

# Avebe Magazine

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**Arjan de Rooij and Annelous Groenwold:  
faster prospects in uncertain times**

**A look at the Protamyl factory  
in Dallmin**

**Growing market for waxy potatoes**





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We are living in a new reality. The past period has been marked by the war in Ukraine: a terrible situation for those involved.

The impact of the war is also being felt outside Ukraine. Prices are rising while purchasing power falls. This affects everyone: employees, members and Royal Avebe itself. From potato growing to delivering products to our customers, the costs have increased enormously across the board. The entire Agri & Food sector is experiencing shifts. We see this, for example, in rising prices for some raw materials, or in raw materials being sometimes difficult or impossible to obtain. These challenges all come on top of everything else happening in the sector.

That is why it is so important to be agile. Because if we are flexible, we can keep starch potato growing attractive for our members and the raw material supply for Avebe at the required levels. It looks like we will exceed the target this year. But we also know that, in the new reality, the performance price will have to rise faster in the coming years. That will allow us to offset the cost increases for our members' farming operations and keep starch potato cultivation attractive.

Fortunately, there are also plenty of opportunities. The 'plant-based revolution' is in full swing. With our growth strategy based on sustainability and innovation, we are not only creating a strong foundation, but also strongly positioning Avebe for

the future. We are making great strides in seizing these opportunities. This is something we have been focusing sharply on in recent months.

The English saying "what got us here, will not get us there" is very fitting. Avebe is a fantastic company bursting with committed employees and members. We have a strong foundation. But we have to keep adapting to continue to offer healthy prospects for Avebe, our members, employees and customers in the future.

For now, focus is important. Focus that takes us to the next stage. And in that next phase, the essence of the current strategy, "further development towards more value", will remain in place. This is at the heart of the strategy process we are working on. This translates into our Play to win programme, central to which are cooperation, thinking in terms of opportunities and learning from each other. We will be rolling out the programme in the next few months. In the winter edition of our magazine, we will tell you more about Play to win and share the programme's first results and some examples.

I would like to thank everyone for their continued commitment to our fantastic company, and I trust you'll enjoy reading this edition of our magazine.

David Fousert  
CEO, Royal Avebe

# Offering faster prospects for growers in uncertain times.

Now that growers and managers can meet again in person, serious concerns are being shared. That is the conclusion of Members' Council member Annelous Groenwold and Agro Director Arjan de Rooij. Where Arjan also sees opportunities, Annelous sounds a more critical note. "We're on the right track, but we need to go further."

## Arjan de Rooij

(55) has been Director Agro at Avebe since 2008. He grew up in Zeewolde on an arable farm. After the Agricultural College in Dronten, he completed his studies in Business Administration at Nyenrode Business University.

Agro Director Arjan de Rooij and Members' Council member Annelous Groenwold

## Annelous Groenwold

(30) has been a member of Avebe's Members' Council for five months. She was previously a member of the Youth Council. She runs an arable farm in Borgercompagnie with her parents. They grow starch potatoes, sugar beets and cereals on 260 hectares. They also fatten Limousin bulls. After completing her studies in Human Resource Management, Annelous decided to continue her parents' business. Before that, she took an accelerated course in horticulture and arable farming entrepreneurship in Dronten.

Annelous Groenwold does not have to think long about what concerns her and her fellow farmers most. Even more than laws and regulations, inflation is now causing them difficulties. She says: "We have a growing plan for peat colonies at home. You already start incurring costs for revenues that won't arrive until September/October to May next year in the spring. Liquidity is under pressure. Prices of fertilisers and plant protection products have risen sharply, as have those of seeds and seedlings. The cost price came under pressure even before the growing season, and growers are wondering what awaits them for the rest of the year."

Arjan de Rooij explains: "As an arable farmer and a member of Royal Avebe, you

have changed in such a short period, we need to achieve this value creation more quickly. First of all, by selling our products in the market at a higher price and working on our own costs and how we produce and process potatoes."

## Ukraine

Arjan: "Despite the huge increase in the cost of energy, packaging and transport to our customers, the campaign price for 2021 was higher than the previous year. For the new season, we expect to be able to pass on the increased costs in the cultivation and processing chain to the market. The performance price is expected to take a big step next year. But the uncertainty in the market and the enormous cost increases mean

“Even before the growing season the cost price was under pressure.”

have only limited options to recoup that increase in costs for necessary input such as fertilisers, crop protection products and fuel in productivity improvements. Farmers have always striven for optimal productivity. Avebe has to earn this in its starch potato growing operations in the market. On the positive side, our fellow producers in Europe and their potato suppliers face similar cost increases. For that reason, the best approach is to pass on these increases to our customers."

## Performance price

Annelous: "What we hear in the field is that the performance price is rising, but has to rise more. Avebe notes that the current situation also creates opportunities. That's good, but it's also very necessary because otherwise growers will have to contribute financially."

Arjan: "Avebe's efforts should increase its earning capacity, the extent to which added value is created. Since conditions

that this will not happen on its own. The intention is clearly to exceed one hundred euros per tonne. The war in Ukraine is causing a fluctuating market in raw materials and energy. This creates uncertainty but also opportunities in the market. Based on the new reality and the pressure on the liquidity of our members' businesses, the basic price will be at a significantly higher level than last year."

He continues: "Avebe also faces significantly higher energy costs for processing potatoes. Processing a wet product into a dry end product is quite energy-consuming. This is a substantial challenge and creates uncertainty. Transport costs also depend on container companies. In April, for example, the coronavirus led to lockdowns in China, such as the one in Shanghai. This has a major impact on the port there, resulting in delays and price rises."



>> **Laws and regulations**

Annelous: “As well as serious concerns about price setting, it is also difficult for farmers to remain calm in the face of ever-changing laws and regulations. People feel attacked and that they are constantly being blamed. This happens time and time again, and results in anger and frustration. At our business, but also that of colleagues. Avebe immediately took a stand against this, together with the Branch Organisation for Arable Farming and other parties in the chain. On the one hand, that gives a lot of confidence. But it also frustrates growers that so many parties have to put their energy into plans that have been thought up behind a desk and have no connection

with actual practice. And this is precisely when we most need innovation and market development to cope with rising cost prices.”

