



# Manufacturing Journal

magazine



## ZMM Bulgaria Holding:

### Steep growth of the output

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Dear Readers!

**G**eoplant Ltd owns tea plantations as well as processing and packing facilities and is therefore a 'one-stop shop' for the entire tea production process. Each day, the company strives towards its mission: To provide the healthiest drink of the millennium to the world from the finest, environmentally-friendly, best tea plantations of rural Georgia. Geoplant Ltd sees itself as partner with valued customers, employees and community, promoting healthier lifestyle and helping to lead happier lives... Full interview on page 10.

Bochkari Brewery - one of the kegs bottling leaders in Russia. The enterprise is unique, modern, dynamically developing. It is one of the five largest brewing enterprises of Siberia. The development of technologies and recipes is possible thanks to the specialists from Germany and Czech Republic. The enterprise has a strong team of specialists, creates comfortable working conditions and takes over the experience of the best foreign experts in the production of beverages... Read full story on page 18.

Petrovax Pharm is the leading Russian R&D and manufacturing company focusing on innovative pharmaceutical products and vaccines. The company was founded in 1996 by a Russian scientific team to develop, manufacture, and practically implement innovative pharmaceuticals and vaccines. Presently, Petrovax Pharm is among the TOP5 immunobiological manufacturers in Russia, with 20+ patented molecules and technologies and a product portfolio solely of originator pharmaceuticals and vaccines. This portfolio includes both in-house R&D products and medications that are a result of cooperation with leading Russian and foreign companies. The pharmaceuticals manufactured at state-of-the-art facilities are widely used in Russia and the CIS, EAEU, Iran, and Eastern Europe. In January 2018, the company won the All-Russia Contest of the Russian Union of Industrialists and Entrepreneurs "Russian Business Leaders: Performance and Commitment'2017" in the category "For the Dynamic Development of Business"... Read their success story on page 35.

The company is a part of the Slovak holding Grafobal Group, which has more than 110-year history in the world market of packaging and printing services and is one of the leaders in the printing market in Central and Eastern Europe. The holding enterprises are located in Slovakia, Russia, the Czech Republic, Bulgaria and Lithuania... Full report on page 44.

Enjoy the magazine!

Editor:



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magazine

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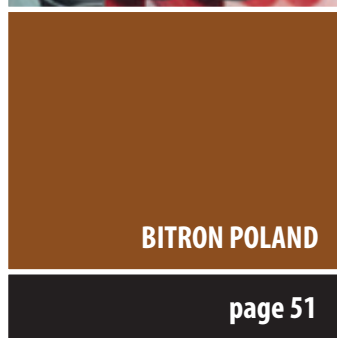
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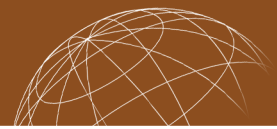
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## Kotkamills adds a new member to its family of plastic free consumer boards



Kotkamills' family of AEGLE® consumer boards is complemented by the freshest member of the family. AEGLE® Barrier Plus promotes the wider use of non-plastic packaging solutions. Easily recyclable AEGLE® Barrier Plus packaging board is especially suited for packaging greasy food, sandwiches, bakery products and frozen foods.

The packaging industry is one of the key players in preventing litter ending up in the oceans and nature. Traditionally, packaging industry uses plastic barrier layer on packaging board in order to prevent grease and fluids from absorbing into the packaging material. Alternatively, organic fluorochemicals can be used as grease barriers but they might be harmful for the health. Degradation of plastic can take up to hundreds of years in natural conditions which means they are a burden for the environment for a long time, even ending up in the food chain.

Kotkamills AEGLE® products do not contain plastic, harmful fluorochemicals or waxes. The barrier layer of AEGLE® consumer boards is a water-based polymer dispersion which enables easy recycling since no plastic needs to be separated from the wood fibre. AEGLE® products can be recycled with normal paper and board waste. Easy recyclability guarantees the precious material to remain in circular economy.

"AEGLE® consumer board family got its

first family member as AEGLE® Barrier Light was launched this spring. We are proud to announce that the product family is now one family member richer. Our plastic free packaging boards answer to a number of societal challenges, for example preserving the precious materials in circular economy and the prevention of added litter in the environment." Kotkamills CEO Markku Hämäläinen states.

"Food industry demands packaging solutions now and in the future. Our job is to create sustainable solutions that offer consumers a pro-environment choice with small everyday choices. Conscious consumers choose a solution that is sustainable and better for the environment when it is made easy to access and use." Hämäläinen ends.

Kotkamills is strongly involved at the forest and packaging industry's PulPaper fair from 29th to 31st of May at Helsinki Messukeskus. On Wednesday May 30th Niilo Pöyhönen, Senior Vice President, Consumer Boards and Salla Kettunen, Director, Barrier Boards are giving a presentation on Kotkamills' new products and solutions at the fair's Future Square stage. On May 31st an excursion from the fair to Kotkamills' factory will be arranged. Kotkamills' new products are on display at PulPaper on stand 6g91.

Kotkamills is a responsible partner that delivers renewable products and performance to its customers' processes via product innovations created from wood, a renewable raw material. Our product range includes fully recyclable consumer board products AEGLE® and ISLA® and one of the key brands of the company is Absorbex® an innovative laminating paper product for the laminate, plywood and construction industries. Moreover, Kotkamills offers ecological, technically sound and visually attractive wood products for demanding joinery and construction.

**More info:** [www.kotkamills.com](http://www.kotkamills.com)

## Introducing a new accessible and agile digital era in agriculture

Get a new perspective on seed and grain analysis with a wide range of profitable benefits to the user, provided by user friendly digital solutions such as the new digital microscope TREND from TAGARNO

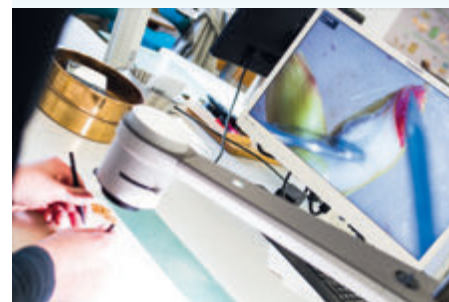
The digital microscope basically provides you with a magnified and digital live view of your seed or grain sample on a monitor, but this is only the fundamentals of the new generation of TAGARNO microscopes.

The tangible return of using this kind of equipment as a part of your analysis work is the ability to perform a higher number of analyses and create a better and well documented result not to mention time saved in the process. This is partly due to the improved collaboration to ensure the quality, and quickly generate high quality documentation as well as frequently updating the microscope to fit with your current and future needs.

Not underestimating the fact that the operator will have less sick days and thereby be not only a happier employee but also experience increased efficiency due to the ergonomic benefits of using a digital microscope such as the new TAGARNO TREND.

### Benefit from digitalizing your processes

As a business it is naturally important to always look out for smarter ways of doing things, and by digitalizing processes the advantages of adding new technology can be overwhelming. Being able to prop-





erly view and handle the small seeds and grains will inevitably mean increased quality and productivity, vouching for more and better analysis and work processes within the agriculture sector.



A digital microscope can be a valuable tool to create these digitalized changes. And with the introduction of the new generation of digital systems, you get the ability to regularly update the microscope with new features to fit with future needs.

This means the end of investing in expensive equipment which is updated the next day and in with agile technology with the ability to adapt the technology of tomorrow. Also, the digital microscope combines the product quality of a traditional (often expensive) optical microscope with the affordability and user friendliness of cheaper alternative solutions.

### Why is it important to document your work?

Agriculture labs often need to provide documentation to their customers. It is very important that it is simple and quick for the operator to capture images, and also that the quality of the images is high.

With a digital microscope you are able to effortlessly create, save, and share sharp images to use as documentation. Capturing images requires only a single click and you will have the documentation of the purity of your seed and grain samples readily at hand to share with your customers, coworkers, other departments, and your supply chain.

**More info:** [www.tagarno.com](http://www.tagarno.com)

## Alelion electrifies heavy vehicle manufacturer KAMAG with move into new segment

The German manufacturer of heavy vehicles KAMAG Transporttechnik GmbH & Co. KG, partners up with Alelion Energy Systems AB as it focuses on sustainable autonomous vehicles – soon to be powered by Swedish lithium-ion batteries. The KAMAG order is a significant move for Alelion into a new segment and an important step towards Sweden's first factory for large-scale production of lithium-ion batteries for vehicles.

"This order is an important milestone and proves that Alelion also plays a central role when it comes to the electrification of heavy vehicles", says Daniel Troedsson, CEO of Alelion.

Alelion Energy Systems AB (publ) has received an order for high voltage batteries from the German special vehicle manufacturer KAMAG to electrify the powertrain of one of its heavy truck-models.

Alelion has proven expertise in delivery as well as a reputation for industry leading innovation in the growing field of sustainable lithium-ion battery technologies. As part of a joint development project, Alelion will deliver a first batch

of batteries in 2018. The remainder of the order, valued at approximately MSEK 15, will be delivered during 2019.

The heavy vehicle segment is an important part of the future for lithium-ion batteries. "More and more vehicle manufacturers are investigating the possibilities to convert to sustainable, all electric powertrains due to environmental- and climate issues", says Daniel Troedsson, CEO of Alelion. "Our long experience with lithium ion-technology in the forklift industry puts us in a good position to design the power supplies of tomorrow and contribute to the electrification of the heavy vehicle industry."

KAMAG's planned electrified truck is a multi-purpose vehicle to be used with semitrailers and for transporting goods in ports, warehouses, mail- and package handling sites – as well as on production sites and at airports. The driverless version of the KAMAG E-Wiesel AGV (Automated Guided Vehicles) truck is adapted for automated logistic centres.

**More info:** [www.alelion.com](http://www.alelion.com)



## JAK-Metalli named Swedish Steel Prize 2018 finalist

For developing a new cutting solution for vegetation management that is safer, less energy intensive and more durable, JAK-Metalli has been nominated for the Swedish Steel Prize 2018.

The Swedish Steel Prize is awarded annually to recognize the most innovative design utilizing high-performance steel. JAK-Metalli Oy, from Finland, is one of the four finalists for this year's prize, which will be awarded during a ceremony in Stockholm, Sweden on May 24. The award ceremony is part of a three-day event where hundreds of international participants will take part in seminars and site visits at SSAB.

JAK-Metalli is nominated for its Spiral Cutter, a unique cutter head with a modular design for clearing vegetation from roadsides, city parks and bike lanes. It operates at an incredibly low 175 revolutions per minute, opposed to 1,500 revolutions per minute with traditional chain crushers. This means extremely low energy consumption and operational costs, as well as an overall safer work environment.

"The goal was to develop a better way to cut grass and small trees with as little force and power as possible. We saw that we could achieve this with a design that cuts like a scissor rather than crushing," explains Kimmo Tossavainen, Development Manager at JAK-Metalli.

The inventive JAK Spiral Cutter blade benefits from laser cut geometries of wear-resistant steel for a maximized wear lifetime. To keep weight to a minimum, high-strength steel was used in the cutting arm.

"We are focused on providing a solution that is far more durable than traditional chain cutters. During the development process, we calculated that wear-resistant steel would be the correct material to use. Without it, the Spiral Cutter would not have been realized. The material allows for a lightweight design and is durable as well as strong," explains Tossavainen.

**More info:** [www.saab.com](http://www.saab.com)



## Walki's upgraded production unit boosts safety and efficiency



Walki's revamped multi-layer line responds to the increasing demand from the insulation industry. The line has been in action since January. The updated production line gears up Walki's quality management and development with new and improved features, including measurement and camera systems, data collection and storage as well as analysis. Simultaneously, it has taken steps to further efficiency and safety.

"This investment allows for the production of new, more diverse products," says Kari Salminen, Executive Vice President, Construction. "A great example of this is Walki's fire-retardant facings, which can be customised to match each client's specific requirements." For instance, the height of polymer layers can be verified at an unprecedented accuracy, thanks to modern technology. The line is also more efficient in producing thick multi-layer structures, responding to their significantly and continuously hiking demand. The growth of the market for multi-layer materials in the insulation industry started showing signs a few years ago. For example, companies all over Europe are seeking for fire-retardant insulation solutions in order to provide their customers better safety both in products and working and living environments. With the help of Walki, these companies can significantly enhance the safety of their offering.

**More info:** [www.walki.com](http://www.walki.com)





## Robot system RS 2 Combi with integrated kanban storage



A refined RS 2 Combi robot system, which has been adapted to a C 32 U dynamic 5-axis machining centre, was recently assembled and installed specifically for the Technology and Training Centre and the Hermle Open House, which is held there.

This robot system is a platform-based system with a built-on cabin and a 6-axis industrial robot designed for transporting a maximum weight of 240 kg. The customisable shelf storage systems house both gripper storage stations (for pallets and workpiece handling) and additional tool storage (for large/heavy milling and drilling tools) or various storage stations for pallets and/or workpieces on dies.

A kanban magazine for cubic and/or cylindrical workpiece blanks was integrated along with a conveyor belt for semi-finished and finished parts and a chute for reject parts. A setup station with an additional control panel has also been adapted. The robot system can be de-

tached from the machining centre with a door system, so the operator has direct access to the working area of the machining centre (setting up or taking measurements), while the robot can serve other machining centres in parallel.

### Storage utilisation:

- 4 varying additional grippers
- 4 (up to 6) jig pallets WxDxH 400 x 400 x 320 mm
- 12 pallets with workpieces WxDxH 400 x 400 x 360 mm
- 6 pallets with workpieces WxDxH 400 x 400 x 500 mm
- 3 pallets with workpieces WxDxH 400 x 400 x 420 mm
- Kanban system with 35 workpiece chutes for blanks (cubic or cylindrical) from 20x20x20 mm to 100x100x100 mm

**More info:** [www.hermle.de](http://www.hermle.de)

## TRADE SHOWS

04.09 - 07.09 2018

### SMM HAMBURG

Ship Building, Machinery and Marine Technology International Trade Fair

**Venue:**

Hamburg Messe und Congress  
Rentzelstr. 70  
20357 Hamburg  
Germany

[www.hamburg-messe.de/smm](http://www.hamburg-messe.de/smm)

20.09 - 24.09 2018

### SALONE DEL GUSTO

Taste Show - Food Exhibition

**Venue:**

Lingotto Fiere S.p.a.  
Via Nizza 294  
10126 Torino  
Italy

[www.salonedelgusto.com](http://www.salonedelgusto.com)

04.09 - 06.09 2018

### INNOV-AGRI

Innovative Agricultural Fair

**Venue:**

Groupe France Agricole  
8, Cité Paradis  
75493 Paris Cedex 10  
France

[www.innovagri.com](http://www.innovagri.com)

07.11 - 08.11 2018

### EXPO FOOD SERVICE

Food Expo

**Venue:**

La Nave, Madrid  
Calle Cifuentes, 5  
28021 Madrid  
Spain

[www.expofoodservice.com](http://www.expofoodservice.com)

# COUNTRY PROFILE |



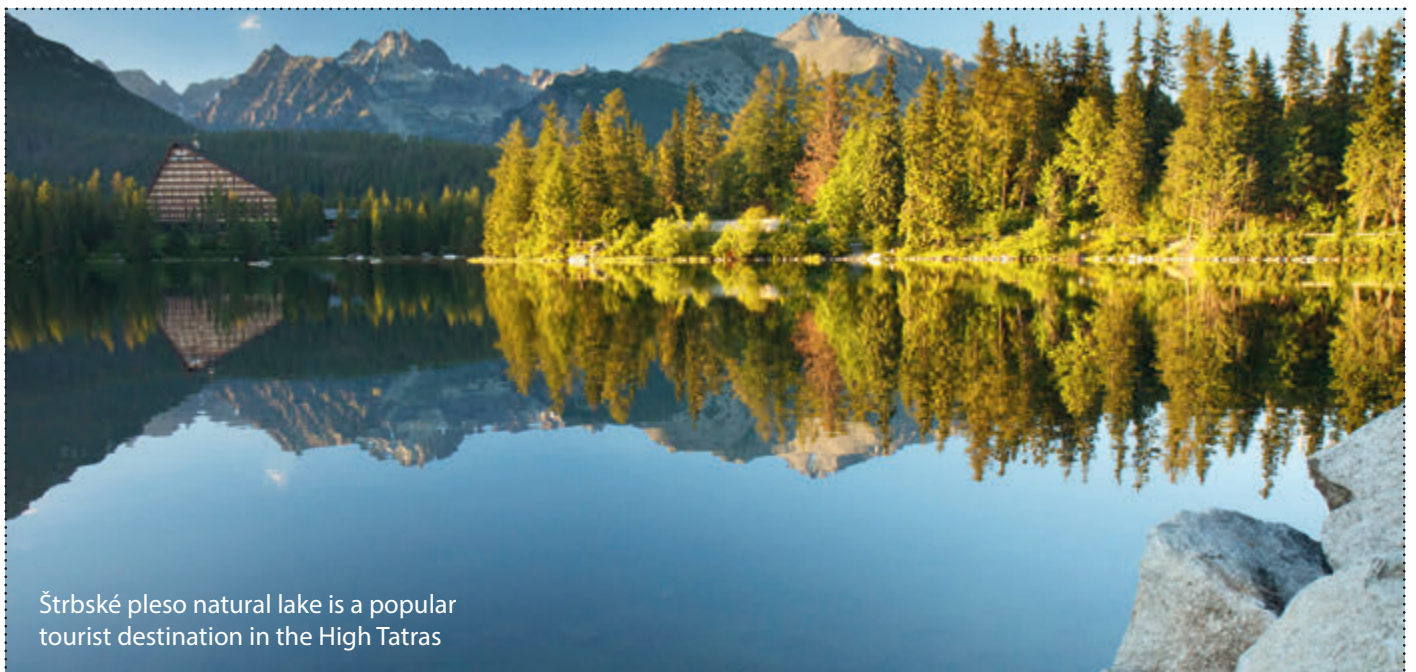
Right at the heart of Europe and with a history intertwined with that of its neighbours, Slovakia has proudly preserved its own language and distinct cultural traditions. It was part of Czechoslovakia until the „velvet divorce“ in January 1993. The subsequent independence years can be divided into several chapters.

## Overview

The story in chapter one revolved around frosty relations with the European Union and Nato combined with rejection of economic reform. Chapter two saw a complete change of direction and moves to embrace all three, culminating in EU and Nato membership in 2004. For

the first five years after independence, there was growing international criticism of the lack of respect for minority rights and the democratic process shown by the authoritarian prime minister, Vladimir Meciar. He led a string of coalition governments, pursuing nationalist and populist policies until October 1998 when an alliance of liberals, centrists, left-wingers and ethnic Hungarians ousted him, forming a new coalition with Mikulas Dzurinda as prime minister. During Mr Dzurinda's term of office (1998-2006), Slovakia forged ahead with an economic reform programme and saw a boost in foreign investment. His government also tried to improve the lot of minorities. Slovakia's ethnic Hun-

garian community constitutes about a tenth of the country's population, and the status of this substantial minority has long been a source of tension between Slovakia and Hungary. Mr Dzurinda's government oversaw Slovakia's entry into the EU and Nato, but its economic reforms made it unpopular with voters, and in 2006 it was replaced by a centre-left coalition led by Robert Fico. Mr Fico's government relied on the support of the Slovak National Party, and his premiership was marred by controversy over treatment of the Hungarian minority. Slovakia also has a significant Roman population which suffers disproportionately high levels of poverty and social deprivation. The post-war Benes



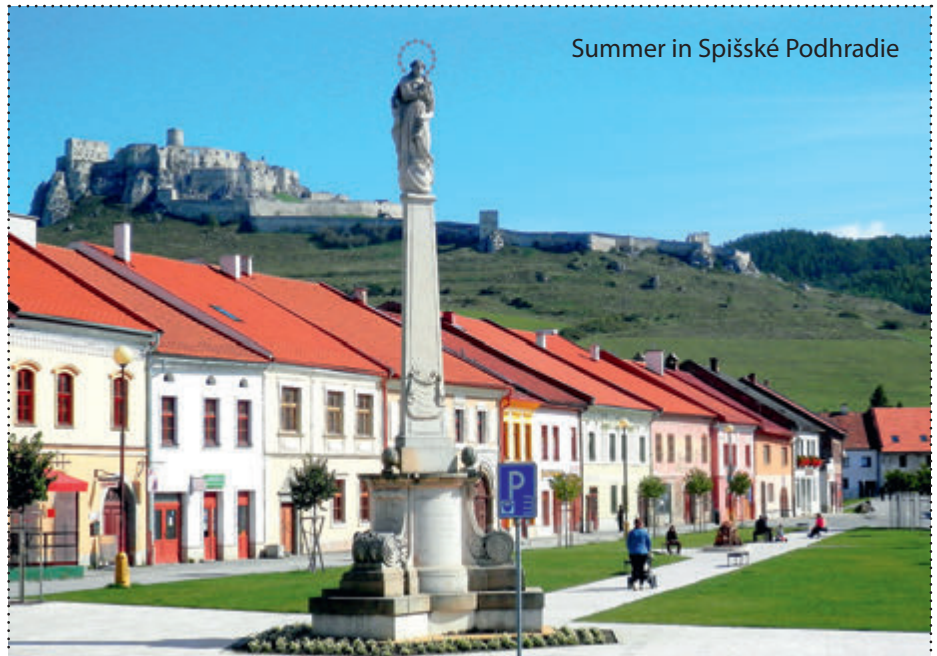
Štrbské pleso natural lake is a popular tourist destination in the High Tatras



decrees, which called for the expulsion of 3 million ethnic Germans and 600,000 ethnic Hungarians from then-Czechoslovakia and the confiscation of their property, remain a sensitive issue in relations with neighbours.

