

PAUL M. MÜLLER

SEIT 1956

FOOD NEWS

MARKET REPORT

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Life is like riding a bike, to keep your balance you have to keep moving.

Albert Einstein



Dosed – our column

Keeping the balance - not so easy these days. Inflation, recession and uncertainty dominate the news. In the food industry, more gloomy news is doing the rounds: El Niño is throwing the weather out of sync in large parts of the world - in Thailand, this is currently being felt very clearly in the cultivation of pineapples. A (not quite so) wild ride of temperatures can be seen in Europe: while they were high at the beginning of the year, they then dropped again - with the result that the fruit blossom was affected, such as in Greece with the apricot and peach trees, which we report on in this Food News.

Among other things, we report on the raw material prices of these fruits, which at least seem to remain stable.

And the same applies to other areas of our industry: where there is shadow, there is also light. Because, after 40 months of far too little rain in Catalonia, the long-awaited rainfall finally arrived in the region at the end of April. What's more, the Catalan regional government ended the water emergency and eased restrictions that had been in place for three months. We also take a look overseas: the maple syrup harvest in Canada is promising and new taps have been approved - the mood is good! Equally positive: it looks like 2024 will be a good year for tomatoes.

So you see, just because we seem to be on a downward spiral at the moment doesn't mean that we can't reach new heights.

Mutti is leading the way when it comes to optimism and is a prime example for us. The family business, which has been around since 1899, lives up to old traditions, which are constantly being rediscovered and developed, and also focuses on technology and innovation. In our latest interview, we speak to Kai Bergander, National Key Account Manager Food Service at Mutti Deutschland GmbH. He says: „We continuously invest in research and development to support farmers in optimizing agricultural and production processes while ensuring sustainability.“

There is also a lot of movement in our team. Petra Zilker joined the quality assurance team in March and is our fruit of the month. We would also like to introduce you to our current trainee Gabriel Matauschek. He attends the technical college in Holzkirchen, was looking for a medium-sized company for the second semester - and chose us. The great thing about it is that we can provide insights at a time when Generation Z needs to be inspired for the world of work and employer branding is one of THE topics of the future.

I hope you enjoy reading the Food News - and wish you lots of strength and energy to keep your balance and keep moving.

Sincerely,

Yours, Thomas Schneidawind



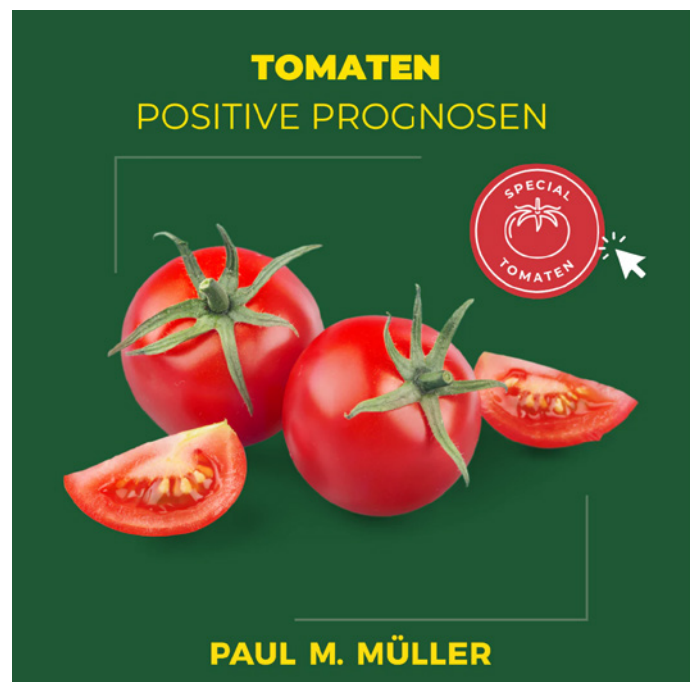
Tomatoes: Positive forecasts

It seems to be a good tomato year. Although the plants were delayed in Italy due to prolonged rainfall, the plants made up for the delay thanks to the subsequent sunny and warm weather.

