

PRESS RELEASE

Deutsches Milchkontor Goes Live with the New Product Solution msg.FELIX-SAP

Innovative, SAP-based standard solution for the dairy industry by msg systems and GKC

Munich, October 08, 2013. Deutsches Milchkontor (DMK), Germany's largest dairy company, ordered the production of the msg.FELIX-SAP product solution in January and was able to successfully start productive operation at their plant in Zeven the middle of September. DMK is the largest dairy processing company in Germany with 4.6 billion Euro in revenue and is among the top ten dairy companies in Europe. The application was developed by the Munich IT consulting and system integration company msg systems in close cooperation with their strategic partner GKC Dr. Öttl & Partner Dairy and Food Consulting AG (GKC).

msg.FELIX-SAP is based on the long-established and widely-installed FELIX® industry solution by GKC. Based on ERP systems, it covers the unique requirements of the dairy industry and has been used successfully by many dairy company for years. On order of DMK, msg systems continued the development of the system, transitioning it from a solely Microsoft technology-based system to a standard application and end-to-end solution for dairy processing companies. Porting allowed a new standard solution for the dairy industry to be created, a solution that can be used internationally as well.

"We now have a solution that is high-performance, scalable, can be used on an international level and that also covers the high requirements specific to the dairy industry previously covered by FELIX®. The implementation of the new SAP-based solution msg.FELIX-SAP allows us to ensure continuous, successful growth as well as harmonization within the DMK group," explains Volkmar Taucher, member of the executive management and CFO at DMK.

"With GKC and msg systems we chose the right partners for the successful realization of this solution."

During the go-live review on 09/26/2013 at DMK's plant in Zeven Dr. Dirk Gloy, member of the corporate management at DMK and responsible for the field of production/logistics, emphasized, "The new SAP-based raw material and production planning solution, msg.FELIX-SAP, allows considerable improvements and optimizations to the production flow, to the goods availability and also provides a better view of the raw dairy side." He further emphasized that, "With msg.FELIX-SAP we have a better handle on dairy as a raw material." He also praised the high level of reliability, on-time delivery performance and quality of the collaboration with Dr. Hans Öttl, the project members from GKC and the professional product development performed at msg systems' location in Passau.

"This development was realized in a very short amount of time and has allowed us to successfully showcase our strategic competence in the development of product-based, innovative solutions for the food industry," commented Frank Plechinger, member of the board of directors at msg systems ag and responsible for both products & development and for the food industry. "The successful implementation for the market leader marks an important milestone in establishing our product as the standard SAP solution for the dairy industry. This is further underscored by the activities we have already begun to perform for other market leaders in the dairy industry in an international environment."

"By transferring the solution to an SAP platform and developing it into an end-to-end solution, we have been able to take the established FELIX® solution to an even higher and innovative level," emphasized Dr. Hans Öttl, founder of and chairman of the board of directors at GKC. "Despite the complexity and very ambitious timeline for the project, our excellent partnership-based collaboration and the synergies resulting from it allowed us to successfully implement the solution within the given time frame and to DMK's complete satisfaction."

msg systems

msg systems is an independent, internationally-active company group with more than 4,000 employees around the world. The company offers a holistic service spectrum of creative, strategic consulting and intelligent, sustainable and value-added IT solutions for the following

industries: automotive, financial services, food, insurance, life science & healthcare, public sector, telecommunications & media, travel & logistics, as well as utilities and has acquired an excellent reputation as an industry specialist over the past 30 years. Within the group independent companies cover the wide variety of industry and issue-based competence: msg systems ag forms the core of the company group and works in close cooperation with the subsidiaries, both on a business and organizational level. This allows the competence, experience and know-how of all the members to be bundled into a holistic solution portfolio with measurable added value for its customers.

msg systems holds 5th place in the ranking of IT consulting and system integration companies in Germany.

GKC Dr. Öttl & Partner Dairy and Food Consulting AG

GKC was founded in 1987. The company focuses exclusively on enterprise consulting for the food industry, with a special focus on in the dairy industry. Its consistent concentration on select industries and fields has allowed GKC to acquire extensive industry-specific business and technical know-how. Its FELIX applications have had a strong influence on the development of planning and controlling within the dairy industry. In the field of enterprise consulting, GKC supports structural developments, performs cost effectiveness studies and appraisals, determines efficiency potential and optimizes business processes. Furthermore, their consultants possess industry expertise that allow them to facilitate the implementation process.

About DMK

Having processed 6.9 billion kilograms of milk to date, DMK Deutsches Milchkontor GmbH is Germany's largest dairy company. DMK works with more than 11,000 active milk producers. The company has 5,700 employees working at 22 different locations, turning milk into fresh dairy products such as fresh milk, yogurt and farmer's cheese, cheese, milk and whey powders for the food industry, as well as baby food, ice cream and health care products. With 4.6 billion Euro in revenue, the company is also one of the top ten in the milk industry in Europe.

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