

Croatia

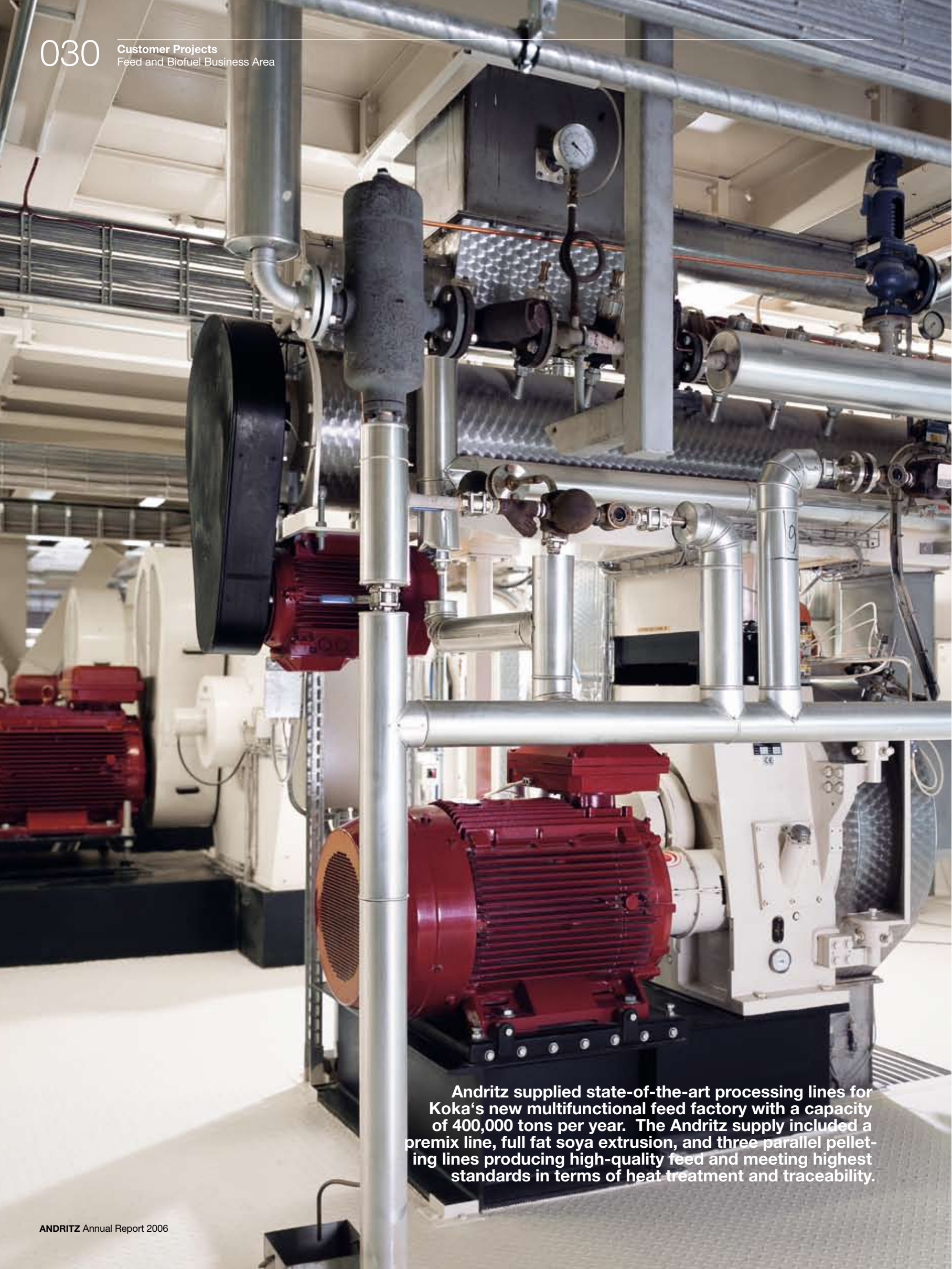
Biomass is a renewable source of energy that can be used to replace fossil fuels thus reducing environmental impact. The Andritz Feed and Biofuel Business Area is the world market leader for plants and systems for the production of environmentally friendly biofuel pellets from renewable materials, such as wood, peat, and agricultural by-products. In this way, highly valuable fuels are generated from materials that would otherwise have to be disposed of.

Pakleni Islands in Croatia



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Dragutin Drk, Chairman and CEO of Vindija Group, Croatia



Andritz supplied state-of-the-art processing lines for Koka's new multifunctional feed factory with a capacity of 400,000 tons per year. The Andritz supply included a premix line, full fat soya extrusion, and three parallel pelleting lines producing high-quality feed and meeting highest standards in terms of heat treatment and traceability.

