locations this way, so everyone can experience it. I might have wished for a bit more background information for some of our colleagues, for example about mega trends and what they mean for our company.

► Philipp Inderhees, Global Head of Corporate Strategy

The strategy 2030

It was really good to help people experience Strategy 2030 this way! It helped us understand **management** decisions much better. Too bad it didn't show any Dutch people! (-;

► Paulineke Lumer, Supply & Inventory planner Ripening, DOC Dairy Partners

► Thomas Kämmer, Head of Production, Erfurt

”

The film was great, it started mystically and really drew people in. The taste of "Kalder Kaffee" went down well as many colleagues in Erfurt didn't know the product or hadn't tasted it before.

The chef in the film did a good job of conveying the trend towards cool, customer-oriented, healthy food in the future. It would have been great to show more people from our facilities. But people really appreciated the chance to taste our products. Well done!

► Martin Humfeldt, Director Operations Whey, Business Unit Industry

A Different Kind of Meeting

The "Watchbox" encouraged many colleagues to reflect and share their thoughts. Here are some of their responses.

Super idea, super film – very cool box! A cool new way of communicating!

► Valentina Slabakova, 3rd Party Purchasing, DMK Baby

IT IS A GOOD **IDEA** AND MAKES SENSE BECAUSE OTHERWISE STRATEGIES CAN SEEM SO THEORETICAL AND "FAR AWAY" FOR PEOPLE: THE FILM WAS VERY MODERN AND VERY EMOTIONAL!

► Jennifer Czarnik, Quality Manager, DMK Ice Cream

The photography really brought our colleagues and teams closer together!

► Nadja Dambrowsky, Sales Assistant, Office Management BU Industry

LINK

You can watch the film again here: www.dmk.de



► Jörg Ruge, Managing Director ArNoCo GmbH & Co. KG

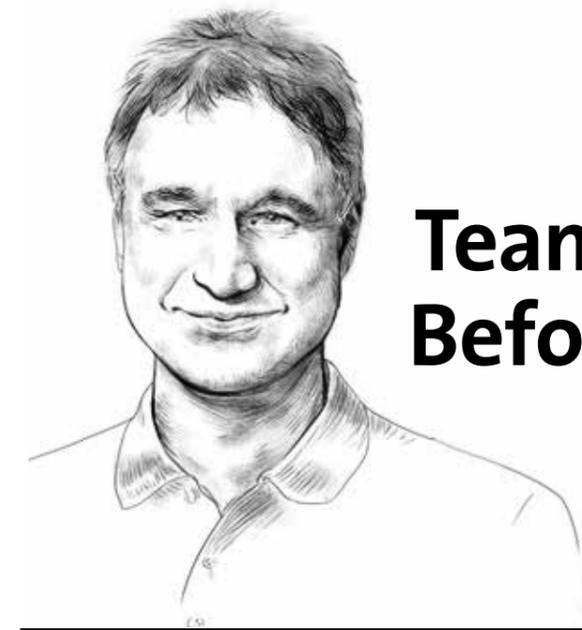
It was important to bring the route to 2030 to all the different locations so people could experience it. And it was a great basis that led to a lot of discussions – that was a positive effect!

A cool new way to **communicate!** It would have been nice to have heard more details about the world that we have to prepare for.

► Heike Fastenau-Gross, Director Corporate Procurement, Corporate Procurement

We used the box for team discussions. The film shows the pulse of the times but sometimes that had to be explained in connection with the DMK Vision 2030.

► Hans-Martin Lohmann, Works Director, Altentreptow



Teamwork Before Ego

Marco Bode
head of the SV Werder Bremen Supervisory Board and European football champion

Good trainers transform individual players into team players. Good managers do too

This column is all about creating analogies between football and business. Here, like at companies, there are leaders and people who lead are a major success factor. In football clubs, the coach is the most important leader, actually the title should be head coach, because unlike in the times of Otto Rehhagel, there's quite a large team of staff behind the team which is led by chief trainer Florian Kohfeldt. It's really interesting to look at these two times – Werder today compared to the Werder of yesterday, if you compare them in terms of leadership.

Otto Rehhagel was the "king of Bremen" and he only had one assistant at his side and his leadership motto was "everyone here can say whatever I want!" In fact, Otto was actually a good king who was full of passion and who valued his players and not only because he used the formal word for you to us (editor's note: there are two forms of you in German, one more formal and respectful, and the other one informal). He was charismatic and had a good sense of humor and that really won us over when he talked to us and he regularly made us laugh.

The coach of today's Werder team, Florian Kohfeldt, finds the right balance between closeness and distance to his players, he is a great communicator internally as well as externally, and despite his young age, he has managed to win over all the players thanks to his competence and creativity in terms of tactics.

When Florian was voted trainer of the year in the spring, the only thing I could say was, "Didi Hamann is praising him, my wife likes him – he must be pretty good!" As you can see, I'm a fan of the leadership qualities of both Otto Rehhagel as well as Florian Kohfeldt. That's because in my view although one held the job 40 years after the other, they both have some things in common. Both are interested in the players as people. Both are unbelievably passionate and emotional when it's about the game and both have an amazing feeling for how to build a great team out of individual players.

Otto Rehhagel said, "the most important thing about being a coach is dealing with people!" I believe that is a very modern summary of leadership and a good basis for leading change processes in companies, too.

YOU are
DMK.



YOU are a DMK -Expert

Feeling Optimistic: We are in the middle of a change process and employees are really pushing ahead

A focus on the consumer and an eye on trends – that pretty much sums up DMK's new strategy in brief. It sounds easy but it is actually a complex and extensive task and will change the entire company. Vision 2030 is a mammoth project that affects every part of the business. It might not be visible from the outside but many measures are already well on their way to being implemented. This would be impossible without the employees and experts who are working on our vision for tomorrow with enormous creative drive.

The Vision for 2030 is to be "The first choice – for always." DMK wants to better understand consumers' wishes and needs. The company's product range already includes something for almost every person at every stage of life. But the strategy includes much more: nutritional trends, sustainability, animal welfare, environmental protection – a change process within the company.

In the following pages you can meet some of the people who are helping to give DMK a new face: Experts such as Food Service boss Sven Kreitz, for example, who describes how new products take shape. There's fleet manager Thorsten Kühn, who wants to improve milk collecting technology. And then there are the experts who know just how much sensitivity it takes to capture tastes in different countries.



An Arbiter of Taste

Market expert Sven Kreitz

Sven Kreitz is head of marketing at DMK Food Service. He and his team of experts track down the gastronomic and food trends of the future. His customers are chefs and bakers in catering establishments along with all external catering.

Do you yourself cook for DMK?

"No, but I am a trained chef and I have cooked in small restaurants, in star restaurants, in canteens and on ships. I'm familiar with all the kinds of kitchens that are out there. What's important is to be able to speak the language of chefs if you're going to work together with them."

How do you know what chefs want?

"We work very closely together with our teams of chefs and we also have our own national panel with about 100 chefs on it. We give them products and recipes and they provide feedback about what works and whether the consistency is right or what we should change."

Who develops the products?

"There's a Research and Development (R&D) team in Zeven and the real specialists are there, they have many years of experience. R&D also regularly takes part in our workshops with chefs and then they can exchange views directly."

How quickly do new products come to market?

"Sometimes that takes a while, for example with our vegetarian sour cream. We spent a long time looking for an alternative to gelatine that would

work just as well. It was difficult but now we have a solution that can't be copied very easily."

What will future products be like, what do customers want?

"We see that lunch is losing its importance in favor of breakfast but that first meal of the day is changing and becoming more modern. Around the world, the takeaway market is growing as people want to grab something, and have a healthy snack while they are out and about. Pizza is still really important. We are the biggest suppliers of cheese for pizza. But we're changing that too, now we have white pizza with sour cream instead of tomato sauce, and green pizza with pesto and cottage cheese. It's good to keep creating new interpretations of familiar products."

How are you finding the change process?

"DMK is on the right path and will manage the challenges, thanks to its employees. I am absolutely sure of that. The key, business-wise, is staying absolutely focused on the market and providing solutions for our customers."

What is your favorite DMK product?

"That just changed to our new porridge that we are launching onto the market next year. Porridge is extremely fashionable right now, in line with the greater focus on breakfast. Ours is made only of milk, oats and starch, it's sugar-free and it tastes really good! R&D and the plant in Erfurt have done a really good job."

INFO

Meet:

Sven Kreitz (44) ist Head of Marketing Food-Service and a trained chef. He swapped the stove for the desk for DMK.

INFO

Milk collection.
What's new:

- ▶ The fleet has 96 vehicles and 30 MAN trucks have been replaced by DAF trucks.
- ▶ Current milk collection technology, including the vehicles and the equipment, will be exchanged starting in 2022.
- ▶ Selection and introduction of a new route optimization program and modern telematic services for the fleet.
- ▶ The new vehicles will also be equipped with the very latest security technology.
- ▶ Testing is underway of providers of trucks and milk collection systems.

Meet:

Thorsten Kühn (54), Director Raw Material and Milk Collection — or, more simply, fleet boss. The trained lawyer drives milk collection with all his ideas and energy.

