

# KAUKOMARKKINAT 1997



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Kaukomarkkinat Oy's head office is in Espoo, near Helsinki. Established in 1947, Kaukomarkkinat is a leading Finnish trading house and an expert in the global market. We specialize in international trade, imports, exports and wholesale business.

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# THE KAUKOMARKKINAT GROUP

## Kaukomarkkinat Oy

## Supervisory Board 1997

Chairman: Eero Kinnunen  
 Vice Chairman: Timo Karake  
 Jouko Tuunainen  
 Matti Honkala  
 Matti Halmesmäki

## President, CEO

Kari Ansio

## Management Board

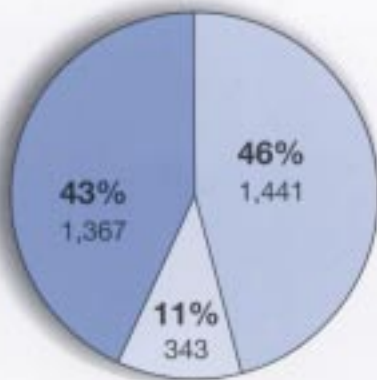
Kari Ansio, President  
 Hannu Närhi, Senior Executive Vice President  
 Jari-Pekka Lehmuskoski, Senior Vice President  
 Sakari Laine, Senior Vice President, Logistics and Finance  
 Markku Keinonen, Senior Vice President, Legal Affairs  
 Juha Koskenseppä, Senior Vice President, Personnel  
 Jukka Forsström, Senior Vice President, until 31.3.1998  
 Jussi Neuvo, Senior Vice President, from 1.4.1998

### The Group in Brief

	1995	1996	1997
Total sales, FIM million	3,902.7	4,159.6	3,151.4
Net sales, FIM million	3,033.9	3,664.6	2,647.9
Profit before extraordinary items, FIM million	58.3	65.8	73.3
Balance sheet total, FIM million	1,485.4	1,266.2	806.4
Solvency ratio,%	20.1	27.0	46.3
Personnel at year-end	743	734	721

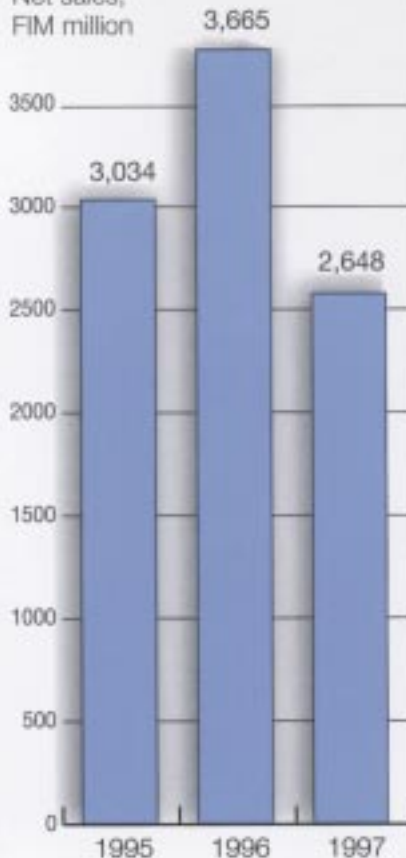
### Total Sales

Breakdown of total sales, % and FIM million



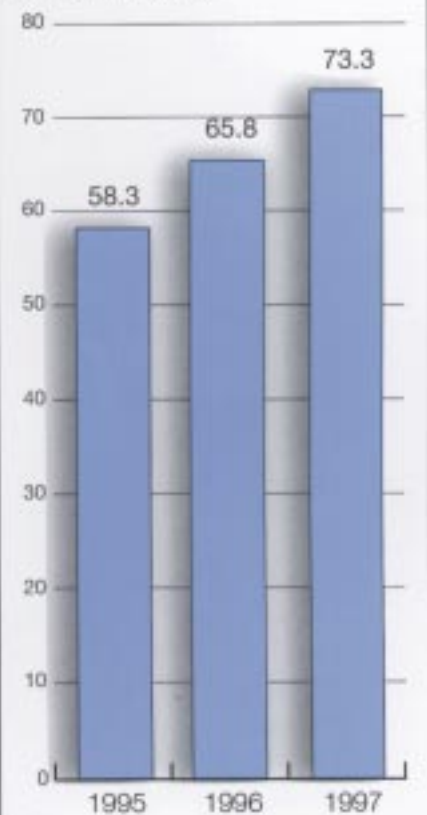
### Net sales

Net sales, FIM million



### Profit

Profit before extraordinary items, FIM million



# PRESIDENT'S REVIEW

The Kaukomarkkinat Group's business once again made positive progress in 1997. The priority areas in domestic trade included importing and the wholesale of leading international brands such as adidas sporting goods, Citizen watches and Panasonic electronic products. The Group's main fields of business also included importing industrial electronics and trading in raw materials for food and semimanufactures as well as machinery and equipment for bakeries and institutional kitchens. In international trade and exports, the main market areas were Russia, the Baltic states, Poland and China. Trade with areas close to Finland, such as the Baltic states and the St Petersburg area, grew in importance.



The Group's total sales and net sales were at a lower level than the previous year's figures. This was due to the ending of our almost 10 years of handling Panasonic exports to Russia in April, when our principal set up a subsidiary of its own to handle what has become one of the biggest market areas for consumer electronics in Europe. In this respect it is understandable that our principal transferred Panasonic export business into its own hands, even though the fall in volume it has caused will be difficult to replace. However, it is gratifying to report that the net sales of the Group's other lines of business made healthy progress, growing at a rate of 13%, which was well ahead of the overall trend in the market.

