

**PRIVATE AGRIBUSINESS
ACCELERATION PROGRAM
FOR
ROMANIA**

Grant Number 186-0024-G-SS-9104-00

Quarterly Report
April – June 2001

July 2001

Land O'Lakes, Inc.
International Development Division
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Romania Private Agribusiness Acceleration Program

Grant 186-0024-G-SS-9104-00

Land O'Lakes, Inc.

Quarterly Report: April - June 2001

I. General Project Information

Project title: **Romania Private Agribusiness Acceleration Program (RPA)**

Project number: **186-G-00-99-00104-00** (previously 186-0024-G-SS-9104-00)

Project duration: **3 Years (starting date: February 1999)**

Location: **Romania (Bucharest)**

Project Value: **\$2,398,284 (\$1,918,627 federal funds)**

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In accordance with:

- the United States Agricultural Policy in Romania (1998-2000) to accelerate development of Romanian agricultural potential through competitive, private enterprise and to maximize long-term American participation in Romanian agriculture through trade and investment and
- USAID's goals to support the growth of a competitive, market-oriented private sector relative to the public sector; and to increase the number of credit-worthy private enterprises in selected strategic sectors possessing unique economic opportunities and challenges,

LAND O'LAKES, Inc., is promoting rapid and sustainable growth in several Romanian agribusiness sectors at company, association, and business support/service organization level, thereby contributing to an increase in public-private sector dialogue and an improvement in the general business climate for private agricultural enterprises.

Specific Project Goals:

Land O'Lakes, Inc., will successfully implement RPA project goals via three primary measurable outputs to be achieved by the end of the project (EOP):

- A. **At least 3 subsector associations will be established or strengthened.**
- B. **At least 30 agri-business SMEs in poultry, feed, dairy, and/or other subsectors will have received TA leading to measurable improvements in their operations.**
- C. **At least \$480,000 in direct "match" investments by the EOP.**

In addition, RPA has a series of internal targets which it will be looking to achieve by the EOP which include, but are not limited to the following:

- 1. **a 15% increase in sales** for client SMEs,
- 2. **creating or strengthening 30 "investment-ready" SMEs,**
- 3. **\$3 million in new investment and/or financing** for the companies with whom we work

RPA goals and targets mirror USAID/Romania's S.O. 1.3 "Development and Growth of Private Enterprises" by focusing on Increased Capital Investment in Private Enterprises (IR 1.3.2) and Strengthening Business Support Service Organizations (IR 1.3.3). Up-to-date information on the RPA project and its successes vs. project goals and targets is provided on page 10.

II. Macro Information on Romania

- A. According to data released by the National Institute of Statistics (INSSE), **overall inflation** in Romanian consumer prices rose 1.6% in June 2001 (against May 2001 figures) and 35.7% from the same period one year ago.

The June figures revealed an underlying downward trend in inflation this year but remain higher than the Government of Romania's initial ambitious target of year-on-year inflation of only 25%. Most analysts predict annual inflation reach between 30%-35% by the end of 2001, which would still be down from 40.7% in 2000.

- B. Inflation for food goods (2.0% in June 2001; 40.8% year on year) continued to surpass the overall rate of inflation as well as inflation for non-food goods and services. Should the present average monthly inflation figure for food (2.7%) be maintained throughout the year, consumer prices for food will increase by a whopping 32.4% in 2001.
- C. Again, some of the highest inflation and price increases in Q2 2001 were registered in the sectors where the RPA project is most active: dairy and poultry. The following are percentages of price increases registered during the first half (six months) of 2001:

<u>Goods</u>	<u>Jan-June 2001</u>
1. Cow cheese	9.5%
2. Butter	12.9%
3. Total milk	15.1%
4. Poultry meat	37.8%

III. Implementation Highlights in Association Building

A. APEL

1. Partnership and activities

SIMPOLACT 2001 will be organized this year between October 5-7, 2001, in Poiana Brasov with the support of LOL Romania and several event sponsors. Prep work for the event began in Q2 2001 and all logistical work and reservations have been made. APEL's executive director is closely working with a new public relations/promotion company with whom Simpolact 2001 will be coordinated.

