

Frozen food company Iglo invests in Turkey

ÖZGÜÇ KOZAN

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Turkey's frozen food market is currently whetting the appetite of global and domestic food giants. The country's per capita frozen food consumption has doubled in the last five years and reached 1 kilogram.

To feed this growth, Iglo, the global market leader, has decided to enter the Turkish market with an initial investment worth 7 million euros by the end of the year, and Özgörkey Gıda, a domestic leader, is preparing for greater retail sales.

Iglo, which reaps \$15 billion in annual turnover, aims to make Turkey its third largest producer, said Caner Turaman, who has brought Iglo to Turkey. He said the firm aims to start with retail sales and then wants to increase its investment to 30 million euros and create 2,000 jobs in three to four years. "We realize there is noteworthy growth potential in the Turkish market," Turaman said.

Speaking at a press meeting last week, Turaman, the partner of Reckitt Benckiser, creator of brands such as Calgon, Kosla and Dardanel, said consumers have prejudices that these food lack nutritional value or taste bad. He expressed plans to remove that prejudice straightaway via advertising and promotional activities.

"A friend of mine who I worked with at Benckiser has become Iglo's managing director. Even I did not eat frozen food until he insisted I taste it," Turaman said, adding that the crops are frozen and packaged only 2.5 hours after being harvested.

He said the firm is considering joint production with producers across Turkey with the aim to create job opportunities in agriculture, promotions and transportation services.

Turkish firm's initiatives

Özgörkey Gıda, which sells 30 types of vegetables to chains such as Burger King, Dominos and KFC in Turkey and around the world, has decided to enter the retail business due to the high demand. Having made sales only at Metro and Kipa stores to date, the firm has prepared 24 new products for the retail sector. Özgörkey Marketing Manager Gökben Uskuç said their aspire to Turkey's market leader.

Uskuç said the firm, which grew 17 percent in 2008 and had turnover of \$100 million, does not expect any contraction despite the crisis. "Per capita frozen food consumption is 52 kilograms in the United States and around 20 kilograms in Europe. The interest in such products is on the rise in Turkey. At present, we export 60 percent of our production. We predict that we will have difficulty in covering domestic demand in the future."

Having an integrated facility and an agricultural company that grows crops is an important opportunity for the firm, Uskuç said, adding that frozen food has become the top consumption item at military canteens.

Özgörkey, which sells frozen food in 20 countries, exports 20 percent of its pastry and 85 percent of vegetable production. Frozen food was first introduced in Turkey in 1980.



INVESTMENT: Iglo Turkey's chief executive Caner Tunaman (C), speaking at a press conference last week on the company's venture into the Turkish food market.