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S U P P O R T E D B Y T H E C R O A T I A N C H A M B E R O F E C O N O M Y

CROATIAN EU ACCESSION

Consolidated Treaty

According to the Polish EU Presidency, agreement has recently been reached at the EU Committee of Permanent Representatives (COREPER II) session on the English text of the Accession Treaty with Croatia. Hannes Swoboda, European Parliament Rapporteur for Croatia announced the final debate on the text of the Accession Treaty to be held on 14th November at the Foreign Policy Council. Subsequently, the signing of the Accession Treaty will take place, most probably at the EU Summit on 9th December. Donald Tusk is expected to bring the consolidated English text of the Accession Treaty to Zagreb, as he announced in July at the commencement of the six month period of the Polish EU Presidency. The agreement marks the completion of a two year period of work on the Accession Treaty. The opinion of the European Commission is anticipated following the adoption of the Accession Treaty text and the ratification voting at the European Parliament as well as the final decision of the European Commission. Croatia is expected to join the European Union on 1st July

2013, following the conclusion of the ratification process in the Parliaments of EU member countries and in Croatia. ■

START OF A FIVE-YEAR CAMPAIGN



Invest in Green Croatia

Support for the development of the Croatian green economy is connected with the EU cohesion policy goals

Krešimir Sočković

The Association for energy, renewable energy resources, the development of energy efficiency and environmental protection of Zagreb which provides information, promotes and performs activities for the harmonisation with energy and ecological EU policies as well as the development of the green economy, started a five-year national and international campaign *Invest in Green Croatia* together with the National Information centre on energy and environmental investment. Support for the development of the green economy in Croatia is connected with the goals of EU cohesion policy in order to create sustainable development, create new jobs and in-

crease competitiveness. The open market for investing in the green economy is crucial for creating long-term work and revitalising the national economy, and it is the basis of a dedicated battle against climate change. The openness of such a system contributes to the opening of new markets for the local economy, which will allow it to use all possibilities arising from the need to solve the problem of climate change and new potential sources of economic growth. Such an approach and its numerous cross-border, transnational and inter-regional programmes, offers an important platform for new types of co-operation. The five-year national-information campaign *Invest in Green Croatia* was founded with the aim of promoting Croatia as a

market open to investment and investors in the development of a green economy in all economic activities, from research, design, production, service industries and distribution. Within

Green projects and their investors are presented through a registry-catalogue

the framework of this campaign, the Association for energy in Zagreb opened a registry-catalogue of green economy investment where it is possible to present green projects as well as investors intending to invest in green projects. ■



DRAŽEN ŽUŽA, DIRECTOR, BEK SMOKEHOUSE, KAŠTEL NOVI

Becoming an EU member will enhance business activities

We are currently witnessing the results of our hard work following three years of intensive product development, market expansion and increasing customer awareness of the quality and the advantages of smoked fish and smoked seafood. Currently our main competition comes from foreign smoked fish producers, primarily smoked salmon producers, since there are only a few companies in smoked fish production in Croatia. Low-level customer awareness is the biggest problem for the Croatian market in this area of production. Our customers do not differentiate between various smoked seafood products and smoked fish and are mainly interested in price rather than quality. Nevertheless, we have succeeded in finding market niches for our products due

Main competition comes from foreign smoked fish producers

to high commitment to our work. The problem of low customer awareness has been exacerbated by the fact that government and ministries have not classified our company activity as fish processing and, consequently, we cannot be granted any support. Our suppliers are fish breeders and they are granted support, whilst our company, whose primary activity is fish processing, cannot be granted support. Subsequently, we are looking forward to becoming an EU member, as this will significantly enhance our business activities.



