

OILSEED SECTOR FOREIGN INVESTOR SURVEY

Prepared For

**The AgriBusiness Cell
Ministry of Food, Agriculture & Cooperatives,
Government of Pakistan
and the
United States Agency for International Development
Islamabad, Pakistan**

Prepared by

**RONCO Consulting Corporation
in collaboration with
AGRI-BI-CON International (Pvt.) Ltd.
Analysis of Corporate Sector Constraints in Agriculture (ACSCA) Project**

December 1991
Islamabad, Pakistan

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SURVEY RESULTS

A survey to determine the potential interest of foreign companies investing in the oilseed, feed and related products agro-industries in Pakistan was undertaken by RONCO Consulting Corporation in September 1991 under the Analysis of Corporate Sector Constraints in Agriculture (ACSCA) project. A letter was sent to the President, CEO or person in charge of international planning of 60 companies (51 in the U.S. and 9 in other countries) briefly describing investment opportunities in the oilseed sector and requesting a response to a short two page survey questionnaire. A short summary of the ACSCA oilseed sector investment concept paper was included with the letter and the questionnaire. (See Annexes A,B,C.)

The companies surveyed were chosen from those listed in the 1990-91 Sunflower Directory, the 1991 Membership Directory of the American Feed Industry Association, the 1990 Directory of the Edible Oil Industry in the United States and the 1991-92 Membership List of the National Cottonseed Products Association. The companies were selected on the basis of their operational focus, their international experience and RONCO's prior knowledge of their business activities. (See Annex D.)

As of November 22, 1991 five responses were received: Crown Iron Works Company, French Oil Mill Machinery Co., N.V. Extraction de Smet, S.A. (Belgium), Intertrade (Perdue Farms Incorporated) and Purina Mills, Inc.

Three of the five are equipment suppliers and currently have agents in Pakistan. French Oil Mill Machinery has sold nine oilseed extraction systems to Pakistan, of which three are operating, three are being installed and three are on order. Along with the completed questionnaire, RONCO received a letter describing the company and brochures about its equipment. They said they would be pleased to supply equipment for oilseed processing plants of any scale in Pakistan. Crown Iron Works said that they were interested in supplying equipment to Pakistan. Extraction de Smet said they were not interested in investing in Pakistan, since they have an agent here and currently supply technology and equipment for oilseed crushing plants. They also sent several brochures about their equipment.

Intertrade (Perdue) stated they were not interested in doing business in Pakistan. Purina said "exploring investment opportunities in Pakistan was not a priority at this time".

On November 26, 1991, RONCO carried out a follow-up telephone survey to a sample of companies who had received the survey in the mail. Eighteen companies were chosen at random from the alphabetical listing of companies originally contacted. Every third company on the list was selected after eliminating those that had responded. (See Annex E.)

Direct discussions with five of the original executives contacted was achieved. Only the Cereal Byproducts Company and Corn Products Company (CPC) expressed some interest in exploring

new investments in Pakistan. To follow up with Cereal Byproducts, the President referred RONCO to a Mr. Robert Mann. The person reached at CPC noted their company already has a subsidiary in Pakistan, namely Rafhan Maize (which RONCO/ACSCA knows well), and suggested that the survey be forwarded by RONCO to a Mr. Grunder, President, Corn Refining Division, CPC. Rafhan Maize reports to Mr. Grunder's division.

The other seven companies reached were not interested in considering foreign ventures at this time, or could not consider such projects due to economic and policy constraints. Calls made to the remaining six companies produced no results, since the executives called could not be reached.

RONCO's experience in other countries suggests that further follow-up by telephone of the remaining 37 companies contacted may produce specific requests for data and information about investment prospects in the oilseed sector. In addition, foreign companies already operating in Pakistan and the region should also be contacted by mail, telephone and visits to their offices.

ACSCA contacts with edible oil and animal feed transnational companies now operating in Pakistan, as well as those in the seed, farm chemical and processing equipment agro-industries, also indicate that a well conceived and systematic investment promotion effort could stimulate interest in evaluating new investment prospects.

Direct personal contact with chief executives in foreign countries is also important for the ABC to pursue. To do so, the ABC and foreign donors should consider retaining the services of professional investment promotion consultants to identify and facilitate contact with senior executives in foreign companies.