2. Media Relations

APEL continued to promote its image, members, and message in the mass media. Some examples were:

- a. In CAPITAL, Romania's most widely read business weekly, an in-kind three-week series was published on milk and dairy products in the Romanian market. The three primary themes of the series were facts, figures, and consumer preference data on yogurt, cheese, and other fresh dairy products (e.g., buttermilk and kefir). In return for APEL's contribution of data and material collection, the alliance received free promotional space in the magazine to promote its members. New materials on the ice cream and milk market are already in the works for Q3 2001.
- b. APEL entered into a partnership agreement with House of Guides magazine, an industry specific monthly dealing with a different theme for each issue. To coincide with SIMPOLACT 2001, the House of Guides will issue a special edition on the cheese market that will contain information on the dairy processors industry, distributors, and companies with activities related to the dairy sector (equipment, packaging, ingredients, etc.). As a result of this collaboration, APEL will benefit from 22 pages for promotional ads and member presentations.
- c. APEL will also be prominent in nearly all of the food industry magazines that will be issued to coincide with Romania's largest trade show for the food industry: INDAGRA (November 2001).
- d. A leading Romanian daily, Evenimentul Zilei, collaborated with APEL in Q2 2001 to write articles for its readers on the local dairy market with an emphasis on consumption, milk and dairy product quality, and the grave risks of consuming unprocessed dairy products.

3. Re-launching the APEL campaign

- a. Between May 11- June 3 APEL organized some activities to re-launch its image to consumers in Bucharest. APEL flyers, bags, and posters were distributed to consumers in 16 outdoor markets, all major supermarket chains, hospitals, and at the National Trade Show for Consumer Goods: TIBCO 2001. Four students were

hired to do all necessary legwork for this activity and preliminary results show that the re-launch has created awareness and an impact on the public.

- b. A new APEL promotion campaign program is being readied for the public. This campaign will be formally kicked off in Q3 2001 once it is formally approved by APEL's General Assembly.
- c. Prep work for another consumer campaign in Q3 2001 targeted at smaller stores was carried out in Q2 2001. Stores selling dairy products are being primed to display APEL promotion materials.

B. UNIPAA

1. Lobbying efforts on behalf of members and Romanian agribusiness

- a. UNIPAA spearheaded a meeting with the Secretary of State of the Ministry of Food and Agriculture (MFA) via the Alliance for Romanian Economic Development (an NGO in which UNIPAA is member). Some of UNIPAA's proposed actions for the Romanian livestock sector are expected to be studied in detail by the MFA. In particular:
 - Cataloguing and preparing closed/bankrupt pig farms for sale by companies activating in the sectors without debts at the state budget.
 - Importing \$150 million worth of live animals and genetic material from the US via a GSM loan (backed by a GOR sovereign guarantee).
 - Eliminating the safeguarding tariff clause for pig meat imports from Hungary, but maintaining them for poultry.
 - Granting the poultry producers export bonus beginning in 2002.
 - Stimulating cattle breeding by granting breeding bonuses.
- b. In a related issue, UNIPAA will be collaborating with the Ministry of Foreign Affairs to review custom tariffs and work out a timetable to establish lower taxes for raw materials (compared with taxes for final products) and possibly even seasonal custom taxes for certain products.

2. UNIPAA Successes

- a. UNPAA met with the Ministries of Agriculture, Finance, and Trade & Commerce to discuss the safeguarding clause issue for pork and poultry meat imports from Hungary. As a result of UNIPAA and UCPR's lobbying efforts, a decision was made to compromise: eliminate the pork safeguard tariffs, but maintain the taxes for poultry. Custom taxes for pork imports from Hungary were returned to the CEEFTA limit of 25% (down from 45% which had been applied since 1999).
- b. UNIPAA met the representatives of the Romanian Parliament's Agriculture Commission and suggested changes that should take place in the sector.

- c. UNIPAA conducted a study regarding the comparison of agricultural, commercial and fiscal policies applied in Romania and Hungary and submitted it to the Romanian Ministries of Agriculture, Finance, and Trade & Commerce to assist them in evaluating future commercial policy in trade relations with Hungary.