Domestic trade was given a boost by a continuing positive trend in consumer demand. The biggest growth came from adidas sporting goods, whose increase in sales amounted to no less than 53%. This meant a considerable strengthening of adidas' market leadership in Finland, where it has already enjoyed one of the best market shares by international comparisons for some years. The same position is also held by Citizen watches, which once again achieved growth in sales substantially above the overall market growth in this line of business. We also did well in the Swedish market, where we have represented Citizen watches since 1981.

The Panasonic-brand products made by our biggest principal, Matsushita Electric Ltd of Japan, strengthened their position particularly in the data monitor business. Trade in Panasonic audio and video equipment for professional applications and deliveries of industrial electronics also grew substantially. On the other hand, trade in Panasonic consumer electronic did not advance as expected, in spite of numerous top ratings in magazine tests, largely due to exceptionally heavy competition on price between different distribution channels.

Leipurien Tukku's business operations for bakeries and institutional kitchens continued to make good progress and extra growth was sought also in the Baltic states and the St Petersburg economic zone, where we established a subsidiary for developing local business activities.

In Russian trade, a major part of our business was the procurement of raw materials both for Finnish and for foreign industry. In exports, consumer goods grew in importance, but we also continued our efforts to expand sales of various project deliveries and industrial condition monitoring systems.

In China trade, we strengthened our local sourcing expertise. The best growth in export deliveries was of

machinery and equipment for the paper industry, healthcare products, and trade in stone materials for the building and monument industry. The biggest and most successful of our branch offices outside Finland was once again Poland, where more than 40 local personnel skilled in various fields of trade work under Finnish management.

Taken as a whole the trend in the Kaukomarkkinat Group was good, as we reached a new record in net profit from operations for the second year running. This must be considered a good achievement, especially in view of the loss of Panasonic exports.

I would like to thank all our customers and principals as well as our employees for the excellent work we have done together. Customer satisfaction, principal satisfaction, and job satisfaction for our personnel are fundamental conditions for our success in the years ahead. We will continue to devote our efforts to further develop these important matters. Our aim is to achieve continuing and profitable growth for our business and that of our partners.

Kari Ansio  
President, CEO

# KAUKOMARKKINAT GROUP 1993 - 1997

Financial trends	1993	1994	1995	1996	1997
Total sales, FIM million	2,545.3	3,022.0	3,902.7	4,159.6	3,151.4
Net sales, FIM million	1,745.6	1,987.9	3,033.9	3,664.6	2,647.9
Profit before extraordinary items, FIM million	32.0	15.8	58.3	65.8	73.3
Balance sheet total, FIM million	814.1	958.7	1,485.4	1,266.2	806.4
Liquid assets, FIM million	78.4	43.5	65.3	12.4	20.5
Gross margin, %	16.8	14.0	11.2	9.7	13.9
Operating profit before depreciation, %	4.1	2.3	2.6	2.4	3.8
Quick ratio	0.66	0.44	0.26	0.46	0.98
Current ratio	1.52	1.33	1.16	1.50	2.01
Solvency ratio, %	36.4	31.7	20.1	27.0	46.3
Return on investment, %	11.0	6.3	13.2	12.6	12.9
Return on equity, %	10.8	5.6	20.9	17.2	16.4
Investments, FIM million	19.6	17.5	24.8	22.2	24.7
Personnel at year-end	712	716	743	734	721

## Formulas for Key Indicators

Quick ratio	=	$\frac{\text{Financial assets}}{\text{Current liabilities}}$
Current ratio	=	$\frac{\text{Financial assets} + \text{inventories}}{\text{Current liabilities}}$
Solvency ratio %	=	$\frac{\text{Shareholders' equity} + \text{minority interest}}{\text{Balance sheet total}} \times 100$
Return on investment %	=	$\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other expenses of financing}}{\text{Balance sheet total} - \text{non-interest-bearing debts (average for year)}} \times 100$
Return on equity %	=	$\frac{\text{Profit before extraordinary items} - \text{direct taxes}}{\text{Shareholders' equity} + \text{minority interest (average for year)}} \times 100$

# KAUKOMARKKINAT GROUP ORGANIZATION 1998

## Corporate Administration and Business Divisions

Kari Ansio, President, CEO

Sakari Laine, Senior Vice President

- Economy
- Finance
- Logistics
- Internal auditing
- Data administration

Juha Koskenseppä, Senior Vice President

- Personnel
- Corporate services
- Insurance
- Real estate

Markku Keinonen, Senior Vice President

- Contracts
- Legal affairs
- Corporate Secretary

### **Kauko Branded Goods**

Hannu Närhi, Senior Executive Vice President

- Virsu Oy
- Optics
- Watches
- Kauko Time AB

### **Kauko East-West Trade**

Jussi Neuvo, Senior Vice President

- East-West trade
- Transit
- Oil products
- Trade with China
- Kauko-Metex
- Lubricants
- Japan exports

### **Panasonic Divisions**

Jari-Pekka Lehmuskoski, Senior Vice President

- Consumer electronics
- Professional electronics
- Industrial electronics
- Photo

### **Leipurien Tukku**

Hannu Närhi, Senior Executive Vice President

- LT-Tukku Oy
- LT-Kone Oy
- Leitok Oy



Hannu Närhi, Sakari Laine, Kari Ansio, Jari-Pekka Lehmuskoski, Juha Koskenseppä, Markku Keinonen, Jussi Neuvo

# THE TRANSFORMING EAST-WEST MARKET

Kauko East-West concentrates its efforts on providing excellent service in order to ensure full satisfaction to customers and principals.