Conclusions and Recommendations

ACSCA has carried out two foreign investor surveys. The first was designed and implemented by Robert K. Swanson, former Chairman, General Mills Europe. Mr. Swanson is well known to senior food industry executives in the international agribusinesses community. Mr. Swanson presented his survey findings and conclusions in an ACSCA seminar on agribusiness development in Pakistan in August 1990. His presentation entitled **Promoting Multinational Investment in Pakistan Agribusiness** was published by ACSCA and is available from the AgriBusiness Cell (ABC), Ministry of Food, Agriculture and Cooperatives, Government of Pakistan.

The Swanson survey confirms the value of understanding how Pakistan is perceived by foreign companies, and indicates what the ABC and other investment promotion entities should do to promote new investments in agro-industry. Policy issues, the stability of the market and investment environment and the importance of focusing on commodity sectors of interest to foreign agribusiness companies are emphasized in his report.

This second ACSCA foreign investor survey targeted a specific commodity system, and key agribusinesses within that system, for investment. ACSCA recommends that the ABC follow up on this first step made by RONCO to promote investment in the oilseed sector. A focused plan of action should be implemented and the following objectives and guidelines should be considered:

1. Follow up with the Cereal Byproducts Company and CPC, to assist those companies to evaluate new investment prospects in the oilseed sector.
2. Through Pakistan trade missions to other countries, (especially France), target and visit oilseed sector companies and invite them to visit Pakistan to meet their private sector counterparts.
3. Focus on transnationals operating in Pakistan to stimulate their potential interest in pursuing joint ventures with Pakistani agribusinesses operating in the oilseed sector, as well as with private sector development finance institutions.
4. Follow up by telephone and fax with the remaining 37 companies contacted previously by RONCO to generate interest by them in visiting Pakistan to look at investment prospects or meet with ABC representatives to discuss investment opportunities.
5. Continuously up date the oilseed sector data and information generated by ACSCA for the evaluation and use of current and potential investors in the oilseed sector.
6. Continue to develop ACSCA type investment concept papers which focus on ways and means to resolve current oilseed sector agribusiness financing and operating problems, including attracting foreign companies to participate in the sector.

The ABC, local private sector associations, agribusiness and financial institutions are encouraged to consider the focus, results and recommendations presented in the ACSCA survey reports, and the following ACSCA publications, to guide their investor search and promotion efforts generally and the oilseed sector in particular:

- o **How To Find (and Keep) a Joint Venture Partner.**
- o **The Agribusiness Investment Management Systems Company Concept Paper.**
- o **Investment Opportunities in the Oilseed Sector of Pakistan.**

These publications are available from the ABC, Ministry of Food, Agriculture & Cooperatives, Block B, Government of Pakistan Secretariat, Islamabad, Pakistan.

ANNEX A

SURVEY LETTER

October 10, 1991

Dear :

Since your company is an important participant in the oilseed and feed industries, we wish to inform you about investment and marketing opportunities in Pakistan. As advertised recently in the international press, the Government of Pakistan is firmly committed to private sector investment, an open market economy and the privatization of all state-owned enterprises.

In 1991 RONCO Consulting Corporation completed a series of studies for the Government of Pakistan focused on the country's oilseed commodity system. The studies revealed the critical need and opportunity for further private sector development of agro-industry to address the large and growing deficit in the country's capacity to produce edible oil and livestock feed. Our technical and financial analysis of the oilseed commodity system pinpointed significant investment opportunities in the oilseed sector.

Market demand for edible oil and feed meal products, and the supply of oilseed raw material for processing, were the primary factors analyzed to determine the overall investment potential in the oilseed sector. Edible oil and feed meal market demand and price trends, government policies and investment incentives, and oilseed production capability in place or available in Pakistan all justify substantial investments in large-scale oilseed processing plants. The establishment of such enterprises will also create new investment opportunities in hybrid seed, farm chemicals and implements, farm equipment custom-hire services, processing equipment manufacturing, livestock feed and commodity marketing industries.

A summary of the results of RONCO's investment analysis is enclosed, along with a short questionnaire we ask you to complete to provide us with information about your company and your interest, in principle, in evaluating investment opportunities in Pakistan. The Government of Pakistan and RONCO are prepared to share much more information with you about agribusiness investment and market development opportunities in the large and dynamic agricultural sector of Pakistan.

