

# we in europe

For esco – european salt company staff

## esco locations: SOPOMA S.r.l. - esco distributor in Italy



esco's "Salt Team Italy": SOPOMA executives Angelo Filipazzi, Stefania Santini, Serena Vestene

SOPOMA is abbreviated from the Italian company name Società Potassio e Magnesio, or Potassium and Magnesium Company, in English. It was established in 1984 in Northern Italy's famous home of opera, Verona, and 14 years later became the K+S agency for salt in Italy.

Angelo Filipazzi, Sales Manager for SOPOMA's salt business explains: "Up to now we have achieved a six to eight percent share of the Italian salt market. These figures fluctuate according to the level of winter business. In the very attractive specialities sectors, we have significantly higher market shares, namely 20 percent for water softening, while in the pharmaceutical applications segment we have even established a clear market leadership with 60 percent."

The salt team at SOPOMA operates in a difficult market. Total demand for salt in Italy amounts to some 1.1 million tonnes, but there are numerous potential suppliers, including the partly state-controlled Italkali, based in Sicily, and Atisale, the producer of sea salt and vacuum salt located in the Italy's Apulia region. Then there are the exporters from France, Germany, the Netherlands and Austria. Furthermore, closures of chlorine electrolysis plants have recently brought large quantities of new salt onto the market.

Angelo Filipazzi is nevertheless optimistic: "Although we are at a structural disadvantage because the supply plants are relatively far from our markets, I expect our sales to remain stable in the future, not least because of the outstanding quality we offer and the many specialities in our product range." Another reason for the good prospects, in Filipazzi's view, is the "excellent working relationship with all members of staff within the esco Group".

The platform company SOPOMA S.r.l. has a total of seven employees. The salt business is the responsibility of Filipazzi and Stefania Santini in Customer Care Service, for whom Serena Vestene deputises during holidays and other periods of absence (see photo).

## News: Ickenroth GmbH sponsors young footballers

The "E-Jugend" junior football team from Staudt will be wearing a new strip this season, thanks to sponsorship generously provided by Ickenroth GmbH.



Managing Director Rainer Klausch and commercial manager Manuela Schäfer from Ickenroth GmbH with the lucky players of the "E-Jugend" junior football team, aged between eight and ten. "The smaller ones still have to grow into their shirts, but that doesn't mean they are any less delighted to receive their new strip", reports Rainer Klausch.

## Interview: “Extending our market lead by a policy of investment and cost reduction”



Erich Krug, Reinhard Dust

**The 2007 business year is drawing to a close. Poor sales of de-icing salt and a difficult market situation for all other types of salt will have an impact on the balance sheet. Nevertheless, esco directors Reinhard Dust and Erich Krug are optimistic about the future. *we in europe* asked them why.**

◆ **What is your personal assessment of 2007?**

**Dust:** We have indeed seen a very poor year for de-icing salt. But at the same time, it must be said that this is the first bad year in esco's almost 6-year history. A timely reminder that we cannot expect record winters every year.

**Krug:** For our other salt products too, we have been faced with unprecedented cost increases since 2006, if not before. Energy prices, in particular, have been a major factor in pushing up our costs. My assessment of 2007 would be: a very difficult year!

◆ **Surely esco was not the only company to be affected by the mild winter of 2006/2007?**

**Krug:** That's true. Our competitors have either recorded negative results already or will experience a major drop in profits, as the next set of balance sheets to be published will show. But the salt industry is a global business nowadays. Each year, new competitors enter the market and some of them have highly competitive cost structures.

**Dust:** esco has a relatively strong position in relation to some other major European competitors; that is certainly true. But they too are working very successfully on cost-cutting programmes. We can only maintain our strong position if we continue to pursue a policy of cost leadership. Our structures must be fine-tuned so that we can successfully come through several difficult years like this one.

◆ **How do you aim to achieve that?**

**Dust:** 2007 has been a warning shot for us. We have no control over what any winter will be like and it is far from certain that the next one will be any better for us than the last one. Without a doubt, we have to make full use of every opportunity to reverse the trend of shrinking margins. Throughout the company, we must make everyone aware that we are currently facing our greatest challenge.

**Krug:** Above all, it is important for us to strengthen our year-round sales by means of our non-de-icing salts. That is the basis for our business.

◆ **What lessons can be drawn for 2008?**

**Dust:** Our aim is to extend our market lead in Europe, in spite of short-term setbacks in terms of the operating result. Estimated investments and maintenance expenditure in excess of 60 million euros for 2008 speak for themselves, I think.