C. UCPR (Union of Romanian Chicken Breeders)

1. UCPR continues to lobby on behalf of its members

- a. The stature of UCPR continues to increase as UCPR's President, Dr. Ilie Van, was formally nominated as member of the Romanian College of the Ministry of Food and Agriculture. The nomination is an important step in furthering UCPR's unmatched lobbying capabilities.
- b. UCPR met with the Prime Minister of Romania, Adrian Nastase, representatives of the Ministry of Finance, the Competition Council, MFA, and the Ministry of Foreign Affairs to inform them of the fraudulent egg imports being practiced on a daily basis from Turkey and present solutions on how to rectify the matter.
- c. UCPR continued to work with the Ministry of Foreign Affairs and provide the Foreign Trade Department on poultry meat production figures, imports statistics, and economic data from the field. UCPR used much of this data to lobby (with UNIPAA) for a continuation of the safeguard clauses for poultry imports from Hungary, which was ultimately approved.
- d. A meeting between Prime Minister Nastase, Romanian media, and representatives of the Romanian agribusiness was organized to discuss the problems confronting the Romanian food sector. The meeting was timely as 2001 looks like it will be a bounce-back year in terms of agriculture. One of the immediate results of the meeting was that UCPR request for a stay of one-day-old chicken imports (to encourage the Romanian producers to develop their own market) was approved.
- e. Results of the above mentioned initiatives were seen almost immediately in a relaxation of farm gate poultry meat prices by 5-25%. Measures taken by the GOR were enough to encourage producers to increase the number of live chickens on poultry farms.

2. UCPR General Assembly

UCPR organized its annual General Assembly (GA) in Q2 2001. This year's GA, which took place in Poiana Brasov, was an opportunity to present the association's activities, impacts, and results for its members and propose the 2001-2002 budget for approval 2001 as well as discuss the UCPR strategy for the coming months.

3. Media relations

UCPR continues to represent its members' interests and opinions in the Romanian mass media. Q2 2001 was awash in poultry stories in the press that were all hotly debated. Two themes in particular which garnered much interest and attention were:

- a. **"The Romanian Chicken Wins the Battle Against the Mad Cow"**-- this was the title of an ample article that presented an increase in poultry meat consumption by 13% in 2000.

- b. A continuation of [il]legal poultry imports from Hungary via the GOR's "defavorized zones."
4. UCPR keeping members informed
- a. UCPR continues to publish monthly issues of its bulletin for members and its quarterly magazine tailored for poultry/feed specialists. The most recent issue of Avicultorul contains articles on "Romanian Poultry Research," "Strategies and Proposals for Producing Poultry Meat and Eggs," "New Programs to Combat Flea Infestation on Farms," and our personal favorite: "Evaluation of Supplementing Synthetic Amino Acids in Poultry Production."
 - b. UCPR also published two position papers for members in Q2 2001
 - "The Treaty of Meat Production, Processing, and Capitalization" and
 - "Synthetic amino-acids in animal nutrition"as well as a book entitled Chicken for Meat Breeding that will contain information on the entire poultry chain from production to processing. This book will be the first of its kind on the Romanian market.

IV. Implementation Highlights in Firm Level Assistance

Firm Level Assistance in Q2 2001 consisted of intensive one-to-one consulting TAs for new and existing dairy processing and distribution clients and integrated poultry/feed operations.

A. Assistance to Dairy Processing Companies

1. Micro-Crystalline Potato (MCP) Seminar

Land O'Lakes continues to focus its efforts on increasing the profitability of its Romanian clients. As such, we took advantage of Henry J. Camin's recent visit to Romania on a completely unrelated visit financed by PWC's RADA project.

Henry is one of the developers and patent holders of MCP, a potato-derived micro-particulate product which demonstrates functionality as a fat mimetic, protein extender, and stabilizer in various food systems.

The RADA project generously donated two days of Henry's time for prep and presentation of a seminar organized by Land O'Lakes on May 4, 2001, to introduce the MCP product as a means to reduce costs in the dairy processing industry (the seminar presentation materials are included at the end of this report).

The MCP seminar was held in the conference room at another Land O'Lakes client: the Brasov Potato Institute. Seminar participants were primarily technical managers of nine dairy processing clients—all of whom expressed an interest in testing MCP in their own companies.

The next step will entail a return visit to Romania by Henry and possibly a formulator to actually begin testing MCP in Romanian cheese and yogurt. This visit should take place during Q3 2001.

2. New product development TA

Land O'Lakes' long-standing volunteer in new production development, Bill Broske, made his final trip to Romania under the RPA project between June 4-15. Clients benefiting from Bill's TA on this trip were EUROLAT (jud. Maramures), DORNA LACTATE (jud. Suceava), RAMOCSA (jud. Harghita), and SORILACT (jud. Hunedoara).