Please take the time to review the enclosed summary and complete and return the questionnaire in the enclosed self-addressed envelope or by FAX to our Washington office, FAX number (202) 785-2078. We certainly appreciate your time and interest in responding to our questionnaire.

Sincerely,

William A. Hand
Agricultural Economist

ANNEX B

SURVEY QUESTIONNAIRE

**OILSEED AND FEED SECTOR INVESTMENT AND MARKETING
OPPORTUNITIES IN PAKISTAN
A SURVEY QUESTIONNAIRE FOR
*[Company Name ~]***

This survey is intended to identify companies interested in exploring investment and domestic and export market development opportunities in Pakistan. Your company has been selected to receive this survey because of its linkages to the oilseed and livestock feed sectors.

Accompanying this survey is a summary of agribusiness development prospects in the Pakistan oilseed and feed industries. These opportunities were identified and analyzed by the RONCO Consulting Corporation at the request of the Government of Pakistan. We invite you to review the summary and complete the questionnaire to provide us with information that will allow us to help your company identify viable business opportunities and private sector contacts in Pakistan. We appreciate your willingness to participate in this survey.

Primary Investment Opportunities Identified:

- Oilseed Processing
- Livestock Feed Manufacturing
- Poultry Production and Processing

Investment Concept:

- Phased vertical integration and investment in oilseed based agribusiness operations
- Initial investment would establish an oilseed processing plant

Financial Parameters of the Initial Investment:

<u>Solvent Extraction Plant;500 MT/day</u>	<u>Million U.S. Dollars</u>
Total Capital Investment	18
Annual Gross Sales	83
Annual Operating Costs	60
Annual Net Revenue	23

Ancillary Agro-industry Investment Prospects:

- Hybrid Seed
- Farm Machinery
- Processing Plant Equipment
- Farm Chemicals
- Bulk Handling and Storage Equipment

Primary Domestic and Export Market Development Opportunities:

- Edible Oils
- Feed Meal
- Compounded Feeds
- Poultry Products

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A SURVEY QUESTIONNAIRE FOR
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THE PAKISTAN OILSEED COMMODITY SYSTEM

An Investment Opportunity

I. INTRODUCTION

A. The Existing Situation

Pakistan's deficit in edible oil and livestock feed is large and growing. The primary raw material for locally produced edible oil is cottonseed, a by-product of Pakistan's major cotton textile industry. Given agronomic limits, only marginal increases in cotton production are likely in the foreseeable future. The cultivation of sunflower seed in rotation with cotton was introduced about a decade ago. To date, also for agronomic reasons, it is the only non-traditional oilseed that has shown significant promise for large scale production. The production of sunflower increased for several years, but has stagnated in recent years due to the lack of investment in modern oilseed processing plants and technologies. This limitation has severely constrained local market demand for sunflower seed, and radically increased the importation of costly edible oils.

Case studies and feasibility analyses carried out by RONCO Consulting Corporation during 1989-1990 of some 200 agribusinesses in six agro-industries in Pakistan provided convincing evidence that real potential exists to viably expand sunflower seed production, based on an integrated commodity system's approach to investment in the oilseed processing industry. The primary constraints to increased sunflower production identified are:

- Lack of modern oilseed processing capability and marketing infrastructure for sunflower seed.
- Lack of appropriate land preparation, planting and harvesting equipment.
- Limited availability of appropriate farm inputs, such as hybrid seed, fertilizer, and plant protection materials.
- Lack of technical know how and extension services to maximize farm yields.

As serious as these constraints appear, RONCO analysts concluded that these technical limitations are, in fact, production and market development opportunities for prospective agribusiness investors. These investment opportunities are summarized in the following sections of this report.

In its appraisal of agribusiness operation in Pakistan, RONCO also identified

policy and regulatory constraints which impede the development of agro-industry. Technical and regulatory constraints are addressed in a National Agribusiness Assessment Report. RONCO also prepared a National Agribusiness Action Plan, an Investment Incentives and Procedures Manual and an Agro-industry Development Policy to remove barriers to agro-industry development and create an environment conducive to private sector investment. The Government of Pakistan has adopted many of the recommendations made to attract much needed local and foreign investment in key agribusiness sectors.