**Farm to Fork**

Arjan: “There is a lot of pressure on agriculture throughout North-West Europe. Just look at the European Union’s Farm to Fork strategy. This strategy aims to increase biodiversity, protect groundwater and surface water, reduce the use of plant protection products and achieve organic farming objectives. Individual companies are also aware that we want and need to adapt. We have issues with the speed at which this has to be done and the uncertainty it entails. Policymakers ignore the fact that you make investments for ten or twenty years on a farm. With laws and regulations changing so rapidly, this is not possible.”

**Averis**

Arjan explains: “It also offers opportunities because an essential response to the challenges lies in using the right potato varieties. With our breeding company Averis, we are in a fantastic position to respond to the changing laws and regulations. By breeding varieties that are more resistant to diseases, fewer crop protection products are needed and we use fertilisers more efficiently, thus reducing emissions to ground and surface water.”

**Calculator**

Annelous: “That sounds great, but government policy makes it difficult to say at this stage: yes, that helps. We don’t know where we stand, so we as growers, are anxiously looking forward to these innovations.” Arjan: “I think we are doing the right things to create added value at a faster pace and raise the potato price to a higher level.” Annelous nods in agreement. “At the moment, Avebe certainly has sufficient prospects. We are confident. Member loyalty is paramount, but these are uncertain times. As a farmer, you first take out your calculator.”



“At the moment, Avebe certainly offers sufficient prospects. We are confident.”

# Learning for a safe workplace.

At Royal Avebe, danger is not just lurking around the corner: it is ever present in the form of heavy machinery, chemicals, dust, noise and many transport movements that can lead to serious incidents. By learning more about potential safety incidents, Avebe is limiting the risks on the work floor.

How can we make better use of incidents as learning moments? Last year, that was the question raised at Avebe’s central WCOM (World Class Operations Management) safety meeting. Incidents can seriously affect the safety and health of employees or cause damage to equipment or the environment. That is the last thing anyone wants. Safety Experts Karel Hoefsloot and Peet Joosten explain why learning from incidents is so important.

Previously, incident investigations had not provided enough learning opportunities. Karel, responsible for incident investigation at the Ter Apelkanaal location, explains: “There are always several factors at play. To prevent an incident from happening again, you need to address the underlying cause. Our new way of investigating incidents makes those



Peet Joosten (left) and Karel Hoefsloot

underlying causes more visible.” Peet has a central position: he coordinates safety matters across Avebe locations and steps in where necessary. He complements Karel: “The new investigation method has increased support. We have a clear structure, so everyone knows what to expect after an incident and understands why things sometimes have to change.”

A new instruction has now been drawn up, and nine employees have followed a course. Peet: “At each Avebe site, there is someone who can carry out incident investigations in which all those involved are questioned. We maintain our training by conducting a certain number of investigations a year. And for complex incidents, we are supported by an external consultant.” Karel and Peet agree: the colleagues are now much more committed. Both managers and colleagues on the shop floor feel heard after an incident and help find solutions.

**Example of an incident:** An employee falls from a ladder

	Simple investigation	In-depth investigation
Observation	The step is broken.	The step is broken.
Investigation		What caused the step to break?
Investigation		What is the condition of the other steps?
Possible outcome	We repair the step.	We create new specifications for stepladders, and we check the steps preventively.

By exposing underlying causes, you can prevent a similar incident from happening again. People prefer to learn not from incidents but from dangerous situations. Peet: “These are situations where no one has been injured, and no damage has been caused. These investigations are free of emotions and prevent accidents in the future!”



# Perfectasol™ helps companies grow in the plant-based segment.



**Royal Avebe closely follows important market trends.**

**Examples include sustainability and health.**

**Another important trend, which is now with us to stay, is plant-based food. To help customers grow in the plant-based dairy segment, Avebe has developed Perfectasol™, which both startups and established companies use worldwide.**

The plant-based trend continues unabated. “Consumers worldwide understand what is meant by this,” explains Strategic Marketing Manager Akkelien Vermue-Tjalsma. “They associate plant-based food with health, a more sustainable choice and variety in their diet. Vegetable dairy products make up a significant part of this segment. Avebe developed Perfectasol™ to meet

the growing demand for plant-based dairy substitutes. Perfectasol™ is a combination of potato starch and potato protein, wholly plant-based and clean-label, i.e. without any additives. It can also be used in certain sweets. With Perfectasol™ we support customers who want to enter the plant-based market or expand and innovate with different textures and taste profiles.”

Watch the Perfectasol video by scanning the QR code below:



“With Perfectasol™ we support customers who want to enter the plant-based market.”

#### **A tasty product that closely resembles dairy products**

“Perfectasol™ is easy to process and use in our customers’ production processes,” adds Business Development Manager Meleknur Tüzün. “It is also functionally attractive for them to use Perfectasol™. It is a complete solution, giving the same result that usually requires several ingredients. Another advantage is that companies can use Perfectasol™ at all stages of their existence. That ranges from start-ups that are not yet able to make large investments to established dairy companies wanting to make progress in plant-based products. With Perfectasol™ we can help our customers meet their customers’ needs. Consumers want a tasty product with the same texture as the dairy products they are used to. That is what Avebe can offer.”

#### **Continuous development**

Perfectasol™ was created about seven years ago, and Avebe is continuously developing the product to meet customer requirements. We closely follow food trends here. “For example, we recently launched a Perfectasol product for use in a plant-based parmesan cheese,” says Meleknur. “Other relatively new concepts include plant-based feta pizza topping, cheddar shreds, yoghurt, cheese slices and different types of cream cheese.”