## Network of offices in Russia

Under the varying conditions of East-West trade, it is essential to respond promptly to the constantly changing operating conditions, client groups and market situations. A strong presence on the market is an essential part of trading today, as is maintaining a maximum of direct contacts with both the manufacturers and end users.

Our representative offices in Moscow, St Petersburg, Ufa and Petrozavodsk, as well as our wide network of sales agents around the CIS are continuously monitoring the market and acting accordingly. Long traditions still count in trading with Russia and the other CIS states. Our company's experience in East-West trade and our valuable business connections assure a successful cooperation. We employ about 40 East-West trade professionals, all fluent in Russian.

## Growing exports

We supply technical components and systems for various branches of industry in the CIS. We sell machinery and equipment for the forest and wood-processing industry as well as condition monitoring systems for the pulp, paper, oil, gas and chemical industries. We are also active in the rapidly growing construction industry, supplying turnkey construction projects, construction materials and, for example, glass processing machines.

Our expanding product line includes fittings, textiles, clothing, leisure products, electronics, various consumer goods and foodstuff.

## Imports for industry

The main emphasis in imports is still on raw materials. From Russia and the Baltic states we import pulpwood for the forest industry, sawn timber and veneer logs. We also supply pulp from Russia to Finland and third countries.

We deliver Russian and other CIS origin plastic raw materials and chemicals for the Finnish industry as well as for third countries. Furthermore we can offer counter-purchase services.

## Oil trading

Rapid price fluctuations are characteristic for the oil business. All efforts are put in the work for sourcing and purchasing of feedstocks, intermediates and final products for the petrochemical industry. The operations benefit from our accumulated trading know-how and sourcing skills, with emphasis on risk management.

## Trade with third countries

We constantly develop our trade between Russia and third countries. To facilitate the trade we also arrange financing and handle counter-purchase obligations.

## Industrial lubrication and maintenance

For transport and industry our Lubricants Department supplies high performance lubricants which also reduce the environmental impact. As an integral part of our operations we offer training, technical consulting, analysis and measurement services in order to ensure reliable lubrication. This combined maintenance service provides our customers with a notable advantage.

## Tank storage services in Hamina

We provide our foreign and domestic customers with economical and reliable transit solutions through Finland for products originating from the petrochemical and chemical industries from CIS and in particular Russia. Our storage facility of 26 tanks is located in Hamina, only about 40 km from the Russian border, having a combined volume of almost 100,000 m<sup>3</sup>. In Hamina we handle heavy and light oil products as well as many liquid chemicals. Our palette of services includes inert gas blanketing, heating of heavy oil products and various chemicals, and other operations that facilitate safe, cost efficient handling throughout the year.







# EFFICIENT GLOBAL ORGANIZATION

## Trade with China

Kaukomarkkinat, a pioneer in evolving China trade, has 45 years experience in import and export business with China. Our offices in Beijing, Shanghai and Guangzhou have 20 local employees, all specialists in their own fields.

We export machinery and equipment to China for the mechanical and chemical wood-processing industries and for environmental protection. The wide variety of products we sell includes also medical equipment, industrial filters, production lines for the stone and construction material industry, consumables and chemicals for the pulp and paper industry, stone for the monuments and building industry, special steels for shipbuilding, and pulp and paper. Our supply sources are, beside Finland, also other European countries.

Our import comprises of clothing, leather goods, footwear, electronics, household items, food and raw materials for the food industry.

Our local market know-how supports direct purchases by Finnish importers from Chinese manufacturers. We also procure from other Asian countries such as Vietnam and Bangladesh.

During ten years on the Japanese market we have established our position as a supplier of stone for the monuments and building industry. We export granite, log houses, building materials and sawn timber to Japan.

## Metex firmly established in marketing of technical products

Metex has an own organisation in Central-Eastern Europe with subsidiaries operating in Poland, Germany, Hungary, the Czech Republic and Slovakia, specialising in importing and marketing of technical products. Metex also has representative offices in Bulgaria, Romania, Singapore and Zimbabwe.

Even though our principals have traditionally been top Finnish companies, the share of Western and Central European principals has grown substantially.

## Central Europe and the Balkans

Poland is the most important individual market area where Metex is established as agent and importer of technical products. We represent some of the world's leading manufacturers of machinery, equipment and chemicals for the forest industry.

We have done well as an importer and distributor of machinery and equipment for electrical engineering as well as a successful supplier of airfield lighting and security systems. We are also an important supplier of raw materials for the glass and ceramics industry.

In Germany we specialise in reconditioning, upgrading and world-wide sales of roll grinding machines. We also sell complete metal surface-finishing lines.

Our office in Hungary markets machinery and centres for cutting and processing sheet metal, electrical and forest industry products and powder coatings for metal industry.

In the Czech Republic and Slovakia we sell consumables for the process industry, market storage systems and are building a position as importer of electrical instruments and equipment.

In the Balkan countries we are mainly concentrating on marketing of machinery and equipment for the mechanical and chemical wood-processing industry.

## Southeast Asia and Africa

In Southeast Asia we operate in Singapore also covering neighbouring countries like Indonesia and Malaysia. We are specialised in supplying high-grade sheet metal, profiles, pressure vessel components and specialised products to the shipbuilding industry and to project contractors for the petrochemical and energy industries.