In Portugal and Spain, on the other hand, everything went according to plan. In our past Tuesday talk see how exactly the tender plants are placed in the soil with the help of a machine.

We also reported on initial price negotiations here: While the industry and farmers in Spain and Portugal agreed on +/-130 euros per tonne of raw goods over four weeks ago, things remain tense in northern and southern Italy. Farmers are demanding 140 and the industry 130 euros per tonne of raw goods. A quick agreement is not (yet) in sight. Our local expert suspects: „All prices for tomato products (especially those for tomato paste) will fall slightly in 2024 compared to the previous year. It is currently difficult to estimate by how much.“

Let's hope for good weather and sufficient rain so that the harvest can start as usual around July 25/26 and the positive forecasts for the good tomato year are confirmed. Your contact person for tomatoes at Paul M. Müller: Thomas Schneidawind.

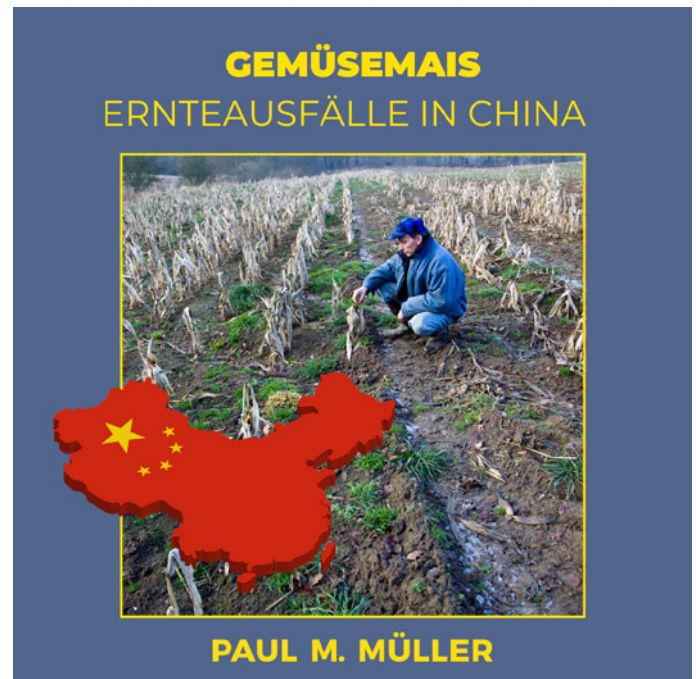


Vegetable corn: Crop failures in China

Vegetable maize from China has played an important role in the European market in recent years. The quality is good and it can be grown and harvested three times a year in the People's Republic. However, growers and producers are currently worried about the summer harvest: two weeks of heavy rainfall from the end of April to the beginning of May hit many plantations in the south of China hard and damaged the plants, which were almost ready for harvest.

An insider told us: „According to initial statistics, the harvest could be 30 to 50 percent lower than usual.“ The good news: Paul M. Müller's maize stocks are well stocked, so we can continue to supply you with high-quality produce.

If you are interested, Eduard Kekel will be happy to help you.