### Economy

The Slovak economy is a developed, high-income economy, with the GDP per capita equalling 77% of the average of the European Union in 2016. The country has difficulties addressing regional imbalances in wealth and employment. GDP per capita ranges from 188% of EU average in Bratislava to 54% in Eastern Slovakia. The OECD in 2017 reported: „The Slovak Republic continues exhibiting robust economic performance, with strong growth backed by a sound financial sector, low public debt and high international competitiveness drawing on large inward investment.“ In 2017, Slovakia was ranked by the International Monetary Fund as the 39th richest country in the world (out of 187 countries), with purchasing power parity per capita GDP of \$32,895. The country used to be dubbed the „Tatra Tiger“. Slovakia successfully transformed from a centrally planned economy to a market-driven economy. Major privatisations are completed, the banking sector is almost completely in private hands, and foreign investment has risen. The Slovak economy is one of the fastest growing economies in Euro-



Summer in Spišské Podhradie

pe and 3rd fastest in eurozone (2017). In 2007, 2008 and 2010 (with GDP growth of 10.5%, 6% and 4% retrospectively). In 2016, more than 86% of Slovak exports went to European Union, and more than 50% of Slovak imports came from other European Union member states. The ratio of government debt to GDP in Slovakia reached 52% by the end of 2016, far below the OECD average. Unemployment, peaking at 19% at the end of 1999, decreased to 5,95% at the end of 2017, lowest recorded rate in Slovak history. Inflation dropped from an average

annual rate of 12% in 2000 to just 3.3% in 2002, an election year, but it rose again in 2003–2004 because of rising labour costs and taxes. It reached only 1% in 2010 which is the lowest recorded rate since 1993. The rate was at 4% in 2011. Slovakia adopted the Euro currency on 1 January 2009 as the 16th member of the Eurozone. The euro in Slovakia was approved by the European commission on 7 May 2008. The Slovak koruna was revalued on 28 May 2008 to 30.126 for 1 euro, which was also the exchange rate for the euro. Slovakia is an attractive country for foreign investors mainly because of its low wages, low tax rates and well educated labour force. In recent years, Slovakia has been pursuing a policy of encouraging foreign investment. FDI inflow grew more than 600% from 2000 and cumulatively reached an all-time high of \$17.3 billion in 2006, or around \$22,000 per capita by the end of 2008. In March 2008, the Ministry of Finance announced that Slovakia's economy is developed enough to stop being an aid receiver from the World Bank. Slovakia became an aid provider at the end of 2008.

Grassalkovich Palace in Bratislava is the seat of the President of Slovakia





## The largest Georgian tea-producing company



CEO  
Mikheil Chkuaseli

### FACT BOX



**FULL NAME:**

LTD „Geoplant,,

**CEO:**

Mikheil Chkuaseli

**INDUSTRY:**

Tea manufacturing

**ESTABLISHED:**

1996

**EMPLOYEES:**

105

**TURNOVER:**

5 000 000 (2017 year)

[www.gurieli.ge](http://www.gurieli.ge)

**G**eoplant Ltd owns tea plantations as well as processing and packing facilities and is therefore a 'one-stop shop' for the entire tea production process. Each day, the company strives towards its mission: To provide the healthiest drink of the millennium to the world from the finest, environmentally-friendly, best tea plantations of rural Georgia. Geoplant Ltd sees itself as partner with valued customers, employees and community, promoting healthier lifestyle and helping to lead happier lives.

### History of success

Geoplant Ltd was founded in 1996 is currently the largest Georgian tea-producing company, under the brand name Gurieli. Geoplant Ltd has close relationships with both private and state-owned tea-producing, packaging, trading companies, as well as companies producing tea processing and packaging equipment, tea packaging materials around the world, including Sri Lanka, India, Japan, Indonesia, Kenya, China, Turkey, Germany, Italy, Spain, Netherlands, USA, Ukraine, Great Brittan and others. These liaisons are constantly nurtured by sharing scientific, technological, and practical experiences, and are the key elements for endless innovation, quality control, and expertise in the industry. Geoplant has been actively cooperating

with the Georgian Tea and Subtropical Cultures Research Institute, the only scientific institution of such expertise within in all Eastern Europe. Cooperation with scientific centers allows the company to rapidly implement and develop innovations in production, ensuring both improvement of quality and ever-growing assortment of products. With its rich resources of raw materials, processing/packing facilities, scientific potential and brand development, Geoplant is a leading company in tea production both in Georgia and the South Caucasus. The company started as bulk tea processing and trading company. In 2008, Geoplant started the new project – the creation of Georgian Tea Brand – GURIELI. The company began its activities in fully renovated Ozurgeti primary processing factory,



## Aluminium teabag wire

With almost 100 years of Aluminium wire making experience in Germany, ELISENTAL is a world leading producer of Aluminium and Aluminium alloy wire. A dedicated focus on Aluminium, with fully integrated facilities from melting and alloying to cold finishing, enables ELISENTAL to offer a comprehensive range of Aluminium grades in wire and bars. ELISENTAL's extensive range of teabag wires includes high quality products for many different applications.

[www.elisental.de](http://www.elisental.de)

DRAHTWERK ELISENTAL W. Erdmann GmbH & Co. | Werdohler Straße 40 58809 Neuenrade/Germany  
Phone: +49 2392 697-34 | Fax: +49 2392 697-8034 | Email: [teabag@elisental.de](mailto:teabag@elisental.de)



**Manufacturing**  
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installed state of art primary processing equipment (TI Global – India) and tea packaging machinery (IMA – Italy) in Zugdidi factory. In cooperation with Ogilvy and Mother (Great Britain) the company started brand creation project, developed product creation process and in 2010 successfully implemented first sub-brand Gurieli. In the same year it launched second tea brand RCHEULI on the local market for the budgetary segment. In 2011, Geoplant launched second sub-brand under the GURIELI umbrella brand Gurieli Fruit Tea. In 2013, the company launched premium sub-brand under the GURIELI – Prince Gurieli

and Gurieli Herbal Tea. In 2015, Geoplant took part in government's special project "Produced in Georgia" and built new packaging factory in Ozurgeti, installing new generation tea packaging machinery from IMA and introducing pyramid packaging for tea in Georgia using FUSO Nasa (Japan) machinery. In 2016, the company successfully introduced packaging design upgrade, made by Ogilvy and Mother.

#### Ecological product

Geographic location, climatic conditions, temperatures that vary drastically between summer and winter determine

the unique character of Georgian tea. Due to natural factors, it is not necessary to use of pesticides and herbicides therefore our tea is ecologically pure and the environment is less polluted. The number of sunny days in Georgia, optimal average annual temperature (+12.5 - +14.7 C) and subtropical climate contribute to the quality of tea leaves. Strong contrast between day and nighttime temperatures during the period when the tea shoots start to appear, produces aromatic substances in the delicate sprouts of the plant creating a complex bouquet of aroma unique to Georgian tea. The company owes its reputation and customers trust thanks to rich assortment of ecological teas: black tea - very special aroma and taste (because of climate conditions), high grown tea; green tea - special, unique taste, very light; fruit and herbal tea - local product, mostly wild, own, unique recipes.

#### International cooperation

For the past 5 years, market in Georgia is „booming“. It is a rapidly growing market, where both national and foreign companies try to flourish. Georgian market is slowly becoming a „red sea“ for companies, where each and every one of them tries to win the best position on shelf and customers hearts as well. Such kind of changes motivates every company to do its best and give all the best to consumers, which by itself helps them to be





better in their field of work. Geoplant Ltd is operating on both local and foreign market. The countries were packed is exported include: Ukraine (Gurieli, Georgian baikhi #36) where the company has its strategic partner Fozzy Group, the owner of retailer chains: LeSilpo, Silpo, For a, Fozzy Cash&Carry; Germany (Gergian Baikhi #36) where Geoplant's partner is Monolith Gruppe company, the owner of retail chain all over the EU oriented on ethnic markets; Russia (Gurieli, Rcheuli, Georgian Baikhi #36) trade company "G ruzl mpE x". And in case of bulk tea, Company sell almost all bulk tea on export market. Main partners are Martin Bauer (Germany), Van Rees (Netherlands) and Plantextrakt (Germany).

### Rewards and achievements

Geoplant and its brand Gurieli has been awarded with numerous awards and certificates for the revival and development of the tea industry, for our corporate social responsibility and for various charity activities. For four consecutive years 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017 brand Gurieli received the title of Golden Brand on the annual award ceremony organized by The Global Idea. The title is awarded based on various factors including brand awareness, popularity, advertising, PR activities and surveys. In 2012, the company received the Mercury Award – Company of the Year for Revival of Traditional Industry granted by the Ministry of Economy and Sustainable Development of Georgia. Same year the company was nominated and selected in the Leader category on the annual Georgian Brand Day award ceremony organized by the PR Agency Profile. In

2013, company's newest brand Prince Gurieli received the Golden Award. In 2013, Geoplant was selected by Media Holding Georgian Times and Marketing research association Gorbi and received the National Business Award for the Revival of Traditional Industry and High Ecological Standards. In October 2014, the company received the second National Business Award for Successful penetration of New Export Markets and implementation of New Technologies. The Georgian Quality Foundation has awarded Geoplant with the Quality Mark, which was based on thorough examination and research conducted in company's factories, including technical equipment, analysis of work processes, organizational structure, quality of products and hygiene norms. International certifications are also an important part of quality management system. In 2014, Geoplant received the Hazard analysis and critical control points or HACCP cer-



tification, which is a systematic preventive approach to food safety from biological, chemical, and physical hazards in production processes that can cause the finished product to be unsafe, and designs measurements to reduce these risks to a safe level. Geoplant Limited plans to get the ISO 22000-2005 - international standard that specifies the requirements for a food safety management system that involves the following elements: interactive communication, system management, prerequisite programs and HACCP principles.

### New investments

The company has made huge investments towards modernizing its production line and overall tea processing and packaging. It is proud to have so many suppliers from all over the world. Company's main goal is to produce the best, high quality Georgian Tea, which easily grasped consumers hearts and made them loyal customers. In the next 3 years, Geoplant is planning to invest into tea plantation and primary processing to achieve full rehabilitation of existing tea plantations; to expand the raw material based on financial expediency - purchase, leasing of existing plantations and to invest into long-term contracts with farmers for leaf supply; production of high quality premium mono tea (not blended) and bio certification for one of the estate according to the conditions. On the local market the company plans to create a new mono tea line Gurieli Estate; to expand the existing premium line Prince Gurieli with herbal and fruit tea products and to expand new packages in the direction of HoReCa. When it comes to the export, Geoplant plans to encourage its performance in Ukraine, EU and Russia; enter the Baltic countries and Belarusian market and the European Union "Mein Stream" market. The Company plans to create new products for the soft drinks, naturally-made and natural drinks market and cooperate with other Georgian companies. ■

Written by Madina Turava



## Armenia Wine's exceptional quality is the unique terroir of Armenia



Shareholder  
Vardges Vardanyan

Shareholder  
Vahagn Mkrtchyan

**W**ithin a decade of its inception, Armenia Wine Factory has become a leader on the Armenian market and one of the rising stars of the international wine market. With a wide variety of brands, marrying age old traditions with modern technology and policies, Armenia Wine is a success story with no end in sight.

### Company history overview

Armenia has excelled in winemaking since ancient times. Remains of the world's oldest winery has been discovered there, estimated to be over six thousand years old, and mentions of local wine can be found even in the works of Herodotus. The long cultivated traditions suffered in the 20th century under the Soviet rule, when forced mass production of fortified wines and brandy temporarily pushed traditional Armenian table wines into the background. However, in the late 90s a resurgence of time-honored ways of making wine begun, the result of which was a joint enterprise by the Vardanyan and Mkrtchyan families that begun with the establishment of a vineyard in the Ar-mavir region in south-west Armenia,

well known for such grape varieties as Kangun and Haghtanak. Armenia Wine officially formed in 2008 when the winery was built in the Aragatsotn region, where evidence of winemaking reaching all the way back to the 7th century was discovered. Of course, while the tradition remains important, the new Armenia Wine Company and distillery was equipped with cutting edge equipment such as automated bottling lines with membrane filters, grape selection lines, pneumatic presses with inert atmosphere and temperature controlled tanks for fermentation. All that state of the art technology has been purchased from the world's leading manufacturers. The Armenia Wine Company directly operates a surface of about 50 hectares. The winery is also open to visitors for guided

### FACT BOX



#### FULL NAME:

Armenia Wine Company

#### CEO:

Marine Melkonyan

#### INDUSTRY:

Wine and Brandy production

#### ESTABLISHED:

2008

#### EMPLOYEES:

224

[www.armeniawine.am](http://www.armeniawine.am)



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tours (booking a tour in advance is required). The visitors can follow the entire production process, from the vineyards through aging cellars all the way to tasting the wine in a specialized tasting room. Although wines of various kinds are the primary product, Armenia Wine Factory is also a distiller and produces significant quantities of brandy. Since its founding Armenia Wine has established vineyards of 4 ha in Aragatsotn region and plans to expand the territory of its vineyards up to 200 ha. As the wine market has been growing rapidly in the last

five years and a culture of wine drinking is again widespread in Armenia, we can speak of a new renaissance for the country's winemaking, and Armenia Wine Factory is at the forefront of the booming market.

#### **Production**

One of the reasons behind Armenia Wine's exceptional quality is the unique terroir of Armenia – a set of environmental factors specific to the country that happen to be particularly conducive to grape growth. Among those fac-

tors are varied microclimates, volcanic soil which imbues grapes with inimitable flavor and high altitudes (as high as 1650 meters above sea level) available for vineyards. Among the vast variety of grapes grown in Armenia Wine vineyards are indigenous Armenian Kangun (notable for its extreme resistance to disease) and Haghtanak, an Armenian crossed grape variety. More widely known varieties such as Merlot, Cabernet Sauvignon and Cabernet Franc are also grown at the Armavir region vineyard. The vineyards are cultivated by environment friendly means, keeping both the workers and surroundings safe from hazardous chemicals commonly used in today's viticulture. After being hand-harvested, all grapes undergo a two-stage selection before having the stems separated from the grapes by a Delta Oscillys destemmer, which uses an inertia effect which also eliminates any shot berries, dry grapes or unripe grapes that may remain on the stems. Finally, to ensure highest possible quality, a third selection of grapes is conducted. Thus prepared and meticulously selected red grapes spend about two weeks in special temperature controlled tanks for fermentation. The cellars where the tanks reside have been designed to take advantage of gravity flow whenever possible allowing wine to be moved around





much more gently. After the destemmed grapes have macerated in their respective stainless-steel vat, a pneumatic press can be smoothly rolled underneath so that the grapes can fall straight in the press. White grapes are pressed by pneumatic press under controlled atmosphere to achieve maximum extraction with no oxidation. Sparkling wine produced by Armenia Wine is made using the Charmat method, which means it undergoes a secondary fermentation in pressurized stainless steel tanks with an added mixture of yeast and sugar. The Charmat method, also known as the tank method, is markedly less expensive and time-consuming than the "Classic" method that has the wine undergo secondary fermentation in bottles, but does not result in reduced quality of the end product. In fact it helps preserve the freshness and intensity of the grapes'

aromas, and allows for greater control over the quality consistency. After aging in oak barrels, the wine is bottled by a highly efficient bottling-line with a capacity to handle six thousand bottles per hour. An on-site fully equipped laboratory ensures scrupulous quality control at every stage of the production process. Although Armenia Wine is a growing firm and currently employs 200 hundred people, the company believes that every employee's contribution remains crucial to maintaining the high quality of its products, and the HR department strives at all times to keep the workplace atmosphere friendly and enjoyable without sacrificing efficiency.

#### Major brands and awards

Currently Armenia Wine products are divided into the following brands: Armenia, Yerevan 782 BC, Sevuk, Takar and

Tariri. The Armenia brand is the stalwart backbone of the company's catalogue, offering red, white and rosé wines in dry and semi-sweet varieties as well Muscat and Pomegranate. Selected, Special Edition and Anniversary sub-brands offer particular variations on red, white and rose Armenia wines. Armenia Muscat was named the best of its kind in the world in the 2013 edition of Muscats du Monde competition, defeating over 220 competitors, and Armenia Dry Rose won the gold medal during the prestigious Le Mondial du Rosé 2015 wine competition in France. Armenia White wine won the Silver Medal of the Concours Mondial de Bruxelles 2017. Among other awards won by Armenia Wine products are the Silver Medal of the English Decanter World Wine Awards for "Takar" White Dry 2014, a gold medal for "Takar" Reserve Red Wine 2014 and Silver Medals for "Takar" Extra Brut Sparkling Wine 2014, "Takar" Red Dry 2014 "Tariri" Red Dry 2014 and "Armenia" Muscat White Semisweet 2016 from the German Mundus Vini competition, a gold medal for "Takar" White Dry 2014 in the French Concours Professionnel International des Vins and a gold medal for "Yerevan 782BC" White Dry Wine 2016 in the French Challenge du Vin 2017. Despite being historically one of the foremost wine-making countries in the world, in modern times Armenia has gone largely unacknowledged in the world of wine enthusiasts until recently. It is mostly thanks to the success of Armenia Wine that this situation has dramatically changed in recent years. Armenia Wine is responsible for almost 70% of all wine production in Armenia and is the country's leading buyer of grapes. Offering a wide range of wines (from popular to super premium) the company has loyal customers among the entire spectrum of the general public. Its wines are exported to more than 20 countries such as Russia, Belarus, France, Belgium, Latvia, Lithuania, Estonia, Israel, Canada, the United States, Mexico, China and since 2016, Japan. With sales exceeding 2,5 million bottles a year and growing and an ever increasing presence at international exhibitions and competitions, Armenia Wine Company has cornered the Armenian wine market and is rapidly gaining worldwide renown. ■

Written by Andrzej Kaczmarczyk





## New level of quality



**B**ochkari Brewery - one of the kegs bottling leaders in Russia. The enterprise is unique, modern, dynamically developing. It is one of the five largest brewing enterprises of Siberia. The development of technologies and recipes is possible thanks to the specialists from Germany and Czech Republic. The enterprise has a strong team of specialists, creates comfortable working conditions and takes over the experience of the best foreign experts in the production of beverages.