TA for Sorilact was carried out in partnership with the Romanian American Enterprise Fund, an equity investor in this dairy plant.

B. Assistance to Integrated Poultry & Feed Companies

Another of Land O'Lakes Romania's joint projects with the Brill Corporation (Norcross, GA) came to life in Q2 2001. In Q1 2001 Land O'Lakes began providing its three core integrated poultry/feed clients TA on effective feed formulation. A software feed formulation program was custom designed for each client (Transavia, Nutricod, and Nutrientul) under the condition with each client that it be implemented at each farm/factory to optimize the feed production costs and poultry production. The software developed by Brill Corporation for feed formulation takes optimizes variables such as:

- total raw materials available for feed production
- raw material costs
- bird age and feed necessities

With this information, proper feed recipes can be formulated, saving the clients money while demonstrating exactly where feed costs are coming from, what are the present day inventories, what raw materials and in what percentages should be used for optimum poultry production, etc. In addition to implementing the program and training the staff on how to work with it, Land O'Lakes and Brill are also comparing the data obtained in the feed operations with data in the field taken directly from the farms. Comparing this data gives us an overall view on how production and costs can be optimized.

Each individual intervention with Land O'Lakes/Brill is followed by a series of recommendations for improving operation efficiency. All this data will be summarized together with the impacts obtained from these interventions and will be reported in either the Q3 or Q4 2001 report. In the meantime, the following is information taken from interventions on our three integrated poultry/feed clients on interventions to date:

1. TRANSAVIA (jud. Alba)

Though it is nowhere near the biggest player on the market, Transavia owns one of the most modern poultry operations in the country. In Q2 2001 a new feed mixing plant and silos were purchased by the company and Brill has been contracted to modernize the operations with new equipment and Brill software. The investment is expected to lower feed production costs and the ex-works price for poultry meat.

Transavia's problems, as identified by the Land O'Lakes/Brill team, are related to specific feed recipe formulations including the choice of raw materials used (in particular the percentages of calcium, phosphorous, calcium carbonate). Also, the Land O'Lakes/Brill team recommended to Transavia's management the use of higher quality soy bean meal (e.g., 48% protein), which in spite of the higher price is more economical and efficient and could substitute part of the protein sources currently used. This also opens up the possibility of Transavia purchasing U.S. Hi-Pro Soybean meal.

Land O'Lakes/Brill continue to send out materials outlining the latest information in the feed market to the Transavia management team to keep them informed on the latest technology and help them better learn on the movements in the feed and poultry market.

2. NUTRICOD (jud. Brasov)

Nutricod owns a massive, aging feed operation with a total capacity of 140 thousand tons of feed per year. Since 1990, Nutricod has been nowhere near operating at full capacity. In fact, the company ended 2000 with total year-on-year production of only 14 thousand tons of feed. The costs involved in running such a large feed operation are very high and operations are far from efficient.

In an effort to increase sales and market share, modern pelletizing equipment was recently purchased. Unfortunately, the quality obtained from the use of this new equipment was less than desired due in part to pellet sizes obtained, high cellulose content, and a high linoleic acid percentage.

With regard to the pellets, the integrity of each pellet was not maintained during transportation from the plant to the farm. Resulting loses were higher than expected, birds did not grow uniformly, and final outcomes were far from ideal. To further compound the issue, farm equipment has not been modernized since 1990 and a large percentage of feed was lost on its way to chicken coops. As a result, high consumption and conversion ratios have been registered for the company's chickens.

Nutricod's management followed suggestions made by the Land O'Lakes/Brill team to resolve some of these issues and measurable improvements have been noticed from one visit to another. Land O'Lakes/Brill continue to send out materials outlining the latest information in the feed market to the Nutricod management team to keep them informed on the latest technology and help them better learn on the movements in the feed and poultry market.

3. NUTRIENTUL (jud. Bihor)

Nutrientul, like Nutricod, also inherited an old dinosaur of a feed operation left over from the communist era. After the drought of 2000 and months of producing feed at higher-than-average costs, Nutrientul's management decided to halt feed production temporarily and instead rely on cheaper, higher-quality imports from Hungary.

As feed came into the business from Hungary, Nutrientul was busy modernizing its feed operation to include new pelletizing equipment. The new operation will formally kick off in Q3 2001.

