

Eesti Pagar continues the 7000-year tradition of Estonian bread



The name Estonian Baker implies traditions and rightfully so - the Eesti Pagar story started already four years before Estonia became an independent nation in 1918, today they combine innovative technology with the purest Estonian flavours to export bakery products to 12+ markets on 4 continents around the world.

With its roots in traditional bread baking and fresh pastry manufacturing, Eesti Pagar took its first steps towards export markets in 2005 with the addition of deep-frozen products to its portfolio. The company's export manager Aleksei Mogutov believes that Eesti Pagar stands out as a pioneer in the field of frozen bakery. "Deep-freeze technology allows us to exclude preservatives from the mix and to utilise a no-waste concept like no other. For example, Eesti Pagar's retail packaged bread, cakes and pastries are produced deep frozen in larger batches, guaranteeing higher and stabler quality and a better production cost," explains Mogutov.

The main products of Eesti Pagar are traditional dark and white breads, cakes and a variety of puff pastry products. Product development is discussed at weekly meetings by dedicated food technologists, as the company launches over 50 new products every year. "We get a lot of inspiration from keeping an eye on what goes on internationally in the bakery business," says Mogutov.

Pioneers in deep-frozen bakery

Eesti Pagar breads and cakes are produced and shipped to resellers and retail chains at export markets in frozen condition. Products are thawed either in the distribution center or at the retailers' point-of-sale and the shelf life countdown starts not from the actual time of production, but from the moment of thawing. "Eesti Pagar's customers always have a sufficient surplus of our products without the risk of short expiry dates. They also control how many products are being defrosted on a daily basis to maintain the best balance between product availability and waste level. In the end the final consumer gets the freshest products with the longest shelf-life at the best price. We are convinced that in addition to achieving a reduction in waste, we have arrived at the best win-win solution for all parties involved in the distribution cycle," believes Mogutov.

Eesti Pagar values Estonian raw material very highly, as it comes from clean nature and is rich in flavour. "Our flours, meats and jams come mainly from Estonia, because the quality is superb and fresh. We always make an effort to use the latest technology, even most of our automatic production lines are less than 10 years old," explains Mogutov. This has allowed Eesti Pagar to reach and maintain a solid leadership position on the domestic market with a consistent 45% share in the past years.

While making efforts to maintain the superb share of the domestic market, the management of Eesti Pagar understands that the opportunities for revenue growth are directly linked to export markets. Hence the creation of the company's export team 10 years ago, now employing 5 stellar export specialists whose job it is to take their frozen products to markets near and far. "Eesti Pagar has delivered rye bread to Kenya and pastries to Bolivia, but incredibly we've also shipped butter croissants to Belgium," Mogutov says.



Export success is based on long-term partnerships

The main export markets for Eesti Pagar are Finland, Sweden and Russia. But there are regular customers in Poland, Germany, Belgium, USA and Canada with occasional shipments sent to Asia, and South America. "Our current focus is on the Asian market, with products available in Hong Kong and South Korea and eyes on Japan next." Most of Eesti Pagar's international success stories have been born out of their active participation at industry fairs, with well over 30 expos under their belt over the past 10 years, usually in joint partnership with Enterprise Estonia, the Estonian Chamber of Commerce and Agriculture or the Estonian Food Association.

Mogutov stresses that the reason for their international success is based on developing long-term partnerships rather than short-term quick sales. "Most of our clients have remained our loyal customers from the very beginning, contributing to the annual increases in our export volumes," Mogutov says. The corona pandemic actually had a positive impact on Eesti Pagar's trade volumes, as people were happy to bake at home and large variety of Eesti Pagar 15-minute retail packed pastries turned out to be the perfect solution.

Sustainability is the key

The bakery industry relies heavily on a variety of certificates to vouch for its food safety and quality management and Eesti Pagar has them all and then some to boot - everything from the BRC Global Standard for Food Safety (AA level) to RSPO (palm oil) sustainable production certificates and an ongoing process to acquire the UTZ certificate for sustainable cocoa use. "We take sustainability and environmental protection very seriously at Eesti Pagar, for instance we use more and more 100% recyclable packaging, rely on green energy and use CO₂-free energy to heat our production lines," comments Mogutov.

Using Estonian raw material is something that Eesti Pagar takes to their heart. "Estonia is very rich in clean nature and the quality of food here is far above par, which is why we aim to utilise as much local produce as possible." Estonian forests yield fantastic harvests every year and only the best find their way into Eesti Pagar's products. "We employ a team of professional specialists to ensure the premium quality of our products and to maintain innovation in development. After all, bread has been a staple of Estonian diet for over 7000 years and has become a symbol of Estonian food," concludes Mogutov.