### Main quality and operation achievements

The implemented and operating management system allows the consumer to be confident in the quality and safety of the products of the Bochkarevsky Brewery. Bochkari Brewery is a synthesis of traditions and innovations. The plant has always been recognized for the high quality of products. In September 2015, LLC Bochkarevsky Brewery successfully passed certification for compliance of the food safety management system with the FSSC 22000 certification scheme. FSSC 22000 is a reliable, ISO-based, internationally recognized scheme for the audit and certification of a food safety management system in the food supply chain. One of the advantages of the FSSC certification scheme is a systematic approach to food safety at all stages of the life cycle: from obtaining

raw materials to using the products by the end user. The priority direction of the company's policy in the field of quality and safety of food products is customer satisfaction. The products are based on the purest water of its own artesian wells and natural raw materials for the preparation of beer and beverages. The plant is equipped with the most modern European facilities, which allows to follow the way of making beverages as precisely as possible. The most important moment for the company for the last two years was the retention of the company's positions in the beer market, which is now showing negative dynamics in Russia. Even a small increase in production volumes, which in such difficult conditions is shown by factory, can be considered as a victory.

### FACT BOX



#### FULL NAME:

OOO „Bochkari Brewery”

#### GENERAL DIRECTOR:

Smagin Vadim Petrovich

#### INDUSTRY:

Production of beer and non-alcoholic beverages

#### ESTABLISHED:

1989

#### EMPLOYEES:

about 700 people

#### VOLUME OF PRODUCTION:

13 mln dl (2017)

[www.bochkari.com](http://www.bochkari.com)





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### New project - "Lean Production"

The main activities of Bochkari Brewery are production of beer, soft drinks and bottling of mineral waters. Bochkari it is more than 20 sorts of beer, a variety of cocktails and lemonades, as well as all categories of water: drinking, mineral and medical. At the end of 2016, the plant launched a global production project "Lean Production", the one by which Toyota, for example, operates. The

purpose of implementing this program is to reduce costs at the enterprise and increase the competitiveness of products. The desired result is obtained not through savings, as many people used to think, but due to the clear interaction of the units, the elimination of "useless" actions, due to the knowledge of employees, search, selection and adaptation of the best practices from around the world. Only 2% of companies in Rus-

sia have begun to apply in their work the tools of this advanced world approach to business. Bochkari Brewery is among the first.

### Export, new markets and financial results

The export of the plant began relatively recently - 3 years ago, so far, the share of exports is relatively small - 3% of total sales. The products of the company are shipped to China, Kazakhstan, Kyrgyzstan and Belarus. The export direction will actively develop in the coming years. Also in plans to expand its presence in the regions of Russia. Now the products are sold in 65 regions within the country. The dynamic development strategy of the company brings financial results. The fact that the Bochkari Brewery is one of the five largest taxpayers in the Altai Territory speaks about the scale of the enterprise's activities. The company employs a group of experienced and creative people, which number now is about 700 employees. The main principle of the company is to always do your job good. And this approach has been preserved for almost 30 years, despite the tremendous changes in the country's economy in recent years. Over the years, strategic potential of Bochkari



ri Brewery remains the same. It is the personnel of the company that can be considered as its main point of growth. Therefore, more and more resources are invested in the social sphere, and much attention is paid to training and increasing the skill of employees. The plant builds housing for employees, takes care of their health and families, builds sports facilities in the Bochkari region.

### New products and activities

The main lines of activity are the same, while new types of beer "1 ton", "3 tons", "Fresh strong bottles", "Mazai", "Zhatetskiy hops", kvass "Andreitch-home", non-alcoholic cocktails "Mojito s taste of strawberries", "Bronx-orange" are launched on the market. In 2017, the Bochkari Brewery were the first in Siberia to bring to the market a fundamentally new product - tank beer. Thanks to special equipment, now fans of company's products can purchase the freshest beer, directly from the brewery delivered to a restaurant or shop. Beer from the tank - soft, with gentle bubbles and a little foam. The tank is 500 liters of beer in a special container - a tank. For its filling, kegs and other containers are not used, therefore all operations affecting the original taste are excluded. Thus, the beer in the tank is as fresh as it is possible!

### Company's plans for the near future

Given the market realities, the main thing for Bochkari Brewery is to retain and consolidate its positions, while striving to improve production processes and increase profitability. It is worth saying that the plant does not stop improving its technical equipment. In 2017,



expenses for investment purposes and modernization of production amounted to 600 million rubles, and for a period of 5 years - almost 2.5 billion rubles. The result of investments in 2018 has yet to be assessed. As for new brands, company is keeping its plans in secret.

### Awards and certificates

In 2017, Bochkari Brewery received five medals at the largest food exhibition of Russia "Prodexpo": 2 silvers for "Andreitch" beer and "Tarkhun" drink, and three gold for the "Three Tons" beer, the "Bronx Orange" cocktail and kvass "Andreitch-home". In addition, Bochkari Brewery received the gold medals of the contest "Best Altai commodity-2017". The winners in the nomination "Foodstuffs" were the non-alcoholic cocktail "Bronx-orange" and two types of beer:

unfiltered light "Mazai" and filtered light "1 ton". Also, these three drinks became the winners of the contest "100 best goods of Russia". Success and strong positions of Bochkari Brewery in the market is a result of high products' quality made by team of professionals, effective management, adjusted channels of distribution, and competent marketing policy concerning the company' brands. ■

Written by Ganna Prudnikova





## Unique combination of the sunflower and tropical oils market



Chairman of board of directors  
Mr. Dhruba Charan Panda

**D**elta Wilmar CIS operates in the food industry and produces the oil-and-fat products and ingredients for manufacturers of the bakery, confectionery and dairy products. The company includes two plants: one for processing of tropical oils and another for processing of oilseeds, as well as a complex for vegetable oils transshipment in Yuzhny port. Delta Wilmar CIS cooperates with reliable partners all over Ukraine and is one of the largest exporters to Europe.

### Latest turning points

An important stage in the development of Delta Wilmar CIS was entering the European market. The company became the first who decided to produce a line of margarines without trans-isomers of fatty acids, preservatives and antioxidants. The incentive for creating these products was the demand of European buyers who carefully monitor the quality and safety of consumed products. Delta Wilmar CIS also had to revise the organizational structure to optimize and improve the process. As a result, over the past 2 years, sales of fats for the food industry have grown, and now the company plans to expand production capacity to cover all consumers of the market. The company's product received positive reviews abroad, and also new line of margarines was appreciated by Ukrainian manufacturers, due to which Ukrainians consume a product of European quality.

### Manufacturing process and main products of the company

Most popular confectionery fats without trans-isomers and milk fat replacer for cheese product and spreads are in great demand on the market. In order to improve production technologies and improve the quality of products, Delta Wilmar CIS implements an extensive program of scientific research and technological development on the basis of own research and production laboratory. The main task of the company is the introduction of innovations in the production, expansion and renewal of the assortment of margarines and fats. The Delta Wilmar group of companies, together with its partner companies, constitute a vertically integrated production system – from raw materials processing to finished products marketing. Each process of the supply chain is carefully controlled, which allows achieving max-

### FACT BOX



#### FULL NAME:

Delta Wilmar CIS

#### CHAIRMAN OF THE BOARD:

Dhruba Charan Panda

#### INDUSTRY:

Fat products for food industry

#### ESTABLISHED:

2004

#### EMPLOYEES:

about 600

[www.deltawilmar.com](http://www.deltawilmar.com)







imum quality at every stage of a product life cycle. Company's philosophy of quality is that the maximum result can be achieved only through absolute control over the entire chain of the processes, ensuring a product output. Delta Wilmar applies full responsibility to each production stage – from plantations to grinding companies, from logistics and processing to delivering goods to the end user, which further transforms into the ultrahigh quality products and services. Since 2006, the Delta Wilmar group of companies has clearly defined the objectives of its activities: a wide range of ingredients for the food industry, high quality products and in-

dividual approach to each customer.

### Strategic potential

First and foremost, the company's strategic potential is staff. Delta Wilmar employs more than 600 employees. The enterprise pays much attention to the development of personnel, both basic and young specialists. The level of professionalism of the organization management is a key competitive advantage in the market, therefore Delta Wilmar regularly conducts trainings for top managers and employees who are ready to fulfill the tasks of strategic development of the company. As for the development of young specialists, the

Delta Wilmar annually conducts a program to recruit interns. The main objective of the program is the formation of a pool of young prospective professionals with leadership potential who, from the very beginning of their work, will learn how to work in different sectors, master the full cycle of knowledge, work in accordance with the requirements of corporate policies and procedures, and easily adopt a corporate culture.

### Way to success and customer trust

The management of the company is confident that it is possible to achieve such great success and gain customer trust only by stable quality and constant improvement. At the request of customers, Delta Wilmar develops recipes for their needs. Own research laboratory and experience center provide an individual approach. Company's technologists come to the client in person to follow the process and, if it is necessary, to refine the formulations. Delta Wilmar contributes to the achievement of excellent taste in confectionery and bakery products, because the taste depends much on the fat content of baked goods. Every year the company organizes international conferences for customers, where specialists tell about the novelties in the factory and on the fat and oil market in general, conduct information tours around the plants and organize masterclasses for making sweets with own margarine.



## Financial results

Delta Wilmar CIS is one of the leading investors in Ukraine and exporters of vegetable oils. Today, measures are being taken to implement the next investment project for \$ 150 million. Delta Wilmar CIS is an integral part of the international agro-industrial corporation Wilmar International LTD Singapore, with a total capitalization of more than \$ 22 billion. Since 2004, the company Delta Wilmar CIS has successfully invested in the creation of its own production in Ukraine more than \$ 250 million, the average monthly wage is one of the largest in the Odessa region and is more than 18,000 hryvnia.

## High quality guarantee

The production process ensures the product sustained quality and safety, while up-to-date measuring and laboratory equipment provides for efficient monitoring of physicochemical and safety indicators at every stage of manufacture. The quality and safety of products manufactured by Delta Wilmar CIS Ltd. is confirmed by the quality documents, certificates of compliance with the regulatory documents' requirements and is annually awarded with prizes and diplomas. The company qualifies and complies with the requirements set by: ISO 22000:2005; ISO 9001:2015 FSSC 22000:2013; ecology certificate ISO 14024:2002, GMP+B1; RSPO SCCS; Islamic Law (Halal); Jewish dietary laws (Kosher). Ecologically friendly production with the introduction of advanced methods and technologies allows Delta Wilmar CIS to receive high quality products that comply with all environmental



regulations. Thanks to a loyal, client-oriented policy in the in sales and product promotion, Delta Wilmar CIS takes pride of place among the leading enterprises of fat-and-oil industry. All technological processes are carried out on the equipment that ensures optimal production and processing modes and provides high quality products. The company develops owing to: introduction of modern developments into production; desire to improve the process technologies at the plants; constant drive to expand the range and market share of the company; introduction of global quality standards, concern for the customers and their business, and highly qualified personnel.

## Latest achievements and further growth

In 2016 a new production line was installed and set in operation. Success-

ful completion of this project allowed increasing the production volumes by 4000 tons monthly. In 2017 a new pilot plant intended for testing new ingredients, improving the process parameters was started up for making a new product as per the customer's requirements. With the help of the pilot plant it is possible to make a high-quality product at a small-tonnage plant and test it at the customer's plant before commencing production on an industrial scale. More than 30% of the company's products are exported. Among the permanent sales markets can be identified such countries as Moldova, Romania, Poland, Armenia, Bulgaria, Uzbekistan, Azerbaijan, Turkey and Latvia. At the moment, the company is targeting the Asian market and expanding the range to Europe. Delta Wilmar CIS focuses on process of continuous improvement of service quality and expanding a product line. The company sets itself new ambitious goals through continuous improvement and holds a leading position in the export of sunflower oil and margarines, as well as the import of palm oil. Delta Wilmar CIS employs more than 600 employees, which the company is very proud of and emphasizes that a service of the highest quality is impossible without the best team on the market. Delta Wilmar CIS is developing a new product line and is confident that customers will be pleasantly surprised by innovative developments by the end of 2018. ■

Based on interview with Valentina Zmienko – marketolog of „Delta Wilmar CIS”

Written by Madina Turava





## “Volganin”- 100% natural product

### FACT BOX



#### FULL NAME:

OJSC “Volganin”

#### GENERAL DIRECTOR:

Liudmila Kosteva

#### OPERATIONS:

Producer of eggs and egg's products

#### ESTABLISHED:

1978

#### EMPLOYEES:

900+

#### TURNOVER:

\$120 mln

[www.oao-volganin.ru](http://www.oao-volganin.ru)

*In July this year, the Minister of Agriculture of the Russian Federation visited OJSC “Volganin”. He appreciated the high level of the enterprise, its manufacturability and efficiency: “We will always support those who are able to work, and know how to do it. Today I was convinced of this”- said Alexander Tkachev. He also noted that OJSC “Volganin” is the pride of not only the Yaroslavl region, but of the whole country and proposed holding an all-Russian conference of all poultry farmers on the basis of the factory, for taking over the experience and advancing on all other territories of Russian Federation. Such words are the best representation of what OJSC “Volganin” is, but to know how the company has achieved such a high standard - read further in the article.*

### Main principles of success

The history of OJSC “Volganin”, one of the leaders in Russian poultry farming, dates back to 1978 when the first stage of the poultry factory under construction was put into operation on the grounds of the Volga state farm near the village of Yermakovo, Rybinsk district. The largest agro-industrial complex was equipped with the most advanced Hungarian equipment at that time, with an estimated capacity of 130 million eggs per year and an average annual population of 520,000 laying hens. Time flies, and next year the company will have its 40th anniversary. Through all these years one thing has been remaining the

same - consumers are the main value of the company. All company's strengths, experience and capabilities are every day directed to the creation of a useful, environmentally friendly and affordable product for healthy human nutrition. Company understands very clearly that the development of the Society is impossible without a harmonious combination of economic, environmental and social goals. That is why it contribute to the development of modern Russia, realizing the mission in relation to our Customers, Clients, Employees, Shareholders. Company is responsible to the society and the people for whom we work. Therefore, it invariably sets a high





standard for itself, organizing the management and all the technological processes of production at the highest European level in accordance with world standards. OJSC "Volganin" company is actively developing in several directions – it is becoming the 3-rd leader of the Russian Federation in terms of egg production for consumers. It also takes the leading position of the supplier in the deep egg processing market, working with both HoReCa segments and with the largest food producers. It actively considers export issues and works with its European partners.

### High-technology processing of eggs

One of the priorities of OJSC "Volganin" is the production of natural egg products manufactured with observance of all parameters of the technological process and biosafety. Egg products are a processed egg in a dry or liquid form, passed several stages of processing and ready for use in the confectionery, fat, meat industry and public catering. The production is equipped with facilities from leading foreign companies (France, Holland, Belgium, USA, Italy, Germany) and according to international experts is one of the best in Europe and Russia. Thanks to high-tech equipment, the workshop produces egg products with quality characteristics higher than those specified in the GOST. All the equipment of the workshop works in an automatic mode, the human factor here is minimized. All technological processes are monitored by control programs installed

on several computers, each of which, in turn, is responsible for its own workshop section. All equipment has several protective systems from various unforeseen situations. The equipment is designed to process a whole egg, as well as separated products - yolk and protein. All units and components are designed for efficient and hygienic processing of the egg product. Flows of liquid products after breaking and separation are processed, filtered, cooled, pasteurized, and prepared for sale in a dry or liquid form. The production is based on a centering machine with a capacity of 43 thousand eggs per hour, from the Dutch company Conradts. The heart of the plant is the pasteurizer of the French company Aktini with a capacity of 3000 kg per hour for liquid melange. Drying installation from the American company FES with a capacity of 750 liters / hour in evaporated moisture, Dutch thermal chambers for dry pasteurization of the protein forming additional properties: whipping or gel strength. First of all, only company's raw materials are used in production - eggs that are smuggled by chickens at a poultry farm, where they carefully monitor the diet of the bird and sanitary standards. Therefore, egg products – are absolutely natural, without impurities or preservatives. Company's egg products are in demand, already outstripping supply. For food industry enterprises, the benefits from the economic and safety point of view, which are brought about by the use of dry and liquid egg products, are becoming increasingly evident. There-





fore, domestic confectionery companies willingly switch to the protein produced by OJSC "Volganin", noting but a high quality and naturalness. Long-term contracts have also been concluded for the supply of yolks with the leading producers of sauces and mayonnaise in the territory of the Russian Federation and in the countries of the Customs Union. The first developments appeared in the framework of exporting products to the European Union and company is glad to see positive responses from its potential European colleagues.

#### **Material and technical equipment**

The beginning of the production cycle is the plant of the parent herd, which is completed with daily chickens of "Lohmann Brown" cross coming from Germany. The production capacity of the plant is 93 thousand poultry and allows to get 15 million pieces of hatching eggs per year. The company has its own hatchery, the capacity of which is 15 million eggs per year. The hatchery has a system for automating the management and control of the incubation process. In 2017, OJSC "Volganin" has received the status of a second-order reproducer for breeding parent pairs of the "Lohmann Brown Classic" cross. To date, the company is located on an area of more than 60 hectares, there are 36 industrial poultry houses located on 4 production sites with a total amount of 3 million 850 poultry houses and 16 poultry houses of young animals with a production capacity of 1.6 million poultry. On all poultry houses of the enterprise the equipment of the Italian company VALLI is installed. The total capacity of the hatchery is 15 million eggs per year. In late 2016, as part of the expansion program, the enterprise mastered a new direction for itself - the production of mixed foddors. The feed mill is equipped with high-tech equipment from the Dutch firm Ottavanger, the plant's capacity is 40 tons of compound feed per hour. Accordingly, the bird eats feed of its own production, which includes all the necessary nutrients and vitamins, which make it possible to obtain a quality and healthy egg. The brightness of the yolk color is achieved by feeding the bird with vitamin-herbal flour, own production, and corn. The egg sorting and packing shop is equipped with Dutch equipment from MOBA, whose production capacity is 420 thousand eggs per hour. The shop for industrial processing of meat



is equipped with equipment from the Dutch firm “Meyn”, the capacity of the workshop is 2400 heads per hour.

### **Control and certification of the products**

The highest quality and safety of OJSC “Volganin” products are achieved due to a number of factors. The quality of the egg directly depends on what does the hen eat. Company purchases only the best raw materials, develop the most balanced recipes, strictly control the quality of ready-mixed feed. Impartial control of the production process occurs throughout the production chain: only the best egg is sent for incubation, only the best chickens become laying hens whose life activity is provided by fully automated poultry farming equipment. The egg is sorted automatically in an egg-sizing machine, which has no analogues in the whole country: an egg with a notch, a dirty shell is discarded, the rest of the egg is weighed into categories and packaged in a package for the final buyer. It is necessary to ensure quality control of the shipped products, laboratory control. Own laboratory and veterinary service ensure that the product is safe for the customer. In addition, the enterprise is constantly undergoing inspections of controlling state bodies according to the legislation. Produced far from large industrial productions, highways, products of OJSC “Volganin” is environmentally friendly, safe and does not contain GMOs. Products subject to mandatory declaration of compliance have all supporting documents. The company’s product safety management system is certified for compliance with

the international FSSC 22000 scheme, which once again confirms the quality and safety of the products and allows to work with the world’s largest trade brands. Audits are constantly conducted by the customers, which are successfully passed without significant comments. Production of the enterprise constantly takes prize-winning places in competitions on quality. So, practically the whole assortment line of OJSC “Volganin” has the title of laureate of the All-Russian competition “100 best goods of Russia” and many other competitions.

### **Trade networks**

OJSC “Volganin” poultry farm is represented in the overwhelming majority of federal networks, such as Lenta, Oka, Metro, Auchan, ATAK, SPAR, Crossroads, Carousel, Pyaterochka, Dixie, Seven, Globe, Bill, Victoria, and many others. In fact, company can safely say that it is the leader in the Russian market in terms of supplying its own brands for networks. With some federal networks, the practice of joint fruitful work has been for more than 14 years. Separately, it should be noted the success of a relatively young direction - the promotion of wide portfolio of federal brands that can satisfy the tastes of the most demanding customers. Many of brands are rewarded with professional awards. Most of our products can be found in the Central and North-Western Federal District. Although the geography of supplies is not a limitation and the products are found in such remote cities as Murmansk, Arkhangelsk, Petrozavodsk, Syktyvkar and many others.

