

Producer-Partner Case Study:

# AkzoNobel



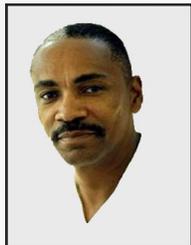
## Giving Niche Specialty Chemicals “A-list” Status AkzoNobel Dissolvine® Chelates



**V**iachem allowed us to gain the traction we needed to build market share for Dissolvine, and our partnership has been incredibly successful.

With Viachem we have enjoyed greater sales growth than we ever expected.”

**Chuck Whitley**  
Distributor  
Sales Manager  
AkzoNobel



### The Producer

AkzoNobel Functional Chemicals Division makes performance Chemicals such as chelating agents, which are used as preservatives in food and beverage products.

AkzoNobel’s Dissolvine chelates are among the most respected and widely used ingredients of their kind in North America. Dissolvine chelates are worthy of “A-list” attention—they are the only chelates in the world to have received the Food Safety System Certification 22000 for quality and integrity.



### The Challenge

Sadly, in North America AkzoNobel does not have the internal resources to dedicate to fully expanding sales and marketing to include the attention Dissolvine needed and deserved — research, market analysis, formulation support and direct selling. Chuck Whitley, distributor sales manager for chel.ates, faced a serious challenge: reaching less-than-truckload customers through distributors, and this channel-to-market was falling short of expectations. His distributors were representing hundreds of chemicals, and product lines were fragmented. As a result, food-grade chelates, and Dissolvine in particular, were lost in the shuffle. Relegated to the “B-list” by distributors, sales remained flat with little growth.

**C**helates are found in a variety of foods, from soft drinks to salad dressings and condiments, to beans, potato salad, pickled cucumbers and pecan pie filling.

Dissolvine chelates prevent food discoloration, rancidity, turbidity, texture loss, odor development and color change.



### Needed: A New Kind of “Distributor” ....



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## The Solution



### **With Viachem, Whitley found a different kind of distributor**

Then the 2008 International Food & Technology Exposition brought a break in the clouds. In a meeting with a company called Viachem, Whitley discovered a new sales and marketing process that could give his product the attention it needed.

Founded in 2006, Viachem Ltd. had established a solid reputation serving a growing portfolio of international chemical producers by offering exclusive sales and marketing representation for niche, specialty and fine chemicals to customers throughout North America. Specializing in the food and beverage, personal care, paints and coatings, industrial and household cleaners, pharmaceutical, nutraceutical and cosmeceutical industries, Viachem was able to offer AkzoNobel what they wanted most: guaranteed sales attention for its Dissolvine Food Grade Chelates.

Unlike traditional distributors that add value through logistics, warehousing and repackaging – functions that add little value in the niche and specialty chemicals space – Viachem promised service and attention for markets that had been inaccessible up to that point. The company also promised an experienced and dedicated sales team with an understanding of the chelates market – a team unmatched by any other in the industry.

Viachem's innovative approach to less-than-truckload chemical distribution for products such as AkzoNobel food-grade chelates required a strategic shift for AkzoNobel. Viachem would become the sole sales and marketing partner for the line, offering a comprehensive up-front market analysis, prospect identification and qualification, marketing and public relations, and exclusive sales representation. Armed with a team of degreed chemists and a proprietary customer relationship management (CRM) program, Viachem would immerse itself in AkzoNobel chelates business. The Viachem team would also tap hundreds of contacts throughout the end-use market to get the Dissolvine line qualified in new areas – ones that took the product well beyond what Whitley's previous channels had done, or were capable of doing. It sounded just right.

## The Results

### **With Viachem, Whitley saw empty shelves and doubled orders for Dissolvine**

In April 2009, Whitley turned over North American sales and distribution for the complete line of Dissolvine food-grade chelates, including Dissolvine E-Ca-10 and Dissolvine NA2-P, to Viachem's technical sales team. Within two months, Viachem's vice president of sales Larry Davis, was on the phone requesting more product. This request got AkzoNobel's attention, and Whitley gave Viachem access to buy containers of product direct from AkzoNobel's plant in The Netherlands.

AkzoNobel's move to supply full-load shipments to Viachem added to the benefits of using a dedicated, external technical sales team, with Viachem -managed inventory helping maintain profitability for the Dissolvine product line and removing issues of storage, shipping and regular order management for AkzoNobel. This also cut down on the "grunt work" associated with sampling unqualified prospects, as Viachem also managed all the processes required before formulations and orders are approved. Viachem's unique approach shortened the sales cycle that was usually far longer than AkzoNobel's more commoditized chemicals.

### **By the end of the first year with Viachem, sales had more than doubled.**

Whitley, in the meantime, was already thinking in wider terms for other specialty chemical products that could be brought into the fold using Viachem's innovative approach. "Viachem allowed us to do something for our food-grade chelates we hadn't been able to do ourselves – gain traction and build market share. As a direct result, we enjoyed greater sales than we expected. It's been an incredibly successful partnership, one we expect to continue and expand upon," Whitley concluded.

