



As promised, "STL News" is an extension of your direct contacts with STL. This newsletter brings you regularly up to date on our current progress, defining the solutions and detailing the progress of actions set to achieve them, so as to offer you the best possible service at all times.

Message from the Director



Pierre GUEZ
Managing Director,
Dijon Céréales Group

As part of its diversification strategy, the Dijon Céréales Group (with annual sales of €300 million, 4,500 affiliated producers, and 700 employees) has been contributing for some years to the development of the Auxonne vegetable-growing area in the Côte d'Or region of France.

STL's entry into the group in February 2002 was solid proof of Dijon Céréales' determination to play an active role in the onion supply chain. Onion production is of great importance for several affiliated producers in the Group, and contributes to the economic viability of agricultural holdings.

The main outlets for onion production are in STL's processing activities (especially drying), and STL is destined to become a player of considerable importance in Europe's food ingredient sector. Thus the Group needed to take a clear, unequivocal decision : **it is imperative that STL restart its activities as soon as possible in a new industrial facility.**

At stake is the survival of the onion sector in this département, as well as further diversifying market supply for the European food industry.

The STL team's professionalism and motivation, allied with Dijon Céréales' resources, will make us even more effective and stronger in the future - and put us in a position to give full satisfaction to STL's customers.

Discussions at an advanced stage

The STL sales team is leaving no stone unturned in its search for solutions to assure the continuity of your dried onion supplies. In order to find subcontracting solutions suitable for initial product processing, discussions began immediately after the fire, both in France and abroad.

These are progressing gradually, and very constructively. Currently, STL is receiving the first deliveries of raw product from several selected subcontractors and samples are being tested in our quality control laboratory, which has already been rebuilt.

We will be in a position to give you more detailed information in early January.

Good workplace relations

Initial worries have now faded. That part of our workforce affected by the shutdown of the drying oven has been temporarily assigned to other Group sites. Depending on the solutions eventually implemented, some of these employees may be able to recommence work in STL secondary processing facilities in the near future.

Regular meetings with the works committee ensure that staff are kept constantly abreast of developments. By the end of the year, meetings with staff representatives will have produced the following :

- ▶ Firstly, the definition of early retirement measures for those interested ;
- ▶ Secondly, the setting up of individual training programmes to help employees adjust to the new processes implemented in the future facility.

The new plant : A project now well under way

A project team combining the entire range of STL skills has been formed in order to ensure that the new industrial facility is properly set up. This team is currently taking part in the work on applications in order to obtain the necessary approvals from the relevant official departments, along with building permission, as soon as possible. The team is assisted by specialist engineering consultancies, which are helping with supplier selection.

Two months to the day after the fire, the application for official authorisation to operate as a classified facility was already with the DRIRE (*Direction Régionale de l'industrie, de la recherche et de l'environnement* / Regional authority for industry, research and the environment). The application for building permission has also been completed and submitted, and is currently under consideration by the authorities.

In order to reduce the time needed to rebuild to a minimum, this new industrial facility will be constructed on a site belonging to Dijon Céréales and located in the onion production area. This choice of location will thus make it possible to bring together all STL manufacturing units in a single place, thus enhancing the efficiency of logistics and supply.

Our Team on the Job



F. Léchenault Management Assistant	E. Joly Operations Manager	D. Perrin Technical Manager	C. Hug Director
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Not in this photo : **A. Fontes**
Plant Manager

Location of the new plant



The new plant will meet **three core requirements** :

- **A major expansion** in production capacity ;
- **Implementation** of new industrial standards and technologies to ensure that production is conducted in the safest possible conditions ;
- **Preservation** of STL expertise to guarantee flawless product quality.

This project should result in the most modern onion processing plant in Europe.

Onion "vegetable bag" preparations : An alternative to dried onion

Production of the STL range of onion "vegetable bag" preparations has not been affected by the drying oven fire. These preparations, which are sterilized and packed under aseptic conditions in aluminized bags, offer equivalent properties and solutions suitable for replacing dried onions.



In general, 10 kg of fresh peeled onions lose 50 % of their weight when cooked. Since the sterilized product is already cooked, it can be used as supplied. Consequently, for recipes we recommend that 10 kg of fresh onions be replaced by 5 kg of sterilized onion in "vegetable bag" form.

Sterilized "vegetable bag" preparations can also be used for the following : *delicatessen products, ready-cooked meals, savoury pastries, oriental dishes, pizzas*, and others.

If you require detailed information of onion "vegetable bag" preparations and their applications, please visit our website at www.coopdorstl.com.



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DIJON CÉRÉALES

"STL est une société
du Groupe Dijon Céréales"