KMC & Russia
Agro Business Park Seminar on Russia
March 14, 2013
My background:

- J. M. Huber – Regional Director Latin America & other positions
- Tulip Food Company – Head of Executive Staff
- Schmidt Hammer Lassen – CEO
- KMC – Chief Commercial Officer
Facts about KMC:

- A Cooperative, owned by 700 potato farmers
- 3rd largest supplier Worldwide of potato starches and functional Ingredients for the global Food Industry (140,000 ton p.a.)
- Export share 91% to 80 countries, 45% export out of EU
- 2011/2012 Turnover of 127 million EUR
- 2011/2012 Net Profit of 18.8 million EUR
Some Traditional Applications for Potato Starch:

- Soups
- Noodles
- Potato snacks
- Meat
Examples of KMC’s Functional Ingredients:

DietCare

CheeseMaker

GlazeMaker
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Some Facts:

• Start-up in 1996 with KMC Personnel
• Today: Representative Office with 3 local people
• 2011/2012 Turnover of 10 million EUR
• KMC’s Country Manager awarded Prince Consort Henrik’s Medal of Honor for his achievements for Danish Export in 2011
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Distribution Channel:

• KMC’s own Country Manager (former Major in the Russian Army)!
• 5 Regional/National Distributors – Some of them previous relations from the Russian Army
• The concept of Loyalty
• Distributors’ Purchasing Power
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Business Terms:

• Delivery Terms & Importation
• Representative Office vs Subsidiary
• Payments
• Credit Risk – is Open Credit wise?
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Business Culture:

• Simple & Complex
• Dynamic Environment
• Communication & Follow-up
• Relations & Loyalty – a Word is a Word ….. Most of the time
• Wining & Dining
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Key to Success:

Find people you can trust!