At the suggestion of the Land O'Lakes/Brill team, Nutrientul's management invested in full fat soybean meal equipment that should significantly increase poultry conversion ratios. Furthermore, in an attempt to increase Nutrientul's efficiency, management purchased an incubation unit with a capacity of 60,000 eggs per series and has contracted out consulting work on the operation to Brill.

Our clients have all expressed gratitude and satisfaction from Land O'Lakes/Brill collaboration. It must be working as measured results were collected even after the first field visit. Land O'Lakes/Brill has tried to keep suggestions limited to feed recipe inputs, microclimate in the farms, water supply, and equipment for employees at the farms level, [re]organizing equipment, etc. In short: small things that have huge impacts on productivity.

Results of the intervention to date have resulted in a more efficient administration of feed ingredients, lower feed recipes costs, lower feed consumption ratios, a shortened slaughtering period, and lower mortality rates.

V. Collaboration with Other USAID Partners

- A. Land O'Lakes took advantage of a **Price Waterhouse Coopers/Agland/DAI** consultant working with the RADA project to organize a seminar on Micro Crystalline Potatoes and the effects it can have in dairy processing. RADA's Patrick O'Brian was especially helpful as he generously donated two days of Henry's time for prep and presentation of a seminar organized by Land O'Lakes on May 4, 2001 (see page 6).
- B. Land O'Lakes continued to work with **World Learning** on their "Romanian-American Sustainable Partnerships (RASP) Umbrella Grant Program." Not only is the UCPR and the American Soybean Association proposal that Land O'Lakes authored one step closer to reality, we assisted World Learning to finalize efforts at providing a grant to the Romanian Meat Association, an association supported by **ACDI-VOCA**.
- C. At the request of the **Romanian American Enterprise Fund (RAEF)**, Land O'Lakes provided TA to Sorilact (jud. Hunedoara), recipient of an equity investment from the RAEF.

VI. Status of USAID/LOL Project Targets (as of June 30, 2001)

1. At least 3 sub-sector associations will be established or strengthened in measurable ways. These associations will be democratically controlled and highly functional with well trained leadership to give direction and concentrate efforts to establish a viable market driven industry.

✓ **100% Deliverable Achieved**

2. At least 30 agri-businesses SMEs in poultry, feed, dairy, and/or other subsectors will have received TA leading to measurable improvements in their operations.

✓ **100% Deliverable Achieved**

3. 10% increase in profitability for RPA clients.

✗ **All clients registered increases of 0.5- 12%**

✓ **Select companies have 10% increases**

4. \$480,000 in direct match.

✓ **115% of Deliverable Achieved**

Status LOL/RPA Internal Project Targets (as of June 30, 2001)

Life of Project Target	Status
Increased percentage of pasteurized milk	200% increase of 1999 UHT milk sales
Increased domestic capacity to replace imported product	Poultry: production up 49%; sales up 81%; Imports down 48%; consumption up 18% Feed: 24% increase in feed production Dairy: production up 2%; imports down 62%
\$3 million increase in foreign investment and/or financing	\$5.85 million of foreign investment in 3 clients; \$18.5 million in fixed cap. Investments for 24 dairy clients \$ 1.8 million for 4 integrated clients
Increased US investment in core clients	\$ 285,000 invested in 2 dairy clients.
Increased business transactions	\$7,100,000 in new business transactions from Simpoavi '99 \$3,200,000 in new business transactions from Simpoavi '00 \$225,500 in new business transactions and \$156,945 in other misc. transactions from Simpolact '99. \$102,882 in new UHT milk sales from Simpolact'99.
15% increase in sales	All clients registered sales increases varying from 3-58%
30 investment ready firms	30
Increased foreign investment	1 client received a foreign investment of \$5.5 million via acquisition of 99.97% of the company's shares. 1 client received an equity investment from a private U.S. investor totaling \$250,000.
Total production cost savings	\$617,718 in other documented savings to date.
Reduced production costs	\$93,300 cost savings with 1 client via a 38% increase in energy efficiency & increased productivity.
Increased exports	Dairy: 45% increase in cheese; 130% in butter Poultry: 144% increase in live birds; 231% increase in eggs
Increased dairy consumption (CRI)	Results will be available in Q3 2001
15% increase in milk production (CRI)	Results will be available in Q3 2001

ATTACHMENT B

Micro-Crystalline Potato (MCP) Seminar Handout

MCP Potato Cream

MCP (Micro Crystalline Potato) Potato Cream is an all natural (no genetic modification) dairy fat extender which is produced entirely from potatoes.