In Southern Africa we operate in Zimbabwe, where we have participated in the development of energy management and mechanical wood-processing. We have also

made a good start in the sales of industrial chemicals, raw materials and consumables.

## Waste water treatment

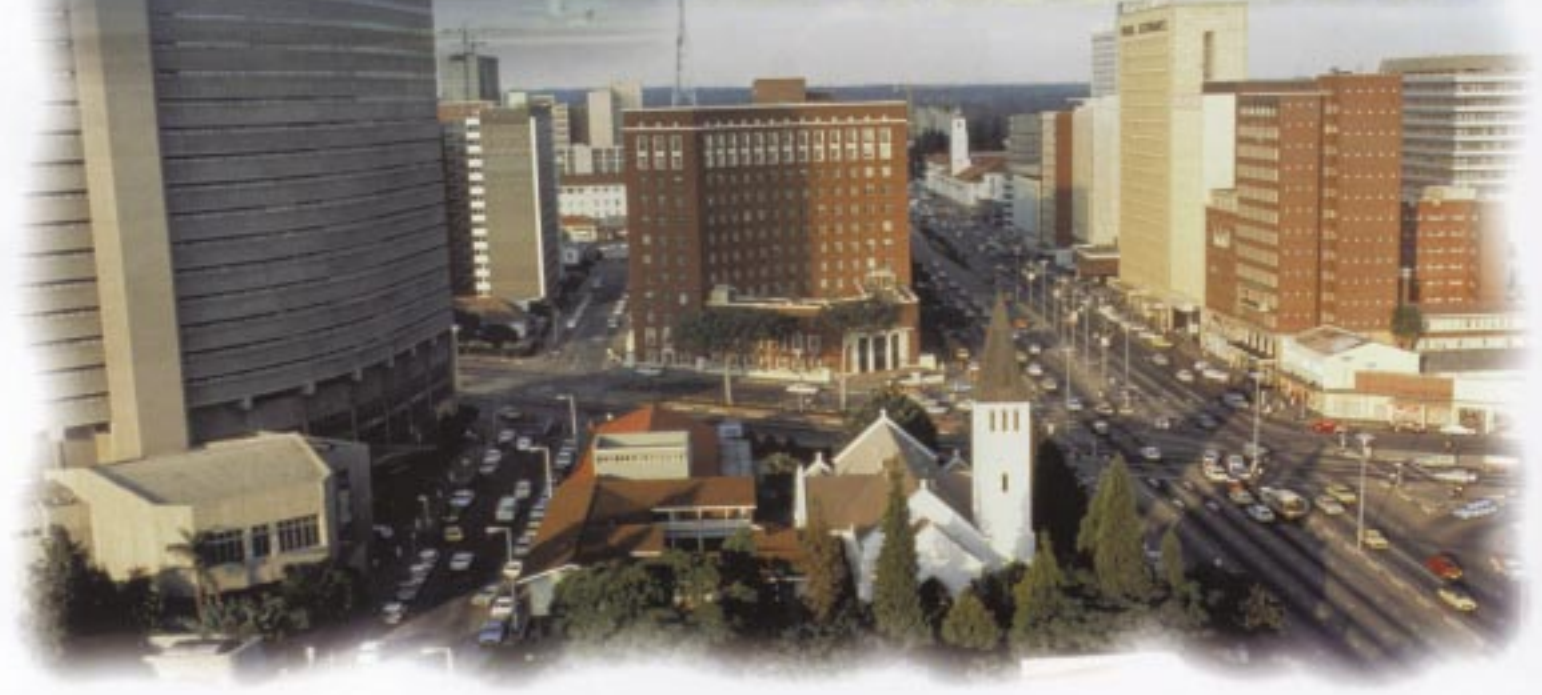
In Poland, Metex is also specialised in waste water treatment process solutions, in cooperation with our German partner Hans Huber GmbH, representing state-of-the-art technology in this field. Finnish aerators, pipes and pumps complete our product range.

## Food trade

In Poland Metex is an important exporter of food, particularly frozen berries and vegetables, fruit concentrates, and apples to the demanding markets of Western and Northern Europe.

We are also taking the first steps to market Zimbabwean exotic fruits and fresh vegetables in the Nordic countries.





# LEADING INTERNATIONAL BRANDED GOODS

In the import trade, Kaukomarkkinat Oy specializes in the import and marketing in Finland of leading international branded goods. The branded products we represent are the best in their field, products of the highest quality, in which consumers can place their trust when selecting sporting and leisure goods, watches and home electronics as well as optical and photographic products. Our best-known branded goods are adidas, Citizen, Panasonic, Polaroid, Rodenstock, Silhouette, Technics and Yashica.

Through our long-term, systematic work, we have created a solid foundation for our cooperation with international producers of branded products. An important link that complements this cooperation is our dealer network in Finland. They are the leaders in their respective fields, as are the branded goods Kaukomarkkinat represents. Absolute trust and long-term cooperation with the different parties involved in the trade are the foundation upon which we build our operations. We shall continue to do so in the future.

## adidas - three famous stripes

On the sporting goods market, adidas and its symbol - the three stripes - are a concept. The importing and marketing of adidas products is handled by our subsidiary Virsu Oy, which specializes in the sporting goods trade.

The adidas pioneering tradition in the sporting goods field goes back to the 1920s, when the German shoemaker Adi Dassler made his first training shoes, thus actually creating the entire sports goods trade. This was the beginning of the adidas success story as the world's best-known brand of sporting goods.

Today adidas and its three stripes are a combination that is known, recognized and respected everywhere people are involved in sports, exercise, competitions or general fitness.