◆ **What projects do you consider particularly important?**

**Dust:** As always, we are, of course, implementing a whole range of measures, some of which will only produce the desired impact in combination. But I would like to single out the cooperation with Omrin, which is investing 140 million euros and, as from 2010, will supply Frisia with steam and electricity at attractive prices from their alternative fuel power station.

**Krug:** We are pursuing numerous projects which will enhance our market and cost situation without any compromise on quality. One of the most important is undoubtedly increasing the dry salt capacity of the Borth salt works.

◆ **What wish would you make for the New Year?**

**Krug:** Good health for us all and a good business year in 2008!

**Dust:** I can't really add anything to that, except to wish all esco staff a Merry Christmas and an excellent start to the New Year and to say that I hope we continue to work together as successfully as we always have in the past.

## 2008 business plan: Investments to strengthen competitiveness

**esco plans to boost its competitiveness by significantly increasing its spending on maintenance programmes and both new and replacement investments, compared to previous years. Forward-looking projects will serve to achieve necessary cost savings.**

ing machine is to be replaced at the Braunschweig-Lüneburg plant. Frisia Zout in Harlingen is to receive a tablet press and the Borth plant will be adapting its power supply in line with new requirements. Investments are also being made in France, with more than

trifuge at Borth, we are able to feed the downstream dryer without any interruption.”

An optimised power supply system is being set up at the Bernburg location. In a similar way to Braunschweig-Lüneburg, the waste heat from a biogas plant is now to be used by the plant in Saxony-Anhalt. Dr. Andreas Leckzik, head of both plants, explains further: “The biogas plant will produce 3,000 megawatt-hours per year to cover the base load heat demand of the loading building. 30 percent of the heat generated from natural gas at twice the cost will thus be replaced. Furthermore, we expect additional savings thanks to improved control technology, giving an annual cost reduction totalling Euro 120,000.”

The Bernburg biogas project is another alternative to costly natural gas. It is esco’s third such energy project, alongside the bioheat supply for Braunschweig-Lüneburg and the planned alternative fuel power station to be operated by Omrin, which will supply heat and electricity for the vacuum salt plant in Harlingen.



Soon the Bernburg plant will also be drawing its energy from the Gröna biogas plant. The picture shows the same type of biogas plant in Gollensdorf, with a heat generation capacity of 3.4 million kilowatt-hours and an electricity output of 625 KW, both operated by the Hamburg-based company Epuron.

esco has around Euro 28 million at its disposal for maintenance work in the coming year. “If we have a good winter for the de-icing salt business, and therefore increased utilisation of production capacity, the maintenance budget could increase further,” explained Dr. Klaus Peter Breidung, who is head of production at esco and also responsible for budget planning for the entire salt business of the K+S Group.

Replacement investments include an additional scraper to be installed at the North Store in Bernburg, whilst a scal-

Euro 2 million budgeted for the plants there in 2008. In addition, there are numerous smaller investment projects.

New dry salt capacity will also be created at Borth. The vacuum salt capacity of the salt works can then be increased by some 5 percent, or 12,000 tonnes. This additional capacity is to be used, in particular, to optimise freight costs in the current supply area of the sister plants in Bernburg and Harlingen. Thorsten Köpp, esco’s salt works specialist, explained the background to the project as follows: “By using a second large cen-

## News: New managing director at esco Nordic



Lars Hällegårdh became the head of esco Nordic in October

**Lars Hällegårdh, previously Sales Manager at esco Nordic, is now in overall charge of the Scandinavian subsidiary's business activities. On 1 October he succeeded Fredrik Nordberg as the head of esco Nordic.**

Lars Hällegårdh, who prefers to be called "Lasse" by his friends, gained an MBA before spending many years in import/export and in international distribution of steel products and raw materials. His move to esco in January 2007 was preceded by 18 years in various posts at ICI, most recently as Nordic Account Manager for all acrylic products business in Scandinavia and the Baltic states. Hällegårdh is thus the ideal man to be at the helm of esco Nordic, which markets not only the complete range of esco salt products, but also the industrial products and fertilisers of K+S Kali GmbH in the north.

"I applied to esco because, after 18 years, I was keen to experience a different sector of industry," says Hällegårdh. "The management style and working atmosphere at esco are impressively single-minded, modern and, in the best sense of the word, European. At the same time, there is a cooperative, friendly and relaxed atmosphere, and that is something I value. Furthermore, I really enjoy working with the small,

and largely new, esco Nordic team – three out of the five of us only joined the team this year."