### **Plans for future and development prospects**

Considering that the program of import substitution in agriculture is positioned by the state as a matter of special importance, the enterprise is already developing the direction for processing chicken eggs and considers this direction to be a priority. OJSC “Volganin” produces high-quality pasteurized liquid and dry egg products. The company’s achievement of ambitious plans to increase the volume of egg production by 1.5 times will give an opportunity to increase egg processing volumes by 3 times and will allow to approach the issue of import substitution in the food industry and quality of food. To meet the needs of customers with domestic products, the management of OJSC “Volganin” defined a development program that includes the following tasks:

- increase in processing volumes to 36 million units. eggs per month;
- development of new types of egg products for sports nutrition, pharmaceuticals, HoReCa system, catering.

Impeccable product quality, competent management, thoughtful marketing communications and consumer confidence allow the company to develop even under difficult economic conditions. Let’s wish OJSC “Volganin” a good luck in achieving their goals, and thank for their great job done. ■

Written by Ganna Prudnikova



## Romania's leading milling industry



General Manager  
Mrs Dana Iorga

**S**apte Spice is a leading milling industry in Romania. Over the years the company has made many investments which allowed it to expand and attract new customers. Sapte Spice provides a variety of top-quality products and services which make it an unquestionable leader in the Romanian market.

### History and investments

Sapte Spice is a Romanian milling industry found in 2007, when it separated from the mother-group Vel Pitar. The company owns four production sites in Romania: Ramnicu Valcea, Targu Jiu, Iasi and Brasov. Sapte Spice is a thriving company which invests in modern technology and takes up many opportunities in order to provide top-quality products and services to its customers. Over the years, the company has introduced many technological improvements to its equipment, which made it possible to produce better quality flour as well as to increase the production capacity. Starting in 2006, the company was the first in Romania to introduce enzymatic correction — a process which removes chemical additives from flour. One year later, after modernizing Ramnicu Valcea site, Grau Intreg™ was launched. It was the beginning of a process of modern-

izing the company's production sites. In 2009, in order to attract industrial customers, Sapte Spice introduced a whole range of complete flour-based mixes. During the following years the company started focusing on home end-users as well. It led to an introduction of Yam-mix, and 7Spice range of B2C flours. The company made huge investments concerning the equipment in the Targu Jiu mill during 2013. As a result, the quality of flour improved considerably and the company was able to respond to a growing demand for its products. In 2014 another product was launched. The company introduced a pelletized wheat bran brand — H.A.P. Sapte Spice was the first to introduce such a product to the Romanian market. A significant year in the history of the company was 2015. During that time, rye flour was only occasionally offered for sale in the market. As a result, Sapte Spice became the first

### FACT BOX



#### FULL NAME:

SAPTE SPICE S.A.

#### CEO:

Dana Iorga

#### INDUSTRY:

Milling

#### ESTABLISHED:

2007

#### EMPLOYEES:

500

#### TURNOVER:

47 mio Euro

[www.saptespice.ro](http://www.saptespice.ro)





and improve. Investing in new technology helped Sapte Spice to launch new products, improved the quality of already existing products, attracted more customers and strengthened customer relations as well as helped to establish strong and successful partnerships.

### **Employees and customers relations**

The company is well-equipped with many modern technologies and machinery. It influences not only the quality of the product but also the personnel policy. Currently, Sapte Spice hires over five hundred employees. All of them are required to act strictly in accordance with the company's procedures. Milling industry requires appropriate expertise and competence, therefore the company's staff must be methodical, diligent and thorough. Employees are the most important aspect of the company and are responsible for its success. Sapte Spice would not become a leading company in the milling industry if it was not for its employees' commitment. They are valued for their initiatives, input and hard work. In the milling industry it is important to have talented and devoted employees who are passionate about their job and work hard for the company's success. It is a tough and demanding industry where only the best can achieve. Sapte Spice prides itself in understanding the needs and demands of its customers. The company always takes into consideration personal preferences of the clients along with their guidelines. Factors such as manufacturing process or technological aspects are equally considered by the company as well. Moreover, Sapte Spice is highly

company in Romania to offer all types of rye flours, including 550 rye flour, rye flour intermediate, wholemeal rye flour and rye flour graham. As for now, the company is working on its flagship brand — Coroana. It is a range of products which includes some of the finest flours of the company. It is still being worked on and the brand is planned to be further developed in the future. The company has been making many investments in new technology since the day it was formed. This played a significant role in establishing the company's position as a leader in the milling industry in Romania. Keeping up to date with the newest technologies is a key factor in the milling industry if one wants to be a leader in this business. Sapte Spice takes the opinions of its customers very seriously and wants to satisfy all their needs and demands every time. Customers' feedback is immensely helpful in perfecting the quality of services. What makes the company a leader in the market is the ability to adapt to new circumstances and the willingness to develop







cooperates is likely to grow. The company's Eco Policy is concerned with saving electricity and recycling packaging materials and other waste. Sapte Spice's pricing policy supports delivering goods in bulk. The company uses recycled materials and, while selecting its suppliers, takes into consideration whether a potential business partner uses recycled materials as well.

### Achievements and plans

Sapte Spice is a company that consistently plans ahead and thinks about the future. Such approach enables the company to stay on top in the milling industry. As the demand for its flours is growing, Sapte Spice makes many investments in order to provide its customers with better quality products and in order to increase the production capacity of its mills. The company is currently upgrading Targu Jiu mill and extending the production capacity of Ramnicu Valcea mill. The company's success is even more extraordinary considering the fact that it has managed to become the leader in the milling industry even though it had no international expertise. This notable achievement was reached thanks to all the employees who are passionate about the industry and work hard every day to make the company succeed. Sapte Spice prides itself in skilled, experienced and professional staff. So far, the biggest achievement of the company was getting IFS Food Standard in 2017. Sapte Spice got a remarkable score of 95.33%. This score certifies the exceptional quality of its products and services. ■

Written by Martyna Wróbel

knowledgeable about the market in which its clients perform. The company provides its clients with a finished product and, when desired, provides taste bakers' support in order to help the clients expand their product portfolio. Furthermore, when the clients decide to diversify their recipes and product range, they can rely on Sapte Spice's marketing support aimed at the final customers. The company is not afraid of challenges and always tries to come up to customers' expectations, which allows it to consistently rise to the occasion. Key elements of the company's policy are the willingness to adapt to new situations and to participate in new projects. Some clients can be very demanding but it only gives the company an opportunity to further develop and improve both in skills and knowledge. Sapte Spice takes every chance to grow and learn something new, which results in creation of outstanding quality products. The com-

pany-customer relationship plays an important role in providing the finest products along with quality customer service.

### Mission and vision

In recent years, the Romanian market has changed remarkably, which also influenced the Sapte Spice company. Some of the global trends, such as demand for nutritious products or healthy and organic food, are already present in Romania's major cities. The country is becoming more and more modern, and so does Sapte Spice. Due to the demand for healthy food, the company has introduced, among other things, enzymatic correction and a range of rye-based flours. Around 1/3 of our portfolio is represented by clean label products. So far, the company is concentrated predominantly on the Romanian market, but it is already cooperating with a number of other countries. In the future, the number of countries with which Sapte Spice





## Comfortable, practical and stylish footwear from Russia



CEO  
Anton Titov

**O**buv Rossii Group is a federal retail shoe chain ranked among top two Russian footwear retailers (according to Discovery Research Group). The Group is the leader of the mid-price segment of the shoe market. Obuv Rossii manufactures shoes utilizing all main types of sole construction techniques. All stages of production are fully automated, using high-quality equipment by some of the leading international manufacturers such as Desma, Newlast and Orisol.

### Turning points in company's history

The company has been on the market for 15 years. All important milestones are associated with the launch of new brands: in 2003, Obuv Rossii included several Westfalika stores - today this is the main brand of the Group. Westfalika is a multi-brand stores of the mid-price segment, offering classic design shoes and urban style shoes for every day. In 2006, the company opened the first shoe supermarket Peshekhod. The target audience of the new Peshekhod is 20-60-year-old people, who move actively and at the same time want to look fashionable and bright. In Peshekhod you can also find collections of past seasons from other monobrand networks of the Group. In 2014, Obuv Rossii included

3 brands: the new Emilia Estra network is a fashionable and trendy footwear only for a young female audience. Also, this year Obuv Rossii acquired the company Rossita, which managed the brands Rossita and Lisette and had more than 80 stores throughout Russia. Rossita is a store of European shoes for the whole family; the Lisette brand represents a French, refined, romantic style in design. Since 2014, the company is developing the direction of Internet commerce. At the moment the Group operates five online stores. In 2014, Obuv Rossii opened a shop to produce polymer footwear, acquiring an automated complex that allows a full cycle of production of such footwear. In 2015, as a result of the M&A deal, the footwear manufacturer S-TEP

### FACT BOX



#### FULL NAME:

Obuv Rossii Group

#### CEO:

Anton Titov

#### INDUSTRY:

Production and sale of footwear and related products

#### ESTABLISHED:

2003

#### EMPLOYEES:

3300 people

#### CONSOLIDATED UNAUDITED REVENUE:

RUB 10,8 bln in 2017

[www.obuvrus.ru](http://www.obuvrus.ru)





entered the Obuv Rossii group of companies. This high-tech enterprise gave a big impetus to the development of the company's production line. In 2016, Obuv Rossii opened a shop for the production of special footwear. For this purpose it mastered a new technology for fastening the sole - the method of hot vulcanization of rubber on the workpiece. Now the company produces shoes with all the main types of soles, footwear from natural, synthetic and polymeric materials; shoes for all seasons, casual, semi-sports and work shoes, as well as footwear that withstands extreme loads and temperatures. When it comes to the development of financial services for customers, in 2007 the company launched a consumer lending program to buy shoes together with banks and in 2009, with its own installment payment service. In 2012 the company offered customers cash loans and in 2015, combined all the additional services within the framework of the innovative loyalty program Arithmetic (Arifmetika), which is now implemented on the basis of MasterCard payment cards. It unites both the traditional accumulative-discount system, and a set of additional services, such as installments, cash loans, payments for services and others.

### Strategic potential

The company sees its strategic potential in the multi-format strategy. Obuv Rossii develops several brands, each of which has a unique positioning and its audience of buyers. This increases the market capacity for the company and allows it to take a larger share. Turning to

international experience, multi-format strategy allowed Belle (China), Deichmann (Germany), CCC Group (Poland) to become leaders of their national markets. The main asset of the group is the brands and loyal customers. Obuv Rossii is very attentive to its product and develops additional services for customers. The company controls all stages of product creation, from the development of the collection and ending with its sale to the end customer. Obuv Rossii has its own design and R&D center, which develops and introduces new materials and technologies into production. The company offers its customers not only a wide range of footwear, but also a wide range of related products under their own brands - clothes, bags, shoes care products, hosiery, etc. Related products allow to increase revenue, earnings, stimulate complex purchases and in-

crease customer loyalty. The company has high-tech production and high level of IT integration in the retail network. Obuv Rossii extends the set of high-tech services and improves the omnichannel trade model in order to increase the number of points of contact with the brand and form a unified experience of interaction with the brand. A significant competitive advantage is also the team. Many specialists work in the industry for 10-15 years and perfectly know the process of production and product creation.

### Manufacturing process and main products

The company develops several lines of activity. Firstly, it is the retail sale of footwear and related products. Obuv Rossii holds more than 550 stores in more than 150 cities of Russia. The company develops five retail chains: Westfalika (a monobrand store of classic footwear), Peshekhod (multi-brand shoe supermarket), Rossita (a store for the whole family), Emilia Estra and Lisette (fashion showrooms). Also, the company develops brands of footwear and clothing for the active lifestyle: S-TEP, ALL.GO and Snow Guard. In addition, the network provides a wide range of related products under its own brands. In 2017, the related products accounted for 31% of retail revenue. Secondly, the company operates two shoe factories in the Novosibirsk region. The production of the Group is characterized by a high level of automation and modern equipment of the world's leading manufacturers used at enterprises. The Group's production facilities exceed 5 thousand square meters. Obuv Rossii produces casual shoes





and footwear for outdoor activities under its own brands, such as S-TEP, all.go, Pioneer of Arctic Travel. The Group also entered the corporate footwear market and produces special footwear and footwear for various industries (banking, food, etc.). Thirdly, the company is developing e-commerce. The Group works on the model of omnichannel trade, using different channels of communication and sales. In 2017, the multi-channel sales, including e-commerce, grew by 56%, the audience of online stores increased by 38% (from 2.5 million to 3.4 million people). Fourth, the company also develops a number of additional services for customers. Obuv Rossii has been developing this direction since 2007. Today, the company's stores offer such services as installment payments, cash loans, cash payments, etc. They are all united within the framework of the innovative loyalty program Arithmetic (Arifmetika). At the end of 2017, the number of cardholders increased by 25% and reached almost 2 million people.

### Production technologies

To develop the collection, the company uses 2D and 3D programs to design shoes, and provide full integration with the further production process. At the factories, the Group uses automated systems of Orisol. It's an Israeli company, the world's leading manufacturer of such equipment. Obuv Rossii has the largest fleet of such machines in the country. At the first stage, automated systems allow a 5-6-fold increase in labor productivity. However, with a deeper mastery of technology, you can bring this figure to 6-8 times. In addition to improving

productivity, the company also has the opportunity to produce a more complex range - shoes with a combination of materials, a large number of lines, such as in semi-sports shoes. Part of the assortment is produced using German molding technology. For this, Desma injection molds are used. Casting technology allows to achieve a high level of strength of shoes, since the top of the shoe is attached to the sole at the molecular level. The factory is one of the few in Russia that produces footwear with natural fur on injection molding technology. For the production of special footwear, the company uses the technology of hot vulcanization of rubber on the workpiece. A part of the assortment is produced by the glue method. The factory presents the key methods of fastening the sole,



therefore from the assortment point of view the possibilities of the company are not limited. Obuv Rossii has an automated system for manufacturing footwear from EVA. The company produces not only clogs, flip-flops and other summer shoes, but also boots from EVA on solid technology.

### New investments and further growth

Today, the company is one of the most effective in its sector. At the end of 2016, the EBITDA margin was 25.5%. As for profit, in 2016 it amounted to 1.18 billion rubles. Consolidated unaudited revenue in 2017 was 10.8 billion rubles, an increase of 8% compared to 2016. Obuv Rossii plans to further develop collections and assortment of related products under its own brands. The Group will improve the model of omnichannel trade, develop new sales channels, and expand the set of additional services for customers. The company also plans to increase labor productivity and to maximize the use of equipment that operates in the factories. In October 2017, the company raised 5.9 billion rubles during an IPO on the Moscow Stock Exchange. Obuv Rossii became the first public company in the Russian fashion and footwear market. The attracted funds will be directed to the development of key business areas of the company, primarily to expand the retail network. And this, in turn, will also contribute to the growth of production volumes. In the next 3 years Obuv Rossii intends to double the retail network. In 2018, the company plans to open about 100 stores. The Group will also develop the product range, increase the efficiency of the retail network, develop an innovative loyalty program, improve production, increase output, introduce new materials and technologies. ■

Written by Madina Turava



## Petrovax Pharm: winning dynamics

### FACT BOX



#### FULL NAME:

NPO Petrovax Pharm, LLC

#### INDUSTRY:

Pharmaceutical

#### ESTABLISHED:

1996

#### EMPLOYEES:

650

#### TURNOVER:

9.6 billion rubles (2017)

[www.petrovax.ru](http://www.petrovax.ru)

**P**etrovax Pharm is the leading Russian R&D and manufacturing company focusing on innovative pharmaceutical products and vaccines. The company was founded in 1996 by a Russian scientific team to develop, manufacture, and practically implement innovative pharmaceuticals and vaccines. Presently, Petrovax Pharm is among the TOP5 immunobiological manufacturers in Russia, with 20+ patented molecules and technologies and a product portfolio solely of originator pharmaceuticals and vaccines. This portfolio includes both in-house R&D products and medications that are a result of cooperation with leading Russian and foreign companies. The pharmaceuticals manufactured at state-of-the-art facilities are widely used in Russia and the CIS, EAEU, Iran, and Eastern Europe. In January 2018, the company won the All-Russia Contest of the Russian Union of Industrialists and Entrepreneurs "Russian Business Leaders: Performance and Commitment'2017" in the category "For the Dynamic Development of Business".

### Facts and Figures

In 2017, Petrovax Pharm recorded 9.6B RUB in revenues. Over the past three years, an average growth rate in terms of annual revenues was 155%, with net earnings picking up 34%, and exports in real terms posting a 81% growth. The company has shown a high innovative development index and successful import substitution projects. Its products have marketing authorizations in 11 countries.

### Milestones

The Petrovax Pharm history is a continuous breakthrough record. Over the 20+ years of operation, Petrovax Pharm has come a long way from the discovery of

a unique molecule to its practical implementation in Russia and abroad. As a result of the company's R&D efforts, the following innovative products have been launched to the market: Polyoxidonium®, a combined-effect immunomodulating agent; Grippol®, an adjuvanted influenza vaccine; and Longidaza, an enzyme for the treatment of connective tissue hyperplasia-induced diseases. In 2008, Petrovax Pharm was the first Russian immunobiological company to launch a GMP-compliant manufacturing complex in the Moscow Region, which marked a breakthrough for the Russian pharmaceutical industry. The newly-launched facility has manufactured the first batches of state-of-the-art preserv-





active-free flu vaccine Grippol® plus in disposable syringes that has been for many years used for mass immunization of the Russian population as well as exported.

All these achievements would have been impossible without a fundamental scientific background the foundation for which has been laid at the time of being established and which has ramped up its potential over the past 20+ years. Significant investment being made by Petrovax Pharm in R&D on an annual basis provides for launching in-demand, efficacious, and safe medicinal products. Thus, in 2016, the company launched Imoferaza®, an innovative skin scar revision product to specifically address scarred and adhesion sites; the product contains hyaluronidase, a unique enzyme.

In 2018, the company is launching the first Russian quadrivalent flu vaccine. This is the most advanced influenza vaccine currently available on the market; it boasts a high preventive effect and safety profile and provides for protection against four flu virus strains. Since 2012, the WHO has recommended influenza immunization using quadrivalent vaccines. Just five countries have quadrivalent vaccine manufacturing facilities, i.e. Australia, the USA, Canada, Germany, and France. In Russia, Petrovax will be the first company to organize manu-

facturing of a quadrivalent vaccine. The company is confident that the new flu vaccine will be in-demand not only in Russia but also in other countries.

#### **High-tech manufacture to international standards**

One of the company's key success factors is state-of-the-art, well-equipped manufacturing facilities that are fully compliant with the Russian and international GMP standards.