The Puppet master

Thorsten Kühn, Fleet Director

He never thought that he would end up running a fleet. A trained lawyer, Thorsten Kühn worked in the past for international companies in the legal and compliance departments and in supply chain management. Most recently, he worked in England, managing imports of NZ butter to the European Union. Then, in 2018, he stumbled across a job offer at DMK. “The post was really interesting,” he said. “It provided a huge amount of space for creativity.”

Kühn is a bit like a puppet master, charged with transporting milk from the cow to the plant. His team handles the deliveries, purchasing and sale of milk. Kühn oversees more than 96 DMK vehicles and 80 additional ones, and he relies heavily on his experience in logistics as well as his legal knowledge when he deals with business partners.

Every day, he and his team work to make sure that his department is fit for the challenges that the future holds.

He and his team specialists want to implement route optimization programs into the fleet logistics. In his view, upgrades of the milk collection technology are also urgently needed. The current technology is the same standard as it was 12 years ago. “In 2022, we will have developed an entirely new vehicle,” Kühn says. In the future, it could be possible to measure exactly how much milk there is in a tank, to a very precise degree. A new, lighter technology would still allow milk quantities to be measured, calibrated to a high degree of accuracy. “That would save a lot of weight in milk collection vehicles, and that's important when it comes to collecting milk.” This new technology is a quantum leap when it comes to milk collection, he explains, and it would put DMK ahead of the pack in Europe.

Optimization is important but the main thing is always to be sure to keep the team of people working for DMK in the picture by communicating decisions in a way that is clear and logical. That can be a tough balancing act. Recently, most drivers signaled their approval of DMK's decision to buy 30 new DAF trucks. They are two to three liters cheaper than the previous vehicles per 100 kilometers, which, over the life of 30 vehicles, saves around €1 million. Making things work better than they did is what makes Kühn's job so much fun.

He loves the challenges involved: “There's always room for improvements.”

The Maverick

Plant Wage Expert Alexander Godow

The idea was born in 2016 and was developed with Arla in Nordhackstedt,” says Alexander Godow. “It's a simple principle: Partners deliver milk to the plant and we produce the products we have agreed on, then the partner picks them up again and markets them.”

The advantage for us: The plants work to full capacity, can produce more efficiently and that reduces the price of our own products. Now, DMK even processes raw materials to produce vegan burger patties for MacDonald's and Burger King using the wage procedure. The COO describes how that came about. “There is a very large market for these patties and at the dairies, we have the necessary drying facilities. We developed a special process at DP Supply and that was transferred to Hohenwestedt in order to facilitate growth in this area. We process masses of mung beans using our powder platform and produce thousands of tons of patties.”

Godow is open for new ideas and has his eye on the future. He handles several processes at the same time, as his business unit has 15 plants and 1,800 employees. He is enjoying the change process: “An enormous amount has happened. Each day we feel the energy and the desire to change things, even though times have not gotten any easier. There are already signs of lasting success in

some areas of business although we are behind the targets we were set. In the last few months, we really focused on aiming for a better milk price.

It is a fast-paced business. In Nordhackstedt, production has started at the new mozzarella cheese factory and DMK took over DVN. Now, project “Beatrix” is underway. Godow explains, “That's what we call integrating DVN into Wheyco. That doubles our whey business in only six months.”

DMK is focusing clearly on the customer. There's more demand for high-protein products, for new kinds of cheese, for foods for markets in Asia and sustainable packaging. BU Industry will keep investing in the market for alternative milk products and is developing a cheese made of plant raw materials. New approaches like these are all part of Vision 2030. DOC Kaas has just created a cheese that tastes like liquorice. Alexander Godow tried the wasabi and pesto cheese made by BU International in Russia and says, “at first that seems pretty unusual

INFO

Meet:

Alexander Godow (53) has been COO of the Business Unit Industry since 2016

for European cheese fans but the market is changing fast.” The creativity of an Asian company surprised even the product experts at DMK. “A Korean business has bought a curd cheese that we actually add to mozzarella,” Godow said, and smiled. “After a while, this simple cheese came back to us in little packets – the Koreans had used the extrusion process to make paprika-flavor cheese chips...”



We have to be far more involved in marketing and sales when it comes to products and ranges in the private label business.” The Private Label Business Unit was responsible for the German private label business and partly for the European business of our German customers, but in the future, the unit will expand its focus to include all of Europe. The transition phase is currently underway. That requires a sense of what customers in different countries want. What do consumers, shoppers and thus our customers want, in this country and abroad? Are synergies possible? How can trends be spotted early and acted upon as quickly as possible? Are there any sensible opportunities to bundle products in the range? With which customers could we work together to succeed in the different markets? What can Category Management do for our

customers? We already support many German discount retailers without our knowledge as they expand throughout Europe or plan their next steps. And there are products that work well in particular countries and others that do not really work. That means that some products work across borders, though it is also important to consider those products that are specific to a particular market. Among all these considerations, it is key to work together with our customers. We integrate them into our management processes: First we look at the trends in the different countries and develop a product together with the customer, or a whole product range. As a second step, we consider: Where should this sit on the shelf so that shoppers can find it as easily as possible? And finally, the product is shared on social media or we run an advertising campaign. That is how we bring shoppers to the product.

In this context, from professional product categorization we have also developed the “Perfect Shelf” offer.

The product, or product category of dairy products is perfectly integrated into the overall cooling area with other categories, such as the red line (sausages etc) or the convenience area (tapas etc). That guarantees retailers can make an increase in sales in the very same area – for the whole positive temperature zone. For dairy products, the proportion is 70 percent in German food retailing. It is important to understand all of the impulses at play in the market and react to the right ones. Many people opt for regional products and value sustainability and want non-GMO food. DMK already offers a wide range of products that are GMO free and that really underlines how much the company is acting in line with the times.

“Private Label is essential for successful retailers and we at DMK are the experts.”

I have been working for DMK for 20 years and have lived through all the changes that have taken place at the company. You really can't see anything of the dairies that preceded DMK anymore, Nordmilch and Humana. The DMK Group is much more professional and is far more focused on shoppers and consumer behavior. These days, we let the customer

decide if they want to have a product that we already offer or how a new one should look. As Sales Director Brand Retail, German Food Retailing, I am responsible for the sales and promotion of the MILRAM and Osterland brands. Up until the present, my Business Unit was only responsible for the German language region. In 2020, parts of the European business, which Business Unit International currently manages, will move into our unit.

That will create important synergies for cross border business, because once that is integrated, we will work more closely with the Private Label Business Unit. They cooperate with retail partners and offer a full service that runs from the product idea through to packaging. With that kind of expertise we will be able to target the needs of our customers in a much more tailored way, here and in other countries too. We are continuously developing our portfolio.

Shoppers want variety and that is what we offer. For years we have been seeing double-digit growth in our self-service cheese product range. I am always really glad when an idea is well received, especially if I had my doubts about it at first. It was like that with “Kalder Kaffee” for example. It tastes great but unlike its rivals, it is completely sugar free. Nonetheless it is doing really well on the market, so well that we are considering new flavors. The market is changing and retailers have to react.

They put their faith in DMK as a traditional brand. We work together with them to develop products and to optimize them. In the past, that was something the boss decided but nowadays people organize workshops and discuss these things as a team. That is not always easy but the results fulfill a purpose that has always been of central importance: that the product tastes good to the customer.

The border crossers

**On the fast track to tomorrow:
Commercial Director Stefan Keller and
Sales Director Carsten Habermann**

INFO

DMK Private Label

This Business Unit refines the raw material, milk, into a high-quality product according to the individual requirements of the retailer. The service ranges from product ideas right through to packaging.

Meet:

Stefan Keller (45) is Commercial Director, BU Private Label. As Commercial Director he leads sales, marketing, sales management and application development, which is BU Private Label's development department.

“It is important to react to all of the impulses in the market.”



Europe is our home market, and business here will be better organized thanks to transfers between the Business Units. These are new times for the specialists in the Private Label and Brand Business Units: In the future, they will also open up European markets, a development that is already underway in retail. That means DMK will be able to respond more effectively to customer needs in European countries

INFO

DMK Brand

This Business Unit is responsible for developing and implementing marketing strategies and activities, focusing especially on the MILRAM and Osterland brands.

Meet:

Carsten Habermann (42), Sales Director Brand Retail, German Food Retail, working at DMK since 1998.

YOU are a
DMIK
-Expert

Entrepreneurial,
fair and innovative

All about Training

“The First Choice – for Always:” our Target Image 2030 has successfully found its way into the competition for good specialists

DMK's Human Resources department has also repositioned its personnel management in line with the Target Image 2030 and wants to be “the first choice” as an employer and for trainees. The company's 18 posts for trainees range from milk technologist to mechatronics engineer to industry manager. To help trainees get to know one another before their training started, the company held a start-up event for all incoming trainees in August. This year too, it was obvious how diverse we are, and not only in terms of the jobs available to trainees. “We wanted to hold this event to show our new colleagues, who are aged between 16 and 45, that each person counts even in a big company like the DMK Group,” said HR director Ines Krummacker (CHRO) of the DMK Group. “That is why right at the beginning of your professional life we want to show you that we are purposefully promoting this commitment and want to encourage every single person.” The training program will be reoriented with the project “GROW – Training between Equals” and work is continuing in this area to ensure it continues to be of high quality. We asked trainees and trainers what they thought about this. They gave us a lot of positive feedback, and showed a high level of engagement and a clear commitment to DMK.