B. The Opportunity

A major constraint to private sector investment in the oilseed sector has been the domination by state-owned enterprises of non-traditional oilseed production and processing, as well as the marketing and pricing of edible oil products. In early 1991, the democratically elected Government of Pakistan announced its intention to immediately divest itself of these enterprises and initiated an aggressive international investment promotion campaign to attract local and foreign investors to buy shares held by the government in state owned companies.

In July 1991, RONCO completed an Oilseed Commodity System Investment Concept Paper which specifically analyzed the potential to establish a viable, major oilseed growing and processing industry in the cotton and sunflower production belt of Pakistan. The crop production area exceeds one million contiguous hectares, most of which is irrigated land.

The results of this analysis, summarized in this paper, assumes the establishment of a model vertically integrated solvent extraction plant. The two end products would be edible oil and feed meal. The recommended implementation plan resolves farm production and sunflower demand constraints identified in the RONCO case study research, thereby unleashing the latent farm potential to produce sunflower seed for processors. With an assured market and provision for appropriate agronomic technology at the farm level, returns to sunflower growers will substantially surpass those of lower yielding and lower period crop alternatives.

The major features of the investment concept and proposed model company include:

- the establishment of an oilseed production and procurement unit to supply oilseed raw materials for processing;
- the installation of a model 500 MT/day solvent extraction plant, including delinting, decorticating and final edible oil refining capability;

- the characteristics of the edible oil and feed meal markets targeted; and
- a proforma financial analysis of the proposed venture.

II. OILSEED PRODUCTION AND PROCUREMENT UNIT

Raw materials to be processed include cottonseed and sunflower seed. Cottonseed is readily available in the market from cotton ginneries. Increased farm production focuses on sunflower seed, grown in rotation to cotton, in the spring and early summer. Annual cultivation of some 25,000 hectares of sunflower is projected to supply the model processing plant.

A. The Production System

Sunflower will be supplied by farmers under contract to the company. Hybrid seed and other inputs, land preparation, harvesting and extension services will be provided to contract growers by company production and procurement unit personnel. The cost of inputs will be deducted from the gross proceeds payable to the farmers. This direct support to company contract growers would be established and tested the year preceding the start up of the processing plant.

B. Oilseed Procurement

The oilseed procurement system will include the assembly, cleaning, drying and storage of seed in bulk form, rather than the traditional bagging and collection system now used in Pakistan. This process will ensure efficient handling, preservation and storage of the large volume of sunflower seed to be supplied during the 45-day sunflower harvesting period. The main procurement and storage center will be located at the site of the processing plant. A second procurement center will also be established in the sunflower growing area. Company supervised harvesting services and purchasing agents will be available at each procurement center to assure the efficient harvest and collection of sunflower seed raw material.

III. TECHNICAL SPECIFICATIONS AND FOREIGN EXPERTISE

A 500 MT/day solvent extraction plant, complete with the ancillary equipment required to produce basic and fully refined edible oil and high quality feed meal, would be established by the model company. The plant would be located in the cotton and sunflower belt near Multan, Province of Punjab, where ample irrigated land, power, water, transport and labor are available. The plant would have stand-by generators to avoid plant shut downs caused by electric power outages. Some farm machinery and most of the processing plant equipment and technology would be imported. Foreign technical and management expertise would be initially required to assist contract

sunflower growers and train local technical staff to operate the processing plant.

IV. EDIBLE OIL AND FEED MEAL MARKETS AND OILSEED SUPPLY PARAMETERS

Market demand for edible oil and feed meal products, and the supply of oilseed raw material for processing, were the primary factors analyzed to determine the potential viability of the investment opportunities in the oilseed sector. Given the current and projected domestic demand and price trends for high-quality refined edible oil and feed meal, as well as the potential to export these products, RONCO analysts have concluded that some 10 oilseed processing plants on the scale of the proposed model company could be viably established in the medium term. Demand trends and related product differentiation in the market segments identified also indicate that, for the medium to long term, such companies would not be in direct competition with ghee (solidified edible oil) manufacturers, or palm oil and soybean meal producers and importers.