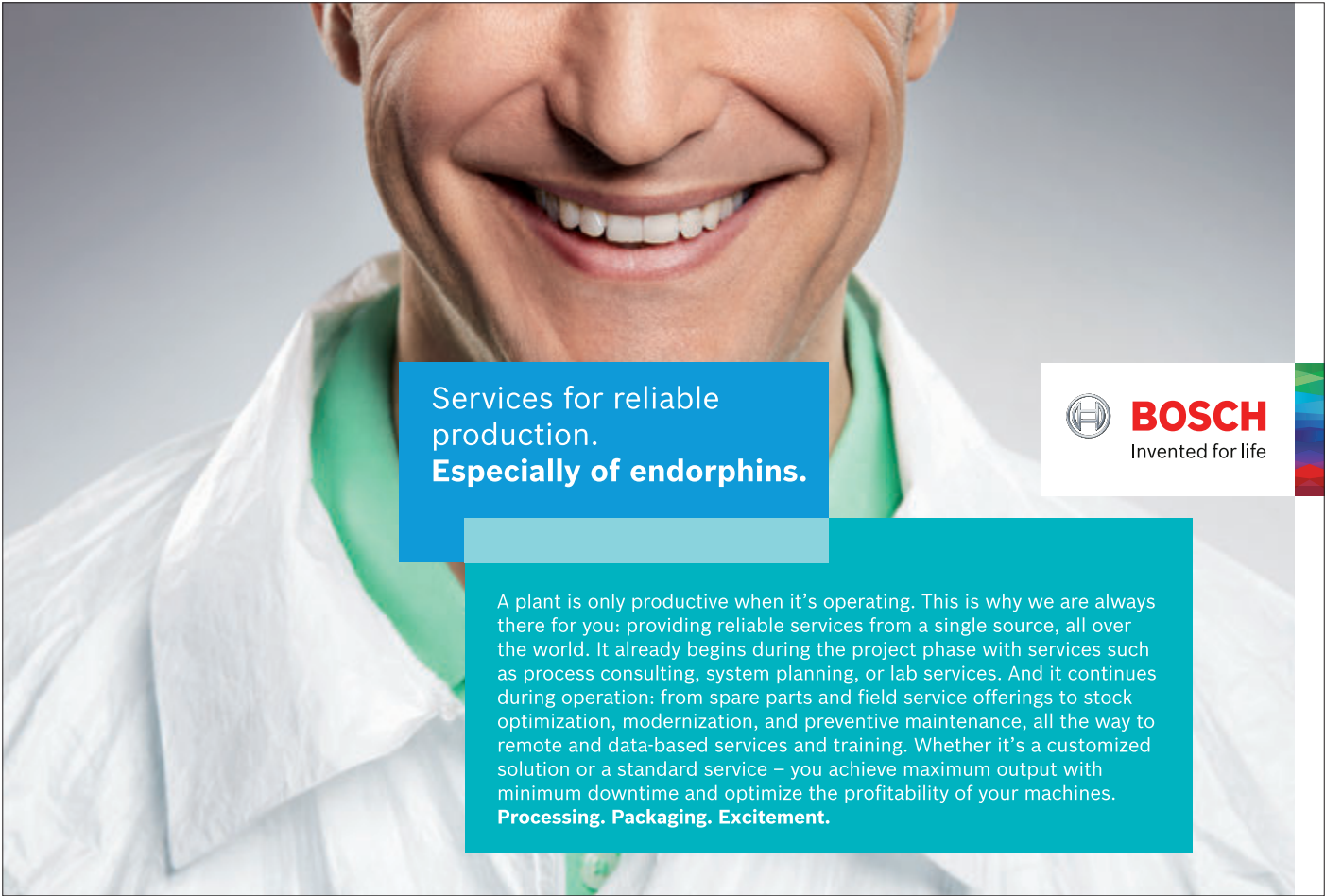
The state-of-the-art manufacturing and warehousing complex in the Moscow Region is one of the most sophisticated biopharmaceutical enterprises in Russia. This is a full-cycle manufacturing facility for active pharmaceutical ingredients (APIs) and finished dosage forms in disposable syringes, ampoules, and vials. Its manufacturing capacity exceeds 160 million shots of immunobiological products per year, including 40 million shots of the flu vaccine and 20 million shots of the pneumococcal vaccine. The facility operates two production lines for Grippol® plus and Prevenar® 13 vaccines in prefilled syringes as well as for Polyoxidonium® and Longidaza® in ampoules and vials.

In 2018, Petrovax's manufacturing complex marks its 10th anniversary. The company celebrates this anniversary together with another key event, i.e. the launch of the third manufacturing line

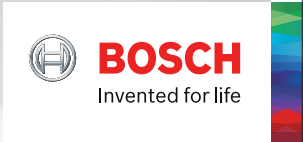
for APIs and finished dosage forms (tablets and suppositories) of originator local pharmaceuticals. The investment in production capacity expansion is 907M RUB, of which 300M RUB come from the Industry Development Fund as a low-interest loan. When implemented, this project will provide for a 2.5-fold boost of the API production, a 7-fold increase in tablet manufacture, and a 4-fold growth of suppository manufacture by 2019 as well as for extension of partnership projects associated with production localization and drug exports overall. The company plans to expand production facilities to accommodate four lines, extend the warehousing facilities, and erect an office building.

#### **Technology transfer: a two-way road**

Petrovax Pharm aims at developing international partnerships, and has significant expertise in the implementation of international technology transfer projects for a full-cycle product manufacture, quality control, and quality assurance. Localization of manufacture of high-tech socially significant imported products is both key and promising for Petrovax Pharm in Russia. The company believes that it is important to adopt international technology transfer experience, develop joint R&D projects with top ranking international and domestic companies as well as create a modern innovative infrastructure.



Services for reliable production.  
**Especially of endorphins.**

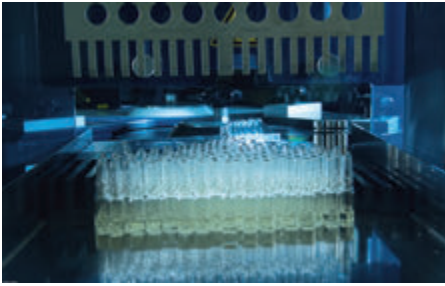


A plant is only productive when it's operating. This is why we are always there for you: providing reliable services from a single source, all over the world. It already begins during the project phase with services such as process consulting, system planning, or lab services. And it continues during operation: from spare parts and field service offerings to stock optimization, modernization, and preventive maintenance, all the way to remote and data-based services and training. Whether it's a customized solution or a standard service – you achieve maximum output with minimum downtime and optimize the profitability of your machines.  
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In 2008, the first in Russia state-of-the-art complex to develop and manufacture immunobiological products facility to the international GMP standards was built in partnership with Abbott.

In 2015, a joint project with Pfizer was implemented in Russia that involved a technology for a full-cycle manufacturing, quality control, and quality assurance of Prevenar® 13, the most sophisticated 13-valent conjugated pneumococcal vaccine. The project includes the formulation of a finished dosage form, primary packaging (filling into disposable syringes), secondary packaging, and release quality control. Under the partnership agreement, a full-cycle manufacturing technology has been transferred that is compliant with the applicable Russian and international GMP standards, and a large-scale vaccine production has been launched. To

date, only three countries, besides Russia, are running full-cycle productions of a finished dosage form of this 13-valent vaccine.

Since 2014, pneumococcal vaccination has been on the National Immunization Schedule, which is a priority for Russia's healthcare as a local production of the vaccine is a key patient access factor. Over the past five years, the company manufactured and shipped to Russia's regions more than 18.5 million shots of the pneumococcal vaccine.

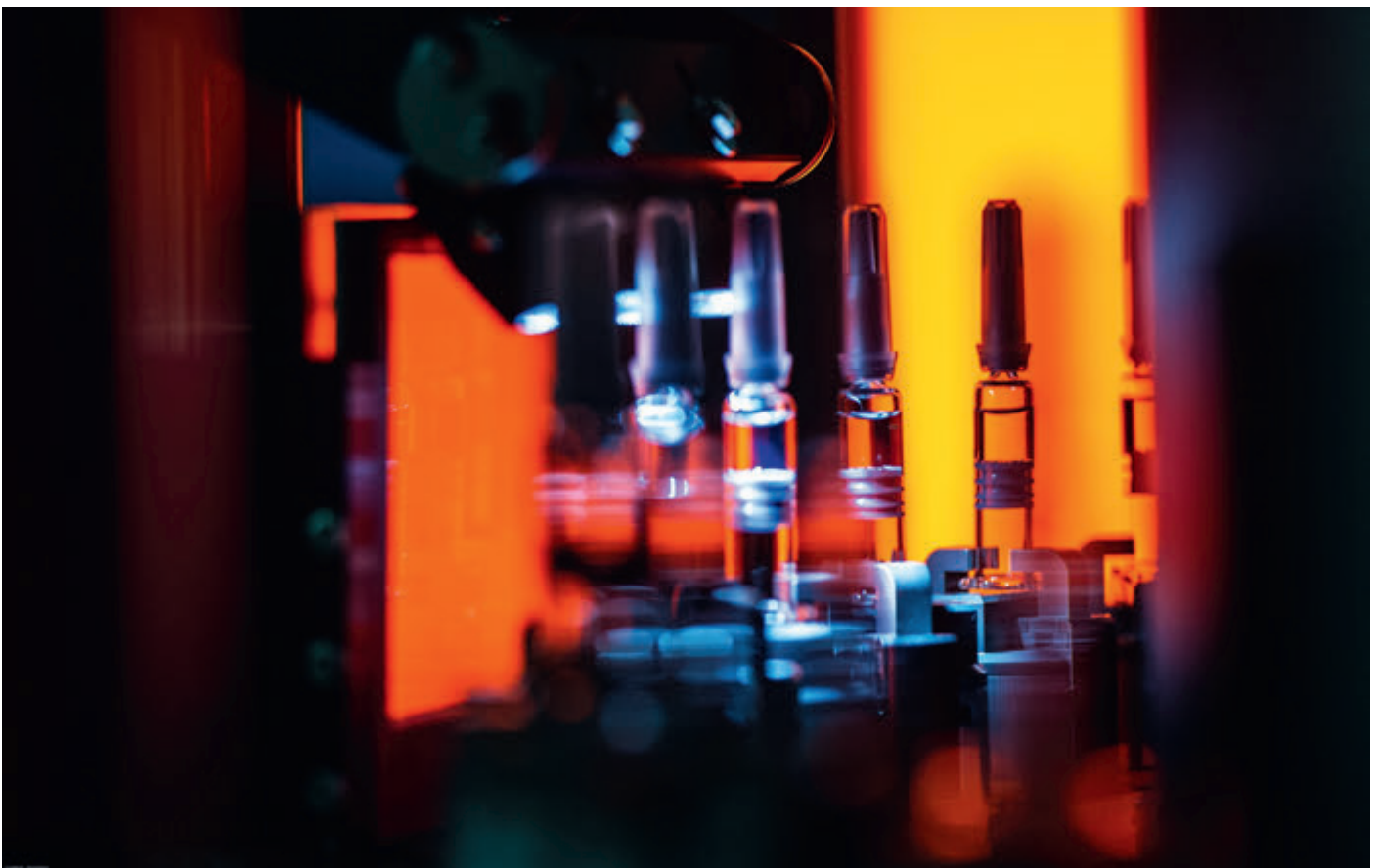
In 2016, Petrovax started cooperation with Boehringer Ingelheim on localization of full-cycle manufacturing of advanced thrombolytics for cardiovascular diseases. August 2017 saw the first commercial Metalyse® batches going to the market, and in February 2018, the first batches of localized Actilyse® to treat acute ischemic stroke were launched. The technology transfer is to be completed, and a full-cycle Actilyse® production is to become smoothly running at Petrovax Pharm's facility by 2019. The implementation of this project will be yet another step to providing access to vital drugs and will help save the lives of dozens of thousands of Russian patients.

Due to cooperation with pharma industry leaders, Petrovax Pharm has been able to appreciably upgrade its expertise as well as technological and professional level. The company has acquired unique manufacturing competencies, special expertise, and a comprehensive background as well as has re-trained its staff. The Russian pharma has received access to the most sophisticated pharmaceutical manufacturing technologies, which is a major contribution to the local pharma development. Through localized manufacturing projects, foreign partners access the Russian pharma market, whereas Russian patients access innovative medications.

### **Export: geographic footprint and portfolio extension**

From year to year, Petrovax Pharm has kept extending its geographic footprint both in Russia and abroad. As of 2017, exports accounted for 11.2% of the company's total sales.

The company has a significant competitive edge for operating in the world market, i.e. an in-demand innovative originator product portfolio and state-of-the-art high-tech manufacturing facilities compliant with the international GMP standards. Petrovax Pharm has





been heavily investing in the existing products (including clinical trials, epidemiology, and post-approval studies abroad) as well as in R&D for new medications.

With each foreign country, the company cooperates productively to provide for all-round development. These are mainly EAEU member-states as well as Slovakia and Iran. Importantly, Petrovax Pharm furnishes Grippol® plus vaccine to four countries (Belarus, Kazakhstan, Iran, and Kyrgyzstan) within the framework of the government-funded free population vaccination programs. Thus, in 2017, the company shipped 6.9 million shots of the flu vaccine abroad.

Not only does the company develop pharmaceutical exports but also has a unique expertise in localization of Russian immunobiologicals abroad. In 2016, a Grippol® plus production technology transfer project was implemented in Belarus at Belmedpreparaty facility. It was the first immunobiological manufacturing experience for that country. In 2016, a Grippol® plus localization project also started in Iran where production of state-of-the-art flu vaccines had been nonexistent. To date, Grippol® plus is the first Russian vaccine to be issued marketing authorization in Iran.

While developing its export business, the company initiates post-approval clinical trials in other countries. In 2017, Petrovax Pharm successfully completed a post-authorization safety study (PASS) on Polyoxidonium® in Europe. This was an international evaluation of a high safety profile of a Russian drug, and the first post-approval study experience for a Russian drug in Europe that confirmed a high safety profile of an originator pharmaceutical product developed by Russian scientists.

The company's strategic objectives include emerging in the new export marketplaces, further development in the Middle East, and further expansion in the North Africa and Southeast Asia. Petrovax also plans tapping into Egypt and Latin America's markets. In 2017, the company launched several projects in these regions and initiated the approval process for its pharmaceutical products.

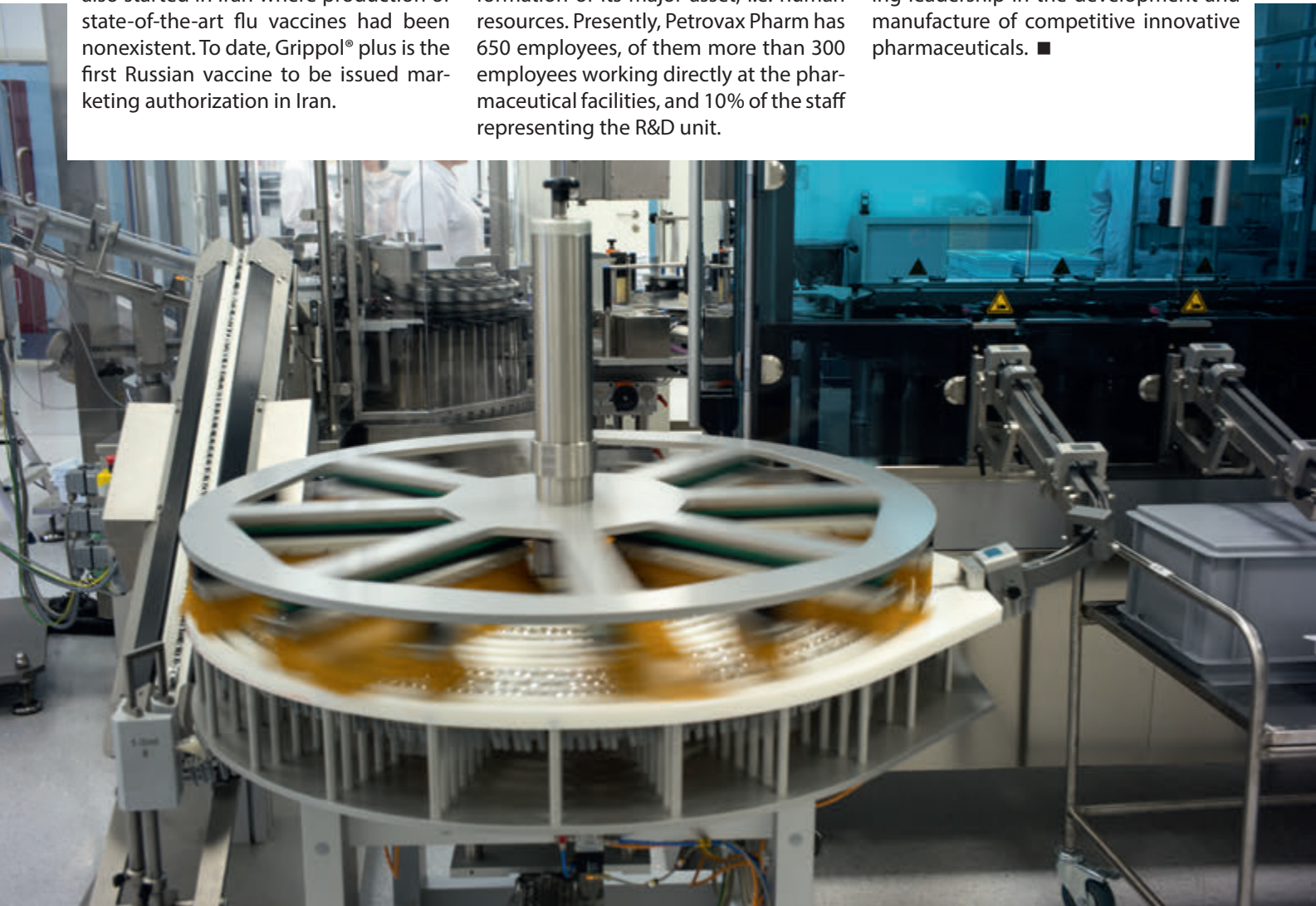
#### **Human resources policies: stability and professional development**

The company's successful development would have been impossible without the formation of its major asset, i.e. human resources. Presently, Petrovax Pharm has 650 employees, of them more than 300 employees working directly at the pharmaceutical facilities, and 10% of the staff representing the R&D unit.

Petrovax Pharm has been heavily investing in setting up and developing its professional team as they are sure that people are the most valuable company's asset. Most employees have higher professional education, a hands-on experience in a mass-scale immunobiological manufacture, and a relevant international experience. The company runs a mandatory GMP training system. Due to additional training and re-training courses, the employees have good self-fulfillment and career advancement prospects.

Experts participate in a variety of educational programs as well as do courses at the international partners' facilities abroad on a regular basis. A diverse organizational chart and multiplicity subdivisions provide opportunities to develop not only vertically but also horizontally to new businesses, make different applications of one's expertise or develop and master new skills.

Petrovax's success is driven by people thinking big, honesty and enthusiasm for work as well as a focus on achieving leadership in the development and manufacture of competitive innovative pharmaceuticals. ■





## Products that improve the quality of life



General manager  
Mikhail Srapionov

**H**ygience Kinetics Products is a leading manufacturer of hygiene products in Russia. Innovative approach, new technologies and long-term experience of high-quality hygiene products manufacture allows the company to offer competitive and marketable goods. Hygiene Kinetics Products has more than 200 goods in 5 product lines, 92 distributors in Russia and CIS and more than 40000 stores.

### Key points in company's history

Hygiene Kinetics Products considers 2000 to be the year of its foundation, when the brand OLA appeared. Since 2002, Hygiene Kinetics Products exists as a manufacturing company. In the early years, when the company was only trying to win customers, it used to experiment with the products a lot and each decision was not easy. The firm did not have budget for carrying out large studies of customers preferences and this increased the risk of losing loyal buyers of the brand of. 2005 was a turning point for the company, as the brand ranked fourth in market share in Russia. At this point, it became clear that the business model and business strategy of the company were really successful. Understanding this force also determined expansion to other markets.

### Strategic potential

At the heart of the company's strategic potential are people, professionals, carriers of competencies, production and market expertise. Much can be saved in the form of reports, specifications, statistics, but the team that has worked together for a long time makes this experience alive. Decisions that employees take together are more balanced and goal-oriented, as they are dominated not by personal, but by corporate ambitions, by a healthy desire for self-realization through the company's success. The company has always been highly adaptable. It has changed together with the market situation and the requirements of consumers. For 17 years Hygiene Kinetics Products has not stopped searching for the best solutions in the field of production, technology, market

### FACT BOX



#### FULL NAME:

Hygiene Kinetics Products

#### GENERAL DIRECTOR:

Mikhail Srapionov

#### INDUSTRY:

FMCG hygienic Industry

#### ESTABLISHED:

2000

#### EMPLOYEES:

over 500

#### TURNOVER:

over 4 bn RUR

[www.hk-products.ru](http://www.hk-products.ru)





**AULONA MACHINERY SRL**

Registered office: Via Roma 27 – 65122 Pescara  
Production site and offices:  
Via Fiume Tavo snc – 65010 Cappelle sul Tavo (PE)  
Tel.: +39 085 4476110  
Fax.: +39 085 4472982  
e-mail: sales@aulona.info

[www.aulona.info](http://www.aulona.info)

**Extremely dynamic and flexible company, Aulona Machinery Srl focuses its activities on:**

- 1-High technology: more than 25 years of experience & knowledge in industrial automation;
- 2-Low cost: all is projected, assembled, supervised and get ready to start only by our people;
- 3-Short delivery time: each product is getting ready for us by an excellent team for better follow all project and get results first.