## Top names go with adidas

Since the days of Olympic gold medallists Jesse Owens (Berlin 1936) and Emil Zatopek (Helsinki 1952), the sporting elite have placed their trust in

adidas. They know that the company's product development works tirelessly to manufacture better and better products. Since equipment plays a decisive role in today's top competition, a great deal of attention is paid to selecting precisely the right equipment. All the selections are made after careful evaluation and testing. It's no wonder that adidas is the leading brand name among top athletes.

The success achieved by adidas is based in large measure on its guiding principle of offering those who keep fit for their own satisfaction the same quality equipment as top athletes have opted for. Lifestyle and fashion are also significant parts of the adidas philosophy. But when all is said and done, the important thing is to produce, for all sports lovers - from the fitness enthusiast to the most demanding competitive athlete - the same uncompromisingly developed and crafted sports equipment.

## New Feet You Wear™ barefoot technology

An excellent example of adidas' product development is the Feet You Wear™ shoes, which follow the natural contours of the foot and give excellent feel for the playing and running surfaces, thus enhancing balance and boosting performance. This new technology is another great leap forwards in sport from adidas.

## A nationwide network of dealers

As an importer, we have paid special attention to ensuring that there is an extensive network of retailers of our number one brand in sporting and leisure goods - adidas - throughout Finland.

As the distributors of adidas products, we have selected maximum coverage through specialist sporting goods shops and department stores as well as the sporting goods departments of supermarkets. These are points of sale where discerning consumers in search of international branded goods can conveniently find famous adidas products.





  
**adidas**

adidas

adidas

# CITIZEN - NUMBER ONE IN THE WATCH MARKET

Kaukomarkkinat Oy is one of Finland's leading importers and marketers of watches and clocks. Our main representation is Citizen, the world's largest manufacturer of watches.

## 30 years of cooperation in Finland

We have handled the Citizen watch distributorship in Finland with success since 1966. During these years, Finns have bought more than three million Citizen watches.

## The first in Europe to achieve market leadership

Thanks to our effective marketing work, Finland was the first country in all of Europe in which Citizen achieved market leadership. This breakthrough took place in the mid-1970s. Citizen is the market leader for watches in Finland by a clear margin. This is proved by consumer surveys showing that today 37 per cent of all Finns have Citizen watches on their wrists.

## Responsibility for the Swedish market too

Our company's exceptional success in marketing Citizen on the Finnish market has not gone unnoticed in Japan either. Cooperation with our Japanese principal is close and fruitful and we are continually enhancing it. The esteem and trust are mutual. Citizen has put Kaukomarkkinat in charge of marketing its watches in Sweden too, where we have handled the marketing of Citizen watches through our own subsidiary since 1981.

## Striking a karate blow in watch marketing

Citizen's breakthrough on the Finnish market began with an attention-getting and original campaign featuring a karate blow - with a Citizen watch on the wrist. This legendary success story started with a TV advertisement that people still remember. Riding on the popularity of this campaign, the Japanese watch brand won Finnish hearts thanks to its reliability and strength.

## Citizen - the trailblazer in watch fashion

When choosing a Citizen, the Finnish consumer can be sure that his or her watch is the best, not only in quality but also in elegance. Citizen is a trendsetter in watch styles. It points the way to a style that is noticed and followed. The comprehensive range has something for every taste, a timepiece that will complement each individual's personal style.

The Citizen collection is extensive. It offers everything from the most elegant designer models to the very latest high-tech multifunction watches.

## The world's most sophisticated watch technology

Citizen is at the forefront of product development. An example of this is the new Citizen Eco-Drive range of watches. Eco-Drive watches are powered by a photocell which charges up an environmentally friendly titanium-lithium-ion battery. When fully charged, the battery can power the watch for up to 2 - 6 months.

The Citizen Aqualand range is the broadest selection of diver's watches on the market. The features of the Hyper Aqualand watch record data on the dive that can be later downloaded direct into a PC and displayed on-screen or printed out.

The Citizen group also includes the Adec range of watches, whose competitiveness comes from its economical prices and its Citizen-backed quality.

## A wide network of dealers guarantees success

The Citizen success story in Finland would not have been possible without a high-class network of dealers. We have carefully built up an excellent and extensive network which serves consumers professionally and reliably in satisfying all watch requirements.

In addition to watches, our Watch and Clock Department's wide and attractive range includes various alarm, table and wall clocks.

## A satisfied customer also after the sale

The servicing and spare parts service for watches and clocks is handled by a centralized facility at our Head Office in Espoo. The trained experts who work there are responsible for seeing to it that the watches and clocks brought in for servicing are handled in a flexible and professional manner. Our aim in every situation is to do things in a way that guarantees continuing customer satisfaction after the watch is bought.



 **CITIZEN**



# PANASONIC - HUMAN ELECTRONICS

Our Japanese principal Matsushita Electric Industrial Co. Ltd. is the world's leading manufacturer of consumer electronics. Its product range includes televisions, video equipment, stereos, personal stereos, in-car entertainment systems, microwave ovens, bread bakeries, batteries, shavers, keyboard instruments, computers, dictating machines, CD-ROM drives, GSM mobile telephones, cameras, copiers, fax machines, and telephone answering machines. Kaukomarkkinat Oy has a long-standing and solid business relationship with Matsushita, for whom we have distributed the Panasonic and Technics trademarks in Finland for more than 25 years.