#### **Support, service and functionality**

“Companies worldwide have been using Perfectasol™ for a long time,” says

Account Manager Dan Bailey, based in the US state of Arizona. “Potato protein and potato starch are crucial for their recipes, as these products offer precisely the texture companies are looking for. I work closely with the recipe developer of one of our customers. Every fortnight we update each other on what we are doing and how Avebe can help make recipes even better. We also have regular discussions with scientists from our innovation centre. During these meetings, we try to solve any problems the customer might have with their recipes and offer Avebe products with the right functionality. Customers appreciate Perfectasol™ for functionality,

its technical support, and because Avebe can get things done quickly. If samples are required, we can usually provide them quickly. Our customers are constantly perfecting their recipes, and Avebe helps at every step of the way.”





# Higher yields with the Royal Avebe fertilisation strategy.

Efficient nitrogen fertilisation is gaining importance due to the current scarcity of fertilisers, the 'red areas' and increasing production costs. Patrick Riek, Account Manager at Royal Avebe, tells us more about it.

Patrick has every confidence in the nitrogen-reduced fertilisation strategy for good cultivation and fertilisation advice. "Years of research on our trial and demo fields show that we achieve significantly higher starch yields with our fertiliser recommendation of 120 kg of nitrogen per hectare, instead of the generally maintained 160 to 180 kg. This can be explained as follows based on plant physiology: a high N (nitrogen) dose at the beginning of the growing season ensures that the potato plant's foliage mass grows better. The additional advantage of a larger foliage mass falls sharply above a certain foliage mass due

to self-shading and the greater need for maintenance. Therefore, fertilisers that only stimulate foliage growth, but do not lead to higher yields, can be saved."

#### From foliage growth to tuber setting - the decisive moment

To maximise yields, the timing of fertiliser application is crucial in reducing the amount of nitrogen. "The plants must have sufficient nutrients and energy to achieve the desired yield around the time between crop conclusion and flowering." The plant needs the most nitrogen in this transition period.

#### Added value for the grower

By reducing the amount of nitrogen fertilisers, the nitrogen efficiency (i.e. the proportion of the total N-intake that the plant actually uses) can be significantly increased. "Based on our fertiliser advice, growers can save up to 100 euros per hectare with current fertiliser prices," Patrick explains. "Together with the resulting higher starch yield, which at one tonne per hectare means about 350 to 400 euros more yield for the grower, that means considerable added value for the grower." According to Patrick, Avebe has developed a future-proof fertilisation strategy that could be the solution to today's nitrogen problems.

#### Good prospects for starch crops

The increase in added value for the grower results from years of research conducted by Avebe on its numerous trial and demo fields. And not without success! The result is a sound fertilisation recommendation with a lower N-intake. Patrick is confident about the future and has particularly high expectations of developing sustainable and efficient cultivation methods and breeding both disease-tolerant and virus- and pest-resistant varieties.

# Knowledge Coordinator Jans Klok: "Good opportunities for low-input varieties."

Sustainable potato growing is all about doing more with less: more yield with a lower footprint. Avebe helps its growers with low-input varieties with higher nitrogen efficiency. Knowledge Coordinator Jans Klok sees good opportunities for the future.

Sustainable cultivation methods start with the right choice of variety. Avebe compares old and new starch varieties on test and demo fields. At our own breeding company Averis and from external parties. There has been an increasing supply of new varieties for a few years now. Varieties with a broader resistance to diseases such as phytophthora, a higher starch yield or better nitrogen efficiency.

According to Klok, there is a big difference between varieties regarding the amount of nitrogen that remains in the soil after cultivation. "So far, the new varieties seem to be coming out of the trials well, but they will have to prove themselves in practice."

#### Reduction of CO<sub>2</sub> emissions

The standard variety Seresta will be compared with the varieties Adelinde and Avenger at the special durability demo. Seresta is sensitive to phytophthora and needs a lot of nitrogen, says Klok. "If we want to reduce carbon emissions, the nitrogen intake can influence this. Both Adelinde and Avenger can manage with 60 kg less nitrogen/ha than Seresta. Applying 10 kg less nitrogen reduces carbon emission by 3 per cent. Nitrogen efficiency is also at the heart of the 7th Nitrates Action Programme."

A significant advantage of Avenger over Adelinde is that the variety has better phytophthora resistance. Avenger therefore needs fewer treatments against phytophthora than the other two varieties. Compared to Seresta, Avenger scores 45 per cent less environmental impact on aquatic life and 67 per cent less on soil life. Jans Klok: "If we convert the use of nitrogen and the improved phytophthora resistance into money, the cost of growing Avenger this year is 500 euros per hectare lower than Seresta."

#### Practice versus politics

The way Klok sees it, sustainable potato cultivation and political developments do not always go hand in hand. The first draft of the 7th Nitrates Action Programme stated that growers must sow a catch crop before 1 October, while almost 9 tonnes of starch



Knowledge Coordinator Jans Klok

potatoes per hectare grow after 1 September. "It is known that 1 tonne of potatoes contains 4 kg of nitrogen. So with 9 tonnes, you remove 36 kg of nitrogen per hectare from the soil. A catch crop in this area can retain up to 22 kg of nitrogen per hectare. Avebe raised this issue with the Dutch Ministry of Agriculture, Nature and Food Quality and the rule was relaxed in the final 7th Nitrate Action Programme."



Account Manager Patrick Riek

# WCOM at KPW.

Since mid-2020, our German sites, KPW (Kartoffelstärkefabrik Prignitz/Wendland), have also worked with WCOM (World Class Operations Management). The company EFESO Consulting, which also guided the Dutch Avebe sites, supported KPW in the initial phase. This makes all WCOM processes at Royal Avebe comparable and prevents WCOM from stopping at the factory gates.

WCOM aims to identify losses of any kind and reduce them sustainably in steps. As well as the financial aspects, operational aspects such as occupational safety and quality are also considered. We focus on KPIs: performance indicators oriented towards loss analysis and improvement projects.