YOU are
DMK

Three people who understand one another: Trainer Thomas Müller (center) with his trainees Jessica London (left) and Markus Reiß. All three come from Erfurt and all have set themselves the goal of becoming trainee and trainer of the year

YOU CAN LEARN ALL THIS at DMK

Nutrition
including milk technologist* and dairy industry laboratory assistant*

Technology
for example electrician* and industry mechanic*

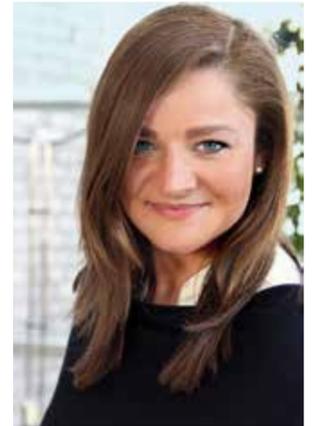
Industry
for example professional driver*

Business
including industry manager*, technical warehouse specialist* or specialist for warehouse logistics* and much more.

You can apply here:
www.dmk.de/milchbart

*(f/m/d)

In Conversation with Sabina Wieczorek



DMK's project “GROW – Training between Equals” takes the company's training in a new direction.

Why is that?

Because we face major challenges. We see a shortage of trained experts, there is a trend towards people going to university and junior employees are a lot more confident and self possessed. A trainee post has to offer a lot more than it did in the past. Young people want to be able to identify with their job right from the beginning, to unleash their potential and work as equals. Diversity has also become a huge topic. For us, it is really important to offer many different areas of work, countries and a mix of different ages, because we do not only take on trainees who come to us directly having finished school.

How does DMK address all these hopes?

We involve apprentices in shaping their training right from the very start. We ask them in workshops, what do you imagine when you think about a good training program? And we put that to the trainers. We will offer a qualification program for trainers in the future because leadership in training is also very important to us.

How important are start-up events?

They address all the trainees each year and are a way

for them to get to know the company. We show them what they can expect and what our principles are. It is also a chance for the newcomers to get to know each other and create a network.

Why is that important?

The great thing is that there are hardly any borders in our world anymore. But that makes things more complicated too, and contradictory and faster. Networks give young people a social community that functions like a home base, and they can draw on that if they have questions or feel lonely. It also helps them to think of themselves as part of a team and to strengthen their identification with the workplace.

INFO

Meet:

Sabina Wieczorek (32) was a junior officer for personnel marketing at DMK until 2017. She was appointed HR Development Manager in 2017.

Background:

Every year, nearly 100 new trainees join the DMK Group at 15 different locations. Of the DMK Group's 7,700 employees, 212 are trainees at the moment. The 18 trainee positions offered by the company range from milk technologist through mechatronic engineer to industry manager.



ISTER CALIFORNIA HVISTER





Markus Reiß, 25 years old, trainee dairy technologist in Erfurt

I moved from Dresden to Erfurt because of my daughter and a year ago, I started working in UHT milk production through a personnel agency in Erfurt. Right from the very first day, I knew: This is it! I want to stay here! So I tried really hard at work and then I applied to become a trainee dairy technologist. I succeeded! I have been part of the DMK team in Erfurt since 1. 8. 2019 and I am really happy about that.

I have a lot of fun here thanks to the variety of tasks I do and the great range of products (my favorite is zabaione curd) as well as the teamwork. I also really enjoy the part at vocational college even if daily teaching sessions took a bit of getting used to at first.

The subjects I'm doing include math, machine research, microbiology, chemistry, English and sport. I thought it was really great to learn about DMK's background during the start-up festival for trainers and trainees. I was particularly impressed at how our work does not only feed our own families but, indirectly, the families of the farmers, too. I totally support the cooperative principle, that motivates me every day.



Jessica London, 28 years old, first year of training as a dairy technologist, Erfurt

For a long time, I worked in events, in gastronomy. As a mother of two schoolchildren it was difficult to manage the job as well as my family. We live near the DMK plant in Erfurt and the products that are made there are a fixed part of our family's daily diet. A friend recommended DMK as a good employer so I applied to become a trainee dairy technologist and was accepted. It's really fun, I enjoy the subject, I like the products and the atmosphere is good. I also like the fact that my trainer Thomas Müller is three years younger than I am - that there isn't a really big age gap between us. We all get along really well with each other and we are his first trainees. Thomas Müller really knows a lot about the subject that he enjoys teaching us about. He fulfills all my expectations of a trainer: he treats us respectfully and he has given us a really good introduction to science. The rest is up to us. I am pretty ambitious and I think DMK offers good professional opportunities. I thought the workshop for trainers and trainees back in August was great. We all exchanged our numbers and stayed in touch through WhatsApp, we are still in contact now. I am a bit nervous about vocational college but DMK is supporting us. My favorite product is the Osterland red fruit pudding.



Hozan Haji, 35 years old, first year of training as a dairy technologist, Edewecht

I fled from Syria, my home country, in 2013. I initially went to Iraq where I met my wife, and then, when she was expecting our first child, we came to Germany. We were happy to be here but it took several years before I found my feet. My three children were born here. A few months ago, I came to DMK thanks to the refugee support organization in Bockhorn and the job center. I have a Bachelor's degree in agriculture from Syria and I worked in a dairy in Iraq for two years. I am sure that helped me gain a training position as a dairy technologist.

I am happy that I was able to start in Edewecht in August. The job is really fun! At the plant, I go through several departments, from the collection of raw milk through to the final product: cheese factory, creamery, laboratory, packaging section and logistics. The technology in the machines fascinates me. Everything runs automatically and everyone in the organization knows exactly what they are supposed to do and when. I also like the diversity at the Edewecht plant: there are people from Russia, Poland, Somalia, Eritrea and Kazakhstan working there. It would be great to get a job at DMK after my training and maybe later to become a trainer myself.



Philipp Schoon, 20 years old, first year of training as a professional driver, Edewecht

As a professional driver when I am out and about, I am my own boss and I like that! As a trainee, I am currently accompanying the drivers of the milk collection vehicles. They go through a checklist before they leave and that includes checking the lights. My job is also to collect the milk at the farms and unload the milk at the dairy. We work in shifts that can vary depending on the traffic and the weather. I will pass my driving license for the milk collection truck in November, so I should get it three weeks later.

After that I will be driving alone. I am excited about that! My great uncle told me that DMK was looking for young people to train as professional drivers, because he also works for the dairy cooperative. After leaving school I actually wanted to train as a computer specialist but then I realized I didn't want to spend all day sitting at a desk. That's probably a family thing: my father was also a professional driver. When I was young I often went with him on trips. If I could see into the future, I would hope to be still working here in ten years' time.

YOU are a
DMIK
-Trainee



Sandy Gerberding, 17 years old, first year of training as an industrial mechanic, Everswinkel

I love to repair things, and as a kid I often helped my grandma when the coffee machine broke down or the lamp didn't work. I always wanted to work with my hands later on. After I finished school, I was thinking about becoming a mechatronics engineer working on cars. But then I saw DMK's job offer online and I had to look up where Everswinkel is. I come from Hameln and that's 150 kilometers away. My interview for the trainee position went really well. It was also great that they promised to help me find somewhere to live and I was able to move in before the first day of my training. I have been training as an industrial mechanic at DMK since August 1, at the plant in Everswinkel. I'm one of 100 trainees here at the DMK Group.

I'm most often to be found in my work overalls and with my toolbox between the conveyer belts and the

production facilities. My trainer, Stefan Gerdes, is usually by my side. He is a trained industrial mechanic. He is amazingly motivated and always encourages me. He has an answer to every question and he is also very patient. He also praises my team spirit, my education, my ability to grasp things quickly and my skilled craftsmanship. Right now I am learning the theory and the practice: filing, milling, turning and drilling. I have a really clear goal: to do as well as I can in my training, work for a few years as a journeywoman, and then get my master's certificate. I am in exactly the right place, in this workshop, to pursue my goals. Not only that, I love ice cream, cocoa and fresh milk. Here in Everswinkel, I'm right at the source!





Plant-based alternatives to meat, milk, ice cream, butter and cheese: "For the Danish company Naturli, this is the future. And many of the products taste good too!"



2019 Anuga

What does the Future taste like?

Every two years, visitors from all over the world flock to the world's largest food trade fair. DMK farmers Peter and Julia Büchel went along too, to track down the latest trends

There was one thing everyone agreed on: things cannot continue the way they are. Exhausted soil, overfishing in the oceans, mountains of plastic, goods being shipped way too far and the surfeit of meat, fish and milk products is not exactly what the people supporting Fridays for Future dream about. That is clear to Peter and Julia Büchel too. They have a small farm in Odenthal, not far away from Cologne. The location means that the father and daughter are always aware of how eating habits are changing in the city.

And they have changed enormously over the last few years. More and

more often, vegans show up, wanting to look at the farm. When they do, they are pleasantly surprised at how well the animals are treated. The farmer owns 60 cows, which is plenty, he doesn't need more. He wants the animals to have happy lives and to spend a lot of time in the meadows. Julia, his daughter, supports him as there is always plenty of work to do. Both of them love the work. What will happen to their jobs if more and more vegan products hit the market? Is that really the future? Will milk and dairy products one day be history? Peter Büchel doesn't think so. "I think there will always be milk and it should be a high quality product."