## Looking to the future

The number of staff Matsushita dedicates to research and development tells you something about its commitment to the future: some 27,000 engineers and scientists work exclusively on developing new technologies and equipment to aid people everywhere in the world. The company devotes some USD 6 billion a year to R&D. Matsushita holds some 46,000 patents. The name of Matsushita is also on a large number of patents for digital technology.

## Customer satisfaction through lasting cooperation

The partners we have chosen are the country's leading distributors, who rely on the Matsushita products we deal in. The names of Panasonic and Technics are found nationwide in the retail outlets of the Expert and Musta Pörssi chains as well as in other shops.

We have a strong field sales organization and we continually invest in training our dealers and supporting the marketing effort. We constantly aim to enhance our cooperation with our distributors. Up-to-date, interesting information on our products can also be found on the Panasonic web site at <http://www.serveri.net/panasonic>. Play► Shop Panasonic chain now has five retail outlets in the following towns: Helsinki, Turku, Tampere, Jyväskylä and Salo.

## Visual products are test winners

Matsushita is the world's biggest manufacturer of television sets. The Quinrix picture tube of the wide Panasonic range of TVs makes them characteristically unbeatable for their sharp picture and natural colours, superb audio reproduction and convenient remote control features. All Nicam stereo models have the unique Panasonic 8-bit mechanism. In its home video equipment Panasonic is a trailblazer in ease of use. Programming is made easy with ShowView and PDC codes. Panasonic TVs and videos have come out on top in tests both in Finland and abroad.

## Creative fun with a video camera

Panasonic's compact VHS-C camcorders embody unique new digital technology and an image stabilizer that eliminates jumpy footage due to camera shake when shooting. The Panasonic VHS camcorder is the clear market leader in Finland.

## Fun and enjoyment for music lovers

Panasonic in-car equipment, portable radio-cassette players and personal stereos mean CD-quality music reproduction anywhere you go. With Technics hi-fi equipment you can build a concert hall or a home cinema. Technics keyboard instruments and pianos are for everyone from the beginner to the professional musician.

## Hot and cold at an affordable price

Panasonic is also the world's leading manufacturer of air-conditioning equipment. A hot new product is the air heat pump, which can save up to 50% in heating costs. In the heat of summer the same appliance keeps the indoor air cool and fresh.



## Healthy and easy cooking

In our White Line product group, Panasonic offers the widest available range of easy-to-use automatic and grill microwave ovens. The Panasonic Bread Bakery has won many awards in tests and is the undisputed market leader.

## Lightweight cleaning power

Panasonic vacuum cleaners are light and efficient. They have won praise especially for their up to sevenfold filtering of the exhaust air, which cuts down the dust content of indoor air by 99.9%.

## Digital World by Panasonic

Panasonic is a trailblazer in harnessing digital technology. In 1997 we were the first on the market to launch a DVD player based on the video and audio technology of the future. Our range of models also includes three DV format camcorders.



# Technics

# Panasonic





# PANASONIC - THE PROFESSIONAL'S CHOICE

## Leading office automation and telecommunication technology

Our range is comprehensive. It includes GSM mobile phones, cordless phones, telephone systems, fax machines, photocopiers, copying whiteboards, printers, monitors, CD-ROM drives and other computer peripherals as well as laptop computers.

The range of GSM phones has the right choice for everyone from ordinary consumers to discerning business users. ISDN telephone systems are suitable for wired phone networks, and the KX-T900 range of cordless phones has held market leadership for years.

The elite of fax machines are represented by the plain-paper laser and bubble-jet models intended mainly for professional work and the multifunction faxes for personal use, often combining the functions of a fax, phone, answering machine and copier.

Our range of computer peripherals from Panasonic, the world's leading monitor manufacturer, includes not only 15-21 inch monitors but also laser and dot-matrix printers as well as printer-based multifunction devices. Other data products include laptop computers and portable CD-ROM drives.

The Panasonic range also embraces artificial-intelligence copiers capable of producing 13-50 copies per minute and copying whiteboards for convenience at meetings.

## Brilliance in professional video systems

Panasonic is Finland's leading brand for professional audio and video equipment. We supply video equipment ranging up to systems for national broadcasting corporations. The DVCPRO format developed by Panasonic has been chosen by the world's leading TV companies as well as the Finnish Broadcasting Company and Channel 4 in Finland. The International Olympic Committee also selected it as the production format for the year 2000 Olympics in Sydney. The product range covers camcorders and desktop tape players, as well as portable editors and portable tape players that combine the worlds of computer and video.

In the near future DVCPRO users will be able to use the new ISDN and ATM data communications networks to transmit their visual material from the filming site to the processing studio regardless of distance.

## Sophisticated equipment for surveillance and guarding

For years Panasonic has been the market leader in surveillance video systems in Finland. We are able to offer complete system packages for banks, post offices, retailers and industry. There is equipment for both area surveillance and industrial process control. Our specialist products, such as microcameras, can be used to solve many different monitoring problems. The new Super Dynamic cameras developed by Panasonic now permit surveillance in tough backlit situations that previously could not be filmed. Panasonic's time-lapse VTRs are the most extensive range on the market.

## Electronics for industrial customers

Our deliveries to Finnish industrial customers include Matsushita electronics products, components, batteries, production automation machinery, and measuring

instruments as well as measuring and testing systems.

## Servicing guarantees customer satisfaction

Our Panasonic Service Centre has centralized responsibility for the after-sales marketing of professional and home electronics equipment as well as for the delivery of spare parts and supplies.