The establishment of 10 of these plants would create a major commodity system within the agricultural economy of Pakistan. Given current sunflower prices and yields being realized under adverse conditions on irrigated farms, the projected cultivation of 250,000 hectares of sunflower, in rotation to the annual cotton crop, is an attainable farm production target. At this scale of sunflower production, oilseed processors would be able to produce some 200,000 tons of high value sunflower oil and 220,000 tons of high quality sunflower meal annually for the domestic market.

Pakistan currently imports over 300,000 tons of "soft" edible oils (excluding some 700,000 tons of palm oil). In addition, an estimated 400,000 tons of wheat, some of it costly imported wheat, is now used annually as an ineffective substitute for oilseed meal in poultry feed. Based on these current and growing levels of edible oil imports and use of locally produced and imported grain fillers in poult feed, the development of viable domestic markets for the projected volumes of cottonseed and sunflower oil and meal is an achievable marketing objective.

Export market development is also a realistic prospect. Pakistan's geographic location in South Asia offers edible oil and feed producers a significant marketing opportunity in the rapidly expanding economies of Southeast Asia.

The successful establishment of the model company also provides an opportunity for further vertical integration into feed milling and poultry production operations. The growth of the feed and poultry industry in Pakistan is currently constrained by the lack of know-how and investment in oilseed production, oilseed processing and livestock feed agro-industries. A Pakistani market of some 110 million people, and the potential to competitively penetrate export markets in the Middle East and Southeast Asia, offers investors very promising market development opportunities.

V. PROFORMA FINANCIAL ANALYSIS PARAMETERS (US \$1.00 = Rs. 24)

The total fixed and working capital investment required to establish the model company is estimated at Rs. 430 million (US \$ 18 million). At full production, the model plant would process 154,000 tons of cottonseed and sunflower seed to produce 37,000 tons of high-value edible oil and 60,500 tons of high protein feed meal annually. The plant would operate 330 days a year, processing cottonseed for 210 days and sunflower seed for 120 days. Annual gross revenue is projected to increase from Rs. 800 million (US\$33 million) in year 3 to Rs. 2 billion (US\$ 83 million) in 5 years.

The proposed capital structure for the venture is based on the assumption that a financially solid foreign corporation undertakes the project. An equity stake of \$8 million provides 49% of the initial capitalization with local and foreign loans providing the remaining \$10 million or 51% of the capital required. The internal rate of return is estimated at 31%. Investors can expect complete capital recovery by the end of year 4 of operation, and tax free annual earnings of \$22 million are projected in year 5.

The ACSCA Oilseed Commodity System Investment Concept Paper, presenting detailed data and information on the proposed agribusiness opportunity, is available to prospective investors from the AgriBusiness Cell, Ministry of Food, Agriculture and Cooperatives or the RONCO Consulting Corporation at:

AgriBusiness Cell
Government of Pakistan
Ministry of Food, Agriculture and Cooperatives
Room 424, Block "B"
Pakistan Secretariat
Islamabad, Pakistan
Fax: (92-51) 822-703
Tel.: (92-51) 829-383 or 813-030

and

RONCO/ACSCA Project
RONCO/Consulting Corporation
2301 M St., N.W., Suite 400
U.S.A.
Fax: (202) 785-2078
Tel.: (202) 785-2791

ANNEX C

PROFILE OF THE PAKISTAN OILSEED COMMODITY SYSTEM

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An Investment Opportunity

I. INTRODUCTION

A. The Existing Situation

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B. The Opportunity

A major constraint to private sector investment in the oilseed sector has been the domination by state-owned enterprises of non-traditional oilseed production and processing, as well as the marketing and pricing of edible oil products. In early 1991, the democratically elected Government of Pakistan announced its intention to immediately divest itself of these enterprises and initiated an aggressive international investment promotion campaign to attract local and foreign investors to buy shares held by the government in state owned companies.

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The results of this analysis, summarized in this paper, assumes the establishment of a model vertically integrated solvent extraction plant. The two end products would be edible oil and feed meal. The recommended implementation plan resolves farm production and sunflower demand constraints identified in the RONCO case study research, thereby unleashing the latent farm potential to produce sunflower seed for processors. With an assured market and provision for appropriate agronomic technology at the farm level, returns to sunflower growers will substantially surpass those of lower yielding and lower period crop alternatives.

