

MAGNESIA: The Hidden Champion From Germany presents latest news and announces MAGNESIA Virtual Expo from 21.6.- 2.7.2021



MAGNESIA is an international distributor of mineral compounds, headquartered in Lüneburg, 50 kilometres South of Hamburg in Northern Germany.

Lüneburg is well-known for its salt deposits in the ground. During the Middle Ages, the Lüneburg saltworks, first mentioned in a document in 956, brought the city's natural salt deposits to light. At that time, salt was mostly used to preserve food through the process of pickling. Therefore Lüneburg became an important stop for merchants on their routes and an extremely wealthy city.

Since then, the saltworks and successor companies have permanently produced brine under various ownerships. In 1907, the "Saline Lüneburg und Chemische Fabrik GmbH" started to produce and sell magnesium and calcium compounds besides the salt. It was not before 1980 that the approximately 1,000 years of operation of the Lüneburg saltworks came to an end and that MAGNESIA had been founded in 1983 as the successor company re-starting the trade of mineral compounds.

Today, MAGNESIA consists of a team of 50 people. The company is trading more than 15,000 metric tons of mineral compounds across the entire world with a revenue of €30 million in 2020.

The secret of MAGNESIA's success is quite simple: Since its early days, the company has managed to align its business activities with customer requirements. The key is to generate a real and transparent added value for the supply chain.

The comprehensive know-how regarding the markets and products, followed by qualification processes of products and suppliers, providing a quick and personal customer service - from the enquiry to the final delivery - is what is valued most. At MAGNESIA they benefit from experiences and knowledge from the past. The people have managed to preserve it and pass it on to new colleagues. Much more, they are not only maintaining their knowledge but are constantly improving their level of consultancy for the customers. Especially the latter is extremely helpful in a market with lots of suppliers and even more fields of applications. And this is, what is making MAGNESIA a second-to-none supplier. The MAGNESIA sales team is cooperating with its clients very closely. They will become part of the client's sourcing or R&D department and will always find the right compound for the customer and his application requirements.

In the mineral compounds business, MAGNESIA is used to ever new customer requirements and special requests. To provide the ideal consultancy for the customers MAGNESIA and its employees need to be specialists in their fields of



application. Therefore the company has implemented individual business units per industry segment, i.e. Pharma and Cosmetics, Nutritional and Health Supplements, Food and International Business, Technical Magnesia and the Lightweight Fillers-unit. Due to this structure, MAGNESIA is able to understand the customers' needs. They can source the right products in the market and then can provide fast and reliable solutions for the customers. Pharmaceutical, cosmetics or food



Managing Directors Johann Studtmann and Markus Cording

industry are highly regulated markets. To offer best possible assistance, seamless regulatory and documentary support is a part of MAGNESIA's service, too. All goods will arrive at their customers' with the required documentation.

To maintain or even improve this level of consultancy, another important key to success is to create a perfect working environment for MAGNESIA's employees. The management is well aware of the fact, that at MAGNESIA, the employees are the key to success and that motivated employees will lead to achieve business goals and to succeed in the market. Therefore, the company steadily invests in excellent staff and professionals for different specialist departments. Even throughout 2020 - which was seriously affected by the pandemic - MAGNESIA increased its workforce by another 20% by recruiting employees in the

departments quality unit, sales, purchasing, IT and warehouse. MAGNESIA is always striving to increase the company's capacities and its competitiveness. With this increase in qualified personnel a further increase in sales and revenues is expected in 2021.

MAGNESIA is proud of its excellent market position. A variety of industries in Europe contact MAGNESIA first, when R&D or purchasing departments need a supplier for mineral compounds. At this point, the MAGNESIA is the best distribution partner for Magnesium, Calcium and further mineral compounds for the pharma, cosmetic, food, nutritional and technical sector across Europe. This is the case because of a variety of internal and external factors: The good location within the center of Europe with great logistical links to long-distance traffic, rail freight, international cargo port as well as the airport in Hamburg. Many customers seem to value doing „trade with Germany“ as a positive attribute, similar to the attribute “made in Germany,” as this stands for high-quality products, sourcing and process standards. MAGNESIA puts great importance into product and supplier certification. All products are subject to an extensive entry and qualification process. This starts with the qualification of suppliers and products, continues with incoming goods inspection, regular laboratory analyzes and LIMS-controlled batch release and individual labelling of the goods. And of course the individual and profound service and advice that is offered by the teams of experts from the different divisions. All this sums up in high customer satisfaction rates (>94%; 2020).

MAGNESIA is strong in the products that are already shown in the company name MAGNESIA: Magnesia is widely used as a synonym for Magnesium oxide, which is indeed the company's strongest product. The company is offering more

than 50 different grades of Magnesium oxide with different product specifications. All these different grades are the basis to be used in different fields of industrial applications for a broad variety of industry segments. Not only the oxides but all types of compounds are carefully selected from the best manufacturers around the globe in order to present a broad variety of possible products. This is possible by the very good understanding of knowing markets and knowing customers' demands.

