



A SOLID

STEP TOWARDS ever sweeter success

Schokinag is a German industrial chocolate producer that is not only among the largest of such businesses in Europe, but also one of the most trusted. A long family history has segued confidently into a recent investment programme that is complementing Schokinag's liquid chocolate expertise with greater solid chocolate and chocolate chip production capacity. Managing Director Rolf Eiermann shared his vision behind this strategy, as well as giving insight into the company's further growth incentives. Tony White reports.





Mannheim in southern Germany is a haven of shopping, baroque architecture and touristic places of historic interest – but it is also where Schokinag, a well-established and highly trusted manufacturer of industrial chocolate, is located.

The business has established sales offices in Italy, the Netherlands, Poland and the UK, yet the investments flavouring progress at the flagship Mannheim facility are the ones most indicative of the firm's growth today.

That growth has been a long time in the making, as summarised by Schokinag's Managing Director, Rolf Eiermann.

"Schokinag began life as a family company, brought into being by the Herrmann family," he said. "Over the years we have witnessed numerous remarkable events – our first liquid delivery in 1959, and the reconstruction of our business following the end of the Second World War. However, constant throughout the years has been the company's commitment to growth and innovation; we are always investing and looking to evolve."

The spirit of ambition

Never content to rest on its haunches, Schokinag – which employs 150 personnel and has a production capacity of 90,000 tonnes of industrial chocolate per year – has consistently invested in growth and success.



Shifts in leadership over its formative and later years, attracted by the potential the business can offer, have seen Schokinag dance between conglomerates such as ADM in 2009, Cargill in 2015, and finally a Dutch private investment firm in 2016. The latter positioned the company as it remains today – a mid-sized player with the flexibility to meet the needs of the market, and the expertise and experience to take action swiftly as and when required. ▀





“Thanks to our owners’ vigorous support, we are now approaching the next big step in Schokinag’s history – namely, our new solid production lines,” Mr Eiermann referenced. “Although our product portfolio is extensive, we are always looking for the means to expand it further. Our customers value us as their supplier because we understand that their needs may be unique, and we are able to work with them to create tailor made recipes in the shortest response time.”

Yet alongside its R&D capabilities, the standard product selection Schokinag offers remains popular – liquid chocolate for use in ice cream and other flavourings, for instance.

“However, we are seeing increased enthusiasm for our solid chocolate, chips and chunks – both in industrial use, but also artisanal applications,” Mr Eiermann commented. “Certified sustainable chocolate is another area of remarkable growth.”

A solid lead on success

Schokinag’s response, and indeed anticipation, of this shifting consumer and market interest has seen significant investments put into action. The first of these, a chip line capable of producing three tonnes per hour of chocolate, came online in December 2018.

Yet superseding that is Schokinag’s new white chocolate production line, due to come online during March 2019, with a higher production capacity still.

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“This increase in capacity, together with our highest product quality and a brand-new packaging to be introduced this spring, will allow us to offer an even wider range of chocolates to both industrial and artisan users,” Mr Eiermann highlighted. “Furthermore, we are due to exhibit at Food ingredients Europe 2019 in Paris between 3rd and 5th December – stand 7H21.”

Schokinag’s expansion of its facilities and production capacity is one engineered to go hand-in-hand with its existing personal approach to its clients and suppliers. The trust and goodwill that the business has cultivated over the years has made 2019 a ripe time in which to continue expanding its market growth across the globe.

And yet, as Mr Eiermann explained, there are key consumption habits to be aware of as the business aims to spread its wings all the more worldwide. ▾



“Emerging markets are showing a preference for standard and conventional chocolate, while in our immediate region there is more of a preference for single origin, sustainable and organically produced chocolate,” he elaborated.

“We strongly believe that there are good opportunities for geographic expansion in the near future. More specifically, we are currently targeting regions such as Central Eastern Europe, Great Britain, the United States and the Middle East.”

Adaptive to the future

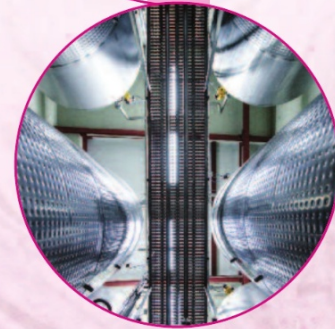
The consumption and dietary habits present in the food industry worldwide – not just confectionery – have changed radically over the last five years, and in the last decade all the more so. Indeed, those companies most adept at adjusting their tactics and investing in the right directions are those most apt to flourish – and Schokinag stands today as a solid example of that notion in action.

“One of the biggest challenges is that of market concentration,” said Mr Eiermann, reflecting on the state of the industry today. “Yet while there are fewer players in the market now than there used to be, it creates opportunities for mid-sized firms like ourselves to adapt to change and find new opportunities.”

“Chocolate consumption is driven by the number of inhabitants of our globe and their available income. Both are still increasing, and consequently the chocolate market is going to grow in the future. This makes us rather optimistic.”

Yet despite such promising prospects, Schokinag and its Managing Director are likewise not taking the success tomorrow promises for granted.

“Our global strategy will focus on innovation and further development in the market, all while preserving our mid-sized identity through real proximity to our customers and flexibility,” Mr Eiermann summarised. “In this light, we plan to stay observant of the market and close to our customers at all times, picking up any new developments and helping our customers introduce new products while meeting all changing market demands.” ■





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