- Developed by Basic American Foods (a large potato processor in the US)
- Licensed to Kull Foods Technologies (a US based food ingredient supplier).
- Kull Foods
 - Produces this product in the United States
 - Would like to export it to Romania
 - Intends to produce MCP Potato Cream in Romania.
 - This would significantly reduce the cost of the product and eliminate the need for hard currency

Manufacturing Process for MCP Potato Cream

- Make a cooked slurry of mashed potatoes (potato flakes).
- Convert to microparticulate product using a patented (patent pending) mechanical process.
- The product is then spray dried and packaged for shipping.
- It should be noted that this is a completely mechanical process and there is no genetic or enzyme modification of the potatoes.

Functional Attributes of MCP Potato Cream

When MCP Potato Cream is added to dairy products as a replacement for dairy fat, the following functional attributes are achieved:

1. The microcrystalline particle size duplicated dairy fat texture (mouthfeel).
2. The viscosity of the product improves, i.e. it does not harden like ice.
3. The product survives multiple freeze thaw cycles without watering off (syneresis).
4. MCP Potato Cream is not sensitive to pH shifts.
5. MCP Cream improves the creamy color of the product.

MCP Potato Cream Applications

- MCP powder is mixed into a cream with 15% potato solids.
- The cream can then be used as a one for one replacement of dairy fat in most dairy products.
- Assuming that MCP powder costs \$2.20/Kg, the potato cream would cost \$0.33/Kg.
- In most dairy applications, up to 1/3 of the dairy fat can be removed from the product and replaced with potato cream.
- Again it should be emphasized that MCP potato cream is a natural potato product and does not contain any genetic or enzyme modified ingredients.
- It should also be stated that MCP Potato Cream adds opacity to the color of the product. This improves it's appearance and eliminates the gell gloss typically associated with reduced fat dairy products.

Reduced Fat Butter

- By incorporating MCP Butter Cream into butter you can manufacture a substantially cost reduced product which has the pleasing texture of natural butter, but is much more easily spread.
- Reduced fat butter is easily produced by blending MCP Butter Cream with standard butter.
- Typical savings would be 16% for a 20% fat reduced butter.

Low Fat Ice Cream

- MCP cream functions as a fat substitute, stabilizer, and opacity enhancer for ice cream products.
- The natural potato base provides a clean, rich, and smooth texture to low fat ice cream, which is free of objectionable flavor notes.
- As previously shown with butter, 30% of the dairy fat in the ice cream formulation can be replaced with the lower cost MCP potato cream.
- This will allow you to produce a 30% reduced fat ice cream which retains all of the desirable attributes of the standard high fat ice creams, and improves the scoopability of the product.
- This will also reduce the cost of the dairy fat in the product by 24%.

Scoopable Non-Fat Sorbet Alternative

- MCP Potato Cream can also be used to completely replace the fat/protein matrix to provide a dairy free frozen desert (Sorbet).
- The product retains the smooth fat like mouth feel, creamy opaque color, and soft scoopable qualities that full fat ice creams provide.

Hard Cheese Processing

- MCP Potato Cream enhances the yield, opacity, and meltability in non-standard of identity hard cheese products (pizza cheese, and hamburger cheese).
- The potato cream entraps water in the cheese matrix while also providing a fat mimetic effect and protein substitution.
- The target yield enhancement is 5.0% based upon the addition of 0.7% potato cream solids to the cheese milk.
- In addition to the yield increase, the cheese has a richer color, and melts without oil separation.
- This yield increase has been proven in cheddar and mozzarella cheese manufacturing.

Reduced Fat (cost) Process Cheese

- MCP Potato Cream can also function as a fat substitute and yield extender in process cheese products.
- Texture and appearance are improved in the cheese matrix.
- There is a significant improvement in the meltdown (no oiling off) and slicability of the cheese.
- In a typical process, approximately 90% of the ingredients is aged cheddar cheese. 30% of this cheese can be replaced with MCP Cream.
- Note that for this product, the MCP cream should be a higher solids (22%) cream than the cream used in the previous applications. Thus the cost of the cream will be \$0.49/Kg.