Furthermore, MAGNESIA does not rest on the status quo but always challenges itself and the way of working. Innovation is one key concept of Magnesia. In the future, MAGNESIA will focus on expanding its product portfolio with "Magnesia Exclusive" products. These products will offer special specifications in order to meet special customers' requirements. In 2020, the company already started with the newly founded business unit Lightweight-Fillers and enlarged its range of products accordingly. The aim is to become Europe's specialist for this type of products in the next 3-5 years.

In 2021 MAGNESIA is breaking new ground with regard to its digital activities. Digital transformation in traditional distribution is a daily challenge that MAGNESIA is willing to accept and to consequently follow in every situation. Therefore, the company is pushing its digital activities. In this context, MAGNESIA is developing a white label

product range. This new business model extends the current value chain and will make MAGNESIA become a digital hub. By this strategy, MAGNESIA can offer to new types of customers off-the-shelf products that can be sold by the customers immediately in their existing distribution channels.

In recent years, individual health has gained much more attention. People understand the need for healthy food and healthy living. MAGNESIA's range of products being suitable for healthy food supplements matches this current trend. The team is committed to supporting consumers' health and MAGNESIA is proud and thankful, that the markets are giving positive response that this area is having a bright future.

Facing the challenging pandemic situation and the resulting restrictions the market has to face in so many areas, MAGNESIA is still trying to offer as much personal consultation as possible. This year, the company is breaking new ground by offering the MAGNESIA VIRTUAL EXPO 2021, an event for all who are involved in the mineral compounds market. All customers and interested companies are invited to join and meet the MAGNESIA experts in virtual conferences and live chats. In this direct approach MAGNESIA's experts from the pharma & cosmetics, nutritional supplements, food and technical division will inform about the latest news and trends, will share their market knowledge and remain at the customers' disposal to discuss specific requirements in 1-to-1 meetings. Any

interested company, of course, has the possibility to register for free on the company's website for the event.

MAGNESIA's strategy in the next years will face digitalization as well as innovative solutions in the current traditional market and exclusive partnership for new products in the pharmaceutical and nutraceutical segments. Especially the COVID-19 pandemic has shown, that digitalization is imperative to this still relatively traditional industry. In addition, MAGNESIA will take responsibility for the natural environment. Sustainability in daily actions, in the selection of products as well as suppliers, and in daily work will become even more important. Therefore, part of the company's strategy is also to reduce the CO₂ footprint significantly within the course of three years.



www.magnesia.de

Valio to spin-off Valio Oddlygood® business operations – the aim is to accelerate international growth

Valio is spinning off the business operations of the plant-based Valio Oddlygood® products to Oddlygood Global Ltd. The company aims to accelerate growth by creating a network of partners. The partners could be, e.g., distributors in markets where Valio doesn't have its own network. This would give Valio Oddlygood® products a faster track to various target markets. The spin-off also enables the core team to have the best possible focus on business development.

"People are increasingly interested in plant-based products, and changing global consumer trends are behind this. We see a lot of opportunities for Valio in the strongly growing market for plant-based products in Finland and abroad. Oddlygood Global Ltd is a launch that aligns with our new strategy aiming to expand Valio's international business. We will now pursue this growth increasingly stronger with Oddlygood Global Ltd and international partners," says Valio's Tuomas Salusjärvi, Executive Vice President, Growth Businesses and R&D.

Oddlygood Global is seeking one or more partners who can bring distribution and sales networks as well as resources to accelerate international growth in various markets.

Oddlygood Global will be led by CEO Niko Vuorenmaa, previously SVP Valio Food business unit. Reetta Tikanmäki, previously Valio's Category Manager, is appointed Chief Operational Officer.

Petteri Leskinen, previously Valio's SVP, Business Development, will head finance as Chief Financial Officer. A total of 6 individuals forming the business line will transfer to the company.

Strong expertise as a competitive advantage

Valio brought plant-based snacks and beverages to the market in 2018 under the Valio Oddlygood® brand, and the product portfolio has since expanded to the plant-based cheese alternative Oddlygood® Veggie products. Valio Oddlygood® products are currently exported to Sweden, the Baltic countries, Russia, and the United States, among others. Sales of Valio Oddlygood® products doubled from 2019 to 2020, and the goal is to further grow sales more forcefully.

"Our strengths include our comprehensive experience with food sector business operations and, together with Valio, high-quality product development and production know-how going back 116 years, ultramodern production technology, and premium raw materials like Finnish oats. Valio Oddlygood® products already have a strong foothold in Finland and Sweden. Growth with the support of a partnership network offers us a faster track than organic growth to markets where we don't yet have our own sales and distribution network," Niko Vuorenmaa says.

"Valio has world-class research and develop-



ment expertise. In addition to milk products, we are able to apply this expertise broadly to many other raw ingredients. Spinning of Valio Oddlygood® business is one of the new operational models that we use to pursue more extensive commercial utilization of our expertise, and international growth," says Valio's CEO Annikka Hurme.

Valio's research and development activities rank high on a global scale. Valio's patent portfolio is extensive and the ability to innovate covers much more than just traditional milk processing activities. Valio utilizes its R&D capabilities full-scale to its whole portfolio. Valio has successfully capitalized on its deep understanding of the properties and interplay of different proteins, fats, carbohydrates and minerals to develop superior milk and vegetable based products.

www.valio.fi