The major features of the investment concept and proposed model company include:

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The proposed capital structure for the venture is based on the assumption that a financially solid foreign corporation undertakes the project. An equity stake of \$8 million provides 49% of the initial capitalization with local and foreign loans providing the remaining \$10 million or 51% of the capital required. The internal rate of return is estimated at 31%. Investors can expect complete capital recovery by the end of year 4 of operation, and tax free annual earnings of \$22 million are projected in year 5.

The ACSCA Oilseed Commodity System Investment Concept Paper, presenting detailed data and information on the proposed agribusiness opportunity, is available to prospective investors from the AgriBusiness Cell, Ministry of Food, Agriculture and Cooperatives or the RONCO Consulting Corporation at:

AgriBusiness Cell
Government of Pakistan
Ministry of Food, Agriculture and Cooperatives
Room 424, Block "B"
Pakistan Secretariat
Islamabad, Pakistan
Fax: (92-51) 822-703
Tel.: (92-51) 829-383 or 813-030

and

RONCO/ACSCA Project
RONCO/Consulting Corporation
2301 M St., N.W., Suite 400
U.S.A.
Fax: (202) 785-2078
Tel.: (202) 785-2791

ANNEX D

LIST OF COMPANIES

COTTON

Mr. M.D. Tucker President Chickasha Cotton Oil Co. P.O. Box 2710 1347 N. Alma School Road Suite 200 Chandler, AZ 85224	Tel.(602) 963-5300 Fax (602) 821-5888
Mr. James Randall, President Archer Daniels Midland (ADM) Headquarters P.O. Box 1470 4666 Faries Parkway Decatur, IL 62526	Tel.(217) 424-5200 (800) 637-5866 Fax (217) 424-5467
Mr. John C. Brady Vice President Bunge Foods 725 N. Kinzie Bradley, IL 60915	Tel.(815) 937-8136 Fax (815) 939-4289
Mr. T.S. Shultz President Yazoo Valley Oil Mill, Inc. Lock Drawer 1320 2015 W. River Road Greenwood, MS 38930	Tel.(601) 453-4312 Fax (601) 455-6607
Mr. E.H. Lawton, Jr. Hartsville Oil Mill P.O. Box 124 383 Washington Street Darlington, SC 29532	Tel.(803) 393-1501 Fax (803) 395-2690

OIL

Mr. John Pease, President
AARHUS INC.
131 Marsh Street
Port Newark, NJ 07114

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Fax (201) 344-9049

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ANDERSON, CLAYTON & CO.
615 South 51st Avenue
Phoenix, AZ 85043

Tel.(602) 272-2641

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President
BEATRICE/HUNT-WESSON FOODS, INC.
1645 West Valencia Drive
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Tel.(714) 680-1000

Mr. Charles Shoemach
President
BEST FOODS
700 Sylvan Ave.
P.O. Box 8000
Englewood Cliffs, NJ 07632

Tel.(201) 894-4000

Fax (201) 894-2186

Mr. Grove Bryant, President
CALIFORNIA OILS CORPORATION
1145 Harbor Way South
Richmond, CA 94804-3695

Tel.(415) 233-7660

Fax (415) 233-1329

Mr. David Larson
President
CARGILL, INCORPORATED
Nutrena Feed Division
15407 McGinty Road
P.O. Box 5614
Minneapolis, MN 55440

Tel.(612) 475-7575

Fax (612) 475-5062

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COLFAX INC.
38 Colfax Street
Pawtucket, RI 02860

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Fax (401) 724-4313

GREGG FOODS
9000 N.E. Marx Drive
Portland, OR 97220

Tel.(503) 255-5512
Fax (503) 253-6357

Mr. Rick Avery
President
KRAFT FOOD INGREDIENTS CORPORATION
6410 Poplar Avenue
Memphis, TN 38119

Tel.(901) 766-2100
Fax (901) 766-2120

Mr. Joseph R. Smith
President
OILSEEDS INTERNATIONAL, LTD.
855 Sansome Street
Suite 100
San Francisco, CA 94111

Tel.(415) 956-7251
Fax (415) 394-9023

Mr. Donald Black, President
PVO FOODS INC.
3400 North Wharf Street
St. Louis, MO 63147-3492

Tel.(800) 325-7080
(314) 622-0200
Fax (314) 241-3259

Mr. Pelham Lawrence
President
PERDUE FARMS INCORPORATED
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Salisbury, MD 21801