His daughter Julia agrees. "If we are all a bit more aware of what we eat and of our behavior as consumers, there would be fewer scandals about food and the environment. It would also be better for the climate and there would be a fair milk price again."

These are a few of the topics that come up during the Saturday trip to the Anuga in Cologne. Between the oat milk and the grasshoppers, the promises of freshness and the meat substitutes, there is a great deal of debate, a lot of tasting and forecasting, a look around at all the current trends and a realistic look ahead to the future. Ahead at an industry that faces far-reaching changes.

Five cents for healthy soil: Since the start of the year, for every box of frozen vegetables sold, followfood has been putting a small sum of money towards regenerative agriculture. The money aims to support farmers who switch their farms to organic. All followfish products come from organic aquaculture or MSC-certified wild capture to protect fish stock



"Cream cheese" made out of cashews or almonds: We liked some of the varieties but others did not taste of very much. Good with fresh herbs though



Food rich in protein: Roasted and grilled crickets make for a tasty snack. Crackers, snack bars and burger patties made out of insect flour are also highly popular

Sustainable alternatives to meat: Prima Klima Foods from Detmold makes alternative meat products based on plant protein. Burgers and nuggets are made out of sprouted chickpeas, peas, soy beans and lentils, along with millet, rice and buckwheat

FOODTRENDS

Creamy, tasty coconut milk went down a treat with Peter Büchel and his daughter Julia. Those alternatives sometimes taste pretty good, it seems



FOODTRENDS

Protein ice cream that is low in sugar and fat will be the next big thing: Wholey offers a whole range of ready-to-mix organic smoothies



FOODTRENDS

More glass and plastics that can be recycled: Many companies are working hard and fast to change how they package food



Clear guidelines. Alongside effective cost cuts, the new CFO Dr. Frank Claassen has started taking action in strategic areas. He doesn't think the challenges he sees merit the word "crisis"



More than just the Numbers Guy

After his first 100 days, Dr. Frank Claassen, Chief Financial Officer, defined the most important tasks he sees for DMK's finance department. He wants to deliver concrete results by 2020

Everything that we do has to support DMK's Vision 2030," says Dr. Frank Claassen. There is no doubt that he is 100 percent behind DMK's new route. He joined the company in July 2019 and has taken the time to familiarize himself with the business, its strengths and weaknesses and the company culture. The finance expert used to work for Beiersdorf and said the impression

he has gained of DMK is that of a "very hard-working organization" that is shaped by experts. That guarantees a high level of competence, although it also means there is a danger of losing sight of the bigger picture, he says. That makes it all the more important that Vision 2030 provides a clear guideline for how the company should develop in the future, that can keep managers and employees on track.

Dr. Claassen describes the way he sees his role in the company: "The finance department has to make sure that every part of the business has exactly the right means available that it needs. And at the same time, we have to ensure that every euro is used as economically as possible. Because we cannot and don't want to be satisfied with our current payment performance." The finance department is not

only there to ensure that the numbers are right. It is even more important to further develop systems and structures so the conditions are right for greater profitability.

Starting out by cutting costs

Despite the broader strategic vision, DMK must continue to cut costs in the short term. Three areas in particular are affected: In procurement alone, a sum in the double-digit millions can be saved in 2020, thanks to the redesign of numerous services and supply relationships. Central procurement will play a key role in order to achieve lower prices for DMK in negotiations.

Also, HR is affected: fewer hires will be made; as before, no new appointments are planned. Instead, the company will rely on natural turnover and 70 percent of open positions will either be filled internally or not at all, to reduce

the number of expensive appointments.

The third area where cuts are planned is investment. While initial planning for the year 2019 saw spending of €130 million, this sum has now been capped at €100 million. The budget for 2020 is even lower. "We have set up an investments committee that only approves new spending if it is absolutely clear how and when the investment will pay off," says Dr. Claassen. Furthermore, as the biggest projects have now been completed, in the next few years, only replacement investments are likely.

In addition to these three larger areas, numerous smaller projects are running at the same time.

A Better Steer for the Business Units

Alongside the cost cuts that will take effect immediately, the CFO has established key strategic areas and started work on these right away. As one of his most urgent tasks, he wants to draw the business units which work with milk as a starting product together into a single overarching business management.

Up until now, every area managed its own business but in the future, the company management and representatives from each business unit will set the agenda. Sales, Operations and Finance will also be involved in this process. "Acting individually, you can fall into a Humana or Nordmilch way of thinking. We can address that with MOVE. My team just has to set up the right structures."

"One Finance" for better figures

The finance department itself has a long to-do list. Dr. Claassen has set up many individual projects and initiatives but most focus on smaller areas and none addresses the bigger picture. "We are going to put these individual pieces of the puzzle together to gain a comprehensive overview," says Dr. Claassen. The goal is clear: That finance must be a partner for the whole of DMK and its

stakeholders, providing more reliable data, in a way that is faster and more transparent and straightforward than in the past.

At the same time, DMK needs to be put on a solid foundation. An example of an area he is working on is steering liquidity, one of the most important tasks for a company which is keeping a strict handle on costs. "We really need to develop a new system here quite quickly so we can improve in 2020. That will help us analyze how we can better structure our operating capital. In turn, that would have a positive effect on our debt." And in this context, it is clear that without efficient IT, the finance department can't work effectively either. To address this, two new tasks await: the first is an extensive assessment of IT systems across the group and the other assesses how safe DMK is from cyber attacks.

"We will set a lot in motion"

Dr. Claassen's team has a busy year ahead. "We will look closely at how the finance area can support Vision 2030," the new CFO said. That doesn't only apply to employees at DMK's headquarters, but also to the subsidiaries



CFO Claassen proves himself at the Schlichtmann farm

which haven't yet been involved, such as in the Netherlands, for example.

"People used the word "crisis" so often in the past that many DMK employees have gotten used to it," Dr. Claassen says. "But ultimately, our challenges are no different to those that other companies have faced and are still facing. We can and we will set a lot in motion in 2020."



Cheese expertise:
Employees in Voronezh make an assessment of the maturity of the cheeses. Only the best quality products can go to the stores – that is what DMK stands for.

Russia

The brand strategy
in the highly modern plant in Voronezh centers around the manufacture of specialty cheeses including a pesto cheese or an excellent blue



Right::

A view of the construction site
where the new Bobrov dairy is being built — its size is already visible

Michael Feller,
COO Business Unit
International,
presents the
round cheese



Russia Cheeses for connoisseurs

An important step for the future: In Bobrov, Russia, a new dairy is taking shape that will play a significant role in helping to expand the international markets.

A steel structure is all that can be seen right now, but come back in a year and there will be a whole new industrial cosmos in the town of Bobrov, 600 kilometers south of Moscow, an area full of lakes and rivers.



DMK is creating a brand new dairy here in order to make specialty cheeses. The plant will be focused on customer needs in international markets. “This dairy will expand DMK’s product portfolio and facilitate growth,” said Michael Feller, COO Business Unit International. He explained that the decision to invest a sum in the low double-digit millions was based on local conditions. There’s a steady supply of raw milk and solid infrastructure, also synergies with another plant there, as well as a good relationship with the local authorities. By the end of the year 2020, Bobrov will be churning out Tilsiter, Gouda, Goya and Maasdam in loaf, cylinder and later also spherical forms. Expanding production in Russia is an important part of making progress towards the company’s target in 2030 as well as a key element in the restructuring of DMK’s international business.

“We are focusing our work in core countries where we can achieve a strong market position in particular product ranges,” he said. “We are also working in strategic third countries where we use local resources such as production and sales, and want to strengthen our position and market cultivation through a local presence.” That includes the Russian market. In 2016, DMK took a majority stake in the Russian RichArt Group, which has an active presence in the Moscow and Voronezh region.

As business developed so well, DMK took over the remaining 40 percent in 2018 and raised its participation to 100 percent. “That corresponds with our identity, by which we organize our international business according to clear profitability – and that’s good in Russia!” There are 234 people working in Voronezh, producing Tilsiter, Mascarpone, mozzarella, soft cheese and a particular blue cheese. That is a powerful contribution to the brand strategy for Russia. In Moscow, there are 200 employees who package products and a further 75 work in sales, accounts, quality control and administration.

For now, though, the excavators and cranes are working around the clock in Bobrov. Feller is looking forward to opening the factory gates, although that is a year away. “This highly modern dairy will expand our portfolio and help us to significantly expand our results in the international business.”



A new food service concept for Oldenburger Professional

All New at the ANUGA

At the ANUGA trade fair, DMK Group’s International Business Unit presented a new brand strategy for Oldenburger Professional. Our customers saw not only a new brand communication for the international food service market, but they also were able to explore the new website, oldenburgerprofessional.com. Users can find materials there that have been created by chefs for chefs, with recipes and answers to questions about Oldenburger products and their use in professional kitchens. It also displays Oldenburger’s extensive portfolio. “We want to add value for chefs as they are our target group,” explained Michael Feller, COO of the International Business Unit. With star chef Heiko Antoniewicz, Oldenburger has won one of the German gastronomy scene’s most dynamic figures to be its brand ambassador. He presented his latest ideas in live cooking shows. “In the future, people will want shopping and gastronomic experiences that are tailored entirely to their own needs,” Feller said. “That’s why it is so important for us to recognize trends early and to implement them with original ideas.” In the German market, working with MILRAM, the DMK Group has become market leader in the food service area.



