







SÉBASTIEN DRYON
CEO of Mellow

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Our two entities were quite similar, since they both operated in the agri-food sector in the niche market of premium desserts for supermarkets and other distribution channels. We were therefore two key stakeholders in this market, but with one of us well established and the other just starting out. Our merger now allows us to offer a comprehensive range worthy of a global stakeholder that currently exports to more than fifty

different countries, with 75% of its sales in Europe and 25% in the Americas. Most of our production is carried out either for prestigious brands found in all supermarkets and hypermarkets, or for the private labels of major retailers.

### What are Mellow's ambitions?

We produce 120 million individual desserts per year. Our goal is clearly to position ourselves among the world leaders in our premium market with high-quality products made from the finest raw materials. However, we are not ready to make all the sacrifices necessary to become a world leader. Mellow intends to remain a family-owned company on a human scale, faithful to the DNA of its parent companies. We place great importance on our employees' well-being: reducing stress, promoting well-being at work, shared governance, increasing individual autonomy, etc.

We want
to create a new
type of industrial company
that is open
to its environment
and respectful of its
employees. We are also
working on reducing
our carbon footprint, in
particular through an
energy consumption
reduction program.

#### Why did you choose France as the location of your 3<sup>rd</sup> factory, the only one so far outside Belgium?

The geographical location in northern France is perfect for us, as it has an excellent highway network. We Belgians and Northerners share many values, not least of which is a friendly attitude.

We wanted to stay within an hour and a half of our Belgian site in Leuze-en-Hainaut, located near the French border. France is our fourth largest market and accounting for over 10% of our turnover. It also has a very positive image in terms of its cuisine. This proximity facilitates our teams' cohesion. We organized a team-building day for the employees at our three sites, and I can honestly say that it felt like we were all part of one big group. Property prices are also lower in Hauts-de-France than in Wallonia, and factories of the size we were looking for are extremely rare. Furthermore, payroll costs in France are lower than in Belgium. These points inevitably weighed heavily in the decision-making process.

## What are your prospects for development?

#### The Mellow Group is aiming for 30% growth between 2023 and 2026, which means our revenue should go from €90 million to €120 million. 2025 is looking very promising, with a forecasted 10% increase in business. This result will be made possible across the group thanks to our 250 employees, as well as the hiring of 100 to 150 temporary workers during peak seasons. A significant part of this growth will be achieved thanks to our Hauts-de-France site, which is expected to enjoy exceptional growth of around 70%. This performance will be achieved as a result of the production capacity of this new 107,639 sq. ft. facility, 50% of which is reserved for storage. It was purchased in 2021 and has been operational since 2022, and is used for both production and logistics. We currently employ 60 people in France, and we are still recruiting.

# Were you well received during your search for a site?

You need support when you are looking to move to France from Belgium because, even though we are neighbors, this kind of project is still like venturing into unknown territory. I would therefore like to thank NFI for its practical support, its ability to "open doors" for us, and to quickly put us in touch with the right people. The French authorities were also very helpful. This mobilization effort lasted from the initial contact to the signing of the deed of sale for the factory at the notary's office. For the record, we were missing one essential administrative document that was necessary for setting up our business and finalizing the transaction. On the day before the signing at 7 p.m., we managed to reach a representative from the regional environmental, planning, and housing authority (DREAL), which took the necessary steps to send us the authorization. We received it in real time during the signing at the notary's office. This kind of thing would be unthinkable in Belgium.

There is clearly a desire to welcome manufacturers to the Hauts-de-France region. This momentum is continuing even after our setting up, since networking between companies is essential for exchanging practices and sharing feedback.

We also contacted NFI to find out who we should turn to for help with specific issues.





What advice would you give to a CEO who is hesitating about setting up in the Hauts-de-France region?

There are many advantages, starting with the simplicity of relations between CEOs, economic stakeholders, and political decision-makers. We also mentioned highway infrastructure and land. We must include the quality of life, which is an essential factor when choosing to move abroad with your family. In this regard, we can assure you that there are advantages to studying, working, and living in France. If we could make one request, it would be for assistance in connecting with financial partners who

are interested in joining us given Mellow's growth prospects. The message is

out there...







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