Tel.(301) 543-3774
Fax (301) 543-3902

Mr. Wayne Martin
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PLAINS COOPERATIVE OIL MILL, INC.
2901 Avenue A
Lubbock, TX 79404
Mail: P.O. Box 1889
Lubbock, TX 79408

Tel.(806) 747-3434
Fax (806) 744-3221

The President
THE PROCTER & GAMBLE COMPANY
1 Procter & Gamble Plaza
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Cincinnati, OH 45201

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Fax (513) 983-6133

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PRODUCERS COTTON OIL COMPANY
2907 South Maple Avenue
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Fresno, CA 93717

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Fax (209) 445-0228

Mr. Glen N. Janzen
President
RANCHERS COTTON OIL
2691 South Cedar Avenue
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Fresno, CA 93725

Tel.(209) 268-5353

Fax (209) 268-5350

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President
A. E. STALEY MANUFACTURING COMPANY
2200 East El Dorado Street
Decatur, IL 62521
Mail: P.O. Box 151
Decatur, IL 62525

Tel.(217) 421-2738

Fax (800) 242-7758

Mr. Larry Doskicil
President
WILSON FOODS CORPORATION
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Oklahoma City, OK 73108

Tel.(405) 272-8603

Fax (405) 272-8661

Mr. Davis Allen
President
ZAPATA HAYNIE CORPORATION
1514 Martens Drive
Hammond, LA 70401
Mail: P.O. Box 2868
Hammond, LA 70404

Tel.(504) 345-2035

SUNFLOWER

Mr. David Nichols President Alfa-Laval Separator Co. 350 Dutchess Turnpike Poughkeepsie, NY 12602	Tel.(914) 452-1000 Fax (914) 452-1347
Mr. Joseph Ansley President Anderson International Corporation 6200 Harvard Avenue Cleveland, OH 44105	Tel.(216) 641-1112 Fax (216) 641-0709
Mr. Gordon Ettie President California Pellet Mill Company 1114 E. Wabash Avenue Crawfordsville, IN 47933	Tel.(317) 362-2600 Fax (317) 362-7551
Mr. Clifford Anderson President Crown Iron Works Co. 1600 Broadway St. NE Minneapolis, MN 55413 Mail: P.O. Box 1364 Minneapolis, MN 55440	Tel.(612) 331-6400 Fax (612) 362-7551
Elders Oilseeds Inc. Box 8027 Blaine, WA 98230	Tel. Fax (604) 597-2222
Mr. Daniel P. French President French Oil Mill Machinery 1035 West Green St. P.O. Box 920 Piqua, OH 45356	Tel.(513) 773-3420 Fax (513) 773-3424

Mr. Frank Bisanc
President
Garnac Grain Co., Inc.
8000 W. 110th Street
Overland Park, KS 66210

Tel.(913) 661-6100

Fax

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President
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West Fargo, ND 58078
Mail: Box 7157
Fargo, ND 58109

Tel.(701) 293-6862

Fax (701) 282-5622

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President
Lever Brothers Co.
390 Park Avenue
New York, NY 10022

Tel.(212) 688-6000

Fax (212) 644-4980

Mr. Wm. Girard Louis Dreyfus
President
Louis Dreyfus Canada Ltd.
1690-360 Main Street
Winipeg, Manitoba R3C 3Z3
Canada

Tel.(204) 943-3546

Fax (204) 944-1307

Mr. Richard Frain
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Frain Industries
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Tel.(708) 343-7800

Fax (708) 343-1726

Mr. Jose C. Martinez
President
Martinez Overseas Company
6109 Boulevard East
West New York, NJ 07093

Tel.(201) 868-2725

Fax

Maschinenfabrik Reinartz GMBH & Co KG
Industriestrasse 14 P.O. Box 100950
Neuss, D-4040
Germany

Tel.02101-272028

Fax 02101-275381

Mr. Thomas Racciatti
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Tel.(612) 370-7500

Fax (612) 370-7629

Mr. Ralph Romero
President
R & D Equipment Sales Co.
One Summit Avenue, #1000
Fort Worth, TX 76102

Tel.(817) 870-1173

Fax (817) 877-5630

Mr. Gordon Phillips
Seedburo Equipment Co.
1022 W. Jackson Blvd.
Chicago, IL 60607

Tel.(800) 284-5779

Fax (312) 738-5329

Mr. Williamson
General Manager
S.A. Extraction De Smet N.V.
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Belguim

Tel.(03)4494240

Fax (03)4494204

Mr. Guy Jacques Meral
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FEED IND.