**We are suppliers of completely new and renewed automatic production lines and packaging machines for sanitary napkins, panty shields, baby & adult diapers and bed underpad products.**





niches and advertising strategies. Some decisions were intuitive, due to the long time in one market and possibility to understand customer's needs and expectations and to predict customer's behavior. Being a Russian business, the company did not have the opportunity to change the market for its corporate strategies, it competed with international large companies and succeeded in attracting ten times less resources and investments. All this was possible only due to higher adaptability.

### Main products and manufacturing process

Hygiene Kinetics operates in three main markets: feminine hygiene, incontinence and personal hygiene (wadded products, paper cosmetic and wet wipes). The main market for the company is feminine hygiene. Ola! is the key product line in Hygiene Kinetics Products' portfolio. It was successfully launched on the market in 2000. Its range consists of five categories of feminine products which represent more than 60 SKU: Dai-

ly and ultra-thin liners, Classic and ultra-thin pads, Tampons. Manufacturing unit of Hygiene Kinetics Products is located in the city of Vidnoye in the Moscow region. Its location provides access road from Moscow and other highways of Russia. The warehouse unit of Hygiene Kinetics Products ensures high quality storage and stock movement of the major part of products. The unit is furnished with modern high-tech equipment and is designed according to requirements for hygiene products manufacture set in EU countries. A significant part of portfolio is produced at own production facility in Vidnoye, the other in Europe under the full control of Hygiene Kinetics Products. Goods of Hygiene Kinetics Products comply with ISO 9001.

### Export and new investments

Today, exports account for about 20% of the company's turnover. Priority direction is the CIS countries and other countries of the post-Soviet space (Georgia, Azerbaijan, the states of Central Asia). Company also exports products to Africa (Nigeria, South Africa) and some Southeast Asian countries (Vietnam, Taiwan). Hygiene Kinetics strives to develop both new geographical niches and new product segments. In terms of products, the company's expansion plans are now connected with the incontinence hygiene market. The company has just



introduced a new product to the market - a line of urological gaskets Tereza Lady. Hygiene Kinetics has actual developments with the launch dates in 2018.

### Vision and mission

Company's mission is Path to leadership through care for people and responsibility for the future. Hygiene Kinetics Products sees itself as a manufacturer of products that improve the quality of life. We help consumers feel confident and comfortable in any situation, - says Hygiene Kinetics CEO Michail Srapionov. The company's key values are family, social responsibility and of course women. Women are not just consumers of the products, femininity is the basis of brands and advertising campaigns of the company. As for public activities, Hygiene Kinetics Products has experience in conducting charity projects in conjunction with the Podari.Life and The Sunflower funds. The company also supports the Russian Red Cross.

### Further growth

The company is very optimistic about the future. For Hygiene Kinetics the crisis was the time of growth and the litmus paper of efficiency, as it uncovered those fields where the firm was not good enough and where reforms



were needed. The last crisis (which has already been overcome) was the third during the company's existence. It was perceived as a standard task: the conditions have changed, so the company needs to adapt. Hygiene Kinetics has become more critical of the success. For the management and the owners of the company, it is not only the amount of profit and sales that is important, but

also what stands behind these figures. The company makes a lot of efforts to make domestic business processes more sophisticated, analyzes new markets, monitors demand trends and carefully studies European experience. ■

Written by Madina Turava





## Packaging and printing leader from South of Russia



General Director  
Gvozdjak Ivan

*The company is a part of the Slovak holding Grafobal Group, which has more than 110-year history in the world market of packaging and printing services and is one of the leaders in the printing market in Central and Eastern Europe. The holding enterprises are located in Slovakia, Russia, the Czech Republic, Bulgaria and Lithuania.*

### Company History

LLC Grafobal – Don traces its history in Russia from January 25, 2005, when the company officially opened in Rostov-on-Don. Grafobal - Don is subsidiary company of Grafobal a.s. Skalica Slovakia, which is one of the leading manufacturers of packaging made of smooth and corrugated cardboard in Central and Eastern Europe. For the first time, the company Grafobal a.s. Skalica entered the Russian market in 1993. In March 2004, it was decided to open production in Russia and the construction of the enterprise started. On January 25, 2005 the opening of Grafobal - Don took place in Rostov-on-Don. In 2005, for maintenance of the production process 2- printing 4- and 6-color presses and 2 die-cutting presses, and 5 units

of auxiliary equipment were set. Russian specialists have successfully completed training, acquired professional skills of work with the equipment and at present time, they operate independently in all areas of production activities. In 2006 the company was rated as meeting the requirements of international quality standards and is certified according to the ISO 9001 quality management and has received the international quality certificate. The entire production process is certified, beginning with the order acceptance to shipping the end product to the customer. Over the past period, the company Grafobal-Don significantly increased production and storage capacities. In 2016 the company Grafobal-Don has acquired a neighboring manufacturing enterprise, which

### FACT BOX



#### FULL NAME:

LLC Grafobal - Don

#### GENERAL DIRECTOR:

Gvozdjak Ivan

#### OPERATIONS:

Packaging and printing services

#### ESTABLISHED:

2005

#### EMPLOYEES:

More than 250

[www.grafobal-don.ru](http://www.grafobal-don.ru)





EQUIPMENT

CONSUMABLES

OFFSET

SERVICE

SOFTWARE

WORKFLOW

DIGITAL

FLEXO



LLC «NC Logistic»  
[www.nc-l.ru](http://www.nc-l.ru)



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Novosibirsk +7 (383) 209 0773

## COMPLEX SOLUTIONS BOOST BUSINESS VOLUME

NCL is the main strategic partner of Kodak in Russia&CIS in the field of prepress complex (equipments, workflow, consumables, service) and solutions for offset, flexo and digital printing.



allowed a 40% increase in the number of production and warehouse spaces. In the first year of activity 5,000 tons of cardboard were spent for the production of cardboard packaging. In 2009, the production volume had made 11 000 tons of cardboard. Currently, the annual cardboard consumption has increased to 14 000 tons.

### Main Products

The main activity of the company is preparation of printing, printing itself, production of packaging from cardboard, printing products and labels. The product range of the company is very diverse. It includes printing of cigarette packs, boxes for household chemicals, for food, and others. Boxes can be classic square, cone-shaped, polyhedra - in general, for every taste.

### Technologies

Thanks to our partner, the official Kodak distributor in Russia, the NCL, the pre-printing site operates smoothly. We receive timely all consumables, service and are always aware of the latest developments helping to make the prepress process even more efficient, and the quality of the products is even higher and more stable. Offset multicolor printing, with the use of up to do 8 colors with simulta-

neous coverage with 2 types of varnish, creating a bright colorful image. The company works with 5-6 colorful sheet-fed offset presses as MAN ROLAND and 8 color hybrid sheet-fed offset presses as KBA RAPIDA with an additional section of UV varnishing and UV printing. UV varnishing, providing the package with additional decorative properties, allowing to make the usual packaging visually more expensive, brighter, more luxurious. TWIN varnishing, combination of matte and glossy UV-varnish, allowing the creation of a beautiful decorative effect of "shagreen", or sand effect with the allocation of a part of the image with "gloss" on the package. Using the UV varnishing line Hibis produced by Steinemann, the company can carry out UV varnish coating both solid and selective. Glossy or matte UV varnish is also possible. Die-cutting, folding, perforating process, forming of blank of the future product from sheet cardboard, which allows to collect, fold and glue the finished package afterwards, including complex geometric non-standard forms out of it. Embossing and debossing, allowing to make the image textured, embossed, which is undoubtedly an excellent way to distinguish packaging on a general background. The use of these technologies is possible through mod-

ern equipment combined with considerable experience in the production of high-tech packaging. Grafobal-Don possess all of these, as well as many other qualities: die-cutting, forming of folding lines and perforations, embossing and debossing are performed by automatic machines Bobst Sprintera and Spantera, which allow to produce the embossing, the formation of folding lines and perforation, and also die-cutting of packages of complex shapes in one pass. Hot-foil image printing with foil by means of pressure and heating with a variety of kinds and colors, which is rightfully considered one of the brightest ways of finishing printing products. Foil stamping is performed on automatic lines SBL-1050, which allow foil stamping both separately and together with embossing, micro-embossing. Gluing and folding of boxes is performed with gluing line VEGA allowing to produce up to 6 gluing points. At the moment, these are the most suitable suppliers for the projects of company's customers.

### Strategic Potential

The products of Grafobal received several important awards at international competitions, including the most prestigious of them - the WorldStar Award for Packaging - for the best packaging in





the world. For more than 10 years of existence in the Russian market, the company Grafobal - Don has become one of the leaders in the packaging printing in the South of Russia. A recipe for success of the enterprise lies in the hi-tech equipment, quality of the materials used and the European approach to work. The level of manufactured goods and the reliability of the manufacturer was highly rated by well-known major companies in the region, which have become our regular customers. Annual investments into the technological development strengthen our position in the market, allowing increased the output, expanding the range and increasing the number of jobs. Attention to customers, smoothly running operation mechanism, competent investments - all help to improve performance and strengthen the leading position of LLC Grafobal-Don in the packaging market of the South of Russia in the manufacturing sector for medium and large customers.

### High Quality

High international standards are an important landmark in the company's activities. One of the important principles of the company is the application of environmentally friendly technologies and raw materials. As a result, long-term contracts are concluded with major international suppliers who strictly monitor the quality of manufactured and supplied material. The company is certified according to quality management system ISO 9001:2015 and environmen-

tal management system ISO 14001:2015 and management system in the field of occupational health and safety OHSAS 18001:2007. The company strictly enforces all basic ultimate norms of safety and occupational health of its employees.

### Mission and Vision

The main mission of Grafobal-Don is that using modern technological equipment and considerable experience in manufacturing high-tech packaging, the company provides fast production of products according to European quality standards and at competitive prices. Grafobal-Don has established itself as a

reliable supplier and gives partners the most convenient terms of cooperation. And the main value is a sensitive attitude to employees, customers, and suppliers - from all this the reputation of the company is formed. LLC Grafobal-Don adheres to the principles of social corporate responsibility. The company continuously assists the Specialized orphanage № 3 by transfers cash donations. The company's employees have the opportunity to get spa-resort therapy paid for by the company. The company financially encourages employees' children - pupils, showing excellent performance. Grafobal-Don gradually increases storage capacity and periodically upgrades the equipment. The employees of the company regularly go to seminars, pass courses of improvement of professional skills and visit various exhibitions - after all the market does not stand still, and for the harmonious and professional work it is necessary to be aware of everything new that occurs in the world of printing services. As for the expansion of the geography of sales and the product line the company is focused on the south of Russia due to both logistics and the fact that a sufficient number of large and medium-sized enterprises interested in the company's products are concentrated in the south. But it is possible that in the future the company can expand the geography of sales to other regions of Russia and other countries. ■

Written by Madina Turava





## TOKK: Leading Producer of High Quality Closures and Caps



General Director  
Andrey Vorontsov

**T**OKK Company specializes in producing packaging made of aluminum, tin plate, and plastic including crown corks, vacuum caps, aluminum caps and other similar products. The company offers innovative products for a wide range of industries and it is a reliable partner for the packaging industry in the CIS. The company is the leader of the Russian packaging market and a brand recognized worldwide.

### Company profile

At TOKK tradition meets innovation. The company was founded in 1988 and it is among the first private enterprises in modern Russia. Today it has numerous dealers in different locations with its main production facilities and offices located in the Moscow region. At the moment, the company employs about 400 people. The company takes its social responsibility very seriously by constantly striving to provide the employees with stable and secure working conditions, by creating conditions for professional growth and social security. TOKK's production facilities are constantly renovated by regular investments in a new machinery.

### Products and raw materials

One of the most important milestones in TOKK's history is construction and commissioning of its own plant in 1998. Today, TOKK's supplies products to the whole of CIS as well as neighboring countries. The company also successfully start to sell products in European countries. The company sets itself very high standards - TOKK products meet the highest requirements and offer a high level of quality, safety and functionality, confirmed by highest level grade certificate of British Retail Consortium. The metal closure has always been there to protect products, but over time, it has evolved. Today, companies all over the world use closure as a branding tool to build brand loyalty. With a broad range

### FACT BOX



#### FULL NAME:

TOKK Company

#### GENERAL DIRECTOR:

Andrey Vorontsov

#### INDUSTRY:

Packaging

#### ESTABLISHED:

1988

#### EMPLOYEES:

about 400 people

[www.tokkcompany.ru](http://www.tokkcompany.ru)





of closures and associated equipment, powerful decoration capabilities and expert technical knowledge, TOKK helps its customers to create the ideal packaging design. Currently the company manufactures three main types of products: aluminum caps, vacuum caps, and crown corks. Special design of TOKK aluminum cap guarantees its compatibility with any type of seaming head. Another benefit of the design is its compatibility with any type of closing machine with

retention of perfect cap configuration and corking quality. TOKK's aluminum caps are used by the pharmaceutical companies, soft drinks producers and alcoholic beverage manufacturers. The second type of product are vacuum caps, which are used for different types of glass jars such baby food jars, juice jars, canned food jars. An essential condition for the production of caps is thorough and constant quality control. All products manufactured at the plant

have hygienic certificates, certificates of compliance as well as permits for use in the food industry. A certificate of origin is attached to the export products. The third product type is the crown corks, which is used by breweries as well as carbonated water producers. TOKK produces both twist off and pry off crown corks. In all three areas TOKK is the market leader in Russia. The company uses only high quality raw materials, which have been tested in the industry and comply with international standards. All the main raw materials are acquired in the countries of Western Europe such as Germany, Holland, Belgium, Italy. Recently TOKK has also started testing materials from Russian manufacturers. All raw material, delivered to the plant, are tested in accordance with technical requirements and European Standards. Quality control at all stages of the production cycle is carried out by TOKK's laboratory. The range of products produced by the TOKK packaging plant is constantly expanding, and up to three new products are introduced every year.

#### **Mission and vision**

TOKK recognizes that the future brings many opportunities. Therefore, the mission of the company is to continually de-





velop and respond dynamically to market requirements. In order to set new standards over the long term, it is necessary to be a step ahead of the competition. Therefore, one of the main goals of the company is creation of new innovative products in the industry in order to be able to meet the needs of its customers. TOKK strives to establish open and trusting relations with partners. It is committed to be a fair and creative competitor guided by high professional and ethical standards. At the same time, the company constantly strives to expand its presence in the packaging market.

### Progressive technologies

In the recent years the company has began transitioning to the digital economy focusing on development of information technologies, automation of production processes and fine tuning methods of quality control of products. Significantly more attention is being paid to the field of product quality and quality management system. The company is committed to this goal consistently in the future in order to ensure customers a high level of versatility and technological progress. The company uses modern production technologies such as offset printing on tine plate and aluminum sheets, offset printing on the side surface of aluminum caps, pressing the foil on the side surface of aluminum caps, embossment for crown corks, applying promotional codes to the inside of the products with laser, inks or printing. The technological production base of the company is constantly updated through regular investments in new equipment and technologies. All pro-

duction facilities are equipped with European and American production lines, which are at the peak of the technological progress of the industry. Recently the company invested in the in-line coating measurement system. The system has been introduced on all coating lines within TOKK's state of the art caps and closures manufacturing facility in Moscow, Russia. The new technology will help the company to achieve an even higher level of coating quality assurance and process control. TOKK Company always strives to supports employees with the best technology available on the global market. Now the facilities include in-line film weight control systems. As a result, TOKK Company can guarantee its valued customers that they will benefit from the most advanced film weight control and coating quality systems available today. TOKK's commitment

goes beyond providing the best quality product. The company helps customers succeed by enhancing the identity of their brand and preserving the safety of their product. Constantly evolving technologies and tailored engineering projects are key factors, which drive the TOKK market reputation and business growth. The company heavily invests in improving production performance, quality management and manufacturing processes. Vladimir Zarankin, TOKK's Technical Director, describes TOKK's technological aspirations, "We are constantly renovating our production facilities by making regular investments in innovative technologies and new machinery, including Sensory Analytics and their high-impact SpecMetrix Systems. Our company's main goal is to fully meet our customer needs expectation in the field of product quality so we welcome the opportunity to further enhance our performance as the first SpecMetrix Certified facility in Russia." TOKK is proud to be the leader in metal packaging technology in Russia. ■

Written by Helena Rožko





## Reliable partner for Domestic appliances & Automotive Industry

### FACT BOX



#### FULL NAME:

Bitron Poland Sp. z o.o.

#### GENERAL DIRECTOR:

Silvio Brignone

#### INDUSTRY:

Appliance, Automotive, Energy, HVAC

#### ESTABLISHED:

1988

#### EMPLOYEES:

2500

#### TURNOVER:

300 Mln Euro

[www.bitron.pl](http://www.bitron.pl)

**B**itron is a privately held company with over six decades of experience. Its network of manufacturing sites and development and sales centers extends from Italy all over Europe and beyond to North and South Americas and Asia. It is now a global leader in development and manufacturing of mechatronic devices and systems for a wide range of markets.

### Company history and policies

Bitron's history stretches all the way back to 1955, when brothers Enrico, Giovanni and Carlo Bianco opened a business together in Turin (Italy), manufacturing parts for household appliances. Five years later their firm became Elbi International, a successful, fast growing company. The first factory abroad was opened in 1969 in Spain, and the following year Elbi acquired Bitron Video, a video entry-phones manufacturer, and entered the electronics industry. In 1975 Bitron moved into the automotive market as it became a supplier for Fiat. A number of acquisitions and establishment of new production sites in Italy followed, until in 1985 EDB, Elbi do Brasil, was founded. It was the company's first overseas plant, producing automotive and appliance components. In 1989 a French company Selnev was acquisi-

tioned, along with its site in Nevres, also to manufacture automotive components (power switches for air conditioning). In 1992 came the creation Bitron as the common corporate identity (only the original Elbi factory in Turin retained its original name). 1998 and the establishment of Bitron Poland in Sosnowiec marks the beginning of the era of strategic globalization for the company. Foundation of Bitron China in Qingdao follows four years later, in 2002. Over the next decade new factories are opened in Poland, China, Turkey and Italy. Marking ten years since the first investments in China, after much development of already existing Bitron sites and acquisition of Chinese 3DQ electronics, foundation stones are laid there for new Bitron sites. Finally, in 2016, production of electronic devices starts in Mexico. Innovation, ensuring the highest qual-





ity of its products and meeting all of its customers demands are the components of Bitron's success. However, other company policies were also crucial in attaining its current position and gaining recognition. Among those are guaranteeing safety of its workers (program "Safety: our way of life" aimed at accident prevention) and a well developed eco-policy – the manufacturing process is designed with keeping the energy usage optimal and environmental impact minimal, only re-usable or recyclable packaging is used, and components manufactured by Bitron in turn help its customers keep their products efficient.

### Products and customers

Currently Bitron owns worldwide 15 manufacturing plants and development centers and 13 sales and technical support centers, providing a variety of products for a large number of important

customers operating in markets such as home appliances, the automotive industry, healthcare and even vending machines. For such companies as Bosch, Electrolux, Whirlpool, LG Electronics and others operating in the appliances industry Bitron manufactures pressure switches, micro switches, door interlocks, program timers, hydraulic groups, thermostats, temperature and pressure sensors, water softeners, integrated detergent dispensers and user interfaces to be used in refrigerators, freezers, cooking appliances, washing machines, dish washers etc. For the automotive market, where among its customers we can count Toyota, Skoda, Fiat Chrysler and Volkswagen, Bitron fabricates parts for car body interiors (accelerator pedals, hidden and visible switches and electronic controls), suspension and steering systems (pressure switches and pneumatic solenoid valves) and en-

gine thermal systems (valves, pressure switches and electronic controls). Bitron also supplies parts for other branches of the automotive industry, such as fuel pump modules, switches, sensors and others for motorcycles and scooters, and fuel level senders for trucks and buses. The Bitron Electronic Division has its own assortment of specialized products, such as human machine interfaces, EV charging stations for electric vehicles, single- and three-phase smart meters, power converters and commands for automotive applications. It also manufactures the Endana energy monitoring system used to monitor and optimize photovoltaic installations and provide safety shutdown in case of maintenance or emergency.