Currently, we have agreed to sell our products in Slovakia, yet we have to wait over six months for various permits. However we are succeeding in selling a proportion of our product range to foreign markets irrespective of administrative obstacles. We are particularly satisfied with the results from German, Austrian and Slovenian markets. We are delighted to have been able to import raw material (salmon) from Germany without import broker assistance. Collection of payment management is currently our crucial problem, since we have to immediately pay for any raw materials we purchase from abroad as they would otherwise not be delivered. This is currently a common situation in Croatia. Our company and production processes are in full compliance with European standards. We have succeeded in finding our way out of the crisis as we have not relied on bank lending and have expanded and modernised production using our own operating capital. ■

STRUCTURE OF BUSINESS OPERATORS

The number of active economic operators drops to 44.4%

As many as 54,423 active economic operators without a single employee

Jasminka Filipas

According to data provided by the Central Bureau for Statistics, there were 279,174 economic operators in Croatia at the end of June, of which 124,050 or 44.4% were active. In addition to companies, economic operators include trades, co-operatives, institutions, associations and freelancers. There were 151,554 registered companies, of which 105,537 or 69.6% were active. Compared with the same period in 2010, when the number of active economic operators totalled 50.6%, it is noticeable that the number of non-active economic operators is slightly higher (by 5%), whereas the number of non-active companies is 10% higher (21.1% in 2010). Of the 124,050 active economic operators, 55,978 employed between one and nine workers (a 45.1% share), and 54,423 or 43.1% had no employees whatsoever. They are followed with operators with between 10 and 49 employees (10,962 companies or 8.8%), between 50 and 249 employees (3,098 or 2.5%) and those with over 250 employees (589 or 0.5%). As with last year, the highest number of active operators relates to four categories: wholesale and retail, repairs of motor vehicles and motorcycles, the processing industry, professional, scientific and technical activities and other services.

According to ownership type, private ownership dominates (83%), followed by collective ownership (1.5%), mixed (1.1%) and state ownership at 0.8%. Ownership is not registered for 13.3% of companies. Concerning trades and freelancers, there were 95,320 in this category.

Zagreb first, Split second

The territorial structure of active trading companies, corporations and co-operatives is different in relation to the structured of those who are registered. For example, the share of the city of Zagreb is 35.5%, and 35.1% relates to active operators. These shares, according to the numbers in the county of Split and Dalmatia, are 11% and 11.2% of registered operators. The number of registered and active economic operators is mentioned for other countries rather than a percentage. The county of Primorje and Gorski kotar is third with 22,988 registered companies of which 10,924 are active. Istria has a similar number of registered and active operators and assumes fourth position. Fifth is the county of Osijek and Baranja with 11,004 registered and 5,240 active operators. Compared with data from previous years, it can be concluded that the number of economic operators increased by roughly 10% on average during the past two years. ■

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€1.35 million
revenue for Kvadra in 2010

5,000 m²
new production facility

TOMISLAV KNEZOVIĆ, DIRECTOR, KVADRA

INVESTMENT IRRESPECTIVE OF CRISIS

Kvadra, a reputable furniture design company, started its own production during the crisis by investing €2.7 million and is currently recruiting new staff

Krešimir Sočković

Kvadra was founded in 2007 and started operating in July 2009 when the first 600 m² retail furniture store was opened. The furniture store, employing 4 staff, sold furniture made by reputable European suppliers' – sitting room furniture, wall units, library units, tables, chairs, carpets and similar items. The company began investing in its own production in August 2010, whilst the construction of a new production facility equipped with state-of-the art machinery and employing new staff has recently been completed. *Privredni vjesnik* talked with Tomislav Knezović, Director of Kvadra, which currently employs some 40 staff and is recruiting new employees, having revenue of €1.35 million in 2010.

What encouraged the start of your own production during the crisis?

I have to point out that this is not the first own production. I am also the founder and Director of the company *Perfecta* and I am considerably satisfied with the success of the team. I have always been interested in upholstered furniture production and an appropriate time for investment has never had any significant impact on my business ac-

tivity. Consequently, the current crisis did not have a significant impact on my decision. I believe that quality, satisfactory services and appropriate prices are imperative on the market irrespective of the crisis. Consequently, crises should not impact on investment.

What is the value of investment and how was it sourced?

The investment value totalled €2.7 million. We invested considerably to increase our competitiveness. The company has excellent premises of nearly 5,000 m² and is equipped with state-of-the-art technology. It was financed both with through loans and own funds.

What is your range of products? Are you competitive in neighbouring markets?