Healthy eating is child's play: Alete's building-block approach accompanies youngsters up to preschool age

The new shape of DMK Baby

The Business Unit has revamped itself on the German market and is about to present the highly modern brand Alete.

The Baby business received a boost in February 2019 with the takeover of Alete and German Baby Food (Milasan and Private Label). The move saw DMK underline its strategic choice to focus on the market and consumers. DMK Baby has also started to reposition itself in the German market in order to grow profitably, one of the goals of Vision 2030. That process will be completed in mid 2020. "The focus is on strengthening our Private Label business and brands, on increasing our efficiency in logistics, strategic partnerships with third-party suppliers, bringing together our employees at our new site in Mannheim and repositioning the Alete brand," said Stefan Eckert, Chief Operating Office DMK Baby. The traditional brand lost some market share before being taken over by DMK but it still enjoys a high level of trust among German consumers, particularly when it comes to supplementary baby food, a highly attractive, dynamic product that continues to grow. In terms of brand perception, the brand is ranked in second place

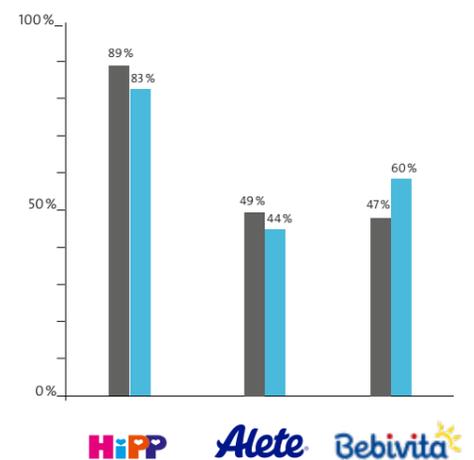
on the market, just behind Hipp, the market leader. "It's a very promising position for a relaunch: we will keep the well-known name and logo but the brand's DNA and strategy will be redefined to become more modern and relevant," says Martina Molner, who is responsible for the brand's strategic relaunch. In the future, Alete will stand for health-conscious child nutrition and thus tap into the trend for healthy eating, and that way gain relevance

for families with babies and toddlers. A new design will enhance Alete's repositioning, and is expected to hit supermarket shelves starting in the middle of next year. For now, all the Alete products are being optimized – and there are a good 70 of them – with a focus on organic quality and reduced sugar. "We will strategically expand the product portfolio in 2020 in order to share in the growth of the infant nutrition market, for one-year-olds



In order to strengthen the Baby business, the DMK Group took over the brand and sales of Alete and German Baby Food (Milasan) in spring 2019. The brand business will be expanded, together with the traditional Humana brand, for DMK Baby, at the Bremen site. In the future, the sales, management and logistics for DMK Baby's own brand business will be handled by a new administration site in Mannheim, and the Bad Homburg site will be closed.

ALETE HAS PLENTY OF POTENTIAL



Source: Quantitative Marktforschung, 07/19, concept m

Brand recognition (dark grey bar), Brand relevance (blue bar)

In terms of brand recognition, Alete ranks in second place. In the future, it will stand for health-conscious child nutrition, thus tapping into the healthier eating trend, in order for the brand to gain relevance among families with babies and toddlers.

and above." Together with Humana, the baby milk brand, whose products are made at the new plant in Strückhausen (photo on the left), DMK can strengthen its retail position with an increasing range of products and both brands will be sold by Humana sales, in Bremen, starting on January 1, 2020.

Bundling brand power: The two traditional German household names for baby food, with their decades of experience, will now be managed together to help drive growth in the German market. The Private Label business will also expand significantly, in order to create more value: German Baby Food will be traded under the name Sunval Baby Food, together with Sunval, DMK Baby's own private label distribution unit, as of January 2020. Sales, management and logistic will all be handled in Mannheim at a new administration location. That

means a move away from Alete's previous home in Bad Homburg. "Sunval production will remain at the site in Waghäusel." That means Sunval Baby Food can secure a strong position in the consolidating German and European market for baby milk and supplementary food. There are also plans to win better access to new discount customers with growth potential in Europe, such as Aldi and Lidl. That's not to forget business with current customers, which will also be further developed.

MILRAM FOOD SERVICE

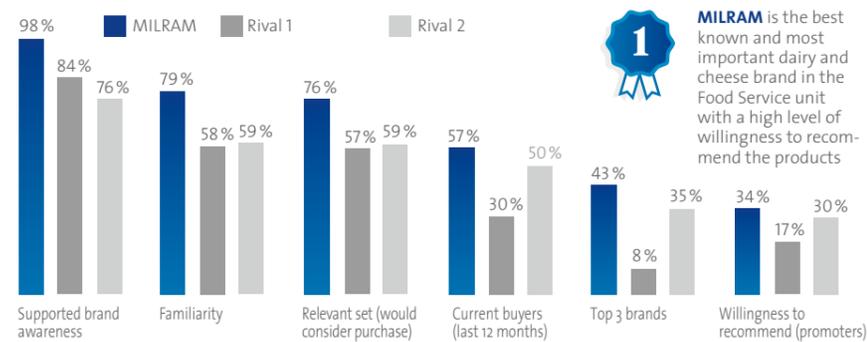
Creativity Generates Success

Stronger position as market leader

It all started out with three cooks and one idea. Their task was to develop unmistakable, innovative MILRAM products of the highest quality. That started in 2015 with the expansion of the dessert range with ten new products and it has been a success story ever since. From fruit curd to custards and rice pudding, all MILRAM Food Service products are growing faster

than the market. That is obvious if you compare the brands directly with those of competitors: MILRAM Food Service has left its rivals even further behind, strengthening its leading position in the market. The secret of this success is a creative approach to marketing and sales for every single project. Current taste trends and the greater focus on healthy eating are inte-

grated into the products. And at the same time, new recipes are being developed for different areas of community catering, for seniors, hospitals, canteens, refectories and catering. Alongside industrial kitchens, the core market, the business is also focussing on convenience food, at bakeries, gas stations and takeaway stores, as well as teaming up to work with larger caterers.



Source: Independent market research institute, quantitative poll of 400 restaurateurs and bakers, brand and image tracking in 2019

Strong TV Showing

“Kalder Kaffee”

MILRAM successfully launched an attention-grabbing TV advertising campaign for its fashionable new drink “Kalder Kaffee.” Three 15-second spots ran for three weeks on private TV channels all tailored to the modern product: with a lifestyle look, quick cuts and an energizing effect. This bright new concept saw DMK’s main brand shaking up television advertising



Excerpt from one of three “Kalder Kaffee” TV ads

and also reaching out to offer “Kalder Kaffee” to a younger target group of 14 years old and up. “We pulled out all the stops to introduce our new drink

and invested in a strong marketing campaign that really excited our target group,” said Nina Rempe, Marketing Manager New Business at MILRAM.



Strategic partners

Bahlsen and DMK’s

Cinnamon cookie ice cream is coming

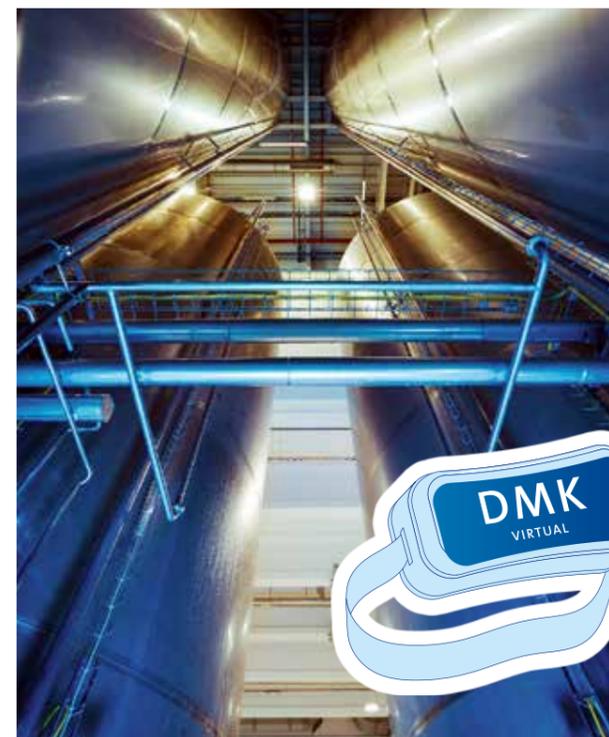
Back in spring, with Bahlsen, DMK won over one of Germany’s most popular brands for a strategic partnership. Together, that brought Bahlsen classics such as “Ohne Gleichen” and “Messino” to store freezers. Now, the two partners have come up with another hit – a new interpretation of another Bahlsen classic: “Cinnamon cookies” as an ice cream for the chilly winter season. The new creation consists of delicate bourbon vanilla ice cream with a touch of cinnamon, a swirl of hazelnut ice cream and tiny cinnamon cookies. The ice cream is available in 500ml tubs. “We’ve made a very promising start with this new creation and individual sales of the new product have hit the six-digit range in just three months,” said Marcus-Dominic Hauck, COO of DMK Ice Cream. “Our online campaign also shows that it’s really won the hearts of consumers.” This demand underlines DMK’s strategic direction. Market analysis shows that the demand for ice cream rises significantly in the period running up to Christmas.



