

# Challenges of the industry

BBI TALKED TO **GEORGE MAVROMARAS**, PRESIDENT OF BAKEHELLAS IN METAMORFOSI, GREECE, AND NEWLY ELECTED PRESIDENT OF THE AIBI (ASSOCIATION INTERNATIONALE DE LA BOULANGERIE INDUSTRIELLE, INTERNATIONAL ASSOCIATION OF PLANT BAKERS) ABOUT THE FUTURE PATH



**++ George Mavromaras**  
President of Bakehellas, President of the AIBI

**+ bbi:** First of all, congratulations on the Presidency. You have been a board member for several years, so in your opinion where does the European baked goods industry stand at present, and what are the most important problems?

**+ Mavromaras:** Thank you very much! The baked goods industry has advanced enormously in terms of product offering, competitiveness, cross border trade and investment in modern equipment. Today it is a dynamic and innovative industrial sector, caring for a good part of the daily diet of millions of consumers.

The slowdown of many economies, the volatile global markets and the increasing costs of raw materials are among the challenges the industry is facing today. On top of that we must make sure that new regulations take into consideration the numerous traditions which characterize bakery products in each country. Products must neither lose their identity, nor bear unnecessary costs beyond a certain point. We need to balance these with regulations for adequate consumer information and healthy and safe products, a responsible position

which has always characterized our industry. We are happy to work closely on that with the European authorities and institutions.

**+ bbi:** Which main subject areas do you want to focus on during your Presidency?

**+ Mavromaras:** I see AIBI as an interactive and constructive organization with both entrepreneurial and technical character. As an open and dynamic forum, where all industry participants meet and exchange information. Continuity, responsibility, openness and communication are the four key buzzwords. Following our successful set-up in Brussels, we can now shift focus in more political and strategic bakery market issues. We will continue our cooperation with all EU institutions for regulatory affairs with the valuable support of our Technical Committee. We will approach other industry participants, hopefully including educational and training institutions, to exchange information and promote our industry. We will improve our communication, starting with a new modern

and user friendly website. Last but not least, we will focus in our member development program to involve key missing bakery organizations in the EU and beyond. And of course, we will continue working for the positive image of bread as always!

**+ bbi:** What does the relationship with the retail groups look like? Lidl in Germany is currently building its own dough piece factory, Intermarché in France produces its own baked goods, and so does Mercadonna in Spain. Will that turn into a trend that could cause problems for the baked goods industry?

**+ Mavromaras:** We welcome everybody who wishes to enter the market and share the same challenges and opportunities. This way we all turn out better and advance our industry to new levels. Everybody benefits from this process, customers, consumers, employees.

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**+ bbi:** The growing number of baking stations in the food retail is changing the demand. More frozen dough pieces are needed, which is to some extent causing sales of packaged fresh baked goods to suffer. Is that giving rise to new competitive forces within the baked goods industry, which could ultimately also cause problems for the Association, or will you continue to concentrate on integrating all the manufacturers of frozen dough pieces as far as possible?

**+ Mavromaras:** The baking industry is very diverse and extensive. AIBI already includes among its ranks a wide representation of all industry sectors. Certainly in the end we may all compete for the same consumer's bite – as we do against completely different sectors – but we are here for the very many challenges which we must face together.

**+ bbi:** Eastern and Central Europe are still only sparsely represented in the Association. In your opinion what is that caused by, and how can it be changed?

**+ Mavromaras:** The reasons may differ. For example in Eastern Europe, it was fairly recently that plant bakeries entered the market. In some cases national associations do not exist yet. We hope that AIBI members who have subsidiaries in these countries, will help setup national associations and subsequently AIBI membership. For AIBI, enlarged membership is very important, we offer a lot to them but we learn a lot from them as well. It's a win-win relationship!

**+ bbi:** Because well-organized associations that could be seen as the image of the industry do not exist everywhere – will the AIBI advertise in future for the individual membership of companies?

**+ Mavromaras:** Firstly I would like to emphasize that AIBI is an association of national bakery associations. National associations have full member status with voting rights. Further to this, AIBI has a scheme for “associate members” for individual companies and possibly other parties who would like to benefit from our in depth knowledge of industry affairs

in the EU. As such, AIBI welcomes applications for individual associate membership.

**+ bbi:** The EU authorities have on their agenda a series of topics that could be important to the baking industry, e.g. salt, acrylamide, labeling law, consumer information etc. AIBI is now a representation of interests group registered with the EU. Do you expect this will cause more attention to be paid to the AIBI's opinion in the future?

**+ Mavromaras:** Certainly! During the last two years AIBI was successfully registered and established in Brussels as an AISBL [Association internationale sans but lucrative, International Non-Profit Organization]. Furthermore AIBI is now registered in the voluntary EU Transparency register for trade associations. This is an unwritten “obligatory voluntary” commitment, in order to be accepted by the European institutions like the European Commission and the European Parliament as a legal entity and official spokesperson. We have clearly strengthened our “visibility” and

we intend to go further!

This investment already bore fruits since AIBI was chosen as the coordinator in the European FP7 Research Project “FLOURpower” for improved baking technology. AIBI is already very successfully involved in many technical issues dealt with at EU level. Consumer information, nutrient profiles, origin labeling, salt reduction, definition of enzymes, food waste, acrylamide, stevia, internal market affairs in Greece and Romania are just a few examples.

**+ bbi:** The AIBI's office in Brussels is very efficient, but it is also very small and therefore its effect is limited. Will you advocate an expansion of the European representation?

**+ Mavromaras:** The point is that our Brussels organization is very effective. By the outcome, it seems that we organize and prioritize things well! And we must always respect the most prudent and cost-effective use of our budget. It is crucial for AIBI to attract as many members as possible. Obviously this helps the budget, but more importantly helps the exchange of information and the input of fresh ideas of as many industry participants as possible. It also improves further our status and acceptance with European institutions.

**+ bbi:** The next AIBI congress will take place in Athens in 2015. Do you already have any ideas as to the topics to which you want to give priority?

**+ Mavromaras:** Topics in marketing and market trends are always very interesting and useful. Certainly we will cover these again, to include the two years ahead of us. I have a few new ideas myself, but please allow me to discuss first with my colleagues in our Board of Director meeting in Madrid in October. Their input is valuable. From my side, I can assure you we will have an interesting and exciting congress as always. We look forward to welcoming everybody to Athens in 2015!

**+ bbi:** Mr. Mavromaras, thank you for the interview! +++