

Moroccan dairies want Pure-Pak® cartons

Elopak-Obeikan success story in North Africa

Following Elopak's market update of the exciting and expanding market area of North Africa, also known as Maghreb (see Elotalk 1-2007) we spoke to Elopak's Omran Al-Obeikan, General Manager, and Mamoon Al-Saudi, Marketing & Sales Manager of Elopak-Obeikan Co. who are responsible for recent success in the Moroccan market.



"After many years of Elopak's near absence from the Moroccan dairy and juice market, we took a strategic decision in 2003 to enter this promising market which was "ready and ripe" for a modern, highly efficient and functional packaging system" says Omran Al-Obeikan. "Until that time, most of Morocco's milk was packed in either plastic pouches or first generation carton packs, i.e. tetraeder or pyramid shaped packs offering no functional or emotional value to the

consumer. These cartons were mostly produced on outdated equipment which was both labour and maintenance intensive" adds Omran.

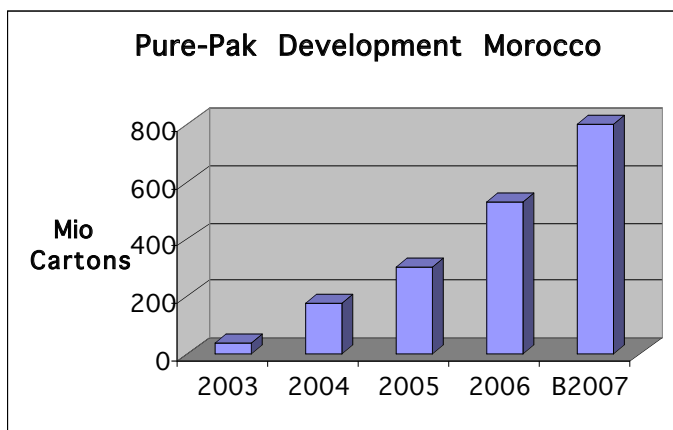
"Another characteristic of the dairy market in Morocco is that milk is generally packaged in 500 ml containers, which is

considered a portion pack in most markets with high fresh milk consumption" comments Mamoon Al-Saudi. "We studied the market carefully before starting our marketing and sales campaign. The natural thing would have been to offer Elopak standard cartons. But we soon found out that COPAG, our first customer and a very open-minded, marketing-oriented dairy, was ready to opt for the new Mini Diamond Pure-Pak® carton system" says Mamoon. Together, Elopak-Obeikan and Copag developed their first project and in summer 2003, a second-hand Elopak filler U-M70 with a capacity of 7,000 portion pack cartons per hour was installed.

"QUALITY" brand was instantly visible: the new milk package with its colourful design, its clear graphics and its easily-opened/reclosable cap were immediately accepted by Moroccan consumers. This motivated Copag to broaden their supply and distribution area and soon demand increased to the extent that they had to order a second filler to cope.

But this was only the beginning of a tremendous success story. Today, five years after the introduction of the first Elopak® filler, Copag operates seven high-speed filling lines with a total installed capacity of ca. 80'000 cartons per hour. "An added bonus for the dairy is that the introduction of the consumer-preferred

The result of the introduction of Copag's JAOUDA or



mini carton with a large, reclosable cap has enabled Copag to demand a higher price for this "new" milk compared with its precursor" comments Mamoon. "Consumers obviously prefer the greater functionality of the pack and the brand's quality assurance."

Brand building is another keyword for Moroccan dairies. Thanks to the outstanding results of the JAOUA milk brand, Copag launched a drinking yoghurt under the brand name MIXY. This new product has also been well received by Moroccan consumers of all age groups. Copag therefore decided to extend their range of brands in late 2005 and introduced NECTARY, a fresh nectar beverage in five different flavours.

The introduction of the new packaging format onto the Moroccan dairy market has led to a complete change of the whole liquid dairy market. Within three years, Moroccan market leader Centrale Laitière (part of DANONE) dropped their somewhat outdated milk packs in favour of Elopak's Diamond Mini Curve cartons. Their first ultra-high speed filler, the Elopak U-M240 with a capacity of 24'000 cartons per hour was installed in 2004. Today, Centrale Laitière operates six of these ultra-high speed carton fillers plus one U-M100. And there is more to come...

The category change also inspired other co-operative dairies like Colimo, Colinord and Safilaut to change to Elopak-Obeikan's winning formula.

So what are the success factors that brought such a dramatic change to the fresh milk and dairy products market in Morocco?

"First of all, we clearly analysed the market and its potential. We got strong indications that a change to the consumer-unfriendly and outdated packaging format was evident" comments Omran Al-Obeikan. "We carefully prepared our entry into the market. This began with the best and most functional carton packaging system there was and included a supply organisation which understood the market and its needs.



"The Elopak-Obeikan Co., which is responsible for all markets in the Middle East, applies the principle of "thinking globally – but acting locally". We use the strong, global partnership and systems knowledge of the Elopak Group, and our own formula enables us to get closer to customers in the countries we serve. For example, we employ local staff and service technicians who speak the language of our customers on all levels. Our agent company, Serih Maghreb, run by Mr Jawad

Binkiran and his son Hicham, have been a great help to us in paving our way into the Moroccan dairy and juice business. We have invested in services like design support and a pre-press centre to help our customers create attractive packages. But we also look after our customers in terms of technical service, maintenance and spare parts in order to guarantee them smooth production – 365 days a year."

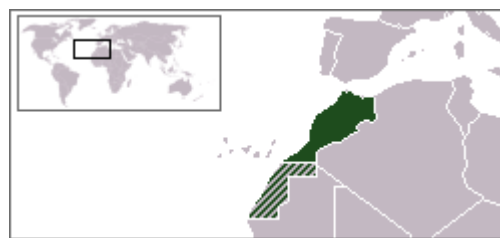
"Elopak's customers in Morocco appreciate the marketing support we give them, which includes seminars on new products and applications" adds Mamoon Al-Saudi. "After all, we intend to establish far more of a presence in the Moroccan market in the coming years" he concludes.

For more information contact the Elopak-Obeikan office in Saudi Arabia, Marketing Manager Mamoon Al-Saudi, mamoon@elopakobeikan.com.sa



Kingdom of Morocco

Capital	Rabat
Largest city	Casablanca
Official languages	Arabic
Government	Constitutional monarchy
Area - Total	446,550 km (57th)
Population	33,241,259 (2005 est.)
Currency	Moroccan dirham (MAD)



The striped area on the map shows Western Sahara, most of which is de facto administered by Morocco as its "Southern Provinces". Its sovereignty, however, is currently in dispute (see main article).

Morocco, officially the Kingdom of Morocco, is a country in North Africa with a population of 33 mio. It has a long coast on the Atlantic Ocean that reaches past the Strait of Gibraltar into the Mediterranean Sea. Morocco has international borders with Algeria, Spain, Western Sahara or Mauritania. The name "Morocco" in many other languages originates from the name of the former capital, Marrakech.