FROM FARM TO FORK

Interview with Dragutin Drk

Chairman and CEO of Vindija Group, Croatia

The Vindija Group developed from a small dairy established near Varaždin, Croatia in 1959. The company takes its name from the nearby Vindija cave which contains Paleolithic artifacts and Neanderthal skeletons dating from more than 200,000 years ago. Today, the state-of-the-art Vindija Group is an internationally known cheese producer, a leader in the dairy industry, and has expanded its portfolio to include juices, poultry, pork, and bakery products. Andritz supplied the production systems for a new feed mill at Vindija's Koka subsidiary. The mill is capable of producing 400,000 tons of animal feed per year. Dragutin Drk, Chairman and CEO of the Vindija Group, talks about the company's aggressive internationalization and Andritz's contribution to the company's expansion.

Personal background

I went to dairy school and then studied Economics at Zagreb University. I started my professional career in 1961 as production manager for Vindija. Four years later, at the age of 27, I was appointed General Manager. When I started working for Vindija, it was a small dairy with 25 employees, which supplied milk to the city of Varaždin. Today, it is the largest food company in Croatia. In my managerial actions, I have always given particular attention to the relationship with my employees because I firmly believe that people are the decisive criterion for quality.

Vindija profile

The Vindija cave, now an archeological treasure, was once used for the ripening of cheese. We took the name to evoke a link between the cave as a natural milieu for cheese and our current position as the largest food industry in Croatia (325 million Euros of sales and 3,300 employees). We have over 900 products and approximately 12% of our sales are exported to regional countries and the European Union.

Our Koka (chicken) and Vindon (turkey) subsidiaries are the only poultry producers in Croatia certified to export to EU countries. Koka was founded in 1961 and is now the leading chicken meat producer in Croatia. The business is fully integrated – from breeding to hatchery to broiler farms, feed mill, slaughterhouse, and processing.

Key to success

Using quality raw materials and state-of-the-art processing technologies are key factors to us being certified to

international quality standards. We are the first in Croatia to meet the International Food Standard (IFS).

We understand the need to make investments in the best technologies to support our production increases, improve quality, expand our product assortment, and improve our profit margins. This has permitted us to expand our markets beyond the region and into the European Union.

BIODar and a new feed mill

BIODar is the brand name of the feed generated by our new mill. Koka built its first feed mill in 1964. It produced feed blends for breeding poultry with a capacity of 120,000 tons of feed per year.

There have been significant developments in poultry production and feed science since that time. Over the years, we added equipment and rebuilt our processes to increase capacity and improve the feed – such things as adding heat treatment for blends (pelleting and adding liquids). But we reached our practical physical limits and decided to build a completely new modern factory.

The goals which we wanted to accomplish with the new construction were to more than triple our production capacity, improve the feed quality, and trace the production "from farm to fork" to conform with the latest EU regulations.

Andritz capabilities

Before this project, we had no direct experience with Andritz. During our analysis and negotiations, we visited several reference installations. The impression we got during the visits played an important part in our selection of Andritz.

Our criteria were straightforward. We wanted a long-term and reliable partner because our projects are based on long-term goals. We wanted a supplier who could offer a turnkey package. And, of course, we were looking for value for money invested.

Andritz has a long tradition supplying technology for feed mills. They were flexible in applying their technology to our needs. They were willing to deliver a turnkey solution with guaranteed quality and capacity. And, they offered a competitive price. We signed the contract with them in February 2003.

Andritz's scope

Andritz worked with our Koka team to design the process. Then they delivered all the production lines, including automation systems, for the factory's 400,000 tons per year production. There are two lines for pelletized feed for poultry, one line for pelletized special diet feed, an integrated process line for thermal treatment of full fat soy beans, and a complete premix process line for the addition of vitamins and minerals which serves the feed factory as well as bagged products for third parties.

During construction, Andritz supervised the installation. We suffered through a long and extreme winter, which delayed civil construction. When the physical construction was completed, Andritz started up the factory in February 2006.

Performance

The project for turnkey delivery stayed within the defined budget. We encountered construction delays along the way, as a result of situations beyond our control, but each challenge was solved mutually and with good cooperation.

The feed mill is working to design capacity and supplies Koka with fodder blends. In addition, we are supplying other customers with different types of blends and pre-mixes for all animal categories. There is a noticeable improvement in the feed quality.

Since the factory is so close to the city of Varaždin, Andritz had the responsibility to reduce municipal waste, and to minimize dust emissions and the release of any pollution into the environment. They have achieved all these targets. In addition, they installed systems for recovering and reusing waste heat from the production process.

Over the longer term, it will be important to see what impact the new fodder blends from the factory will have on the health and growth of the animals.

Andritz demonstrated to us the ability to offer a complete project from design to start-up with guaranteed capacity and final product quality. ■