

# **CUT COST AND INCREASE PROFIT**

Meat raw material constitutes a substantial cost of meat product cost breakdown, and meat prices are increasing. Fluctuations in customer orders, raw material availability and price make it difficult to ensure that the optimal raw material mix is always sourced and used.

DMRI experts have worked with numerous major meat processors, and substantial savings have been obtained in all cases. The core of the DMRI Least Cost Formulation service is an advanced and flexible software tool that minimizes cost without affecting product quality. This unique tool is based on decades of meat science research carried out by DMRI.

### **IN SHORT**

- A non-disclosure agreement protects your recipes
- The Least Cost Formulation works for minced and emulsified products
- Minimum volume required:6 t/week/product
- Savings typically 5-10% on the meat batter price
- No changes in product quality
- The services comprise a primary optimization and subsequent periodical updates



# **UPDATED SERVICE**

With the DMRI Least Cost Formulation service, your recipe will be optimized for the best possible profit and quality. However, prices and availability of raw material change over time. Therefore we advise that you request regular updates to the Least Cost Formulation optimization.

## **SHORT PAY-BACK**

Case: Medium sized Frankfurter producer - 5.9% annual savings obtained (€)

	1st year	2 <sup>nd</sup> + years
5.9% savings on 4,680 tons meat batter/year*	276,120	276,120
9 x DMRI optimization	-66,000	0
9 x Quarterly updates	-54,000	-72,000
Profit (€)	156,120	204,120

<sup>\*9</sup> products X 10 t/week each X 1 €/kg

# Example 5% annual savings (€/kg)

	1st year	2 <sup>nd</sup> + years
5% savings on 500 tons meat batter/year*	5.0	5.0
DMRI optimization	-0.4	0.0
Quaterly updates	-1.2	-1.6
Profit (€/kg)	3.4	3.4
ROI (months)	3.8	3.8

<sup>\*1</sup> product X 10 t/week each X 1 €/kg

# **ABOUT DMRI**

DMRI conducts research and offers consulting on methods and technologies for efficient production of safe, high quality and price competitive meat products. DMRI is committed to continuously improve workplace conditions and animal welfare as well as to take due care of the external environment.

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