



Market

Klara d.d. bakery from Zagreb is the largest joint-stock company in the baking industry in terms of its capacity, production, assortment, as well as the number of its employees in the Republic of Croatia. With many years of experience, top expertise and the insistence on the quality of its products, Klara has become a market leader in the baking industry. For over 110 years the company has been present in Croatia, precisely because of its many years of experience, tradition and quality, and because of this, enjoys complete trust of its customers. Klara retains its close connection with its customers through its very own network of bakery stores in Zagreb and the wider area. Today, the network consists of over 20 bakery stores at attractive locations. Klara's products can be found in every larger grocery store throughout Croatia.

It is also important to mention that in every Metro or Konzum centre, along with their usual products, Klara has its very own mini bakeries. Besides the aforementioned, Klara's customers are also larger hotels, hospitals, ministry offices, schools, kindergartens, dorms, grocery stores etc. Klara's quality has also been recognised by Croatia's neighbouring countries and so has begun exporting a



part of its assortment of products to Bosnia and Herzegovina. The company is also a major shareholder of Prehrana, a chain of grocery stores from Zagreb, which has 63 stores in Zagreb County that employs a staff of 280. Klara's bakeries have three production plants in Zagreb and the wider area, in which over 250 different products are produced on a daily basis, while over the tourist season the assortment is broadened. Their palette of products is distributed daily to over 2,500 locations throughout Croatia and is supplied through three

logistic centres (Slavonski Brod, Rijeka, Split). All this confirms the value of Zagreb's Klara bakery, whose quality is recognised by customers from day to day and who acknowledge Klara as their number one choice for starting off their day.

Achievements

Klara's greatest achievement is that it has successfully done business and been on the market for over 100 years. Very few businesses can boast of having achieved such great success. What makes Klara so successful is its ability to constantly invest in production, to continually insist on improving its quality and educating its employees, constantly opening new stores, entering new markets and of course Klara's long-lasting tradition that has enabled the company to create a special relationship with customers and society in general.

Constant presence on domestic but also international bakery fairs and such, gathering experience and new ideas have introduced world trends in the bakery business to come to us as well. It is well known fact that it is impossible to successfully compete on the market whose society is orientated exclusively to bakery products. The production palette simply must be comprised of a wide range of





products that are different, innovative and easily recognised and valued by customers. Precisely for this reason, Klara regularly introduces new products on the market. Along with its usual everyday products, Klara also has wide range of long-life, frozen and half-baked frozen products, not to mention Klara's "Sweet Programme" and all-natural products for those who want to eat healthier foods. Klara's products have received numerous awards for quality at food-product fairs. For instance, the grand golden award for quality at the food-product fair at Zagreb Fair in 1999 was given to Klara for its *Primorska Žemlja* (Coastal Bun), while the year before, they received the same award for their Toast Bread; not to mention the award for their "Cao-Cao" cookie cake in 1997.

Of course, there are many other awards for recognition of the company's quality, which in turn is one of the main reasons customers put their trust in Klara's products. Since 2006, Klara has been adapting its business to the ISO 9001:2000 international standard, while the same year, the HACCP system was also introduced.

History

The locations where Klara bakeries are open today are the same ones that have been open since the 19th century, while the company has gone through many phases until its current profile as an organised joint-stock company. With the nationalisation and incorporation of baking cooperatives after World War One, the City's Bakery Enterprise (GPP) was established, which was a forerunner of the company today that went through many changes by Croatia's independence.

From 1952 to 1962, GPP was divided into sixteen autonomous bakery enterprises, only to be integrated in 1962 with Zagrebački paromlin and ten other bakery enterprises into a conjoined enterprise "Pek-Mlin", which in 1963 changed its name into "8. maj". A new phase began during the 1966-1969 period, when new modern baking facilities were built in Svetice, Sv. Klara and Samobor. With the merging of "Žitoproizvod" from Karlovac and "1. maj" from Sisak in 1962, the bakery industry was significantly



broadened to the greater part of the Zagreb region and a larger part northern Croatia. At this time, the name of company changed to Žitokombinat "8. maj". At the beginning of the 1990s, Žitokombinat became a limited company, which under the name "Zagrebačke pekarnice" (Zagreb Bakeries), became an independent company. Through the Croatian Privatisation Fund, "Zagrebačke pekarnice" underwent privatisation as a joint-stock company in 1993. In August 1994, 51.41 percent of the company was privatised, giving "Zagrebačke pekarnice" the status of a private joint-stock company.

Product

In the past couple of years, Klara has developed many recognisable brands that can be found on your kitchen table, that make your meal even more delicious. Along with their traditional bakery products, special all-natural products were also introduced to the market for those who want healthier food. Their brand called Klara Natura has products hand-made with completely all-natural ingredients and without additives or preservatives, enabling the products to stay fresh for even several days. Immediately after baking bread is packaged in sterile food packaging bags, ensuring absolute hygiene for the consumer. Precisely for this reason Klara Natura is the perfect choice for those looking after their health. The brand Klara Griz (Klara Bite) is comprised of a wide assortment of sweet and salty products based on puff-pastry and short crust pastry, which are ideal either just as a snack but also a complete



meal. Klara's answer to the fast lifestyle of today is its line of frozen food products called *Claressa*, which are quick and easy to prepare. Of course, this is not all – Zagreb's Klara bakery also has a wide assortment of pasta of different shapes and sizes, long-life bread, sweets...all packed so the products stay fresh.

Recent Developments

By being in line with world trends and by using attained knowledge and experience – Klara bakery regularly launches new products on the market. During the past year, a new packaged food product was launched on the market for healthy foods called *Klara Dvopek iz Cjelog Zrna* (Klara Wholegrain Toast Biscuit). Furthermore, some of the products which were launched on the market during this period are also: Klara's *Šestinski Kruh*, *Sunny Pastry*, *Mixed Corngrain Pastry*, *Ryebread Pastry*, *Fig Strudel*, *Pizza-flavoured Puff Pastry* – known as *Claredi Pizza*, and wheat-grain pastry called "White Slipper" and more. Novelties in Klara's stores, which are intended to expand their offer of products to demanding customers, are their fresh sandwiches made "on the spot" and Klara's baker's oven pizzas – which will be presented to the market at the beginning of 2010.

Promotion

Since the year 2000 up until today, Klara has significantly changed its visual contact with the market. In 2005, the company's logo was changed and over a hundred vehicles were painted for advertising. Along with this and other promotional messages, a new slogan was created – "Your Day Starts With Us". Small bakery stores began to be modernised and new packaging designs, billboard commercials etc. are also being developed. Not uncommon are also donations for new projects, as well as sponsorships and promotion over the radio.

Brand Values

In doing business, the company has always aspired towards three main goals: customer satisfaction, employee satisfaction and a harmonious relationship with society. In order to do so, the company's experts constantly work to create products of the highest quality. To always be at your disposal, close to you and by your side – is our everyday mission.

www.klara.hr

THINGS YOU DIDN'T KNOW ABOUT...

Klara

- Klara's bakeries produce more than 250 different kinds of products: 150,000 loaves of bread and pastries which are delivered to over 2,500 locations throughout Croatia.
- Klara's long-life Cao-Cao cookie cake is one of only a few products that are accepted by all age groups – it can be found in kindergartens, primary schools, secondary schools, universities, homes for the elderly and so on...
- Zagrebačke pekarnice Klara, as animal friend, every day deliver a few hundred loaves of bread for feeding animals in the Zagreb Zoo.