### Bitron in Poland

At the start of its activity in Poland Bitron was renting and later on bought a production plant of 43 000ft<sup>2</sup> previously owned by an automotive parts manufacturer Silma. As the Polish market developed business was rapidly growing (the number of employees nearly doubled in the first five years reaching 230) and further investments were put in motion. In 2004 a new, cutting edge production facility three times the size of the original plant and employing 430 people was opened in the Katowice Special Economic Zone. Within just a year new division responsible for plastic processing and electronics were opened. As the Polish market continued to grow, Bitron further prioritized that branch and the Katowice plant was expanded to double its original size, reaching 260 000ft<sup>2</sup> and the number of employees rose to 1350. In 2016, citing the dynamic growth of electronic industry, and the increased demand for smart



electric energy meters in particular, a decision was made to open a new production site in Sosnowiec to house manufacturing of electromechanical components and plastic processing, thereby freeing the existing facility to focus exclusively on producing electronic components. The new production plant is the largest one yet, encompassing over 270 000ft<sup>2</sup> divided between production floor, office space and a vast storage area. Bitron Poland currently employs 2300 people and produces a vast variety of products such as automotive components (ventilation control panels, air control switches, mirrors control switches etc.) AGD (electronic circuit boards for dishwashers and washing machines, electronic timers, aqua stops etc) and components for the HVAC air conditioning and ventilation systems. EV charging stations for electric vehicles, single- and three-phase smart meters, Among its customers are such companies as Fiat, Denso, B/S/H or Whirlpool.

#### Certificates and awards

Over the years Bitron acquired many important international certificates signifying their constant drive to excel in the quality of their products and service. Among them are ISO 9001:2008 for quality management system, ISO 14001:2004 for environmental management system, ISO TS 16949:2009 for design and production of electronic and electromechanical devices and MID for electronic meter device. The company was also often the recipient of awards from its customers such as the Toyota award for product management in 2005, the Jaguar Land Rover Quality award (JLRQ) in 2011 for meeting their world-class standards for delivery and quality performance and the Electrolux Global Supplier Award for Innovation in 2014. Bitron Poland separately obtained a number of certificates for design, production and assembly of electric, electronic, electromechanical and rubber products and subassemblies for energy, automotive and household industries, including ISO/TS 16949:2009, EN ISO 14001:2004 and BS OHSAS 18001:2007. Bitron Poland also earned recognition by taking first place in the Safety Culture Award 2013 countrywide competition organized by the European Agency for Safety and Health at Work and the Central Institute for Labour Protection and being awarded a special commendation

by the Forbes journal in the Forbes Diamonds ranking in 2017. While unrelated to current operations, it is also a point of pride for the Bitron group that Giovanni Bianco, one of the company's original founders, has been awarded the Order of Merit for Labor by the president of Italy in recognition of his service to the country's industry.

#### Rubber Department (Bitron Poland)

Bitron Poland Rubber Department is a part of Bitron Group, Worldwide Company which achieves successes in research, development and manufacturing of mechatronic devices and systems for automotive, appliance HVAC and renewable energy industries. Rubber Department was established in Sosnowiec at the beginning of 2006. It is situated in the south of Poland in industrial area. That location brings a lot of advantages like vicinity of suppliers and customers warehouses, what is more well-developed infrastructure ensure adherence to delivery schedules. Bitron Poland Rubber Department guarantees quality and meeting all customers requirements. Specialized in the inventing, development and production numerous types of rubber compounds. To fulfill requirements Bitron Poland uses sophisticated and technologically advanced mixing mills, first part of mixing process takes place in closed chamber which have approximately 30 dm<sup>3</sup>, while second part takes place in opened mixer where Rubber Compound is stabilized on roller machine. Rubber Compounds are characterized by high quality that meet customers challenging demands regarding chemical and physical parameters. Therefore quality control on each step of production is our priority, to do so we have implemented special control procedures which are applied properly. To avoid the risk of unwanted inclusions we use special filtering machine, filters stop all adverse elements and ensure us that our Compounds are pure and top quality. Bitron Poland is a supplier of rubber and silicon parts for household applian-



es, mechatronic devices and automotive industry to the biggest and well-known companies all over the world. On the bases of physical and chemical requirements sent by our customer we invent Brand New Rubber Compound fulfilling these requirements, we are able to do it because of highly competent specialists and well-equipped Research and Development Laboratory. Bitron Poland's Research and Development Laboratory is equipped with the very sophisticated and the most accurate equipment available on the market. Obviously only with our well-educated, experienced and having great knowledge personnel mentioned devices are truly powerful. Currently we are able to make numerous analysis, nevertheless we are continuously developing and very likely we will increase our testing abilities soon. Rubber Department makes various types of rubber compounds for internal or external usage. Majority of following compounds are being made continuously however our Department is ready to extend commercial offer by adding new types of compounds. Bitron Poland Rubber Department possess 20 horizontal and 1 vertical press for rubber injection and 2 for silicon products. Since 2014 Bitron Poland is equipped with one press for liquid silicon. Injection molding machines are made by appreciated and well-known companies as DESMA, RUTIL and ENGEL. Bitron Poland invests in new technologies which on one hand increase quality and efficiency on the other hand decrease expenses. For our company every new challenge is an opportunity to extend our knowledge and achieve new abilities. ■

Written by Andrzej Kaczmarczyk



CEO  
Kvido Štěpánek

**It's been 4 years since the last time we talked. What has changed in your company since then?**

Many things have positively developed in the meantime. We invested about 400 Mio CZK (equals to 16 Mio EUR) into our company. You can see a completely new warehouse building, software and

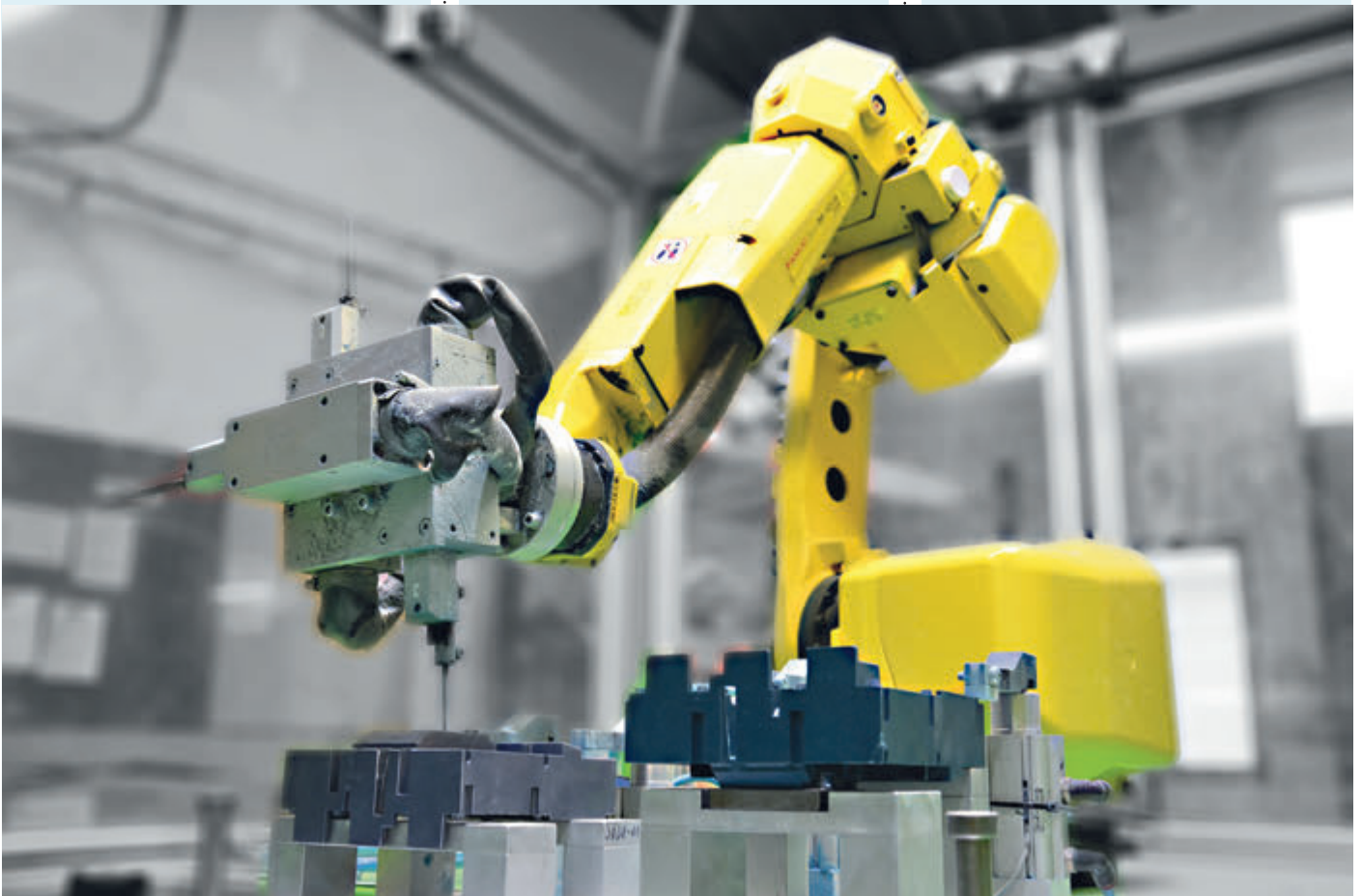
hardware and whole management of incoming materials and components and outgoing goods. Now our system is on the best European level and is the same, like e.g. our customer VW Skoda Auto are having. Next investments were aimed obviously into technologies and buildings. We have modernized our injection machines which number is fifty now and they cover the clamping force range from 50 to 1.700 tons. Practically all are 6-axis robotized. We invested into Sputtering technology and we have four most up-to-date sputtering lines at this moment. Similar competence we have in 2 K injection moulding. In parallel, we have developed our toolroom which we consider very important –as there are many injection moulders but only few of them have their own genuine toolroom. What we done in this respect IS huge financial and know-how investment into the fully robotized production line, which produces the most complex inserts of moulds weighing up to 250 kilos (i.e. weight of the insert, which is the heart of any mould). This line contains 6 most modern CNC machine tools and

overtakes majority of CNC machining. The machining process is about 3, 3 times more effective in comparison with usual CNC machining. We invested also in software supporting the production process and into many other smaller scale activities.

**Please tell us more about the Isolit Bravo s.r.o.**

Our company was founded in 1920 and since the very beginning they moulded – at that time thermosetting materials and later on thermoplastics and produced moulds for these activities. Since 1990 we added our own production programs- household appliances and later battery operated garden equipment – which now create about 10% of our turnover, while the prevailing 90% consists in production of moulds, injection moulding and assembly, mainly for Automotive industry.

**Based on constant investments, both in modern machinery and human**







**what is your secret behind the successful personnel policy and what makes the good atmosphere at the workplace?**

The whole "secret" – which obviously is publicly known – is the saying which doesn't stem from me or from us - i. E from inside of our company, but from our customers and external auditors, who said this independently and repeatedly: This company does have a Soul!

**Whom of your Clients and suppliers are the most important and why?**

Each customer is for us a Customer and we don't want to disappoint anybody. On the other side the truth is that there are customers who take you like a partner and there are also customers who take you as a subordinated "nowhere people". Not in vain there developed the movement "Cultivate your clients" in last years. Obviously, we want to be partners as we even breath for our customers and being only subordinated "nowhere people" neither helps nor motivates anybody involved.

**Please tell our readers about the company's international cooperation. What are your current plans regarding**

**resources, as well as on the extensive know-how, Isolit Bravo is now capable of offering a wide range of high quality products. Could you describe the Isolit's lines of business and your main products?**

Our main area of business are lighting technique and interior parts and subassemblies, often sputtered with aluminium or stainless steel, often 2 component. We design and produce the most demanding injection moulds and parts, just-in-time and in superior quality.

**Each year the Isolit Bravo invests in equipment, advanced technologies and new production systems. Do you plan to expand your plant as well?**

Our building plot is more or less exhausted at the moment and as for the long future we have to meet a decision in this respect. As for the next future, our investments will be aimed in technologies.

**Please tell us how many people are working on the company's success,**





**expansion into foreign markets?**

Here we are more realistic and we prefer excellent support of our customers here in CZ rather than split support on many spots all over the world. Therefore we want to concentrate on brilliant support of our customers here in our country.

**Today Isolit Bravo is well-known supplier for Automotive Industry, with export share 75%. Are you launching new investments? Are you going to launch new products on the**

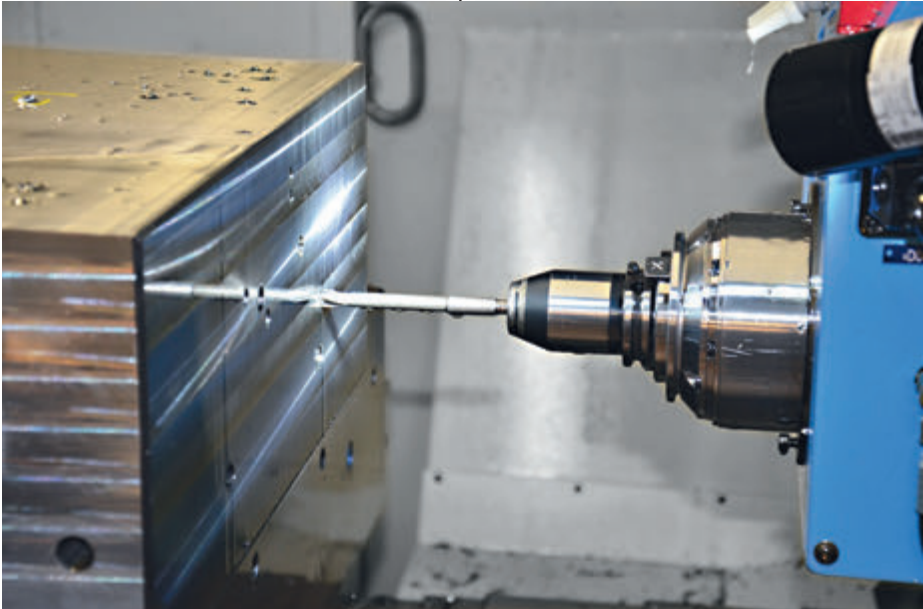
**market in the near future?**

Yes, definitely, our investments – while being focused on technologies, now – continue and we even continue in development and support of our own production range, although it creates only a small part of our total range.

**What is it that you're most proud of when it comes to your business activity?**

There luckily are many different positive

achievements. In last weeks the most pleasing was achieving Level A Supplier to VW.



**FACT BOX**

**FULL NAME:**  
Isolit-Bravo s.r.o.

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**CEO:**  
Kvido Stepanek

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**OPERATIONS:**  
Core business in EU

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**ESTABLISHED:**  
1920

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**EMPLOYEES:**  
630

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**TURNOVER:**  
45 Mio EUR

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**www.isolit-bravo.cz**



## A leading player on Russian metal manufacturing market



General Director:  
Larionov Alexander

**L**LC “Metall-Don” is one of the most modern manufacturing companies engaged in production of metal structures, sandwich panels and hot-dip galvanizing. In all production areas, company is one of the leaders in the technologies of manufacturing and quality of the products on the Russian market.

### Company today

The project for the construction of the complex of plants “Metall-Don” has been planned more than 10 years ago, simultaneously with the beginning of the largest project in Russia for the production of turkey meat (OOO Euro-don), whose founder is Vadim Vaneev. Initially, LLC “Metall-Don” was focused on the production of metal structures in the agricultural sector. In 2013-2014 years became a new stage of the company’s development with access to a broad market. During this period, LLC “Metall-Don” becomes an independent enterprise for the manufacture of metal structures and sandwich panels. The management of the company formed the criteria for successful competition in the conditions of the outbreak of the crisis in the construction industry in Russia.

The main attention was placed on the high quality of the products, and a successful experience in the manufacture of complex metal structures for the oil and gas industry. 2015-2016 for LLC “Metall-Don” has been the period of implementation of a previously defined strategy, which was confirmed by ensuring the loading of its own production facilities and participation in such landmark projects as: Yamal LNG, ZapSibNeftekhim LLC. At present, Metall-Don LLC is able to produce full-fledged buildings and structures in the form of metal frames and sandwich panels with the use of anti-corrosion protection by hot-dip galvanizing.

### Main advantages

The company employs more than 700 professionals, which allows to maintain

### FACT BOX



#### FULL NAME:

LLC Metall-Don

#### GENERAL DIRECTOR:

Larionov Alexander

#### INDUSTRY:

Metal building

#### ESTABLISHED:

2013

#### EMPLOYEES:

500

[www.metall-don.ru](http://www.metall-don.ru)





production of geometrically accurate products and guarantees their 100% collection at the facilities. The presence of technology for applying multilayer paint and varnish coatings, which ensures long-term service of anticorrosive paintwork. LLC "Metall-Don" carries out a thorough preparation of the surfaces of metal structures before the coating of paint and strict adherence to the technology of application and drying of the anticorrosive coating using modern materials of the world's leading manufacturers AkzoNobel, Hempel, Jotun. High control over the packaging and assembly of metal structures in preparation for the transport of metal structures in order to prevent damage during transportation.

### Production of metal structures

The company LLC "Metall-Don" offers the provision of services, manufacturing and supply of products, such as:

the competitive advantages of the products. Designing of buildings and structures is carried out with the use of modern programs of the complex Tekla Structures and Advance Steel, which allows:

- to issue project documentation in accordance with the requirements of major international contractors in Russian and English;
- use the functional of the automated production of metal structures: 3D

design, cutting, unloading of machine codes, marking.

The use of modern metalworking equipment Voortman, FICEP, Corimpex provides high geometric accuracy of preforms and technology of preliminary marking of semi-finished products. An example is the delivery and successful assembly (without a single remark on the quality) of steel structures under the Yamal LNG project, which proves the

- metal structures (trusses, columns, beams, stiffeners, runways, consoles, stairs, platforms, awnings, canopies, various containers, bunkers, trestles of pipelines, water towers, fencing systems for industrial and private facilities);
- metal structures for technological



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ПОЛНЫЙ АССОРТИМЕНТ  
МЕТАЛЛОПРОДУКЦИИ  
РОССИЙСКИХ И  
ЗАРУБЕЖНЫХ  
ПРОИЗВОДИТЕЛЕЙ

**СТАЛЬ**  
СТАЛЬИНТЕРЕС ТВОИ  
РАЗВИТИЕ В ДВИЖЕНИИ

**МЕТАЛЛОПРОКАТ**  
более **2000**  
**наименований**

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ФАСОННОГО  
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equipment;

- Angular supports of transmission lines 35-750 kV;
- welded beam from 30B1 to 100SH4;
- road barriers of barrier type;

The plant is equipped with the latest technological facilities, which includes plasma and oxygen gas cutting machines, line for welding sheets, a line for making beams, line for processing strip and angle, machine for shot blasting of metal, band saws, automated welding sections and other equipment. The production line is designed in such a way as to put all incoming metal, including both sheet metal and hot-rolled products (channel, Taurus, I-beam, corner, square and rectangular pipe, etc.) to shot-blasting processing. The enterprise uses plasma and gas cutting machines. Their implication allowed to increase the volume of metal cutting by 2.5 times due to high speed of operation and ease of control. The oxygen gas cutting machine makes it possible to cut metal up to 300 mm thick. The cutting system of metal allows to save up to 5% metal thanks to the special selection of functions and the optimal position of the parts on the sheet. The Dutch Voortman V250 punching system with a drilling module and an automated marking module with the highest precision automatically pierces and drills holes. The line of Italian production Corimpex is designed for manufacturing welded beams. Usage of this line made it possible to produce special beams according to the individual requirements of the customer, save time and money on the purchase of hot-rolled beams produced by metallurgical plants. This line is used for the production of arched and bulky metal structures. The Italian three-roll hydraulic machine manufactured by DAVI model MCP 3236 folds the I-beam cross-sectional widths HEA 55036000 with built-in Roll-by-Wire and Swing Guide technologies.