Strückhausen

Humana is Coming to You!

Success story via virtual reality



Humana has the right product for everyone, whether it’s to support mothers who are breastfeeding, as a side or as a supplement. The brand has been providing parents with high quality certified baby food products

from Germany for more than 65 years. These days, mothers use media differently, and it is all about digital, so the company is turning to social media such as YouTube, Instagram or Facebook to share the story of its success.

Now, with a virtual reality project called “From Families for Families,” the brand is taking the lead when it comes to digital story-telling. The project provides a peek behind the scenes at production processes. Through virtual reality glasses, users can follow the route milk takes from the dairy farm through the plant right up to the finished product through individual interactive clips that make the journey feel real. Humana uses the most modern virtual reality technology to provide an exclusive look into how the valuable raw material is processed to become a premium milk nutrition product, telling an authentic story that users can feel.

Humana products are sold in more than 50 countries. The use of this highly modern technology brings the plant and its history to the wider world. A further highlight is that Humana shows the faces and thus the heart behind the brand: all the actors are DMK Baby employees and the milk is supplied by the dairy farm run by the Menke family in Sahlenburg near Cuxhaven (photo, left). Aside from VR, the story will also be uploaded onto the website and in all social media channels for everyone to enjoy.

Humana has always been close to its customers and now, that contact will be even closer, thanks to the VR set. That also applies to the renovated canteen in Strückhausen, which has become a multifunctional interactive meeting room. Watch this space as the success story is just beginning.



Nordhackstedt

Bella Mozzarella

The new mozzarella plant in Nordhackstedt started operations in the summer. The facility can churn out to 35,000 tons of cheese per year, at a rate of 100 tons per day. The highly efficient automated plant is equipped with all the latest technology. The pizza industry takes up to 80 percent of the product and the remaining 20 percent is grated, melted or whey. Globally, the market for mozzarella is growing at a rate of 3 percent per year, or 100,000 tons. DMK has improved its position in comparison to its rivals thanks to its cooperation with ARLA. The project stayed within its time plan and the € 18 million budget.

Beesten

Spray Tower Opens



After only seven months of construction, DP Supply’s new spray tower in Lower Saxony has started production. Alongside its previous portfolio, DP Supply’s plant can now also produce infant nutrition products. More than 300 people came to the opening on September 12, including the DMK Group CEO Ingo Müller, and BU Industry Director Finance Carsten Reblin.

Erfurt

50: Erfurt's Milestone Birthday

From dairy plant to technology center

People from politics, associations and business all flocked to take part in the Erfurt plant's 50th birthday celebrations and learn more about the facilities there. Jens Klausen, director of the plant, summed up the site's success: "Erfurt has specialized in producing desserts and has become one of the most important suppliers to the German retail business." The facility also produces its own brand goods for retail in Germany and abroad. Every hour, the site can churn out more than 54,000 pots of cream, 28,000 pots of Skyr or 18,000 pots of Osterland fruit pudding.



Sweet success:

Every month, DMK's plant in Erfurt produces 4 million pots of the red fruit pudding known as "Rote Grütze," from Osterland (above). The visitors enjoyed a tour of the facilities.



Cologne

Uniekaas, Unique at the Anuga

New look and new recipes

However far away from the Netherlands they are, a Dutch person always feels that little bit more at home as soon as they taste a bite of Uniekaas – that sums up a new TV ad for the traditional brand that is currently being shown on Dutch television. The advertisement is part of a broader brand relaunch that DMK presented at the Anuga trade fair. The popular Gouda is now sold in a new, fresh design that is still also traditionally Dutch, and shows off the high quality of the product portfolio. Uniekaas recipes have been produced at DOC Kaas in Hoogeveen since November 2017. "We want to refresh the brand and as part of that, we have developed a new logo," said Ron Krekels, Managing Director of DOC Dairy Partner/Uniekaas. "It will be red, a color not often used in the cheese business, so it will attract people's attention." Made out of 100 percent Dutch cows'



milk and based on traditional Gouda recipes, Uniekaas' Gouda has an authentic and unmistakable taste. "With Uniekaas we have adjusted our portfolio so it is even closer to the needs of the market," said Michael Feller, COO BU International. "The cheese is made using only meadow-grazed milk. Every cow can graze on meadows for at least 6 hours a day for at least 120 days a year." The brand relaunch is not confined to the appearance of the cheese but also includes new recipes that taste better. In order to increase its presence in international markets, the company has made two Dutch classics into one product: the "Uniekaas 'Stroopwafel' Cheese." The typical Stroopwafel is made of two baked dough waffles stacked together and joined by a caramel filling. Uniekaas combined this taste with Gouda. And "Uniekaas 'Drop' Cheese" is another brand new taste: a variety that unites liquorish with Gouda.



The guests enjoyed the new kinds of cheese

Packaging Question

Glass or Plastic Pots?

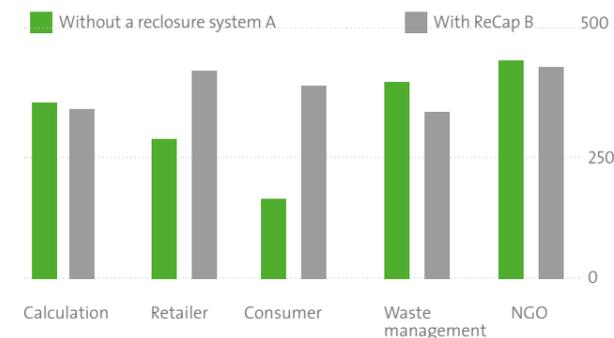
DMK's sustainable packaging tool has the answer

People disagree about taste and art, that is a well-known fact. But they also disagree about packaging. Is it better to buy yoghurt in a jar or a plastic pot? Milk in a carton with a plastic top or not? For art and taste, it may be that the answer lies in the eye of the beholder, but when it comes to packaging, hard facts make all the difference. How much material is needed? What do consumers prefer? What do retailers want? How much of the material can be recycled? How about the price? DMK has developed an instrument that can answer these questions, called "Sustainable Packaging." The tool enables a structured, objective discussion about the right packaging choice. It starts in the project development phase and runs through the whole product lifetime. It helps

users to provide structured answers during discussions with packaging suppliers, or if NGOs ask critical questions. The tool enables a direct comparison between packaging A and packaging B. Using it to compare the two most often used milk cartons generated some interesting results. It came as no surprise that consumers prefer cartons with a plastic top, after all, that makes it easier to handle the milk and to store it. Retailers also significantly prefer this kind of pa-

ckaging. But the luxury of a top comes with a decisive disadvantage: the material used means the product has a worse ecological footprint. Ultimately, that is why NGOs favour packaging without tops. In this assessment, this comparison led to a slight preference for cartons without plastic tops as the ecological footprint made the difference. The result does not, however, say which is better or worse because the best packaging for everything does not exist.

COMPARISON WEIGHTED OVERALL VALUATION



Holdorf

Quality Circle Sensitizing employees

How can I improve quality? Attendees addressed this question at a summer workshop at the Holdorf plant. The aim was to allocate clear roles to employees in order to show them what they could do to contribute to the overarching aim of high-quality products. Teams worked at different stations and shared views on issues

that affect quality, including organization, roles and working structures. The stations were manned by employees themselves, rather than just by managers. At the end, quality boards were set up to inform people what could be done differently or better in the future. A second quality circle is planned for early 2020.



Newly Introduced

A New Code for Suppliers

As a cooperative dairy, the interests of our farmers are enormously important. Even if milk is our most important raw material, we must not forget that our supply chains are networked around the world. More and more consumers and customers are demanding that other raw materials are sourced sustainably when they are used in the making of our products, such as cocoa or wood, for example. In order to better respond to these demands in the future, the code of conduct will no longer apply to suppliers and service providers but only to DMK employees. DMK suppliers will have a supplier code instead. This way, DMK can clearly formulate social and ecological demands for suppliers and develop a clearer picture of how supply chains should look. The code will still be contractually binding, as is the code of conduct. The code is followed by a management approach. That means DMK can identify potential for optimization and implement suitable measures for sustainable procurement.



The new Milkmaster Program

Shorter, simpler, more focused

The upgraded Milkmaster program will be much less complicated and far easier to use, and is available from January 2020

DMK's Milkmaster, the bonus program that rewards responsible and sustainable dairy farmers, was first launched in January 2016. It raises awareness amongst farmers for such topics as safety, quality, animal welfare and the environment, and to reward commitment in these areas.

At the time, the Milkmaster program was comprehensive and future-oriented, distinguishing it in the industry

and the market. But the sector and the market have continued to develop since then, so Milkmaster, as a dynamic program, has also been optimized, based on the experiences of the last few years.