#### KPIs

Establishing a uniform discussion structure during the first months and defining clear performance indicators is imperative. This allows us to quickly recognise problems in business operations and take the necessary measures. We also make cause analyses that lead to further actions. The main goal is to prevent further non-conformities in the future.

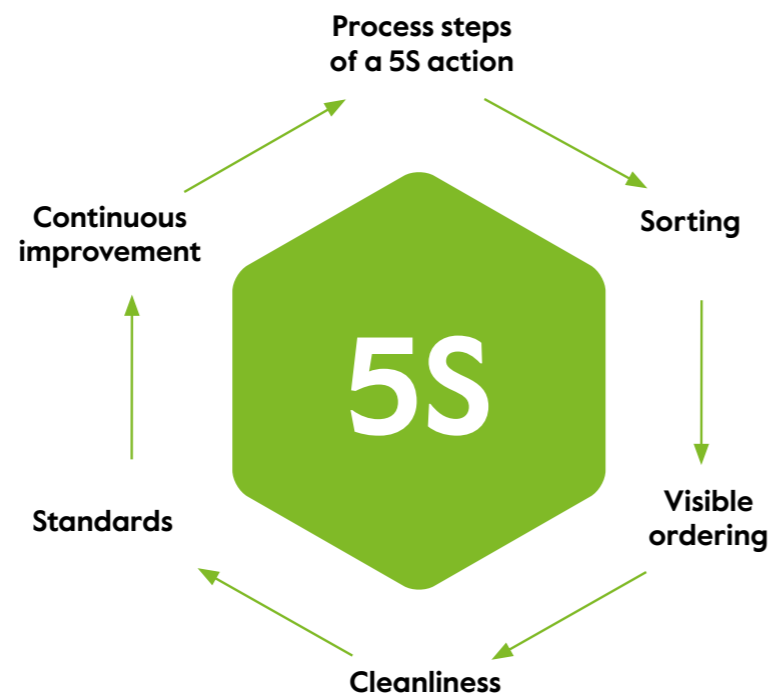
#### Loss analysis

An important aspect of WCOM is the periodic analysis of the key figures for improvement potential. Here, cost structures are analysed and broken down into individual components. Issues such as machine stoppages or quality non-conformities are analysed to find the underlying cause. That way, we detect more opportunities for improvement. We take an especially close look at energy efficiency and environmental impact. The energy and resource requirements at

both factories are broken down to the level of plant components. That is how we target individual units with high consumption and bring about improvements.

#### Improvement projects

Problems in day-to-day work are turned into improvement proposals and projects through loss analysis and employee ideas. In addition to the structured and targeted processing of improvement projects, defining the improvements' purpose and maintaining a permanent record of success is essential. In Lüchow, for example, we are working on the spare parts warehouse. As well as reducing the search time for spare parts, the aim is to reduce the spare parts stock to what is really necessary.



#### Autonomous management

Dallmin has successfully completed the first phase of 'autonomous management' with a pilot department. In cooperation with the maintenance department, the aim was to improve the state of maintenance by increasing the competence of local administrators. This reduces the downtime. It is important that employees feel connected and responsible for their work area. They take training courses to contribute to the improvement and stabilisation of the plants and the filling result. For the first phase of autonomous management, the Palletising and Film Wrapping department was the model department. In this department, we registered the most faults and reports, about which employees themselves were dissatisfied. The next step is to make the department future-proof within the current framework conditions. The implementation was based on a route: first, the rooms with installations were cleaned, and a defect chart was completed. Finishing was monitored as a KPI. An analysis was made of the poorly accessible areas and the pollution sources primarily responsible for the contamination.

One of the primary sources of pollution is starch dust. The starch dust spreads when the bags are filled and pressed. This leads to malfunctions. Improvement proposals have been made in consultation with employees and are now being implemented, and a preliminary cleaning plan has been drawn up.

Another project is the more efficient use of packaging materials and the prevention of 'transitional products'. Transitional products are mixtures of two different products resulting from successive production processes. Dallmin produces many different products. This leads to frequent product changes on bigbag and paper bag lines. As a result of these product changes, many mixed transitional products are produced in the form of screen residue delivered to Avebe-Nederland as sidestream/starch residue. The aim is to reduce these quantities and thus avoid losses of several hundred euros per tonne. We have now started to analyse where these transitional products originate and will then look for solutions.

#### Binding & Building 2.1

WCOM is a modern way of achieving improvements in a structured, sustainable way. We are integrating this method of working more and more. We evaluate our results monthly with the aid of a dashboard to check whether we are still on the right track. That way, we create the necessary conditions to successfully pursue Avebe's strategy.

“It is important that employees feel connected and responsible for their area of work.”



# Protamyl™ factory in Dallmin.

The new Protamyl™ factory in Dallmin went into operation last autumn. Peter Minow, Managing Director of Royal Avebe Kartoffelstärkefabrik Prignitz/Wendland GmbH, is happy to explain some of the elements.

“The foam from the potato fruit water is removed mechanically in tanks. This skimming process ensures that the other production processes in the protein factory remain stable.”

“Since November 2021, we have been producing about 800 kg of protein per hour in the protein factory. To save energy, the potato fruit water is further concentrated in an ultrafiltration plant before the protein extraction takes place.”

“The protein product is dried to a moisture content suitable for storage and then fractioned through separation processes and sieving.”

“The protein water passes from the starch plant to the protein plant via an additional pipe bridge. Chemicals, process water, waste water, compressed air, steam and condensate are also transported via this pipe bridge.”

“After skimming, the potato juice is further concentrated and denatured by steam injection. This allows the product Protamyl™ to be separated in the subsequent process. After this step, the dehydrated protein dries out. We then channel the potato juice the protein has been extracted from into the storage tanks.”

“The storage silo has a capacity of 90 m³. Almost every day, a silo train loaded with protein leaves the factory. The German company Hagemann Dienste GmbH fills big bags with our protein, which is then transported to the Netherlands.”