Currently our production is in its inception. We are currently producing sitting room furniture; fabric and leather three-seater and two-seater sofas and armchairs of medium and high quality at acceptable prices. Customer value for money or ratio between price and enjoyment in our products are the focus of our attention. Our product range comprises both classic and modern furniture. Regarding neighbouring markets, I believe challenges are always present. There is a slight percentage variation in

the price of production materials and it is mostly a consequence of negotiating skills and quantity. Nevertheless the costs of production are a much more serious problem, due to extreme competition in neighbouring markets. We are focusing on state-of-the-art technology, on satisfactory quality and satisfactory organisation of work in order to reduce work hours, rather than achieving the lowest production costs.

What is domestic market demand and who are your customers?

Croatian customers are well-informed on design trends, irrespective of the crisis period. Croats are very similar to Italians in this respect. Subsequently, Italian furniture manufacturers have been highly successful in Croatia for years, since they took the opportunity of a long period of inactivity regarding investment in furniture production and design in Croatia.

What is the demand for designer furniture?

There is a constant demand for designer furniture; nevertheless the market has recently witnessed the presence of bad design copies, particularly those from the Chinese market.

What is your opinion on co-operation amongst Croatian

designers? How competitive are they?

We have co-operated with Croatian designers just once thus far, via a tender invited by the Croatian Designers Association. The tender results were excel-

Quality, satisfactory service and appropriate prices are imperative irrespective of crisis

lent and two pieces of work were awarded. The first was by the group Numen feat – Bratović and Borovnjak, named *Revolve*. The second was by the group *3angle*. In my opinion, Croatian designers are talented and have extraordinary potential.

What are the expectations for the forthcoming future, following this large investment?

Kvadra is a healthy, slow-growing company which is about to reap the fruits of hard work and the best endeavours of its staff. Employees are of crucial importance for any company and they must enter the company with a smile. In my opinion, the company must operate with positive results, recording growth and guaranteeing high quality products. Speed of growth is not the most important aspect. ■



20% renewable energy resources
Produced in Croatia by 2020



CONFERENCE ON CROATIAN-GERMAN CO-OPERATION ON DEVELOPMENT-RESEARCH PROJECTS

The best chances lie with solar energy

Croatian-German co-operation on solar energy will include co-operation between countries and companies

Jozo Vrdoljak

The German ambassador, Bernd Fischer, visited Split and participated at a mini-conference on Croatian-German co-operation on development-research projects, an introduction to a similar conference scheduled for May 2012 at the Faculty of Electrical engineering, Mechanical Engineering and Naval Architecture. At the opening of the conference Ambassador Fischer pointed out that the subject matter of this conference is part of the Croatian EU membership package. The organisers of the conference, the German Embassy, the Croatian Chamber of Economy, County Chamber Split and the county of Split and Dalmatia, anticipate over 400 European participants in May 2012. During the past decade, Germany has made a giant step forward in the development of technologies for using renewable energy resources and we can help Croatia create additional value, said the Ambassador.

Help from Germany

He also pointed out that Germany is willing to help Croatia and share its experience regarding the conditions for using EU funds. Solar energy is an area where Croatian-German relations can develop rapidly. This topic is what we wish to underline the most and co-operation will concern solar energy, including co-operation between the two countries and their companies, stated Fischer. According to him, Germany is offering help to Croatia and

Croatian companies so that they could, from 2013, use ten times greater financing from structural funds than they had from pre-accession EU funds, and the sum concerned totals €1.5 billion. It has been revealed that the Berlin Fraunhofer Institute will, by the end of the year, sign an agreement with the county of Split and Dalmatia regarding a specific project.

Croatia and Germany lack renewable energy resources

The Fraunhofer Institute is also known for its experts who have been developing a programme for the restructuring of Croatian shipyards during the past ten years. Fraunhofer, owned by the German state will use the knowledge of the University of Split, and also build a solar panel factory in the Scientific-Technological Park.