## XtoX Visual Meeting - a new dimension in presentation

Technology is developing rapidly - especially in telecommunication, in which our subsidiary Xenex Oy has developed for the market the XtoX system. Designed for local use in conference rooms and for videoconferencing, XtoX is excellent for business meetings, teaching and for telemedicine applications. Based on a core of Finnish technology, Xenex added Panasonic monitor and camera technology to facilitate the use of a broad spectrum of meeting facilities. Videoconferencing no longer requires special rooms exclusively for the purpose. XtoX is based on international standards and supports both an optional ISDN network and LAN/ATM networks.



Panasonic



# BRANDED PRODUCTS THAT COMBINE STYLE AND QUALITY

## Better vision

Our optical business unit, based in the Varisto district of Vantaa, has maintained a strong position as a manufacturer and distributor in Finland. Our range embraces all eye optics products and the supply consists of unchallenged top products and brand names. Our main product groups are frames, lenses, contact lens products, binoculars, sunglasses and eye-test equipment.

## Silhouette, Titan, Neon, adidas...

Silhouette of Austria has been the best-known brand of frames in Finland for years, and our own Titan frames have become the market-leading titanium range. Our Neon frame range, made for us in Italy, also has a strong foothold. The adidas frames and sunglasses that we sell to Finnish opticians represent sporty and high-quality design.

## Safe and familiar Polaroid

Polaroid is the leading brand for sunglasses in Finland. Polaroid sunglasses protect the wearer against UV radiation and provide good visibility even on water - free from glare.

## All about contact lenses

We offer contact lens users lenses and related products based on the top expertise in the field. Acuvue disposable and monthly replacement lenses are doing particularly well in gaining market share dynamically.

Swarovski binoculars and telescopes have won a leading position among birdwatchers.

## Supreme quality in lens technology

Almost one Finn in three who wears spectacles uses lenses made by our subsidiary Kauko-Silhu at its optical facility, where the professional staff are skilled in every stage of lens production. Our main principal is Rodenstock of Germany, one of the world's leading manufacturers of eyewear.

## Unique new instruments

The Weco 3D edging instrument is capable of finishing the edges of a

wide range of lens materials, include a new entrant, polycarbonate. Other new items of equipment are the Rodenstock RX-520 refractometer, the NCT 400 tonometer and the Ecoline vision testing unit.

## Success in Finland's neighbouring areas

In Estonia we have achieved market leadership in spectacles lens wholesaling. Plastic and glass lenses are manufactured in Estonia.

## Leitok Oy - fashion in everyday clothes

Leitok Oy specializes in casual wear. Round the world we purchase and commission low-cost clothing which has the style, fabrics, colours and sizes that are right for the Finnish consumer. We keep a close watch on international fashion and quickly adapt it to our casual wear. Our own trademarks include Alaska, Bellboy, One Step Up, Soft Under, One Sky, Arctic, and Second Image.

## Yashica, Contax, Tamron, Panasonic, Hama, KIS, Metz

Our strength in photography is based on a broad range of cameras, lenses, batteries, accessories and photographic development and

printing equipment. Our long-term partnership with the principals forms an enduring foundation for good customer relations. We have imported Yashica cameras, for example, since 1956.

## Panasonic batteries - for demanding applications

In addition to the widest range of batteries on the market, the new, environmentally friendly Panasonic alkaline battery produces the energy needed for the digital equipment of tomorrow - today. Panasonic batteries - tested and proven the best.

## Panasonic shavers - the Formula One of shaving

Panasonic is the first manufacturer in the world to fit its shavers with linear motors enabling the blade to make 12,000 passes per minute, ensuring a smooth and fast shave. It can be rinsed with water and it is used with foam, unique features of Panasonic.



*Silhouette*



# LEIPURIEN TUKKU - A FOOD INDUSTRY EXPERT

Leipurien Tukku has served Finland's bakers for 78 years. In this time it has achieved dominance as a supplier of ingredients, machinery and equipment. Operations have been expanded into the rest of the food industry and institutional kitchens.

## **LT-Tukku Oy - the bakery trade's specialized wholesaler**

The product range of LT-Tukku includes all the ingredients and packaging supplies bakers need, including a range of frozen foods. The Finnish and imported ingredients sold under the Leipurin (Baker's) trademark guarantee the customer high quality at a competitive price. We are the agents in Finland for leading manufacturers in the field:

Anglia Oils Limited, Aromatic AB, Martin Braun KG, Carma AG, Cerestar Scandinavia A/S, Dragbaek Margarinefabrik A/S, Frucaps, Grands Moulins de Paris, Ireks GmbH, Norlander Food AB, Sonneveld B.V. In addition to these, we are able to offer our customers a broad selection of convenience goods.

LT-Tukku has a nationwide sales organization. The field sales network is supported by an efficient telesales operation. Fast and regular deliveries create the basis for successful cooperation between the baker and LT-Tukku.

In addition to a wide range of quality products, we also offer our customers a useful array of peripheral services. Our customer-centred product development service, our courses which have won wide acclaim, and the trips we arrange for study and trade fairs, help bakeries to enhance their skills and product ranges for their own customers. Our own product consultants and those of our principals bring in the latest information on what's happening round the world, providing services of high standard for our clients. Our pilot bakery in Espoo is a guarantee of our high-quality and efficient services for today and the years ahead.

Our membership of Bako Europa, the community of leading European bakery suppliers, offers us opportunities for mutual trading as well as an international interchange of information on

questions concerning trade in ingredients. The members of Bako Europa also take part in promoting sales of bakery products through a regular exchange of experience and information on the trends in baking in each country.