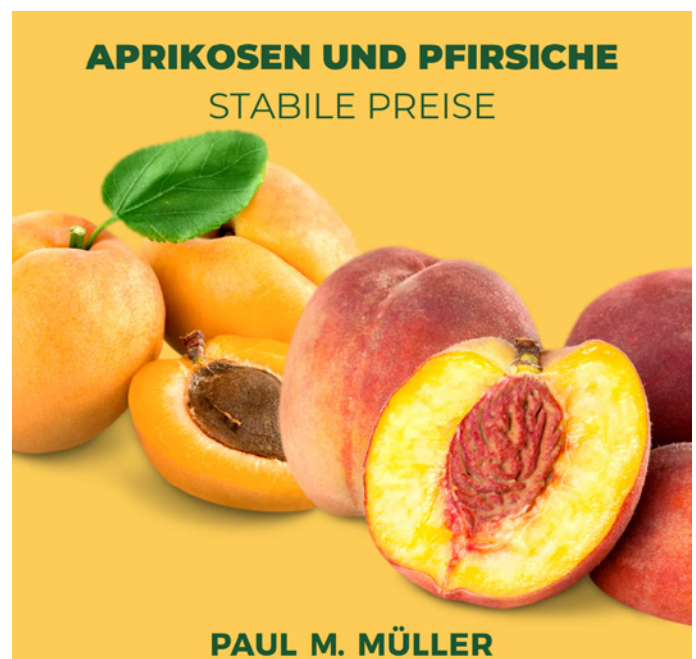
Apricots and peaches: Stable prices

First too warm, then too cold: in January and February, high temperatures encouraged apricot and peach trees in Greece to blossom quickly. Some of them were unable to withstand the subsequent colder weather in March and were damaged. In the apricot-growing regions of Larissa and Veria, initial forecasts therefore predict a 40 percent reduction in yield. In the Corinth region, the figure is around 20 percent. Some farmers have already uprooted apricot trees in order to plant orange trees. For these reasons, prices for raw apricots remain at the same high level as last year, at around EUR 0.55 per kg of raw apricots. More precise price information will be available at the end of May.

Concrete prices for raw peaches are expected later - from around mid-June. However, we have already learned from an insider that these prices will not fall either. The slight decline in prices for cans and sugar will not change this. The lack of factory workers will also be a challenge in 2024 - despite a second increase in the minimum wage, many prefer to work in the tourism industry. In addition, capricious weather conditions (as always) can also affect harvest volumes - and of course prices - at short notice.

Just a few days ago, heavy thunderstorms and rainfall in northern Greece, which affected some trees, reminded us of this.

Sarah Weitzbrich is our expert for this product group and is available to answer your questions.



Maple syrup: Seven million new taps

The omens were very bad, but farmers and producers are showing what a strong community can achieve. How? We explain: Severe (ice) storms and large temperature fluctuations in eastern Canada minimized maple syrup production by 40 percent last year. In the province of Québec - where almost 72 percent of the global volume is produced - the volume fell to its lowest level since 2018. At the same time, global demand is increasing. The Québec Maple Syrup Producers (QMSP = an association of around 8,000 maple farmers and 13,300 producers across Québec) have therefore released seven million new taps to meet the demand for maple syrup in the medium and long term. When asked, we were told: „Maple producers who have received taps must complete them by April 1, 2026. It is therefore not yet possible to estimate the number of taps in operation and their impact on the 2024 harvest.“ In total, however, the approval of the seven million new taps will allow 739 new maple syrup producers to set up shop and 1,871 existing producers to expand. „The total number of taps operating in Québec could thus potentially increase to 62.5 million, with an average production of 200 million pounds of maple syrup per year expected,“ says the QMSP, providing a positive outlook.

Even independent of this expansion, there is good news from QMSP: „We are pleased to confirm that this year's spring harvest will exceed the 2023 harvest. There are even hopes of matching or surpassing the record set in 2022, when 211 million pounds of maple syrup were produced.“

The price of maple syrup is currently expected to remain stable. At the same time, it is worth taking a look at the currency: the Canadian dollar is currently losing value against the euro, making imports exciting. For further information and orders, please contact our experts Eduard Kekel.

In our glossary you will also learn exciting facts about the harvesting and production of the golden yellow to amber-colored syrup. And also our Coconut-maple crunch we do not want to withhold from you.