Connecting science and entrepreneurship

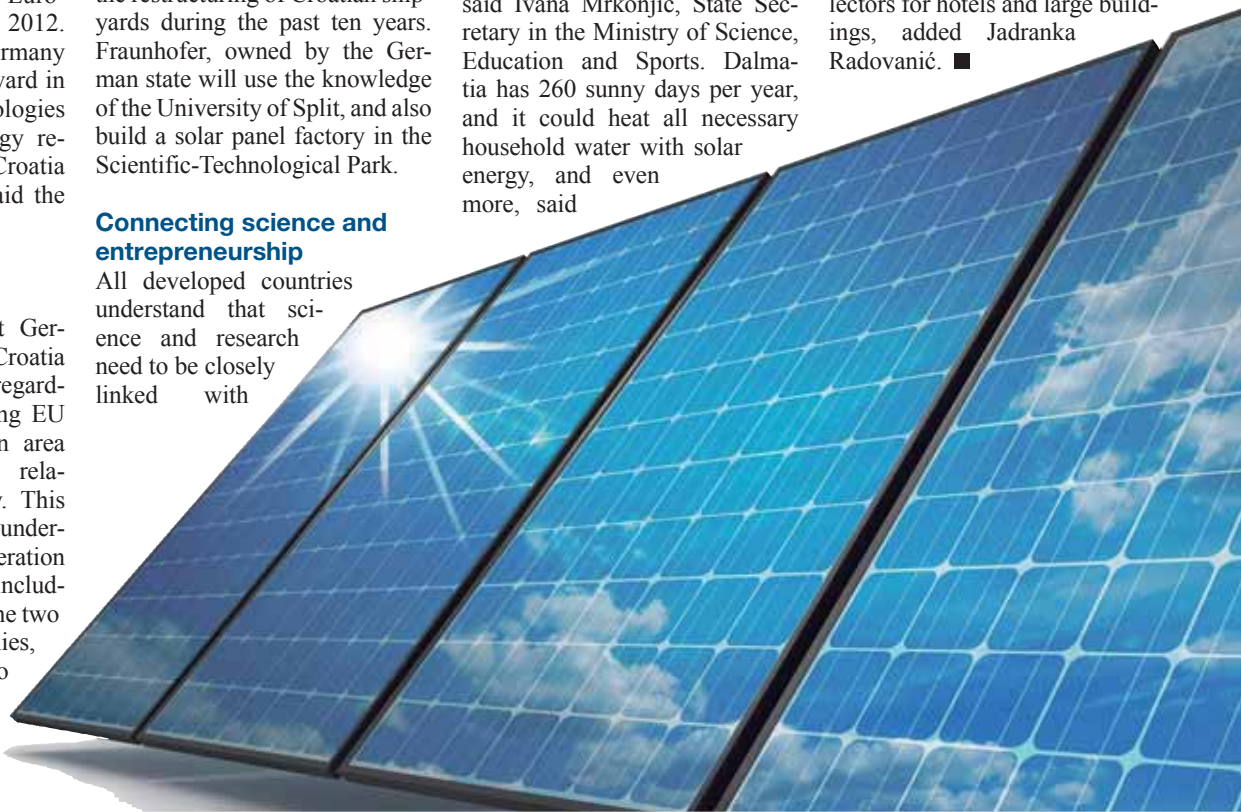
All developed countries understand that science and research need to be closely linked with

Hi-tech zone near Dugobabe

The construction of the Scientific-Technological Park of Vučevica was planned along the Zagreb-Split motorway, where hi-tech technologies and production would be developed. The Fraunhofer Institute would finance the majority of the project and 55 hectares is scheduled for construction during the first phase. All work of the project will be done in co-operation with the Split University. Construction work on the Park should start in September 2012 or at the beginning of 2013 at the latest. The County Prefect of Split and Dalmatia promised the companies ready to invest that he will issue a construction licence within 60 days.