"It gives me great pleasure to work with customers in the neighbouring Nordic states", says Hällegårdh. Apart from Swedish, he is also fluent in English and German, has a working knowledge of French, and knows the seven most important terms in Finnish: "Hyvää Päivää" (Hello), "Kyllä" (Yes), "Kippis" (Cheers!), "Kiitos" (Thank you), "Yksi, kaksi, kolme" (One, two, three), "Lentokenttä" (Airport) and, of course, "Suola" (Salt).

In his leisure time, Hällegårdh likes to recharge his batteries by listening to music or reading a good book. He is married with three children and has a Labrador called Ludvig.

"I only came to esco Nordic in January 2007, so I still have a lot to discover," says Hällegårdh. "But the open-mindedness and friendly support that I've received from my colleagues within esco and the K+S Group are a great help. It's fun working in this international team, and developing esco Nordic in Scandinavia." – We wish you every success, Lasse!

## TQM: esco benelux: Congratulations on the successful audit!

**Even though there were only a few weeks available for preparation, the esco plant in Brussels successfully completed the stricter audit procedures demanded by the GMP B3 standard for animal feed.**

Recertification became necessary when the warehousing facilities at the Brussels location were taken out of service. So, the management at esco benelux decided to take up the challenge of the more demanding GMP B3 standard, without making full use of the permitted transition periods.

"In effect, we only had a few weeks in which to prepare for the audit in September," Wendy Vandenberghe recalls. She was responsible for implementing the specifications of the standard on-site, along with support from quality manager Philippe Daloze and the esco TQM (Total Quality Management) team. What's more, the company also moved premises within Brussels around the same time.

The areas in which GMP B3 is stricter than the previous standard are, in particular, risk analysis (HACCP) and possible product recall. As Adriane Schaefer,



Wendy Vandenberghe prepared and implemented the audit for esco benelux

responsible for TQM at esco, is pleased to report, "esco benelux passed the audit in grand style, without a single nonconformity".

The GMP standards for animal feed were introduced more than ten years ago by the Animal Feed Product Board in the Netherlands, known as PDV (Productschap Diervoeder). Since then it has developed into a leading standard for animal feed quality and safety, and numerous European animal feed dealers, manufacturers and transporters now insist on compliance with the GMP regulations at all stages of the value chain in their business.

## Market news: K+S exhibits at the 15th Highway Maintenance Conference in Ostrava



K+S exhibits at the 15th Highway Maintenance Conference in Ostrava

**In October, the platform company K+S CZ a.s. took part in the 15th Highway Maintenance Conference of the Czech Republic, held in Ostrava.**

A total of 63 exhibitors were present from 22–24 October and the visitors to the conference consisted mainly of representatives from roadbuilding companies and manufacturers of road-main-

tenance equipment and road markings. The presentations by senior staff from the Ministry of Transport and from the Highways Authority were attended by over 1,100 delegates.

Miroslav Krejci, Sales Manager at K+S CZ, welcomed numerous directors of road maintenance departments and their representatives to the stand run jointly by K+S CZ and its agency, H+M Trading. The discussions centred both on the business relations of the previous years and on the future demands to be met in highway winter service. The participants especially appreciated the opportunity for a one-to-one exchange of views between experts.

Krejci summed up the event as follows: “All our business partners confirmed that they were very satisfied with the deliveries of early orders for esco de-icing salt during 2007. In the coming winter season, many road maintenance

departments will once again be putting their trust in the proven track record of the K+S CZ delivery service and esco. They also value the reliability and flexibility of the storage locations for de-icing salt in Lovosice, Kostelec and Struharov.”



Expert discussion with customers. From left to right: Miroslav Krejci, K+S CZ; P. Erban, economist and Director General of the Liberec Road Maintenance Department; J. Rechcigl, Director of Liberec Road Maintenance Department, S. Machacek, H+M Trading

## Salt and health: Salt is not to blame for heart disease!

**Can reducing the amount of salt in the food we eat help to save lives? For over 30 years now, some politicians and health organisations in the USA and Europe have been telling us that it can. Morton Satin, from the Salt Institute in America, demonstrates that not even the latest contribution to the scientific discussion is able to confirm the hypothesis that salt is harmful to health.**

The Finnish scientists Heikki Karppanen and Eero Mervaala recently published the results of a study showing that lower consumption of salt in Finland correlated with a reduction in cardiovascular disorders over the last 30 years. Morton Satin, on the other hand, demonstrated that the same clinical symptoms are

decreasing even further in the USA in spite of an upward trend in salt consumption.

