



## Market

The consumption of meat and meat products, on an annual worldwide scale, amounts to roughly 40 kilograms per capita, while the European average, due to greater purchasing power and development, totals some 90 kg. Croatia, with the average annual consumption per capita of approximately 60 kg, is considered to be a medium consumer. The structure of meat product consumption is specific to each individual region within the country, with the emphasis on authentic domestic products offering richness and diversity to meat products available.

PIK Vrbovec is the leading meat industry in Croatia and the region; its products currently satisfy the requirements of one third of the market needs for meat and meat products, assuring PIK Vrbovec a leading position on the Croatian market.

PIK Vrbovec was founded in 1961 on the very grounds of a meat industry owned by Đuro Predović that was founded as far back as 1938. The Croatian Prigorje region, where PIK Vrbovec is located, is traditionally known for cattle breeding and especially pigs, which provided a solid base for this kind of industry. For decade upon decade, the company has been producing and developing quality meat products under the brand name PIK, finding consumers not only in Croatia and the region, but throughout Europe and the USA as well.

In 2005, PIK Vrbovec entered the Agrokor Group and since then a highly intensive development program has helped PIK to achieve new production records every year.

On account of constant improvement of the company's production plant and logistics centres, continued investment in product quality, careful market trend following and new and changed business philosophy directed towards the market and the consumer, PIK has become a recognisable brand and a market leader in Croatia.

That's how in 2008 alone, the company was able to deliver over 50,000 tons of meat and meat products that found their place on the tables of consumers.

In each of its market segments, PIK produces top brand quality that can compete with the best products in the world. PIK hams, Mortadella, Durable sausages, "Parizer PIKO" (Extra-Wurst) and Frankfurters took the market lead on account of their top quality and consumer trust.

At the start of 2009, PIK introduced packed fresh meat under the PIK brand, offering the consumer safe meat of certified quality, as well as an established traceability system going from breeding, processing, production, and distribution all the way to store shelves.

Along with the products under the PIK brand, the company produces a selected assortment of the Sijeme brand whose quality is well known to Croatian consumers.

PIK's products are also exported to foreign markets; in fact, 9 percent of the company's annual sales is generated from export.

## Achievements

The quality of PIK's products has been proven by the numerous quality awards, including the following:

- 2008 – Novi Sad Food Fair



- PIK Premier Ham – Gold Medal
- PIK Kraljka Vratina – Gold Medal
- PIK Mortadella – Gold Medal
- 2008 – The Golden Kuna award for exceptional success in business and contribution to Croatian economy
- 2007
  - PIK Cooked Ham – Great Gold Medal
  - PIK Ham in casing – Gold Medal
- 2000 – Zagreb Trade Fair – International Food Fair
  - PIK Pikantina – Gold Medal for quality and Great Gold Medal
  - PIK Vrbovečka sausage – Gold Medal for quality
- 1999 – Zagreb Trade Fair – International Food Fair
  - PIK Pikantina – Great Gold Medal for consistent quality and Great Gold Medal PIKburger – Gold Medal for quality
- 1998 – Zagreb Trade Fair – International Food Fair
  - PIK Pikantina – Great Gold Medal for consistent quality and Gold Medal for quality
  - PIK Cooked Ham – Great Gold Medal for consistent quality and Gold Medal for quality
  - PIK Zrinski-Winter Salami – Gold Medal for quality

## History

- In 1938 a cured meat factory and slaughterhouse was established by Đuro Predović, on the same location where PIK is situated even today.
- In 1946 the factory was nationalised and began production to meet the needs of the state.
- From 1959 to 1962 the meat industry segment is run as part of the SLJEME Sestvete Company.
  - In 1962 the factory begins work under its current title of PIK VRBOVEC-MEAT INDUSTRY.
  - In 1975 the company begins exporting meat products.
  - In 1989 the total value of exports amounts to 46 million USD.
  - In 1992 the company converges into a joint-stock company with small shareholders making up the majority ownership.
  - In 1995 a new factory for meat

processing opens.

- In 1998 the company begins business cooperation with the McDonald's company for the Croatian market.
- In 2001 the Republic of Croatia becomes the majority shareholder.
- In 2003 the company begins the privatization process.
- In 2005 PIK becomes a part of the Agrokor Group.
- In 2008 the construction of a new fresh meat factory starts.



## Product

The quality and reliability of all PIK products is the result of many years of tradition and experience by top craftsmen who have, for nearly 70 years, put their talent and love for their work into PIK's products.

### PIK Hams

The tradition of ham production has a long history at PIK and hams have always been the most recognisable product; going from PIK's production lines to store shelves - and even exported to the USA.

PIK's delicacy hams - PIK PREMIER HAM, PIK FINE HAM, and PIK HAM DELICATESSE are all made from carefully selected raw material; the finest whole leg piece. Hams contain only a small amount of fat, but with a high protein content, making them excellent dietary products of choice.

Apart from whole delicacy hams, PIK produces a wide variety of other hams but cooked ham, enjoying consumer trust for many years, can be singled out as a precursor of today's delicacy hams.

All PIK hams are produced exclusively from careful-





ly selected raw materials. Low fat and high protein content make PIK products an ideal part of simple quality nutrition, with an extremely succulent unique flavour which is sure to attract all true ham aficionados and ham lovers.