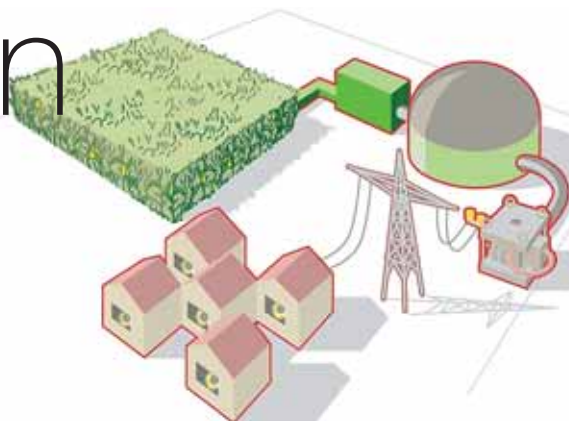
entrepreneurship and industry in order to achieve sustainable economic progress, especially during a crisis. This is precisely what is happening in the technological park in Vučevica arranged between Germany and the county of Split and Dalmatia. This is the first project of this type in Croatia and the government supports it, said Ivana Mrkonjić, State Secretary in the Ministry of Science, Education and Sports. Dalmatia has 260 sunny days per year, and it could heat all necessary household water with solar energy, and even more, said

Jadranka Radovanić, President of the CCE-County Chamber of Split. Croatia and Germany lack renewable energy resources. By 2020, Croatia must produce 20% of its energy needs from renewable sources. Very little time is left until then. We should start to consider how to include in legislation a mandatory design of solar collectors for hotels and large buildings, added Jadranka Radovanić. ■



EBRD SUPPORTS GREEN ENERGY USE

€5 million loan to Agrokor



The construction of biogas production facility as a first step in Agrokor strategic plans to develop several similar projects

The European Bank for Reconstruction and Development is strengthening its efforts in the promotion of production and use of green energy in Croatia, by financing the first project for biogas production. The bank has granted a €5 million loan to Agrokor supporting the construction of a combined production facility for thermal and electric energy, using biogas as its primary fuel. EBRD funds will be used for the purchase and development of a biogas production facility and sterilisation and water purification equipment. The completion of the project is anticipated for September in 2012 and will be in full compliance with EU regulations on environmental protection.

The production facility 40 kilometres from Zagreb will use organic waste, a by-product of Agrokor food production activi-

Organic waste as fuel, a by-product of Agrokor food production

ty, as fuel. Its power output will be 1MW of electrical energy to be delivered into the Croatian electricity distribution network. In addition, it will have a power output of nearly 1MW of thermal energy. The construction of biogas production facility is the first

step in Agrokor strategic plans for the development of several similar projects with a total production capacity of up to 30MW.

“Investment in energy efficiency and renewable energy, as a promotion of the use of various energy sources is a priority for the EBRD. We are delighted to be participating in this pioneer project for Croatia. We will illustrate the commercial sustainability of biogas projects in the agribusiness sector and set high efficiency standards in this field, setting an excellent example for both agribusiness and the renewable energy sector”, stated Zsuzsanna Hargitai, EBRD Director for Croatia. (K.S.) ■

news

Agrokor again interested in Mercator

The Agrokor conglomerate has once again announced to the Competition Protection Office of the Republic of Slovenia its intention to participate in the process where the majority owners of Mercator are again soliciting offers for the sale of their shares. London ING bank as the consultant of the 50.03% owners of Mercator shares, Slovenian banks and Pivovarna Laško, mainly controlled by the same banks, is collecting non-binding offers for the purchase of Mercator shares, with a deadline for the submission of offers of 5th October.

International tender for Brijuni rivijera



An international tender has been invited for the *Brijuni rivijera* project implementation. The project is extremely significant for Croatian tourism and in the first phase its value stands at €0.27 billion. Previous military zones near Pula are to become recognised tourist resorts in the near future. The deadline for the submission of offers is 16th January 2012.

Innovation capabilities

Awards for ENT, Brodarski Institute and Citus

Sense Consulting, business consulting services provider, the weekly *Lider* and Vern University of Applied Sciences have worked on the project *Croatian innovation quotient (CIQ)* assessing the innovation capabilities of Croatian companies and have presented a study on improvement based on the results of their analysis. The work on the project began at the beginning of 2011, analysing 119 companies (8 large, 23 medium-sized and 88 small companies). Ericsson Nikola Tesla was the winner in the large company cat-



egory, Brodarski Institute in the medium-sized and Citus in small company category. The organisers recorded individual results of innovation capability for companies participating in the project, as well as comparisons with other companies of similar size, and recommended improvements. The recommendations will assist companies in the process of improving their innovation potential and in strengthening their competitiveness.