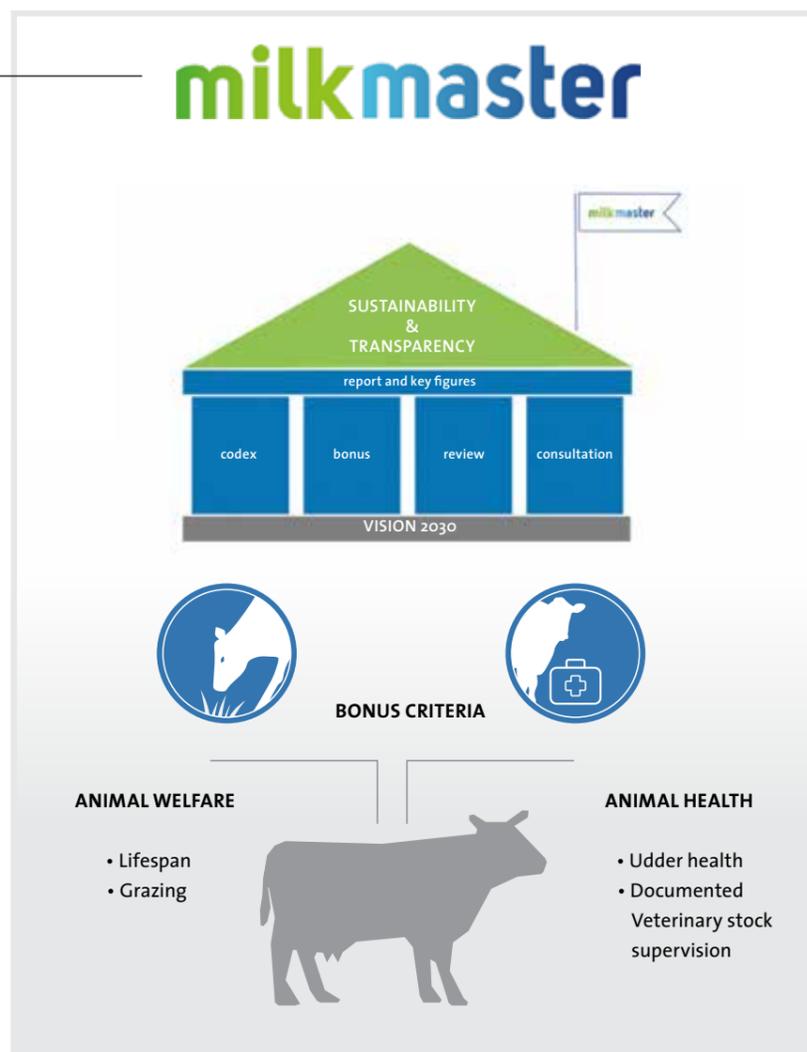
From 2020, there will be a further program upgrade to meet pragmatically the changed requirements from agricultural practice as well as customers and society. The optimized Milkmaster application is much more straightforward and transparent,

without losing any of the initial idea. In particular, a new platform plays an important role in this more modern version; DMK's online "myMilk," which creates a digital interface between the company and its farmers, and provides a new home to the revamped Milkmaster program. As of 2020, participation in the Milkmaster bonus system will be possible exclusively online and can therefore be carried out much more quickly.





The contents of the Milkmaster program have been updated and it has a fresher look with a brighter logo.



Why a new version?

The main goal of the revamp was to simplify the handling of the program and significantly reduce complexity for farmers, and to focus on the aspects which are most relevant to society. In particular, the bonus system, which had already been revised in 2017 and 2018, was again scrutinized.

Will the bonus system change?

As of 2020, milk volume planning will be the only prerequisite for a bonus. A self-assessment is no longer necessary. The bonus will be adjusted to a maximum of 0.5 cents per kilogram of milk, which also means an increase in the basic price paid by DMK at the same time.

Due to the focus on content, only four criteria remain from the original 13 bonus criteria from the areas of animal welfare and animal health: Life expectancy, grazing (full grazing and, new, partial grazing), udder health and herd management. There will no longer be an audit as an additional assessment for a bonus – instead this will be assessed online via “myMilk.” The bonus payment and settlement takes place with the December milk bill of the respective bonus year. There will therefore no longer be an advance payment on the bonus during the year, nor will there be any repayments or reclaims in subsequent years. The bonus criteria are valid for one year and will be assessed again in 2020.

What is new about the audit?

Starting in 2020, all farmers will face a new audit timetable for the quality management standard that applies across the industry. In general, announced QM audits will be held every three years (regular) or every year and a half (if there is a score shortfall), rather than every two years as previously. The bonus assessment will no longer take place via self-audits but will be carried out online via “myMilk.”

A focused code

The mission statement of the Milkmaster programme, the Code, is now being revised to focus on the most relevant sustainability issues. It was sharpened, focused on essential content

and made more compact so that the scope could be significantly reduced without losing any of its significance. From 2020, it will be available digitally on “myMilk” and will be made available in printed form to all farmers newly admitted to the cooperative

Advice for farmers

It is important for DMK to provide intensive support for its farmers on their way to more sustainable agriculture and consultancy is therefore available for comprehensive advice. In this context, innovative test projects from the “Milk Sustainability Module” will be launched in the course of the coming year, focusing on environmental aspects in agriculture.



RESPONSES TO THE NEW MILKMASTER

“The DMK Group and its farmers are working together to make milk production more sustainable. Based on that, the Milkmaster program was focused as far as possible in line with our sustainability strategy. The aim was also to empower farmers as entrepreneurs in the area of more sustainable agriculture. Another important aspect was to consider changing social needs and market developments. I think the new structure for the Milkmaster program has worked out really well.”

► **Dr. Philipp Inderhees, Global Head of Corporate Strategy**



“Our goal was to integrate the Milkmaster program more easily into farmers’ daily lives. We overhauled it on the one hand to focus the program, and on the other hand, to make it less complicated. For us, it’s very important to make it more attractive and appealing to milk producers. By embedding it within the ‘myMilk’ platform, farmers can use Milkmaster more easily and access important information faster.”

► **Wilfried Nunnenkamp, Team Leader Agri Business, Data Analytics & Member Communication**



“I was skeptical after the first presented ideas to the new Milkmaster in the advisory board meeting. I had some difficulties with the reduction of the maximum bonus payment. But I had to agree that after four years, some changes were necessary and that the concept had become too complex. In principle, the revamped Milkmaster program is much clearer and less time-consuming to use. I can easily integrate it into my working day by using ‘myMilk.’ And I welcome the fact that grazing is still included in the bonus - I’m glad about that.”

► **Willem Berlin, from a farmer’s point of view**





District Assemblies

All About the Milk Price

District Assemblies gathered throughout November with 52 meetings in all. The dairy's performance, the nominations for honorary posts, DMK's future topics and changes to the Milk Delivery Regulations within the Milkmaster program were all subjects of intense discussion



DMK's current situation is at the heart of discussions at this year's district assemblies, with much debate about performance and the milk price



Wherever they took place, the district assemblies all were shaped by the current dissatisfactory milk price and the DMK Group's performance. Regional leaders shared overviews of the current dairy market and forecast stable, positive developments in the coming months. That trend will have a positive effect on the milk price if market developments continue and consolidate. The regional board or supervisory board then presented the DMK Group's current situation. In all assemblies, this point was the subject of intense and occasionally heated discussion. It became clear that the length of the processes which are starting to deliver have tried the patience of farmers, and in some cases continue to do so. Although much of the criticism in the discussion was rebutted and many open questions answered, nonetheless, the members'

frustration was clear concerning the current situation and the below average milk price. DMK's management and elected officers take these concerns very seriously. The voluntary elected officers openly addressed the payout different of -0,89 ct/kg accrued up to and including September 2019 and compared this with eleven rival dairies, underlining the unhappy situation. However, it was also clear that the lower price was affected by extraordinary costs which occurred in 2019 but which will not apply in 2020. These included:

- Completion and start-up costs at the Strückhausen plant;
- Necessary investments to build up the wage models in Georgsmarienhütte and Nordhackstedt;
- The closure of the Bergen plant on Rügen;

- The construction of a drying tower for special products in Beesten;
- The takeover of the Alete brand
- Taking over parts of DVN in the Netherlands;
- Necessary organizational adjustments due to the loss of milk volumes.

On this subject, Thomas Stürtz, Chairman of the DMK cooperative management board, told the assembly in Lintig, "The extraordinary costs we saw in 2019 will not affect 2020. In the year ahead we are looking at an entirely different situation in terms of costs. For 2020, the only larger planned investments are the completion of our second plant in Russia. This is profitable, thanks to the positive development of the Russian market and of our business there. All that means that paying a competitive milk price is a very realistic goal."

The company is focusing on improving DMK's performance and so raising the price it pays for milk. At the same time, DMK needs to ensure its foundations remain financially solid. In this context, the voluntary officers presented the measures pursued at each of DMK's business units. These are all wholly aimed at improving performance. One important point is continually reducing costs, and the new head of finance, CFO Dr. Frank Claassen, is chiefly pursuing these efforts. The main points on his agenda were presented at the district assemblies:

- Significant savings in purchasing volumes;
- Keeping expenditure structures stable for overhead costs;
- Continue to reduce investments compared to 2019;
- Keep new hires in administration reduced to a minimum.