## **Supplier of choice to the processed food and meat industry**

In a short time, LT-Tukku Oy's meat product and processed food industry unit has become a major supplier of ingredients, additives and raw materials for the Finnish food industry. In partnership with our leading Finnish and foreign principals and the other departments at LT-Tukku, we are able to provide our customers with a complete range of high-quality products.

In addition to our highly competitive products, our comprehensive services also include technology consultancy, customer training and collaboration on product development on the basis of our customers' needs, to ensure their satisfaction.

We are the Finnish agents for the following international specialists: Cerestar Scandinavia A/S, Euricom S.P.A., Elliot Packaging Industries, Griffith Laboratories B.V., Hellasnet M & A Karatzis S.A., Imwiedex B.V., Oskuda GmbH, Lactovit GmbH, Loders Crokiaan B.V., Carl J. Nielsen & Son A/S, Krehalon Synclair Packaging B.V., vanHesse B.V., Raadvad A/S, Tochcello/Japan, Volk Enterprises Inc.

## **Kauko-Gourmet - quality, savoury treats for restaurants and institutional kitchens**

Kauko-Gourmet's range of products embraces specialist meat products, frozen fruit and berries, egg-based products and seasonal products that add variety to the Finnish restaurant culture. Kaukomarkkinat Oy has acted as agents for wines for more than 25 years. The well-known, high-quality Bulgarian red and white wines have now been gathered together under the brand name Saint Triffon. The symbol on the label is the golden wine-horn of Dionysus, a Bulgarian national treasure that dates back to 400 B.C. Our sales programme also includes Chilean, French, Italian and South African

alcoholic beverages. We have our own wine cellar from which we engage in wholesale business in alcoholic beverages.

We represent leading international and Finnish producers:

Wines:

Saint Triffon, Balcan Crest, La Chablisienne, Undurraga, Papillon, Olivier Leflaive, Sancerre Frank Millet, Zenato.

Gourmet products:

Affco New Zealand, Gelavi S.A., Tillmans-Hof, Intermondo, S.A.R.L. Les Charmilles, Scanegg.

## **Leipurien Tukku in the Baltic states and St Petersburg**

We are an important supplier of goods to the Estonian bakery and food industry and to restaurants. We provide a comprehensive range of products, efficient logistics, and training & product presentation services. We are exploring the opportunities for sales in the other Baltic states.

We have registered a sales office in St Petersburg and we sell raw materials for bakeries in the city and neighbouring areas.





# LEIPURIEN TUKKU - A LEADING SUPPLIER OF BAKERY MACHINERY

LT-Kone Oy supplies the bakery and food-processing industry with machinery, equipment and production lines that are manufactured either by its own Group companies or else imported. We manufacture bakery machinery and equipment at the Saario factory in Hausjärvi. We are Finland's leading supplier of machinery and equipment to the bakery industry and we are a major supplier of equipment to other branches of the food processing industry and to institutional kitchens.

Our product range includes all the machinery and equipment needed by small, medium-sized and industrial-scale bakeries - from flour silos to packing machines. We also offer fittings for minibakeries as well as a wide and constantly growing range of baking supplies. Our principals are among the world's leading manufacturers in their fields:

Hobart Corporation,  
BV Machinefabrik Houdijk,  
Eurofours S.A.,  
Klößner Hänsel Tevopharm B.V.,  
Lillnord A/S,  
Mondomix Howden B.V., Rheon  
Automatic Machinery Co Ltd,  
Sancassiano S.p.A.,  
Seewer AG,  
Sveba-Dahlen AB, Werner &  
Pfleiderer GmbH.

## Customized in-house manufacturing

LT-Kone Oy's Saario plant designs and manufactures high-quality special machinery and production automation equipment for the bakery and preprocessed food industry. Design work and product development are carried out in close cooperation with customers. There are many patented solutions. LT-Kone's growth strategy is based on expanding its market area and on exports in its own special areas of expertise. Examples of this are the development of industrial bread production lines, loading equipment and leavening chests.

## Machinery and equipment for institutional kitchens

The delivery programme of LT-Kone Oy also includes equipment for institutional kitchens and pizza ovens. Operations are mainly centred on the products of the Hobart Corporation, the world's largest manufacturer of kitchen equipment. For restaurants and institutional kitchens, we offer preprocessing equipment, combination ovens, steam cookers, various refrigerated and deep-freeze storage facilities, dishwashers and automatic dishwashing systems.

LT-Kone's Institutional Kitchen Department has launched a dishwasher control system on the market. The system permits considerable savings in water and energy consumption in tunnel dishwashers. The patented device is called ICS (Intelligent Control System) and LT-Kone is the sole authorized seller. The system has been very warmly received and it has good prospects in other parts of Europe as well.

## Smooth service

Our reputation as a dependable supplier is also based on our after-sales service. LT-Kone Oy's strengths are its expert installation, commissioning and servicing personnel as well as its fast spare parts deliveries. We keep more than 5,000 spare part items in stock, and in conjunction with our principals we provide regular training for our service organization throughout the country.

## LT-Kone in the Baltic states

We have expanded operations into the Baltic states. Tallinn-based Leipurien Tukku A/S in Estonia has a comprehensive range of baking and institutional kitchen equipment in its sales programme with which to supply the growing markets of the Baltic rim.

## LT-Kone in St Petersburg

For the successful start-up of our exports to Russia, we have established a new office in St Petersburg. The range provided by the St Petersburg office includes a comprehensive selection of bakery and institutional kitchen products as well as baking process consultancy.







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