Goran Radman, Dean of Vern University of Applied Sciences, stated that it is imperative for

companies to continuously and systematically deal with these issues in order to achieve permanent results through innovation. “Consequently, any innovation strategy needs to be co-ordinated with business strategy. It is necessary to place particular focus on organisations fostering innovation with its structure and culture, as well as to define clear procedures, policies and incentives for innovation, work on new ideas and on the improvement of products and business processes”, he pointed out at the awards ceremony. ■

OPG TRAMPUS, BELIŠĆE

Slavonian lavender in Hawaii



Pensioners started growing lavender out of enthusiasm; now it is exported globally

The Slavonian landscape is becoming increasingly coloured in violet and blue, the colours of lavender. Around twenty families, from Slavonki Brod to Vukovar and Belišće started to cultivate lavender rather than more traditional cultures. At first glance this is unusual for Slavonia. However, lavender is also grown in Great Britain and only recently on the hills of Gorski kotar. Vera and Željko Trampus planted one acre of the most common type of lavender in Croatia (*budrovka*) in 2005. Today there

The family farm OPG Trampus achieves an annual yield of roughly 10 tonnes of lavender flowers

are around 17,000 bushes growing over two hectares. Naturally, the arrival and cultivation of lavender in Slavonia did not go unnoticed by neighbours and associates. However astonishment lasted only until the first harvest and the presentation of finished lavender products. *OPG Trampus* annually produces around 10 tonnes of lavender flowers from which they produce around 70 litres of pure lavender oil, approximately 2,000 litres of lavender flower water and a large quantity of dried flowers. The family opted for eco-

logical cultivation from the very beginning. They surrounded their lavender plantation with rosemary and Dalmatian pyrethrum thus protecting the plantation against unwanted chemicals from surrounding fields. The quality of the yield and finished products is regularly controlled through appropriate laboratories.

Hungry market

From a normal producer of lavender flower, as it had been during the first two years, the family built a distillation plant where they are able to perform the entire production process. They made this step forward three years ago, obtaining a Japanese machine for harvesting lavender from New Zealand. According to their knowledge, this is the first machine of this type in Croatia. Everything they produce is placed on the Croatian and global markets very quickly and at reasonable prices. In general they are wholesalers, operating without distributors and intermediaries. Since they have a website, they receive many orders by e-mail globally. The lavender from Belišće has made the trip to an exclusive beauty salon in Hawaii. They have buyers in Canada, Austria and Slovenia. Furthermore, *OPG Trampus* is one of four owners of the certificate for the production of lavender seedlings used throughout Croatia. (S.S.) ■

DrLuigi, ŠESTANOVAC



Custom made medical footwear

The company markets its products to several thousand European dispensing chemists

The footwear company *DrLuigi* was founded seven years ago and its main activity is the production of medical footwear. It was founded by the *Splicanka* holding company under which it operates. Over 100 families are connected with the work of the company.

“We function as a regular company which achieves results on the basis of its experience and product quality”, says Željko Frankić, investment and development director of the holding company. *DrLuigi* manufactures medical products and it was the first company in Croatia to develop the production of medical footwear for people suffering from blood vessel and joint conditions. It has also patented and protected its innovations. All products are classified and certified as medical and can only be purchased through dispensing chemists or orthopaedic stores. The company markets its products to several thousands European dispensing chemists. According to Frankić, the group plan is to organise production on every market able to accept over 100,000 products of the *DrLuigi* programme.

3D Measuring

The company has a specific sales system and is recognised for its method of communication with its commercial representatives. On the Polish market, we communicate with our buyers in Polish, or

Swedish for the Swedish market or Romanian for the Romanian market. The specific language is the mother tongue of our trade representatives, Frankić points out. By the end of the year the company will be the only one in the world to produce medical custom made footwear. Using laser scanners, installed in orthopaedic surgeries,