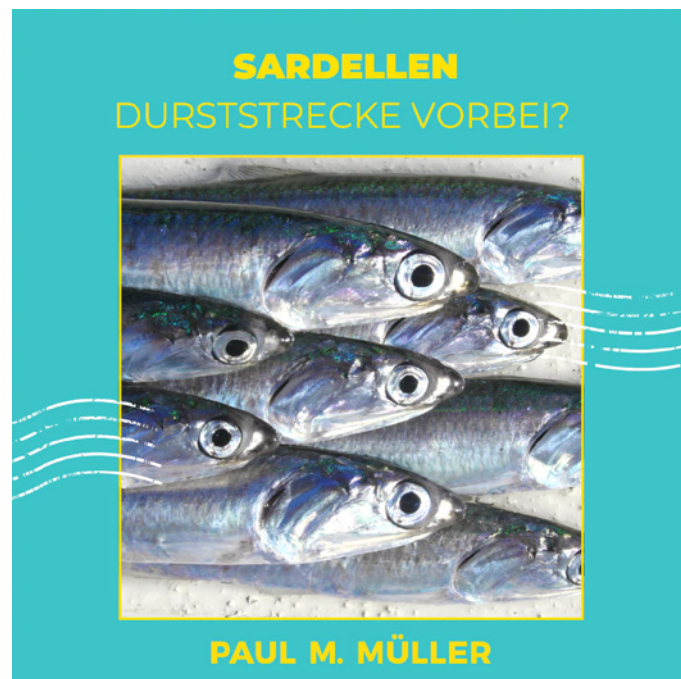


Anchovies: Dry spell over?

A brief review including a positive trend reversal: Over the past twelve months, we have been unable to report anything positive about anchovies. Catches around Peru - but also elsewhere - were low, as was the supply. Anyone wanting to buy the delicacy therefore not only had to expect high prices, but also unpredictable waiting times. We are therefore all the more pleased that the catches are now increasing again and that we are on the road to recovery with first-class goods.

Please contact our expert Eve-Florence Gözl .

Incidentally, anchovies are a semi-preserved product and therefore require refrigeration. During storage and transportation, a Temperature between +5 °C and +12 °C should be maintained during storage and transport.



Pineapples: Small, expensive fruit

First, a vague glimmer of hope: in June/July, the severe drought and heat caused by El Niño - and exacerbated by climate change - could be followed by the long-awaited rain in South East Asia. People and nature there are currently suffering from the longest heatwave in decades. This is particularly noticeable in agriculture: The Thai Food Processors Association (TFPA) has once again significantly revised its pineapple harvest forecasts downwards until July.

From January to April, the harvest volume was already 13 percent lower than in the same period in 2023. As a result, commodity prices have reached their highest point in the last 14 years and are up to 13.20 Thai baht per kilogram. At the same time, the quality is poor: small, unripe fruit with a high nitrate content and sunburn-like damage. It is therefore almost impossible to produce pineapple slices, but pineapple pieces are possible. So we can only hope for rain in the coming weeks so that at least the winter harvest looks better.

Do you have further questions about pineapples? Fabian Kretschmer will be happy to help you.



INTERVIEW



„We have a clear corporate philosophy that is closely linked to our values“

Kai Bergander

Mutti is a family business that has existed since 1899. Old traditions, which are constantly being rediscovered and further developed, coupled with technology and innovation are the recipe for success. Not to forget: The marketing. In an interview with Paul M. Müller, Kai Bergander, National Key Account Manager Food Service at Mutti Deutschland GmbH, talks about tomatoes, awards for farmers and emerging trends.

PMM: What makes Mutti’s tomato products so unique?

The uniqueness of Mutti’s products lies in our focus on the quality and freshness of the raw ingredients. We work with around 800 farmers in Parma and the surrounding area and in southern Italy. Our innovative production process, developed by the Mutti engineering team and patented in several steps, also allows us to preserve the naturally fresh taste of the tomatoes. And: We have a clear company philosophy that is closely linked to our values: quality, transparency, fair payment, appreciation - we are a family business and we live it.

PMM: What happens directly after the harvest?

Around 2-3 kilos are harvested per plant. The tomatoes are loaded directly onto the truck and driven to the factory. There they are subjected to a strict quality inspection. If the quality is not right, a truck may well have to drive straight back from the farm. Conversely, if a farmer provides us with extremely good quality, he is paid accordingly. At the end of the season, we use this principle to select the best farmer who receives

the „Golden Tomato“, which is a bit like the Oscars (laughs). Fun fact: with the „Mutti Polpa“ product, for example, it only takes a maximum of six hours for the tomato to get from the field to the can.

PMM: How can Mutti keep pace with the rapid growth in cultivation and production?

To keep pace with the rapid growth in cultivation and production, Mutti has adopted a strategic approach that combines technological innovation and environmental sustainability. We continuously invest in research and development to help farmers optimize agricultural and production techniques while ensuring sustainability to meet the highest quality standards.

PMM: When will the first tomatoes be planted in northern and southern Italy this year?