Peter Minow, Managing Director Avebe Kartoffelstärkefabrik Prignitz/Wendland GmbH





# Avebe Sustainability Award.

Jan Pieter van der Weg and Rudolf van Esch won the Avebe Sustainability Award last year. The award was created to reward employees for their commitment to sustainability, a key pillar of the Royal Avebe strategy.

As a process technologist, Jan Pieter has worked on sustainability for the past two years. “My focus was on Ter Apelkanaal, a location with much to gain in terms of sustainability. Based on the WCOM system, we work with cross-functional improvement teams, mapping the loss streams together and implementing improvements on them.” The fact that this gets results has been demonstrated. Jan Pieter: “In our PN1 line, the biggest production line in Ter Apelkanaal, we have mapped out the starch loss streams and introduced measures to reduce them. This has been very successful.”

Rudolf van Esch, Finance Director Operations (left) and Jan Pieter van der Weg, Process Technologist



A great result and one worth sharing. That is where the role of Rudolf van Esch comes in. “I am now Finance Director Operations, but previously I was in charge of Internal Audit, and that is what the award is about,” says Rudolf. “Reporting non-financial information is becoming increasingly important. Both within the organisation and in our integrated annual report, where we strive for a high level of transparency towards our stakeholders. What does Avebe stand for, and what results have been achieved with our strategy? Take, for example, themes such as safety, CO<sub>2</sub> and water consumption. It is about sharing reliable information as an organisation, and that is what I have been working for.”

#### A reward for your work

Both gentlemen were pleasantly surprised to hear they had won the Sustainability Award. “It’s a sign of appreciation for your work,” says Rudolf. Jan Pieter adds: “And also a great encouragement to continue with this. After all, sustainability is and will remain an important issue for our own future and the continued existence of Avebe.”

#### The Green Fleet

The award was an entry ticket to The Green Fleet; a leadership programme focused on sustainability culminating in a 5-day sailing trip. Rudolf van Esch was unable to take part, but Ad Molenaar took his place. Jan Pieter is very enthusiastic: “The programme was full of interesting speakers, and a lot of focus was placed on personal development and leadership, which was the icing on the cake.”

#### Internal CO<sub>2</sub> price: € 100 per tonne

Large companies have to pay for their carbon emissions. The European market price for CO<sub>2</sub> is now around € 80 per tonne. To stimulate investments in energy saving, Avebe uses an internal CO<sub>2</sub> price of € 100 per tonne. This applies to saving on fossil fuels (especially natural gas) at Avebe.

Saving, optimising and innovating for a smaller carbon footprint.

“Energy-saving pays off more than ever.”

**Avebe is reducing its environmental impact through strategic sustainability programmes. Erik Koops is the programme manager for the CO<sub>2</sub> and energy reduction programme. He sees opportunities in energy-saving and electrification of processes.**

“By 1 August 2023, we want to emit 12 per cent less CO<sub>2</sub>. By this Avebe means absolutely and per tonne of product produced. Without a CO<sub>2</sub> and energy reduction programme, Avebe’s carbon emissions would go up because we make more and more high-value products whose production requires more energy. This means that we need to save 20% of energy to achieve a net 12%. That is a tough target, but we are on course to meet it, and plans are already being made for further CO<sub>2</sub> reduction by 2030.”

#### Energy savings

According to Koops, the approach takes place via three fronts: “Firstly, we invest in renewing processes, especially those most energy-intensive. Secondly, we optimise

existing processes. Finally, there is what we describe as “good housekeeping”. This also stimulates awareness of further energy-saving opportunities.” As an example of investments that yield strong CO<sub>2</sub> reductions, Koops mentions the application of membrane technology. If we first concentrate the product using membranes, much less energy is needed for heating, drying and evaporation. Examples include the Ducam project in Ter Apelkanaal, ultrafiltration in the new protein factory in Dallmin and membrane installations at Solanic.

#### Electrification

Apart from saving energy, carbon emissions can also be reduced by switching from natural gas to electricity. “Electricity is much more expensive

on average than natural gas, but the price of electricity varies widely, depending on supply and demand. With new electric steam boilers, Avebe can make steam 20 per cent of the time with electricity instead of natural gas. The green electricity comes largely from our own solar farms in Ter Apelkanaal and Gasselternijveen.

Avebe received the SDE++ subsidy for three e-boilers, two of which will be installed in 2022. We are leading the way in the Netherlands in this respect. An e-boiler was already in use last year at Stadex in Sweden. Because electricity is comparatively cheaper there, it was possible to switch entirely to green electricity. This makes Stadex the first carbon-neutral Avebe plant.”



# Waxy potatoes: cultivation with added value.

Christoph Renken, farmer on the Lüneburger Heide, shares his practical experiences of working with Royal Avebe and growing waxy potatoes on his farm.

## What significance do waxy potatoes have for your business?

“With our partnership, which consists of two farms, we cultivate around 500 hectares of land. The cultivation of energy-generating plants destined for the biogas and cogeneration systems accounts for the largest cultivation area and labour time. Personally, I had always wanted to start growing potatoes again with this farm. About five years ago, we started growing waxy potatoes on about 15 hectares, and this has now grown to 50 hectares. Occupying approximately 10% of the total cultivated area, the waxy potato already plays a critical role for the added value of our company.”

## What are the advantages of waxy potatoes?

“As I wanted to start growing potatoes again with our farm, I looked for a way to do this with our capacity. The cultivation of consumption potatoes is always subject to fluctuating market prices and high fixed costs. The investment in the necessary storage technology alone would result in a high overhead. During peak periods, especially in spring and autumn, we do not have enough capacity for the time- and cost-intensive delivery or storage of these potatoes. In this respect, I was convinced by Avebe’s concept. With the cultivation of waxy potatoes, the overhead remained low. The risk was manageable in combination with the transport organised by the factory. The price Avebe is paying me covers costs very well and ensures a good return. By choosing to grow waxy potatoes, we have been able to bring back into our business potatoes that are very efficient in terms of labour intensity and at the same time offer great added value for our business economy.”