Furthermore, he maintains that another supposed proof that salt consumption and negative health effects are connected is misleading. The authors of the Finnish study state that life expectancy rose by five to six years during the period when the Finns restricted their salt consumption under government guidance. But the Americans did better here too. According to Satin, life expectancy among Americans rose by eight years during the same period, even though salt consumption increased.

So instead of being bad news for all salt-lovers, the report from Finland has



The good name of salt is close to his heart: Morton Satin from the Salt Institute

rather backfired on its authors. In effect, it vindicates salt rather than condemning it, as was originally intended. Morton Satin expressed the following view on the widely held fears about salt: “It is a false premise, and no matter how rational the explanation may be, it remains a false premise.”

## esco brands: The French table salt brand Cérébos®

**The handy shakers with the image of a small boy chasing after a bird and spreading some salt can be found in practically every kitchen and are most popular in France. But what is the history of the brand Cérébos®, and what story does the picture tell?**

Once upon a time, there was a small boy with a most delicate health. The doctor prescribed calcium phosphate as a remedy, but the boy did not like the taste and refused to take it. Which is why his concerned father was looking for a more tasty ingredient to mix with. Soon he found it in the form of a pinch of fine salt. Without any further resistance, the boy took the mixture and could recover again. While his father – a chemist – had, by chance, happened upon the important discovery that adding a small amount of calcium phosphate prevents fine ground salt from caking.

That was more than hundred years ago, back in 1892. The father started developing a suitable, innovative product packaging that provided additional protec-

tion against humidity. In 1902, he launched the first shaker of Cérébos® table salt to the French market.

The chemist named his product "Cérébos" after the Roman goddess of the crops – "Ceres" – and after the bone disease his son was suffering from – "os".

The first picture to accompany the brand name was, by the way, an ear of wheat. It was only in the 1960s that the wheat was replaced by the picture of the little boy trying to catch a bird by spreading salt upon its tail – an allusion to a French proverb or saying. This change in pictures was to make the brand easier to recognize as well as more dynamic. The choice of the little boy is an homage to the son of the creator of Cérébos®.

Today, the brand of Cérébos® is owned by esco, and the product range has been continuously expanded to a variety of vacuum and sea salt products that are available in various grain and package



The typical Cérébos logogram today

sizes, with or without iodine and fluoride, as well as spiced with herbs. For further information, please see the French product website [www.cerebos.fr](http://www.cerebos.fr)



The Cérébos shaker in the course of time, from 1902 until today

## esco sports: esco Salties enter two teams in Hanover's Maschsee Triathlon

8 September 2007 marked the first Hanover Triathlon, held at the Maschsee lake. Amongst the participants were two teams from esco headquarters, appropriately named esco Salties I and esco Salties II.

Although the organisers called it "a fun event in a competitive spirit", the company relay triathlon was certainly quite demanding: a 0.5 km swim, followed by a 20 km circular bike ride and rounded off with a 5 km run – and, of course, all against the clock.

Professionally kitted out, and warmly supported, the esco Salties achieved good mid-field placings. esco met all the costs involved, while Anke Roehr and Nadine Faulhaber from the Organisation & Support team made sure that the athletes had everything they required before and during the competition, plus plenty of moral support. Unfortunately, on the day of the triathlon, Hanover was not at its most hospitable in terms of the weather, as the swimmers, in particular, soon discovered. The water temperature in the Maschsee was only around 17°C, so, as you can imagine, Jörg Orlamünde and Steffen Silvestry were very glad to be equipped with neoprene suits.

Marnie Gutzmann was forced to withdraw, which meant that Eike Riedel was in the saddle for Salties II on the cycling leg. Even though his only training was the 500 m or so to the baker's, as he himself admitted, he nevertheless managed the demanding 20 km course. Riedel said, "I put my name down as a reserve, so there was no way that I was going to back out of it, even if I did feel like giving up after 10 kilometres."

Together with Olav Thölke from Salties I, Riedel crossed the finishing line on his touring bike, complete with child seat adapter.



From left to right: Jörg Orlamünde, Olav Thölke, Manfred Koopmann (Salties I), Eike Riedel, Steffen Silvestry, Torsten Niemeier (Salties II). Top marks for the Organisation & Support team of Nadine Faulhaber (left) and Anke Roehr. The home-made hamburgers, known as "Frikadellen", provided by Nadine went down a treat, in every sense of the word, with the Salties.