#### PIK Mortadella

Made from an original Italian recipe and recognizable in its quality, PIK produces a Mortadella line that includes PIK Mortadella and PIK Mortadella with olives.

PIK Mortadella is produced from carefully selected raw materials, additives and spices that guarantee high quality of the product which, as a result, is considered to be the top delicacy.

PIK Mortadella with olives is produced for all connoisseurs of Mortadella who also enjoy the taste of olives.

PIK Mortadellas are a true culinary delight for all mortadella lovers.

#### PIKO PARIZER (EXTRA-WURST)

The most recognizable Extrawurst in Croatia is called PIKO Parizer, sold under the slogan "Me, PIKO and nobody else!"

PIKO Parizer has a mild flavour and rich red-meat protein content, making it highly recommendable to anybody wanting a regular and healthy nutrition. A solid structure enables easy cutting for the most imaginative combinations.

Along with PIKO Parizer, PIKO with vegetables is also available, as well as PIKO with seeds and omega oil containing Omega 3 fatty acids with 30 percent fewer calories while still a worthy source of proteins.

#### PIK Frankfurters

PIK Frankfurters are high quality products and a valuable source of proteins necessary for everyday nutrition. PIK Frankfurters, both in natural casing and without, are characterised by their unique aroma and soft, yet juicy flavour.

#### PIK Durable sausages

In the category of durable sausages, PIK offers a rich palette of products: PIK salami, PIK Čajna sausage, PIK Vrbovec sausage, PIK Prima and PIK Zrinski Winter sausage. A wide range of flavours, from mild to spicy, will satisfy the various tastes of all age groups.

#### Piketa

Piketa brand pates are produced from carefully chosen ingredients of proven quality. Piketa pates are

enriched with spices that add a special aroma and a delightful and full flavour.

#### PIK Fresh Meat

PIK Fresh Meat is the final link in the unbreakable chain of quality and control in every phase of the production process. Packed in a special packaging with a controlled atmosphere, PIK fresh meat retains freshness and value significantly longer, and PIK's system of controlled traceability assures tracking at every phase of the production process, guaranteeing health and complete satisfaction with every product.

#### Quality Assurance

The safety of PIK's products is guaranteed by constant control over the entire process. Apart from their own laboratory which oversees the health and safety standards of all products, the hygiene of employees, work surfaces, and equipment, quality in the production process is further guaranteed by 24-hour veterinary supervision by authorized veterinary inspectors. This strictly controlled process is additionally systematically



controlled by the HACCP preventative approach for food safety which enables export to the most demanding markets of the USA and Europe, proven by retaining the export number HR 10 over many years.

Apart from the implementation of the HACCP system, safety and quality of PIK products is guaranteed through an applied integrated management system. This regulates the environmental, health and safety, and sanitary standards of food, all in line with the requirements of the ISO 9001, ISO 14001 and OHSAS 18001 international standards.

Additional confirmation of the quality of PIK products can be found in the many years of business cooperation with McDonald's as an exclusive hamburger patty supplier in Croatia.

#### Environmental protection – Ecology

PIK Vrbovec recognises the extreme attention which must be paid to the implementation of environmental protection policies. Environmental management is conducted in line with all basic environmental protection laws as well as by respecting the policies of environmental management adopted by the Agrokor Corporation in June 2006.

#### Recent Developments

At the beginning of 2009, PIK's new factory opened with an annual pro-

duction capacity of 100,000 tonnes of meat and meat products, making it one of the largest factories of its kind in Europe.

From a technical point of view, the new factory uses all state-of-the-art technical achievements, complete with the automatic management of the production process.

Through this investment, PIK has created preconditions for producing meat and meat products under competitive conditions for the regional market and at the same time for exporting to the EU.

Several products from the new factory have been introduced to the market, the most significant being PIK's high quality packed fresh meat, available at stores throughout Croatia on a daily basis.

#### Recently PIK launched the Maturo meat line.

Top quality PIK Maturo baby beef meat is aged in special chambers at temperatures up to +4°C where it gets a unique aroma, like tenderness and a one-of-a-kind red colour. True gourmets can finally breathe a sigh of relief because they do not have to go to restaurants to enjoy matured baby beef. As a result of the unique gastronomic experience that PIK Maturo meat offers, every home can be transformed into a top restaurant.

#### Promotion

Constant and strong media support is the key to PIK's brands. Advertisements on television, through print media, on billboards and on the internet have resulted in creating a well-known brand. Aside from that, the company constantly conducts promotional campaigns at sales locations so that consumers can become better acquainted with the quality of PIK's products. For several years now, PIK has been a general sponsor of the tourist-culinary event "What our old folks ate", one of the most significant events in the town of Vrbovec, where traditional meals of the Prigorje region are presented.

#### Brand Values

Basic values of PIK brand are long tradition, top quality and the flavour of the products, safety and trust.

[www.pik-vrbovec.hr](http://www.pik-vrbovec.hr)

#### THINGS YOU DIDN'T KNOW ABOUT...

#### PIK Vrbovec

PIK delicacy hams are produced from one leg piece, which makes them especially tender and juicy. The production process of the PIK hams is conducted in one of the most modern production lines of this kind in the world.

#### PIK Fresh Meat:

- contains high levels of iron that could be absorbed as much as 35 percent in our systems.
- The levels of thiamine (vitamin B1) in red meat amounts to an average of 0.14 mg /100 g;
- in 100 g of red meat there are as much as 25 g of protein.