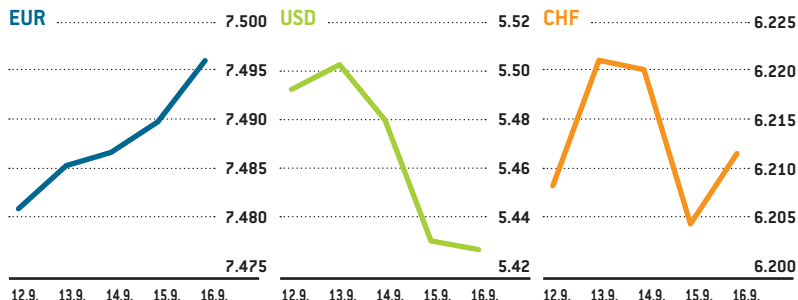
Over 100 families connected with their work

the computer will take 3D measurements according to which we will manufacture our product and deliver it to the patient. A Serbian company has recently opened a warehouse of finished products which will operate as a customs storage facility from which we will distribute our products to Romania, Bulgaria, Greece, Turkey, Albania and Macedonia, Frankić says. In Vranje, the company opened a storage facility with office and delivery space valued at €193,000. The second investment phase will be worth almost €1.5 million and will include production facilities, the mounting of injection devices and other production equipment. The completion of the programme of medical custom made footwear manufacturing with laser scanners and CNC devices is scheduled in Serbia, where a further €300,000 will be invested. (J.V.) ■

CROATIAN FOREIGN CURRENCY MARKET

Currency	Kuna exchange mid-rate
AUD	5,623366
CAD	5,51497
JPY	7,074985
CHF	6,211424
GBP	8,576598
USD	5,426734
EUR	7,495947

Source: HNB WEEK SEPTEMBER 17, 2011



LIFE AND NON-LIFE INSURANCE

GROSS PREMIUMS OF €0.85 BILLION

In terms of structure, the largest share was classic life insurance with a 2.3% lower premium, totalling €0.18 billion



According to cumulative data of the Croatian Insurance Office between January and August 2011, 26 insurance companies received gross premiums of €0.85 billion, 1.9% down year-on-year. For non-life insurance gross calculated premium totalled €0.65 billion or 1.9% less over 2010, which is 75.73% of total premiums. The predominant type of insurance relates to motor vehicle insurance, with premiums of €0.27 billion, a 1.7% increase year-on-year. Furthermore, this type of insurance was 42.13% of the premiums of non-life insurance and 31.90% of total written premiums. In terms of mandatory third-party insurance of owners or users of motor, premiums increased by 1.6% to €0.27 billion. This increase is primarily from

warranty insurance (+110.6%), insurance of legal protection costs (+18.9%), credit insurance (+13%), insurance against various financial losses (+4.3%), travel insurance (+4.1%), insurance against the responsibility for operating aircraft (+2.7%), other types of insurance against responsibility (+2.6%), insur-

Year-on-year premiums decreased by 1.9%

ance for operating motor vehicles (+1.7%) and other insurance of assets (+0.1%). Premiums fell for aircrafts insurance (-27%), insurance against the responsibility for operating vessels (-16.4%), the insurance of tracked vehicles (-14%), insurance of vessels

(-13.9%), insurance of road vehicles (-10.7%), goods transport insurance (-8.8%), insurance against accidents (-6.3%), health insurance (-3.8%) and insurance against fire and minor damage (-1.2%).

Life-insurance registered a 2% drop with a calculated gross premiums standing at €0.21 billion, 24.27% of total premiums, with the highest share relating to classic life insurance with 2.3% lower premiums of €0.18 billion. Annuity insurance showed written premiums of €0.80 million (+26.8%), additional life insurance premiums of €13.80 million (-0.7%), wedding / birth insurance €0.75 million (-2.9%) and life or annuity insurance where the insured takes on any investment risk with premiums of €14.51 million (+0.3%). (V.A.) ■

news

Most brokerage houses in negative territory

9 of the 15 currently operating brokerage houses recorded a loss over the first six months, whilst only Intercapital and Agram brokeri recorded significant profit. Nevertheless, total brokerage operations were positive and stood at €16,500, according to data provided by the Croatian Financial Services Supervisory Agency, which was a considerably better result than 2010 when the total loss of 21 operating brokerage houses stood at €1.25 million.