In the second part of the assemblies, regional managers and voluntary officers presented the planned changes in how members and the dairy work together. These were also the subject of thorough and critical discussion.

DMK future topics: fixed price mode, Milkmaster 3.0 and "myMilk"

The active test phase with pilot farms to secure milk prices for the coming months started in early October - and enjoyed much demand. The pilot phase is planned for four to five months. The core idea is to gather input about securing fixed prices and to make improvements. If the pilot phase is completed successfully, the roll out will follow for all of the milk providers at DMK. Dirk Schröder, a board member, told the assembly in Waren an der Müritz: "The present model to secure prices will be very easy and straightforward for we as



Election of the nominees

Voluntary engagement by members of the cooperative forms an essential connection between the milk producers and the company. For that reason, the regular election of the nominees for representative, substitute representative or council member played an important role at the district assemblies. Guided by regional leaders and regional voluntary members, lists of nominees were made and later voted upon. A full list of all nominees for representatives or substitute representatives will be available next spring for election at the regional assemblies.

milk producers to use. We will be able to hedge market prices offered for part of our milk volumes for the current year. That will really help us plan business at our operations - it's a real innovation by DMK." Alongside the fixed price model, milk producers were presented with Milkmaster 3.0 and "myMilk," the new service platform, two further areas where DMK is focusing on the future. Milkmaster 3.0 further develops the current program which dates back to 2016, in the interests of farmers. And "myMilk" lays the foundations for digital services, which will significantly expand beyond the milk producers' website Webmelker. Articles in this issue provide more information about both of these areas, on pages 48-51 and 55.

Farm-gate price: modified presentation

With the milk price in September this year, the individual prices paid to farms was visible at a glance, improving transparency in the farm-gate price. The surcharges are combined in the milk price calculation and shown as a total. Milk producers can see the individual amounts which are listed below.

Adjustments to the Milk Delivery Regulations

Alongside editorial revisions, changes to quality assurance, product quality, and analysis of the milk delivered were in focus in the reformulation of the Milkmaster Program (annex 4) and the implementation of the QM milk standard 2020. Also, current legal requirements covering animal welfare and other adjustments are included. The new Milk Delivery Regulations will be sent to all milk producers at the beginning of December, together with explanatory notes that go into the details of the changes. The new version of the Milk Delivery Regulations takes force on January 1, 2020.



Moving with the Times

"myMilk" Goes Online

The new digital platform replaces Webmelker and provides farmers with a better service starting at the end of January

Be-coming more digital was one of DMK's 2019 resolutions. One part of that is a modern online platform for our farmers. This new service was developed by a team of colleagues from the agricultural department in a project led by corporate strategy and supported by DMK IT experts during the past few months.

It will replace the previous site, Webmelker. Called "myMilk," the new service will be available online as of the end of January 2020 and will make the day-to-day lives of farmers easier.

The platform offers the same services as Webmelker but in a far simpler form that is easier to work with. Farmers only need a few clicks, for example, to find forms, information about their milk payments and billing and all the latest news about the company.

In addition, "myMilk" is intuitive to navigate so users can easily find their way around. The service can be configured to each user's individual needs, meaning each farmer can

quickly access the applications and areas that are most important to them. Furthermore, "myMilk" is responsive, meaning it can be used on PCs, mobile phones and tablets. That is ideal for farmers who can integrate it into their everyday lives, using "myMilk" in stalls, the office or even out in the field if they have internet access.

And "myMilk" will also enable farmers to access further services in the future, such as Deutsche Milchkontor's committee section and an online shop where farmers can order materials for events or groups of visitors to farms. In the future, users will also be able to find the offer for the fixed price for milk producers there.



"myMilk". These images of the platform show its current working status. The final version of "myMilk" may look slightly different

You can find a detailed report about the launch of "myMilk" and users' initial experiences in the next issue of MILCHWELT.

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MILCHWELT in German

MILCHWELT Magazine is of course available in the original German language too. You can find both the English and German editions as PDFs at www.milchwelt.de

In the media

From regional newspapers to international magazines, the media often reports about DMK, its facilities and rural operations. Focus of the past weeks: recall and crisis management

Tagesschau, BILD, SPIEGEL Online, 10, 11 October 2019
Leading media across Germany reported on the DMK milk recall, reaching millions of consumers

Deutschlandfunk, 11 October 2019
A consumer protection expert praised the transparency of DMK's recall

Nordwest-Zeitung, 17 October 2019
A reporter visited Alfred Frericks, who has been working as a professional driver for DMK since May – with a prosthetic leg

Hannoversche Allgemeine Zeitung, 28 August 2019
In discussion with the HAZ, DMK CEO Ingo Müller explained how the company can be “Milramized”

stern, 30 October 2019
The weekly magazine featured a cover story about milk with a 10-page focus on its health aspects

Thüringer Allgemeine, 3 October 2019
The Thüringer Allgemeine reported on the history of Erfurt's dairy as it celebrated its 50th anniversary

Lebensmittelzeitung, 23 August 2019
An interview with communications director Oliver Bartelt about the new Target Image and the roadshow that toured more than 20 DMK locations

Milk on Social Media



Users discuss milk on social media platforms

TWITTER
@DMK_Milch
https://twitter.com/DMK_Milch

LINKEDIN
<https://www.linkedin.com/company/dmk-deutsches-milchkontor-gmbh/>



Join the conversation!

Examples of social media posts: #halloweenpudding, #barista #kurs 27 October, #milch, 11. Oktober, Facebook-Post vom 22 October mit Traktordemo, Facebook-Post vom 26. September mit Käse-Segelschiffen.

Regional managers of the Cooperative

The regional managers are the contact persons for the concerns of the milk suppliers and shareholders of our company

- | | | | |
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Save the Date

- | | |
|--|---|
| 2019-12-03–05
FIE, Paris | 2020-02-15–19
Gulfood, Dubai |
| 2020-01-17–26
Grüne Woche, Berlin | 2020-03-13–17
Internorga, Hamburg |
| 2020-02-15–19
Intergastra, Stuttgart | 2020-03-17–19
FIC, Schanghai |

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Congratulations to the Winners of our last contest

1x gas barbecue
Stefan Granz Brobergen

10x MILRAM-breakfast boards

Sabine Wesolek	Bad Homburg
Anne von Lehmden	Holdorf
Johann Wrede	Beverstedt
Nadine Wessels	Weyhe
Josef Schulte-Südhoff	Handrup
Robert Holm	Malsch
Martin Kastenbein	Edeweicht
Familie Sticht	Hemmoor/Heeßel
Marie-Luise Poppe	Zeven
Bettina Harms	Ovelgönne

10x stunt kites

Dirk-Sönke Bornholt	Hanerau-Hademarschen
Bernhard Böcker	Ennigerloh
Johngeer Chaudhary	Gangelt
Sebastian Balzer	Heeslingen
Thomas Wendelken	Schwanewede
Matthias Brüntjen	Edeweicht
Bob Laabs	Altentreptow
Friedrich Höcker	Lengerich
Hinrich Lindwehr	Bramsche-Balkum
Nadine Ramke	Stadland

10x Humana lambs

Kim Jennifer Wilkens	Bremen
Silvana Schierenberg	Holdorf
Oliver Brinkmann	Kutenholz
Christa Jungvogel	Marienhafte
Nikolai Poddubny	Georgsmarienhütte
Thorsten Kühn	Bremen
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Seek and you will
find

Count the number of trees you can find printed throughout the magazine!

This time, you can win



Just count up all the fir trees you can find throughout the magazine up to **page 53** and send us the number by post or email by January 10, 2020

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or by mail to:
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DMK Deutsches
Milchkontor GmbH
Flughafenallee 17
28199 Bremen

Deadline for entries is January 10, 2020

Only employees and cooperative members of the DMK Group are eligible to participate.

MILRAM pans are a tasty treat for friends

Is it raclette season already? There's a fitting recipe for everyone, a shopping list and other services: use the MILRAM website to become the ideal host

Raclette only at Christmas or for New Year's? No way! You can gather your friends around the table and fill the pans any time you feel like it. Whether you're the adventurous type, more detail-oriented or spontaneous - MILRAM's website offers the right recipe for you: www.milram.de For those who love classic recipes, try this delicious

combination of delicate smoked salmon and potatoes with dill.

Here's the recipe:

STEP 1: Cook the potatoes, then peel and slice them. Wash the spring onions and slice them into rings. Wash the dill and let it dry, then chop it coarsely. Then add the

peppercorns, fennel seeds and lemon rind, and pound it with a pestle and mortar. Set out small bowls on the table.

STEP 2: In the heated raclette pans, fry the potato slices in vegetable oil until they are golden brown, then add the smoked salmon and the spring onions into the little

pans. Season it with the lemon-fennel mix.

STEP 3: Add a slice of Sylter cheese onto the pans and let it bake.

Tuck in to your tasty meal and enjoy!

The native

Ingredients for four pans

- 4 large slices of smoked salmon
- 200 g waxy potatoes
- 2 spring onions
- 4 slices of MILRAM Sylter
- ½ tsp fennel seeds
- 8-10 black peppercorns
- Half a bunch of dill
- The zest of half a lemon
- Vegetable oil

Classically good. A solid treat



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