

## ***China places major milk powder contracts***

Following the recent announcement of an €11M milk powder processing and bagging contract from Ireland's Lakeland Dairies (see last week's *Euro Industry News*), GEA Process Engineering headquartered in Soeborg, Denmark, has won an order worth in excess of €17M from Feihe Dairy, one of China's fastest growing, medium-size producers of dairy products. Scope of supply includes installation of two new production plants in Heilongjiang province, one in Gannan and the other nearby in Longjiang, as well as process know-how, technology and staff training.

The Gannan facility, which will supplement an existing plant, is expected to be completed in the autumn of 2010 and will produce 50t of whole milk powder or 80t of infant formula powder daily. The new plant in Longjiang, scheduled to be operational by the winter of 2010/11, will provide a daily production capacity of 62t of whole milk powder or 100t of infant formula powder. Feihe Dairy is a subsidiary of American Dairy, Inc. These contracts are the first major projects within China's dairy industry since last year's melamine scandal which resulted in the collapse of Sanlu, China's largest milk powder producer.

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