

## Industry insight

# Decades of Citrus

MCI Miritz Citrus Ingredients, an independent, family-owned business, remains competitive through expansion and creativity

**I**n a market overrun with mergers and acquisitions, MCI Miritz Citrus Ingredients has managed to remain an independent, family-run business producing citrus ingredients for over 40 years. What are the secrets to their success? How have expansion and collaborations allowed the organization to earn sales of \$33 million in 2004? Tillmann Miritz, owner and commercial director, spoke to *P&F* about the company's history, its current initiatives and goals that have allowed the company to increase profitability while staying true to its roots.

**P&F:** You have recently purchased land in Florida to begin expansion in the United States. What is the goal of this strategy and how will it continue?

**Miritz:** The acreage in Florida has been purchased in anticipation of further growth and development of MCI Miritz Citrus Ingredients. With continued success in the United States and additional demand for production space and facilities, we will begin the build on this acreage when we see the need for further expansion. In addition, it is important to note that with real estate costs in Florida continuing to rise, our land purchase is already a viable long term investment in the future for MCI.

**P&F:** How does the new facility expansion in Krichgandern, Germany, add to Miritz's production capabilities?



Miritz headquarters in Germany



Tillmann Miritz

**Miritz:** In 2002 we built a new dangerous goods store for 12,000 drums. Our goal with this expansion was to be able to deliver complex products 48 hours after our customer placed an order. With this extensive storage capacity it is possible to shorten production processes and delivery times considerably.

**P&F:** With the recent expansions and initiatives, is the company planning on hiring new personnel?

**Miritz:** Our current highly qualified and productive workforce allows us great flexibility. However, in order to achieve our goal of being the best in the field, we will continue to hire experienced personnel in sales, marketing and R&D.

**P&F:** Please describe the company's Sicilian joint venture and how it came about. Outline the goals of the venture.

**Miritz:** For 40 years MCI has worked in collaboration with our Italian partner in Sicily. This long-standing and successful partnership allows us to be involved in the development of citrus fruits, from planting through cultivation to harvest. With this high efficient, low cost operation we are able to offer our customers highly competitive Sicilian oils, which can be varied and chosen from different crops, e.g. early winter, winter, late winter, early spring, spring and late spring crop.

**P&F:** Is Miritz launching any new initiatives in the near future? Is the company looking for new collaboration opportunities?

## At a Glance

**P&F:** Please describe Miritz Citrus Ingredients and its range of expertise.

**Miritz:** Our mission is to consistently supply and serve the worldwide beverage, flavor and fragrance industries with top quality products and innovation in citrus. In addition, we aim to provide our clients with products which add value and a competitive edge to their business on an individual and personal scale.

**P&F:** What is the history of the company?

**Miritz:** MCI Miritz Citrus Ingredients, located in central Germany, is a family-owned business whose concentration and focus on citrus spans over 40 years. Miritz is a growth-oriented company, employing over 65 people with 2004 sales of US \$33 million. MCI is a pioneer in citrus specialties, employing flavor/beverage chemists and food scientists. Last year we processed over 5,500 tons of orange oil. Through the use of new technologies such as chromatography, CO<sub>2</sub> extraction, molecular distillation and SCC spinning cone column, MCI is able to quickly and cost effectively develop and produce, on commercial scales, new and exciting products for the flavor, fragrance and beverage industries while improving our buyers' competitive edge on price.

Along with our Italian partner, we run the Miritz & DiBartolo factory in Sicily, Italy, which manufactures citrus oils. In addition, citrus oils are purchased from other major locations around the world. Administration, research and development, quality control and storage are based in Germany. With our North American sales office and warehousing located in New Jersey and Chicago, we are able to deliver worldwide from several distribution points, adding service benefits for our customers.

**Miritz:** At the moment we are not planning any new initiatives, however, we are always open to the idea of a future collaboration. It is important to remember that one of our primary goals is to remain an independent company. We believe our independence gives us greater flexibility and adaptability which allows us to offer better service and value to our customers. We do not necessarily think bigger is better. We have seen recent mergers and acquisitions in our industry often result in higher costs for customers, and particularly the slowing down of development, innovation and decision making processes.

**P&F:** What are the biggest challenges facing you in the next 12 months?

**Miritz:** The single biggest challenge we continually face is the pressure to create new and exciting citrus ingredients for the industry that meet the demands on quality, creativity and price sensitivity. The continued pressure on pricing our customers face translates into our having to be more and more creative and efficient in the production of our citrus ingredients. Building expanded facilities in Germany along with new upcoming facilities in the Florida citrus belt, will further enable us to meet the demands of our customers. First, by giving us access to raw materials at a main source and secondly, by providing efficient and high-tech production facilities on both sides of the Atlantic.

**P&F:** What are the company's long term goals and strategy?

**Miritz:** To remain an independent player in the citrus arena enabling us to work and collaborate with our customers to meet their specific demands. To continue to improve our knowledge and production efficiency in the field of citrus so as to provide our customers with creative solutions that can be brought to market with confidence. It is our greatest reward when our customers view us as their partner, recognizing our commitment to their business and success. ■