Planting of the first tomatoes in northern and southern Italy started at the beginning of March and follows the seasonal schedule.

PMM: As a tomato producer, how do you meet the increasing demand for convenience products with your product range, especially in the food service industry?

Our main focus is still on our classic products such as pelati, polpa and tomato paste. However, we also have items in our range that already have a high degree of convenience, such as our pizza and pasta sauces. These products are increasingly in demand, especially from customers who are not traditional Italian restaurants.

PMM: How do you see the partnership with your customers, especially with your German sales partner Paul M. Müller?

The partnership with customers such as Paul M. Müller is, as the name suggests, very much characterized by partnership. Due to the diversity and requirements of our customers, it is important for us to have partners who can provide the desired service and push us with our customers. As our harvesting fields, production sites and warehouses are located in Italy, it is important to send only full trucks on their way as far as possible. The Paul M. Müller company makes it possible for us to supply customers quickly, over short distances and in small quantities by loading other goods. In this way, we can respond to needs together. We deliver quality to PMM with our products - PMM delivers quality with service to the customer. Quite apart from that: Open, honest communication is important to us - and having reliable partners like PMM. I haven't been with Mutti for that long myself, but I can say that I really enjoy working with my colleagues at PMM.

PMM: What was the trend item with the biggest growth in your range last year?

In the past year, Polpa (fine tomato pulp) has increasingly pushed itself into the limelight. We have seen particularly strong growth in polpa in the practical bag-in-box packaging. Although this will not completely replace the can, it is already finding its way into many businesses. This packaging has several advantages over the can. It is easier to open, the volume is less with a bag in the bin. And: the shelf life is the mom-and-pop quality we know from cans. However, there are still many customers who prefer cans because they can better estimate leftover quantities by looking into the can, for example.

PMM: Why is Mutti so unique in terms of marketing?

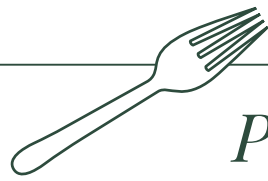
Mutti is a family business with a long tradition and a corporate philosophy based on clear values - we have already talked about this. One of the most important is the high quality of our products. To this end, we continuously optimize our standards in terms of supply chains, production and product innovations. The Mutti brand stands for high quality based on the sustainable use of resources. In recent years, we have invested heavily and consistently in communicating these values. In the same way, we have been communicating the special nature and value of high-quality tomatoes and our Italian passion for tomatoes to German consumers for years. Mutti is now very well known in Germany and is perceived very positively as a brand. Incidentally, Mutti does not come from the German word Mutti, but is the family name of the Mutti family.

Thank you for the interview.

For space reasons, we have shortened the interview for the market report in some places. You can find the entire interview and many more with other interesting interviewees on our [website](#).

Personal details:

Kai Bergander has been working as National Key Account Manager Food Service at Mutti Deutschland GmbH for around a year. He previously worked at Giovanni Rana and in the baking industry. He has always been interested in food - he originally comes from a family of bakers.



Picked up

Fruit of the month: Petra Zilker

Curtain up for Petra Zilker! She joined the Quality Assurance (QA) team on March 1. As a state-certified food chemist, she not only brings theoretical know-how from university, but also over 29 years of professional experience. From incoming goods inspections, sensory analysis and analytics to complaints, supply chains and sustainability - together with Sonja Urban, Barbara Deman and Jacqueline Neyra Rivera De Ofner, Petra looks after a wide variety of areas in QA.



Petra, the tasks in QA are varied. Do you have a main focus?

Basically, I have familiarized myself with all topics and product groups - or am still doing so. This means we can support and represent each other in the team. Nevertheless, we each have our own focus topics. Mine will be the Supply Chain Sustainability Act and sustainability. The latter is also very important to me in my private life. So the topic fits in perfectly. There are also day-to-day tasks such as layout checks, tastings and laboratory analysis.

What is a layout?

Layouts are the labels on the products - i.e. both the individual unit packs and cartons. In addition to the product name, they also contain batch details and other mandatory legal information such as the list of ingredients and nutritional values. We check all of this in QS - for both new and existing products in our portfolio.