It was then down to Torsten Niemeier and Manfred Koopmann to run the third and last leg of the competition. Niemeier summed up the day's sporting activities in and around the Maschsee with these words: "In terms of fun and enjoyment, I reckon the Salties came joint first."

Next year esco will be taking part in the Hanover company triathlon again. "It would be great if we could get three teams together next time," said Steffen Silvestry, who was responsible for starting the ball rolling with esco's entry this year.

## esco sports: Sporting success for walking group from the Borth plant

The walking group from esco's Borth plant on the Lower Rhine achieved very respectable mid-field placings in the Bönninghardt 10-kilometre fun walk. The best result was recorded by Thomas Clewe, who finished ninth.

13 members of staff are dedicated members of the Borth walking group, and, as plant manager Hans-Heinrich Gerland explains, "People from every department are involved, from miner through to personal secretary."

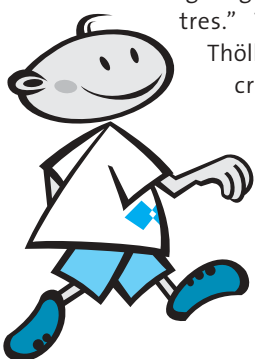
These sporting members of staff meet twice a week to train and their efforts do not go unrewarded. At the Bönninghardt fun walk, everyone completed the course, "and some even achieved very good positions," Thomas Clewe confirmed.

The walking group came into being as a result of a wide-ranging health programme at esco in Borth. Back in 2005,



The Borth walkers, l. to r.: Klaus Fonk, Thomas Clewe, Klaus Günther, Alois van Husen, Pia Clewe, Johannes Kohl, Hannelore van Elten, Maria Lamers

the plant teamed up with the social insurance institution "Knappschaft Bahn See" and Magdalena Michaelis, a professional fitness trainer from IC Company, to launch the first health-promoting measures. In the meantime, the range of activities on offer includes back training, movement and relaxation techniques, aquafitness, jogging and, of course, walking.



## Recipe: Chocolate and salted caramel tart



**Serves 6**  
**Preparation time: 10 min.**  
**Glazing time: 0 min.**  
**Baking time: 30 min.**  
**Resting time: 0 min.**

### Ingredients:

- Shortcrust pastry base
- 200g dark chocolate
- 30g butter
- 20 cl double cream
- 100g sugar
- 1/2 teaspoonful of coarse salt, e.g. coarse Bayonne salt from Cérébos
- 80g unsweetened condensed milk.

Preheat the oven to 180°C (gas mark 6). Line a greased flan dish with the shortcrust pastry. Prick with a fork and bake blind for 30 minutes. Make the caramel by mixing the sugar and 2 tablespoonfuls of water. Add the salt and the condensed milk. Bring the cream to the boil, then pour it over the chocolate and butter and stir until the mixture is smooth. Spread the caramel cream over the base of the tart, leave to settle for half an hour, then add the chocolate ganache. Sprinkle in a few grains of Bayonne salt.

## Everyday salt: Being creative and having fun with play dough

**Play dough is an inexpensive modelling material which is easy to make yourself. Children love it because they can have great fun making all sorts of figures.**

This is how it's done:

Put the flour and salt in a bowl, add warm water and knead vigorously until you obtain a firm, smooth consistency. If it's too sticky, you can add a little more flour.

Ingredients for making play dough: 2 cups of wheat flour, 1 cup of salt and 1 cup of water. So that it keeps better, you can either add some wallpaper paste or replace half of the flour with potato starch. You will also need a rolling pin, pastry cutters, paints and string.

Here's a simple idea for young children to try out: mould the play dough into a ball and roll it out to a thickness of about 1 cm. Then place it on a piece of baking paper and make an impression on it with your hand or foot. It's easy to do with your foot, but a bit trickier with your hand. Don't worry if it doesn't work perfectly first time, because you can simply knead the play dough again, roll it out and have another go! The next step is to pierce a hole with a pencil so that you will be able to hang up your

finished impression. You can also write your name and the date using a toothpick.

Then dry the play dough in the oven for 30 to 45 minutes at 150°C (300°F, gas mark 2). The thicker the play dough, the longer it will need. Let your impression cool down before painting and varnishing it. You now have a perfect gift for grandma and grandpa!

There is no end to the different things you can make with play dough. Here's an idea for Christmas: use pastry cutters to make Christmas tree decorations out of play dough! Why not give it a try? The children will have great fun.



Nicole Redlich from esco headquarters in Hanover has provided us with her play dough masterpieces "Clown" and "Shepherd"