Mr. George Foster
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1000 Davis Street, P.O. Box 457
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Tel.(209) 394-7901

Fax

Mr. Dale W. Hillman
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J.K. Heiskell & Company, Inc.
116 West Cedar Street, P.O. Box 28
Tulare, CA 93275

Tel.(209) 686-2853

Fax (209) 686-8697

Mr. Ronald O. Kruse
President
O.H. Kruse Grain & Milling
310 S. San Antonio Street, P.O. Box 690
Ontario, CA 91762-8690

Tel.(714) 983-1771

Fax (714) 984-5951

Dr. Howard Waterhouse
General Manager
Moorman Manufacturing Company
17971 Hwy 215 & Oleander Street, P.O. Box 758
Perris, CA 92370

Tel.(619) 745-2450

Fax (619) 745-5541

Mr. Clarence Barinowski
Conagra Feed Co.
980 Molly Pond Road
Augusta, GA 30901

Tel.(404) 722-6681

Fax (404) 722-4561

Mr. Francis S. Morgan
President & C.E.O.
Hamakua Sugar Company, Inc.
1 Sugar Lane
P.O. Box 250
Paauilo, Hawaii, HI 96776

Tel.(808) 776-1511

Fax (808) 776-1250

Mr. Q. Dick Stephen-Hassard
President & General Manager
Fred L. Waldron, Ltd.
91-254 Olai Street
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Fax (808) 682-1011

Continental Grain Company
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New York, NY 10172

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Fax (312) 876-1060

Mr. E.C. Henderson, Jr.
Sr. Vice President & General Manager
Continental Grain Company
Wayne Feed Division
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Fax (212) 207-2960

Mr. Jack A. La Brasca
President
Cereal Byproducts Company
55 E. Euclid Avenue, #410
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Mt. Prospect, IL 60056

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Fax (708) 818-1659

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United Feeds, Inc.
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Sheridan, IN 46069

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Fax (317) 758-9016

Mr. Jay W. Brandall
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126 N. Franklin Street, P.O. Box 609
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Tel.(612) 587-2133

Fax (612) 587-5816

Mr. Denis J. Daly, Sr.
Vice President
Hubbard Milling Company
424 N. Riverfront Drive, P.O. Box 8500
Mankato, MN 56002-8500

Tel.(507) 388-9400
388-9427

Fax (507) 388-9498

Mr. James R. Stolle
Group V.P.
International Multifoods Corporation
33 S. 6th Street, Box 2942
Multifoods Tower
Minneapolis, MN 55402

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Fax (612) 340-6570
340-3775

Mr. E.L. McMillan
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Purina Mills, Inc.
1401 S. Hanley Road, P.O. Box 66812
St. Louis, MO 63166-6812

Tel.(314) 768-4400

Fax (314) 768-4488

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Chairman of the Board
AGWAY Inc.
333 Butternut Drive, P.O. Box 4933
Syracuse, NY 13221

Tel.(315) 449-7061

Fax (315) 449-6078

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Chairman
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Saxlingham Thorpe Mills
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Mr. Peh Tiong Hai
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Group Dir Sales
Gold Coin Singapore Pte Ltd
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Tel.

Fax

Mr. Eckhard Tholke
Director
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D-2848 Vechta
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Fax (494) 441-84225

ANNEX E

COMPANIES CHOSEN FOR FOLLOW-UP CALLS

List of Companies to Which Follow-up
Telephone Calls Were Made

Aarhus Inc.
Alfa-Laval Separator Co.
Archer Daniels Midland
CPC International (Best Foods)
California Oils Corporation
Cereal Byproducts Company
Conagra Feed Co.
Foster Farms
Garnac Grain Co.
Harsville Oil Mill
International Multifoods Corporation
O.H. Kruse Grain & Milling
Moorman Manufacturing Company
PVO Foods, Inc.
Plains Cooperative Oil Mill, Inc.
R & D Equipment Sales Co.
Seedburo Equipment Co.
Fred L. Waldron Ltd.