Mutual funds positive position of €7.35 million

Total profit of 33 companies managing 128 mutual funds on the Croatian market stood at €7.35 million in the first six months of this year. Profit was 55% up over 2010, according to data provided by the Croatian Financial services Supervisory Agency. The largest profit was created by ZB Invest (€1.69 million), followed by the state owned Croatian Pension Investment Association (€1.57 million) and PBZ Invest (€0.78 million).

Lenac €6.5 million contract

Viktor Lenac, the ship repair yard from Rijeka, has concluded a €6.5 million contract with the US Naval forces to provide maintenance services and overhaul of the US warship 'Mount Whitney', the US Navy Sixth Fleet flagship stationed in the Mediterranean. The overhaul is to start in the near future and be complete in two months. The Minister of Defence believes this co-operation could provide new opportunities for Croatian shipyards.



Local market too small for Marex gel from Zadar

Ice-cream and gnocchi the production mainstays

Marex gel has started market research regionally as new investment and greater production capacity a necessity to fulfil plans

Jozo Vrdoljak

Marex gel from Zadar was founded in 1991 and began intensive production and distribution of ice-cream for catering with the return of tourists to Dalmatia and the reopening of hotels in 1996. Subsequently, in 1997, it implemented a changed production programme to avoid seasonality of operation and oscillations in ice-cream consumption.

“We commenced gnocchi production and ensured employment throughout the year. Nevertheless, the number of employees currently varies from 15 to 22. In 1999 we finalised the full modernisation of the company, by extending production to a range of frozen dough products”, pointed out Sandra Lordanić Lukavac, Director of Marex gel Zadar.

Croatian quality

The company is planning regional market expansion and will consequently witness an intensive period in the near future. It has strengthened contacts, selected nearly all the distributors and commenced test production for markets in Montenegro and Serbia. It is also engaged in the continuous investment necessitated in order to be registered and classified as a manufacturing company



using ingredients of animal origin at the Ministry of Agriculture, Forestry and Water Management. “Investment in adaptation and reconstruction of the premises is an on-going necessity. We have deadlines to meet in order to be registered and classified as a

Gold medal at a recent pasta fair

manufacturing company. Marex gel had previously been granted the ISO 9001:2008 certification in compliance with legal regula-

tions and meeting all requirements, implemented production process and distribution monitoring by HACCP standards and was granted Croatian quality label for the gnocchi product range”, pointed out the Director of the company.

Competition is fierce due to a plethora of international companies operating on the Croatian market and the product range of Marex gel overlaps with Ledo, which is the Croatian market leader in ice-cream production. The Director of Marex gel believes difficulties with pay-

ment, as a result of the financial crisis, is an additional aggravating circumstance.

Regional expansion

“We have commenced regional market research. New investment and production capacity enlargement are a necessity to fulfil our plans. We have been engaged in continuous investment in machinery and technology and we will probably not have to invest significantly in that area. Nevertheless, we may have to invest considerably in production capacity enlargement and distribution. We anticipate borrowing conditions to become less stringent and more approachable in the forthcoming future”, pointed out Sandra Lordanić Lukavac. She expressed her high expectations of national restaurant classification and stated that she anticipates Marex gel products’ appearance on local and regional menus. The company was awarded a gold medal at the recent pasta fair in Vodice. ■

Broad product range

Currently ice-cream production for catering services and for retail is the backbone of Marex gel product range. It currently has over 650 business partners in Croatia due to its quality products, its product development and continuous technological advancement. In addition to the frozen dough product range, the quality of their potato gnocchi has been noted. Potato gnocchi, gnocchi with mushrooms, gnocchi with rosemary and vegetable gnocchi are merely one segment of their product range. In addition to frozen food production, Marex gel also embraces selling pasta, desserts, vegetables,

fruit and fish. Deep frozen dough products are divided into servings, enabling fast and easy preparation and serving. The product range comprises deep frozen pasta, deep frozen sauces, pizza, pizzetta-salatini (salt dough), puff pastry torta rustica (rustic cake) amongst others. The range of sweets comprises 15 products which are simple and easy to serve. Marex gel is a representative of McCain French Fries, which have a high nutritional value. Various fruit mixes are also included in the range. The products are GMO free and contain no artificial colouring, flavouring substances or preservatives.