## What added value does the waxy potato cultivation offer?

“As well as the added business value, cultivating this product also provides a personal benefit. We form part of a unique production chain with this special starch potato variety. We do not produce a meaningless or insignificant product that will be lost somewhere in the industry and is therefore easy to replace, but rather a valuable raw material: the waxy starch. This is highly motivating for us. The waxy potato is just as attractive from a business point of view. Depending on individual cultivation skills, yields of waxy starch potatoes can be achieved that are only slightly lower than those of conventional starch potatoes. Because of the higher fee Avebe pays for our waxy starch, there is a positive difference of about 15 to 20 per cent in coverage compared to the ordinary starch potato.”

## What advantages do you have through the Avebe cultivation contract?

“As mentioned before, the transport organised by the factory is a great advantage offered to us by the cultivation contract with Avebe. At the beginning of the year, I specify the planned cultivation area and locations. Avebe then makes an internal pick-up planning for the next campaign and informs me when and how much will be picked up. This planning has been done so effectively that we can make

an efficient and long-term assessment and take decisions on that basis, even before the fields are processed. Another thing that helped me a lot, especially at the beginning of the cultivation, was the support I was given by Avebe. As a contract grower, we had access to a cultivation advisor who could help us with all our questions about the successful cultivation of waxy potatoes. This support was very valuable, especially at the beginning. For example, we used too much fertiliser at first, which caused the potato crops to grow too fast and reduced the starch yields. On the advice of our crop consultant, we lowered the N-intake and the current result with 150kg N is very good. Waxy potato cultivation call for 100% crop rotation. Buying new seed potatoes again and again is not cheap, of course.

“Waxy starch is a good product that can be processed well for industrial applications.”

Christoph Renken

Nevertheless, we are very satisfied with the seed potatoes we buy from Avebe. So far, the quality is always perfect, and from our perspective, the prices for the growers and the propagator are also decent and fair.”

## What do you think the future holds for waxy potato cultivation?

“Personally, I think we are producing for a growth market. The demand for waxy starch as an equivalent replacement for animal gelatine is increasing. Waxy starch is a good product that can be processed well for industrial applications and according to current standards. I believe that there is still a lot of potential in this area.”

“At the moment, we are all probably very concerned about the rising energy

cost. Exciting times await us in which both risks and opportunities lie ahead. I am optimistic that Avebe will ensure that the added value for the grower and breeder is maintained despite these changing conditions. In recent years Avebe has also proven to be a good partner.”

How does Avebe see the added value of Waxy potato starch from the point of view of Innovation & Sales? Willeke Thürkow and Goos Wierbos are happy to tell you more about it. >>



# Market for Waxy potato starch is on the rise.

Today's food producers are looking for ways to produce their product cost-effectively while maintaining quality. Waxy potato starch can be used in applications where ordinary potato starch is less desirable, such as dairy products.

Willeke Thürkow,  
Manager Food  
Applications



Royal Avebe has put an innovative technique on the market with Eliane waxy potato starch, with all the good functionalities of potato starch, says Manager Food Applications Willeke Thürkow. Ordinary potato starch consists of both amylose and amylopectin. The starch of waxy potatoes consists of more than 99 per cent amylopectin. The adhesive property is important, and therefore ideal for dairy products and bakery filling products, but also for meat applications and meat substitutes. The beauty of the Eliane products is their smooth and shiny appearance, versatile processing and the unique possibilities for different food textures," says Thürkow. "Moreover, you can get by with a relatively low portion of the product, making it attractive from a cost point of view." Waxy potato starch has the additional advantage of replacing several ingredients, thus reducing the list of ingredients.

## No unwanted gelling

The functionalities of waxy potato starch are very attractive for dairy products, continues Business Leader Food Goos Wierbos.

"Waxy potato starch has very nice properties for dairy, as it does not cause any unwanted gel formation. Regular potato starch tends to yield a long and slimy structure. Consumers do not want that. The waxy starch can be used widely; it also performs very well in mayonnaise,

Goos Wierbos  
Business Leader Food



dressings, sauces or crispy coated nuts." Eliane, the potato variety for waxy potato starch, was developed by Avebe using the classic breeding method. Because we grow our own potato varieties, we have all the properties of our final product under control - from field to fork, says Thürkow. "Eliane was our first big potato variety. We are continuously working on the further development of the varieties. We are also working on developing new waxy starch products and coming up with new applications."

## Growing market

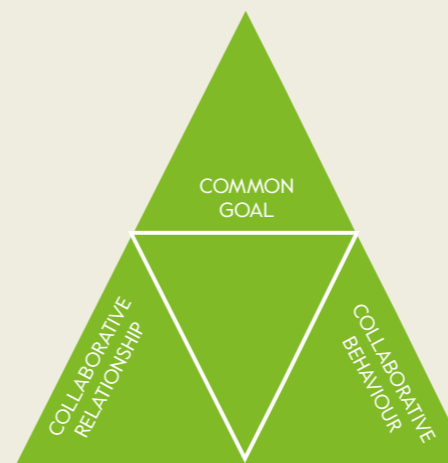
Avebe now makes a whole range of waxy starch products for all kinds of markets and applications, says Wierbos. "We have a range of more than 25 different products. Consumer needs are not the same everywhere: in America, something different is expected of the product than in Europe or Asia. Expanding the waxy cultivation area in 2023 is desirable to make and keep waxy products available worldwide. We see the market for waxy potato starch growing, both from our own development and from customer demand. As Avebe, we focus on plant-based. Waxy fits into that philosophy, both on the starch and protein side."

Achieve more together than is possible by individual departments.

## As a team achieve goals.

Director of Talent Management Giena Klaassens works on the strategic programme Cross Functional High Performance. "It comes down to keeping Royal Avebe's goals in mind throughout the chain," she says. With all organisational links, Avebe is improving performance and mutual relationships.

