

December 23, 2004

Mr. Filip Adwent
Deputy to the European Parliament
60 Wiertz Street
1047 Brussels
Belgium
fadwent@europarl.eu.int

Dear Mr. Adwent:

Thank you for your letter on behalf of Alima-Gerber associates. We would be very happy to discuss your concerns any time it is convenient for you.

As you may be aware, our business in Poland has declined significantly over the past few years and we are actively working with local management to develop solutions, as much as they are in our hands. We have invested substantially in our factory, are reformulating product (and our consumer tests indicate the products are improved), and we have begun producing product for export to Russia. Overall, our strategy is to focus resources on increasing sales of our core products – baby foods and juices.

Members of our senior management team have visited Poland several times during this year to try to develop strategies to strengthen our ability to compete in the marketplace in Poland. Our last visit was to bring good news – we have entered into an agreement with another company to produce baby food in Rzeszow for export.

We know there have been setbacks and disappointments in the past as we tried to make our business succeed. We believe that we have dealt with associates in an open manner, even when market conditions caused reductions. At a recent meeting there, we told our employees and the press that while we cannot predict the future, we are making efforts to stabilize and grow our business in Poland.

Mr. Advent, we respect your commitment to the people of the Rzeszow community. If you would like to discuss your concerns in more depth, please contact us at any time. Our local representative is Powel Milkowski (48 178753300).

Thank you for bringing your concerns to our attention.

Sincerely,

Kurt T. Schmidt &