You always keep an eye on the inner values of the products, right?

Precisely. That's why we have regular tastings where we check the food - especially its appearance and taste - in detail. We carry out routine tastings here in the office in Oberhaching as part of our incoming goods inspection when we approve new suppliers or when deliveries arrive at our warehouse in Hamburg - after all, we want our quality to be consistently high. We often do this together with our colleagues from Purchasing and Sales, who need to know what they are buying and selling.

What other tests are available?

In addition to these tastings, we measure the Brix content and pH value depending on the food and check the filling quantities and drained weight. We also commission external, accredited laboratories to carry out various tests on food samples. The evaluation and preparation of these results is then also carried out by QS.

What are your biggest learnings since you started at PMM?

True to the motto „learning by doing“, I have familiarized myself with the various product groups. There are a lot of them, but fortunately they are all foods that I often come across in my everyday life. What I didn't realize before was that the variety is huge and the differences are great. Take tomatoes, for example - diced, chopped, sun-dried or as pulp, passata, ready-made sauce... Another memorable moment: the first time I saw and lifted a 5 kg tin - so big and heavy!

We wish you continued success and happiness. Nice to have you here!



Name:

Petra Zilker



Position:

Qualitätssicherung

Lieblingsfrüchtchen:

Äpfel - zum Backen, Snacken und beim Wandern.

Meine Morgenroutine:

Komme, was wolle: Guter Kaffee muss sein.

Auf den Weg zur Arbeit...

mache ich mich möglichst klimafreundlich mit den Öffis oder dem E-Auto.



Diese Superkraft brauche ich:

Mit einem Fingerschnipsen das ganze Haus säubern.



Auf einer einsamen Insel...

würde ich mit einem Buch mit unendlich vielen Seiten und einem Beach-Volleyball samt lieben Mitspieler:innen perfekt klarkommen.

Lieblingsweisheit:

Ein Weg entsteht, indem man ihn geht.

Study: This is Germany 2024



Photo: Nestlé

As every spring, the rheingold Institute and Nestlé conducted a joint study on the topic of nutrition and surveyed 2,040 German citizens aged between 16 and 84. The results have now been published. We find these three particularly exciting:

1. inflation, climate change, war - crises shake up personal security needs. The proportion of respondents who rate their own economic situation as (very) good has therefore fallen from 65% in 2018 to 42%. After a previous continuous increase, the figure is therefore significantly lower than at the time of the financial and economic crisis in 2008 (50%). Nevertheless, 74% of respondents perceive their own quality of life as good or very good.



Photo: Nestlé

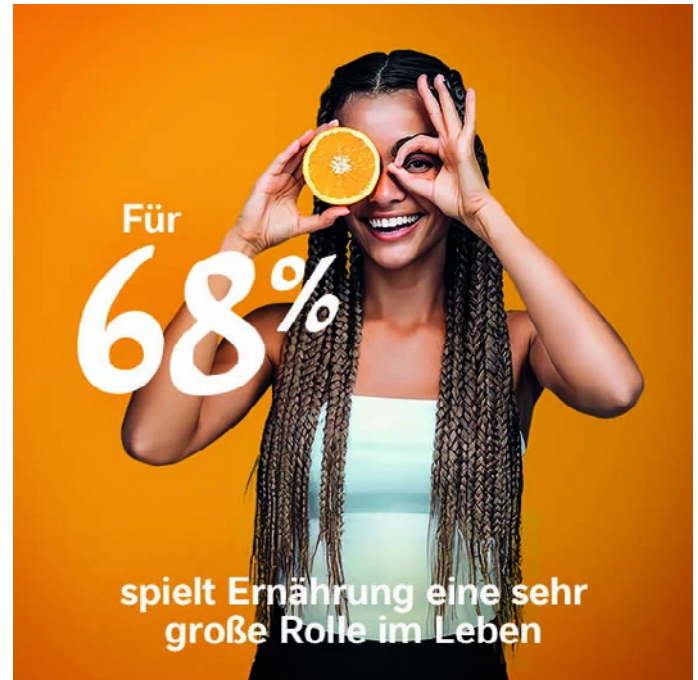


Photo: Nestlé

2. cooking and eating habits are changing. In some cases, sustainability criteria are becoming less important when buying food, for example seasonality (40% instead of 50% in 2018) and regionality (44% instead of 57% in 2018) or naturalness (36%). Instead, a particularly favorable price is once again the decisive factor in purchasing decisions - 58% of respondents make their decision based primarily on their wallet.