"The profit of this approach lies where the goals exceed the scope of the own departments," says Klaassens. "I see the picture this way: we have the triangle where the top point is the common goal. The bottom two points are the cooperation relationship and the cooperation behaviour. Therefore, in practice, we agree on what we want to achieve and how we want to do it. The result is less frustration caused by the feeling that you are working on something yourself and that others are working against you. The fact that you achieve more together gives energy and is good for the working relationship."



Giena Klaassens,  
Director of Talent Management

"Ultimately, the organisation achieves results more quickly and our customers are better served. You can call it '1 + 1 = 3' or 'win-win-win', but it is mainly about running better and having more results. Klaassens says that the cooperation between the Operations, Commerce and Innovations departments aligns their capabilities and enables them to achieve their common goals for customers."

"The most important starting point for good cooperation is an 'external mindset'. Do not focus on yourself, seeing the other as an obstacle, but take the other seriously

from his importance for the joint solution. Get to know the other person. Both take responsibility for the result."

This financial year, three projects were designated from the Cross Functional High Performance programme, and in two projects serious cost savings were made and added value was increased. The third project needs a somewhat longer run-up. Klaassens expects it to remain a continuous process. "It's about setting shared goals across departments and working together to find solutions."





distributors could choose topics that were most relevant to them; from the latest insights on plant-based dairy and meat to our dairy, meat and confectionery products portfolio.

Regional Sales Manager Avebe Distributors Szymon Korlinski: “The reactions were very positive. Our distributors feel they have gained more knowledge about our unique products and know-how to apply them. That’s why we organise the training and work with them to create the most value for Royal Avebe.”



## Online Distributor Training

We want to connect to the market and be in touch with our customers at every appropriate level. Directly or through our distributors - our business partners. We have more than 70 distributors worldwide.

During a two-day Distributor Training in April, Innovations, Marketing and Commerce colleagues shared insights about our unique product portfolio with sales arguments and concepts. In addition to a general programme,

## New Solanic 200 line in Gasselternijveen



Site Director Edwin de Jonge in Gasselternijveen

As of February, the Solanic 200 line is officially in operation, and we are gaining experience with it. Based on this experience, the start-up team determines follow-up points in cooperation with the project organisation. These issues will be resolved in the near future.

The Solanic 200 line produces the sales & operations plan’s agreed volumes. Our operators and maintenance staff are increasingly familiar with the new line. We are delighted with this.

The focus is on Stable Operations and the quality of the new line. For example, a cross-functional team including staff from Innovations, IDP, Commerce and Operations is working to make Solanic’s formulations formic acid-free. The plan is to finalise this in the coming months.

We look back with satisfaction on a successful cooperation with the project team and the start-up team, in which the project was carried out on time and within budget.

## Royal Avebe buys certificates from members



Avebe member Erik Emmens and CEO David Fousert

In February, our CEO David Fousert and Avebe member Erik Emmens from Zeijen signed the contract to purchase Guarantees of Origin (GoOs). A GoO is proof of sustainably produced electricity, such as solar or wind energy.

These GoOs entitle Royal Avebe to certificates that make its electricity consumption more sustainable. David Fousert: “This greening is necessary to meet the targets in our sustainability strategy. We already buy GoOs on the market, but what could be better than being able to buy them from our own members as well? A first step has been taken, and we hope more members will follow.” Many Avebe members have solar panels on their roofs to make their farms more sustainable. “I welcome this sale, both as an entrepreneur and a member of Avebe. I see it as a challenge for the members to work together to achieve our companies’ sustainability goals as well as those of our cooperative objectives”, says Erik Emmens.





# Avebe offers solutions for the Health & Nutrition trend.

**Lockdowns, vaccinations, face masks and the social distancing rule: corona caused widespread restrictions, discomfort and fear. At the same time, the pandemic also fuelled the trend towards a healthy lifestyle. Strategic Marketing Managers Ria Tinga and Akkelien Vermue explain how Royal Avebe responds to this new trend and what opportunities it offers.**

Sustainable and animal-friendly. These themes have been important trends in the food industry over the past five years. Climate change issues, the growing world population, biodiversity and healthy living are reflected in demand for plant-based products. And this has not changed.

#### **Pandemic**

Suddenly, the pandemic affected people directly and in their personal lives. Partly due to lockdowns, we shifted our focus from the world around us to our personal lives. Corona thus accelerated the trend toward a healthy lifestyle for body and mind: mindfulness, exercise and healthy food were put on the agenda to prevent illness and age in good health.

#### **Creating value**

“Consumers are prepared to spend extra money on this. This makes it an exciting market for Avebe to create value, one of the pillars of our strategy”, says Ria Tinga, Strategic Marketing Manager at Avebe. “Foods and supplements that can promote health and well-being have a higher value than

traditional foods. This translates into good margins for the ingredients we can eventually supply to our customers. Ingredients with which our customers can stand out in the market.”

#### **Strategy**

The trend towards a preventative healthy lifestyle does not only align with Avebe’s ambition to create more added value for stakeholders, Tinga continues. “The values reflected in the desire for a sustainable and healthy life are also embedded in our ambition and strategy. By 2023, we want to have a positive effect on the lives of more than 500 million consumers by promoting their health, well-being, prosperity, and environmentally friendly lifestyle.”

#### **Market demand**

Talks with customers and data analyses confirm both the market demand and the trend’s value. More and more consumers consciously eat extra dietary fibre to prevent intestinal problems and feel fitter. These are often products with ingredients that can positively influence health in addition to their basic nutritional value and supplements, such as food and energy supplements for sports.

#### **Cost-effective ingredients**

Akkelien Vermue, also Strategic Marketing Manager at Avebe explains: “The producers of these foods are looking for cost-effective ingredients that have proven themselves, for example, as an alternative to animal protein. We see plenty of opportunities to position ourselves in this market area.”

#### **Platform**

The Marketing, Innovation and Strategic Business Development departments are represented in Avebe’s Health & Nutrition platform to make the most of these opportunities. Set up in 2021, this platform identified the most attractive market areas and then mapped out the products and functionalities for which

Avebe could play a role. Markets with great potential in the first area are sports nutrition, weight and energy management and digestive health. A new strategic programme for Health & Nutrition will be set up under the leadership of Remco van Es, Director Strategic Business Development Health & Nutrition.

#### **Dietary fibres**

Akkelien explains: “We have already mentioned that more and more consumers are suffering from intestinal problems. A downside of processed food products in the kitchen is a reduced intake of dietary fibre. Slow-digesting dietary fibre as an addition to food or as a supplement can contribute to solving this problem. Moreover, in their fight against obesity, more and more consumers are looking for products that reduce their appetite or give a feeling of satiety. We also see opportunities for potato-based ingredients for energisers and products that help build muscle in the gym and the increasing demand for supplements such as proteins and prebiotics.”

#### **Market potential**

Tinga: “Based on market potential and feasibility, we prioritised ideas and tested them with some customers

and possible cooperation partners. We are now working hard to demonstrate the distinctiveness of the potato compared to competing ingredients so that we can position Avebe well in this market as well.”

#### **Not just for the future**

“The beauty of it is that this is no longer something for the future within Avebe,” says Tinga enthusiastically. “We already have a number of ingredients that can play a role in this. Today, we promote them based on the texture benefits they offer, but they can also affect health. We will draw more attention to these aspects. For example, potato protein can contribute to a feeling of satiety. Our maltodextrins, broken down starch with a shorter chain, can be used in our sports supplements. The first step in Health & Nutrition is closer than you think.”





# Generational change within KPW.

Every site of Royal Avebe has its own Human Resources challenges. This includes the Avebe Kartoffelstärkefabrik Prignitz/Wendland (KPW) sites in Germany. The relatively high average age of the staff creates capacity challenges for the future. Manuela Kruse, Recruiter at KPW, is working hard with her colleagues on a generational change at the two locations. She talks about the personnel developments at the sites in Dallmin and Lüchow.



“There are currently almost 140 people working at KPW,” Manuela begins her story. “Based on the current data, 31 of them will retire in the next ten years. The need for young workers will therefore only increase in the near future. I see this as our greatest challenge. But making and keeping our employees fit and healthy is also a challenge,” she explains. “Especially given the further raising of the retirement age. The project “SPP - Strategic Personnel Planning” has an important role here. For example, we offer training to our employees for several functions within production. Knowledge transfer between colleagues is also central. The average length of service at KPW is currently 17 years. The highest number of years of service within KPW currently stands at 46 years. The knowledge gained over the years is invaluable. To prevent the loss of knowledge and experience, we work with SPP to ensure a permanent transfer of knowledge.”

### Generational change

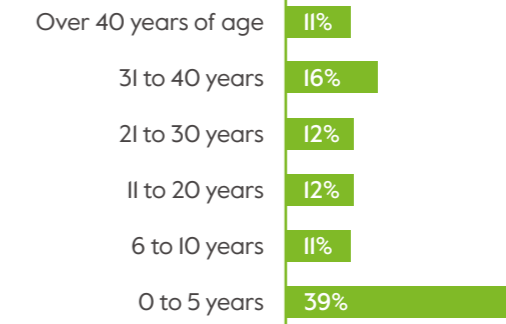
“We see a clear generational change within KPW. Looking back over the past eleven years, KPW has moved from a generation of baby boomers that was very well represented at the time to an employee group that is much more multi-generational.” And with the change of generations come different needs. “The younger generations attach much more value to the total package of employment conditions. This means that there are higher expectations regarding flexible working, work-life balance, digitalisation and other benefits such as health at work. Shift work and weekend shifts are losing popularity with young applicants, as this does not fit in with their lifestyle.”

### Recruiting new employees

Success in recruiting new employees is quite variable, explains Manuela. “It depends very much on the position in question. We use the career portal

on our website, regional networks and online job boards. Sometimes we still choose the old-fashioned way by placing a vacancy in regional newspapers or using headhunters. Recently, we have recruited good employees who used to work for us as temporary workers. The internal campaign ‘colleague recruits colleague’, in which we gave away recruitment bonuses, was also successful.”

### Employees based on years of service



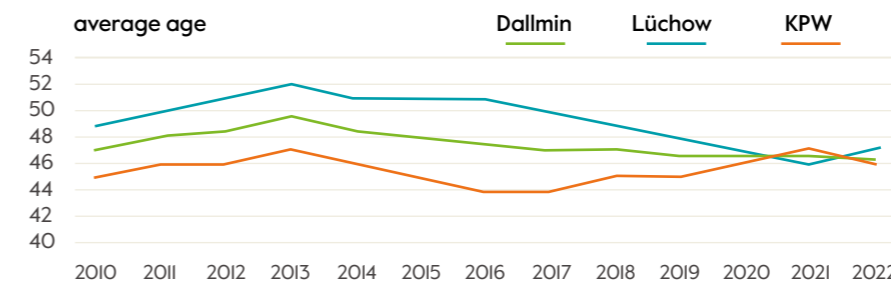
### Attractive employer

Manuela has a clear vision of how Avebe can be an attractive employer for young generations. “It is important to develop a corporate culture in which cooperation and trust are central, and there is room for employee input. Creating a good working atmosphere, offering a variety of tasks and focusing on the continuous transfer of knowledge and experience from long-serving employees to new employees would, I believe, be good steps towards increasing our attractiveness as an employer. We also need to take a close look at our current working hours models and, within our possibilities as a company, optimise the desired flexibility of working hours, work-life balance and our ageing employee group.”

### Future

Manuela: “Our challenge for the future is to fill crucial key positions with well-trained professionals promptly and in line with job requirements. It is about combining the different generations working for us into a team where youth and competence come together. And I’m happy to work on that!”

Generation	Share in 2010	Share in 2021
Traditionalists until 1955	23%	0%
Baby boomer 1956-1965	46%	29%
Generation X 1966-1980	27%	38%
Generation Y 1981-1995	4%	29%
Generation Z 1996-2010	0%	3%






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