3. nutrition increasingly serves more than just food intake - but also includes other aspects such as health optimization, moral requirements and climate protection. This becomes clear when looking at the figures for meat-reduced diets: 48% of respondents describe themselves as flexitarians, 16% are reconsidering their meat consumption, 7% are vegetarians and 2% are vegans. 27% of respondents are „unconcerned meat eaters“ - in other words, they have no intention of changing their consumption.

A lot going on at QS: IFS audit

Eight hours of auditing lie behind Paul M. Müller: Our quality assurance team had prepared everything accordingly and accompanied the IFS audit last week.

The IFS Broker 3.1 standards are checked there once a year using a checklist.

You can find further information on our certifications at our website and here a brief review of last year's IFS certification which we successfully passed.



Our intern: Gabriel Mataushek

Focus on the future and young people: Gabriel Mataushek (17) is currently strengthening our company with a nine-week internship. He attends the technical college in Holzkirchen and is planning to get a taste of a medium-sized company in the second half of the school year.

„At the beginning, I didn't know what to expect,“ Gabriel recalls of his first day as an intern and says: „But my colleagues immediately integrated me in a very friendly and caring way - and I immediately liked the modern office. I've already been able to take part in many customer meetings and get to know the industry better. In addition, all the employees explain topics and areas of responsibility to me logically and patiently, so that I can then do a lot of things independently. I can therefore highly recommend the internship and am very grateful that I was given this opportunity.“





Die gute Nachricht

Oberbank canteen: The good news

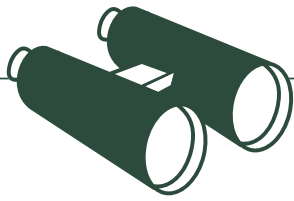
In order to protect the environment, the canteen at Oberbank's head office has been offering customers the opportunity to take home leftover food in the early afternoon at a reasonable price for about six weeks now. This innovative initiative by the regional bank based in Linz, where Paul M. Müller is also a customer, aims to prevent food waste.

Johanna Breuer-Wagner, Group Head of Infrastructure, Purchasing and Cost Management at Oberbank AG, explains: „Every employee who works near the head office can order a menu consisting of soup, main course and dessert at a great price-performance ratio.“ Orders are placed in advance so that quantities can be better planned. Nevertheless, due to illness, absences and other circumstances, it sometimes happens that food is not consumed at lunchtime. If, for example, only 10 percent of 600 meals ordered are not picked up, this corresponds to 60 surplus meals produced.

The idea is for employees to bring their own containers to take home individual portions for themselves or their loved ones and thus make careful use of resources such as energy, water and working time. This is a valuable contribution to sustainability and the good news for us in today's food news.



Photo left: Oberbank press photos



Outlook

Corpus Christi: We are here for you!

May 30 is a public holiday in eight federal states in Germany (Corpus Christi). Also for us in Bavaria!

However, we will still be there for you on this day with a contact person from Purchasing, Sales and Logistics and can be reached at the usual times.



Chef of the year: Finalists have been determined

Honor to whom honor is due: On May 4 and 5, a total of six finalists were chosen live in the Allianz Arena for the „Chef of the Year“ competition. Christopher Ehler, Simon Scheuerlein, Ivan Lazarenko, Alexander Högner, Florian Kornexl and Jaspar Wcislo will therefore meet again in the final - on October 21 at the Kameha Grand in Bonn. We are already keeping our fingers crossed.



Photo copyright: Alexander Koch



PMM Community

You want to tell us a story or share experiences from the industry? Do you have feedback for us? Photos or stories? We would like to invite you to actively shape the PMM Market Report, and we welcome every contribution, suggestion and criticism. THANK YOU for taking the time to read and be a part of our PMM community.

Your  from Paul M. Müller