#### The advantages of the machine:

- Double clamping of the edge folding with independent hydraulic adjustment of both side rollers to minimize the straight section (pre-bending of the front and trailing edges).
- All three rolls are fed from the device, providing excellent and strong feed of the cut with minimal damage to the surface.



- The possibility of bending small diameters, such as 1.1 x diameter of the top roll.
- Three independent hydraulic motors and three planetary motors with high torque (one for each roller) are connected directly to the roller by means of a shaft for powerful torque.
- Fully hydraulic movements.
- Automatic circumferential speed compensation.

#### Production of sandwich panels

The company LLC "Metall-Don" produces three-layer sandwich panels based on rigid polyurethane foam (PUR) and polyisocyanurate foam (PIR). The complex for the production of sandwich panels is equipped with a line of German (Henneke Polyurethane Technology) and Italian (Stam) producers. The PUR and PIR components are supplied by the leading European manufacturer (Bayer, Huntsman, BASF) and have the highest quality characteristics and low thermal conductivity, and are by far the best offer for price and safety. The sandwich panel production complex allows producing up to 2 million square meters of wall, roofing and panels with a facade "flex", including insulating slabs per year. Currently, the plant's capacity is 1 million square meters per year (when working in 1 shift) for the agricultural sector, defense, energy and other spheres of the economy. The presence of own production of sandwich panels allows LLC "Metall-Don" to take orders for the full-scale supply of various buildings and structures, which is one of the competitive advantages. An example of the

supply of steel structures and sandwich panels is the facilities of the Russian Defense Ministry in 2017.

#### Hot-dip galvanizing

Hot-dip galvanizing plant "Metall-Don" is a European modern enterprise, which does not have analogues in Russia both in terms of production and capacity, and the level of technical equipment. The plant is the only one Russian enterprise capable of zinc metal structures with a length of 16.5 m and weighing 8,000 kg. This allows zinc all-profile and collection-oversized metal structures, excluding the subsequent assembly. The service life of products significantly increases and there is a significant time and money saving for the company's customers. The design capacity of a fully automated line for corrosion protection coating by hot dip galvanizing is 30 000 tons of finished products per year. Hot-dip galvanizing service is in demand in recent decades due to the entry into force of new regulatory requirements in the field of regulating the construction sector in Russia. The construction sites in the electricity, chemical and railway industries are subject to mandatory zinc coating and are the customers of LLC "Metall-Don". In recent years, company has been actively working to attract new customers in the oil and gas sector, which has already allowed to participate in major projects, such as the Crimean Bridge, Yamal LNG, OOO ZapSibNeftekhim. LLC "Metall-Don" has certificates of ISO compliance and is the winner of the contest "100 best goods of Russia". ■

Written by Ganna Prudnikova



## High quality solutions for the lifting industry



CEO  
Georgi Stoimenov

**P**odemcrane is one of the widely known global crane component supplier and leading manufacturer of industrial cranes in Bulgaria and the region. The company offers complex equipment and maintenance solutions for the lifting industry. Its high performance crane components and cranes are widely used in various engineering industries in Bulgaria and around the world. High quality products and services that comply with international standards are a hallmark of the company. Podemcrane is the leader of the Balkan market of cranes and related services and a brand recognized worldwide.

### Company profile

The company has been the leading supplier of crane components for the past 50 years. At Podemcrane tradition meets innovation. The company was established in 1961. Today it is one of the most innovative manufacturers in the region. Podemcrane AD was founded in February 2002. The company is a successor of the hoist production business of Podem, which used to be the biggest manufacturer of electric rope hoists in Central and Eastern Europe. Established in 1961 this business had sold more than 1,800,000 units of lifting equipment to 40 countries around the world which is an unprecedented number on the global scale. This number alone made the company the largest seller in history.

However, during the post communist years the enterprise lost ground and the hoist production shrank to 2000 units per year. Needless to say this brought on financial losses. After the privatization in 2002, the new management undertook serious restructuring measures which included significant reduction of the production area, major technological upgrades, introduction of innovative design, which led to the overall supply chain and financial restructuring. Over the past 10 years the company has undergone significant changes. It invested in the upgrade of technology and equipment, overall production and supply chain organization, thus directly enhancing quality, capacity, as well as the culture of the organization. Today one

### FACT BOX



**FULL NAME:**  
PODEMCRANE AD

**CEO:**  
Georgi Stoimenov

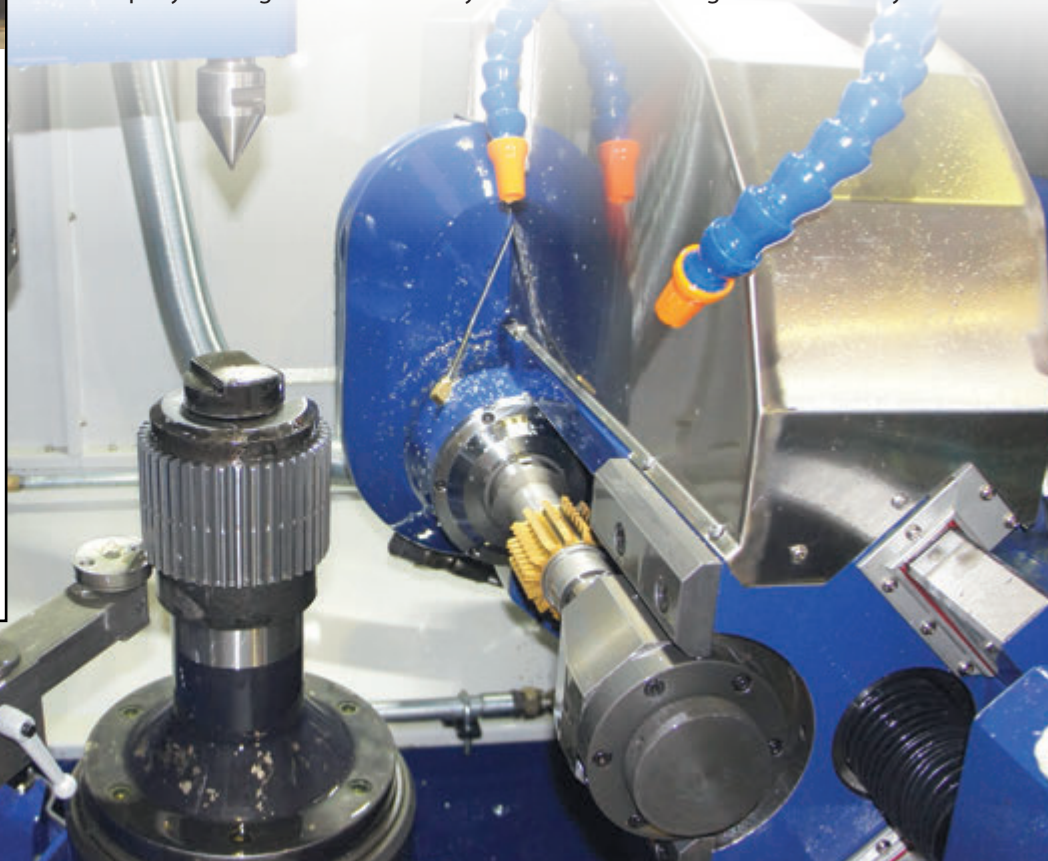
**INDUSTRY:**  
Material handling industry

**ESTABLISHED:**  
2002

**EMPLOYEES:**  
270

**TURNOVER:**  
EUR 29 mill.

[www.podem.bg](http://www.podem.bg)





of the main objectives of the company is to continue to develop its technology and implement the industry innova-

tions at all levels. The company's goal is to be the leading crane manufacturer and service supplier in the Balkan region.

Podemcrane consistently produces and supplies equipments which helps customers to enhance their productivity and profits and minimize downtime.



**ELTI-Co**  
Bulgaria, Stara Zagora – 6003,  
Georgi Baydanov 2  
Email: office@elti.bg

Design of crane controls, including assembling of electrical cabinets and installation on site.  
Industrial automation.



[www.elti.bg](http://www.elti.bg)

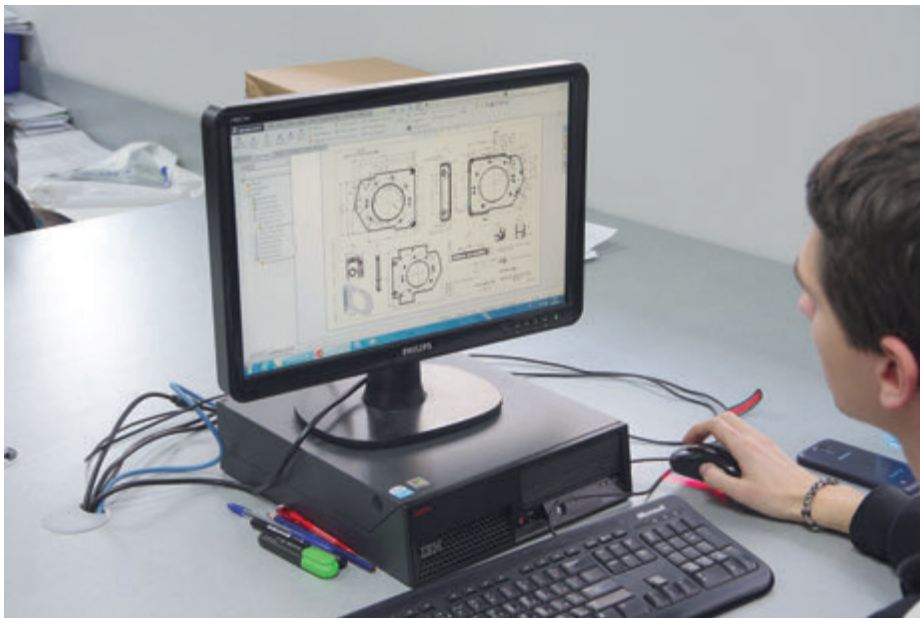
Podemcrane offers customers complex solutions in terms of lifting equipment and design, maintenance and repair services for the entire lifting industry. The company adds value to the businesses of its customers as it continuously improves and innovates the design,

### Innovative production processes and high-tech

The company's main production facilities are situated in Gabrovo. The overall area utilized by the enterprise is 30000 m<sup>2</sup>. Podemcrane uses modern machines and technologies to manufacture all components. All products and services are implemented in conformity with the integrated quality management system ISO 9001:2008 and the occupational health and safety management system OHSAS 18001:2007. In order to provide the highest quality, the company operates a modern testing laboratory, which is equipped with the most up-to-date solutions and tools to ensure precise control of incoming and outgoing materials and finished products. An experienced team of constructors watches over the production processes to make sure that all products comply with the contemporary standards. Podemcrane guarantees that its customers' business will receive a reliable product at the best possible price. The company also offers engineering solutions adapted to clients' individual needs. Another essential feature that distinguishes Podemcrane is product testing, which allows the company to







offer new solutions to the market more rapidly in comparison to competition. The company continuously invests in development in order to expand the range of offered products and services and to improve its own and clients' productivity. In addition to that Podemcrane significantly increased product groups, supplying complete crane kits to almost all industrial countries in the world. The company has become a major supplier of complete cranes and related services in the region of the Balkans. In order to achieve these outstanding results it was necessary to introduce a completely new management structure and approach. Implementation of the major technological and supply chain changes required higher quality of engineering and overall management. The introduction of ERP system in the company also required different system of management and production planning. The company took the steps to build a high performing, motivated team as it made investments in education, training and well-being of the employees. Being a successful and profitable enterprise Podemcrane provides job security and creates favourable conditions for employees.

### Portfolio of brands and products

Podemcrane constantly expands the product and service range. The wide range of Podemcrane products has been designed with the principles of reliability, safety, durability, price, and minimal maintenance. The company has a close eye on the market in order to create the products that are in demand. In order to do so, the company monitors

market trends and implements changes in a timely manner. The company's main goal is to achieve complete customer satisfaction by adapting products and services to their needs. Podemcrane industrial cranes follow the latest innovations in the field of crane manufacturing. The company manufactures Industrial Cranes, Light Crane Systems, Wire Rope Hoists, Chain Hoists, Other crane components, Customized Cranes., Industrial cranes division operates in Bulgaria and the Balkan region where products are offered directly to the end customers. The company offers a full range of equipment and support for the entire lifting



industry. All products bear the CE mark for compliance with the health and safety requirements at European Union level - the Machinery Directive 2006/42/EC. The main goal of Podemcrane is to become a reliable international supplier of crane components to the independent crane manufacturers around the world and to be the best full crane system and service provider in the region of the Balkans. These two major business lines operate under two different brands - Podem for the crane component business and Podemcrane for the crane business at the regional market of the Balkans. Currently, the company sells products in many regions around the world. The geographical diversification appears to be very important these days. Podemcrane is present in such markets as Iran, Poland, Spain, Italy, Russia, some countries of the Middle East, North Africa, the Far East are all very important for the company. Podem TM is a well respected business partner which invests in long-standing relationships. International sales are done through distributors. In some of the markets the company has own agents or joint ventures. This is done only in selected regions. As the company mainly grows organically it is very careful about that. Podemcrane exports the majority of products as the Bulgarian market is rather underdeveloped at this point. During the past 4-5 years that the Bulgarian companies have started to change their crane systems, but the process is heavily dependant on the EU funding. The service sector is underdeveloped as well. However the company is working hard and it is proud to have 70-80 percent of the market for new cranes. Podemcrane is a clear market and technology leader in the Bulgarian market. Podemcrane's success has been shaped by its constant drive for innovation. The company managed to win the trust of customers thanks to professionalism, innovation and high quality products. Today, Podemcrane heavily invests in innovative technologies, improving production performance, quality management and manufacturing processes. Constantly evolving technologies and complex engineering projects are key factors, which directly influence the company's market reputation and business growth. ■

Written by Helena Rožko



## Proinvest Group - Unlimited Steel Solutions



General Manager  
Vasile Sandu

*Proinvest Group is a multiproduct company with multiple manufacturing facilities specialized in steel processing. It develops, manufactures and markets semifinished steel products, steel components and systems for construction, engineering and industry, from simple components for construction and up to tooling and precision mechanical components.*

### About Proinvest Group

Proinvest Group is a family business founded in 2000 whose main activity is steel processing. The company increased appreciation in a spirit of continuous improvement and experienced a strong and fast development as a result of diversification of activities in construction. Today with over 450 employees and an almost 30 million € turnover current production and sales program covers a very extensive range of steel solutions, from simple civil building materials and infrastructure components to precision components for machine tools industry. Proinvest Group Has 10 divisions: Proinvest Building Materials, Proinvest Building Systems, Proinvest Infrastructure, Proinvest Storage Systems, Proinvest Fasteners, Proinvest Special Profiles,

Proinvest Chrome Plated, Proinvest Steel Services, Proinvest Tooling and Proinvest Mechanical Components.

### High Quality Products

The Proinvest Group company's products are the result of rich experience - a long-term investment performance, with an optimal report between quality and price. Current production and sales program covers a very extensive range of steel products, grouped by application and organized into several divisions, the most important being: building components, prefabricated building systems, storage systems, infrastructure solutions, siderurgical services, steel bodies and precision special profiles. High standards of works and their quality management are geared towards business

### FACT BOX



**PROINVEST**  
Unlimited Steel Solutions

#### FULL NAME:

Proinvest Group SRL

#### GENERAL MANAGER:

Vasile Sandu

#### OPERATIONS:

Steel processing

#### ESTABLISHED:

2000

#### EMPLOYEES:

Over 450 employees

#### TURNOVER:

almost 30 million €

[www.proinvestgroup.ro](http://www.proinvestgroup.ro)



excellence aimed at full control of details and long-term warranty. Proinvest Group has established and implemented the necessary measures simultaneously fulfilling requirements expressed in SR EN ISO 9001:2008, ISO 14001:2005 and OHSAS 18001:2008. Through quality policy, the company is committed to respect and comply present and future requirements of the clients.

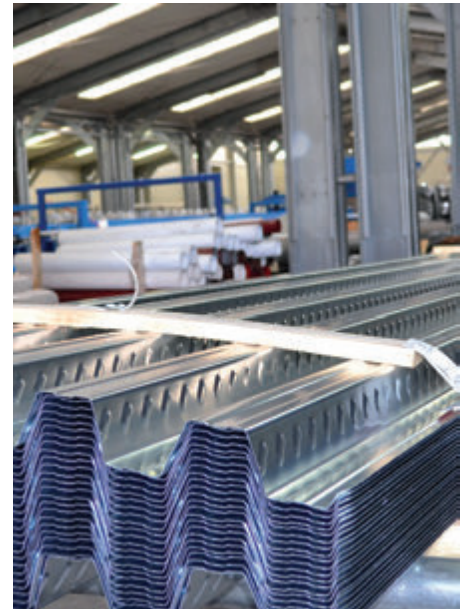
### Sustainability

Proinvest Group understands and ac-

tively manages his responsibilities and opportunities, thereby contributing to sustainable development. Our aim is to achieve a harmonious balance between the business, environmental and social aims. Sustainability is fairness to future generations. All we accomplish should be done in a way that we can leave a livable world to the next generation. Development and innovation of our products are directed towards excellence and efficiency. We began to better understand and reduce the impact of

our products and services throughout the life cycle, our activities focusing on topics that help to reduce the environmental impact of production processes, along with a decline costs. Business success of the Proinvest Group company is strongly dependent on the daily contribution of its workforce. Proinvest Group respect work and human rights. We have identified training and development as priority issues, and health and safety in order to offer secure jobs and to remain an attractive employer.





### Latest Investments

Proinvest Group started a greenfield project for producing several types of sandwich panels in 2015. The investment totals EUR 10 million. The company completed the project's first stage in February 2016, and the first production line has been put into operation following an investment of EUR 3 million. It has a production capacity of 1 million sqm per year. The company will complete the second stage in 2018, when it will put into operation a new production line. Proinvest Group has scheduled more than EUR 1 million budget for the development of new production facilities for its Building Materials division. Therefore, following almost half a million EUR investment the factory in Pascanu will soon start the production of gutters and downspouts. Next period will also witness the inauguration of a new produc-

tion line, an investment of EUR 550,000, partly made with EU funds. In order to develop the range of components for the civil and industrial constructions market, Proinvest Group will also invest in a new production line for corrugated sheets, one for metal tiles and one for roof accessories. The new production lines are part of the investments plan, a plan including EUR 1.5 million for the diversification of its products range. Moreover, the company has scheduled the inauguration of a special profiles factory, an investment of EUR 3.5 million. In the same year 2015 Proinvest Group purchased Scudas, a famous factory from Romania with Tooling, Tool holders and Accessories tradition and founded two new divisions that designs, manufactures and markets mechanical precision parts for machinery, automotive and linear technique. This year, Proinvest Group

has established the newest division specialized in production and distribution of hard chrome plated bars and tubes with a lot of appliances in hydraulic and pneumatic industry but also for automation.

### Vision And Values

The strong commitment of Proinvest Group team, investment and innovation in technology, and inspiration offered by performances have favored business expansion, motivating to maintain a continuous process of improvement. Through social responsibility programs and actions that Proinvest Group supports, it want to contribute to community development and improved quality of life. In this regard, Proinvest Group company has a proactive attitude to continuously improve working conditions for employees, charitable acts and sponsorship areas such as education, culture, health and sports. Company's Code of conduct is based on Proinvest Group's care values corporate trustworthiness and to conduct business with integrity and in compliance with laws and existing regulations. These principles are and will continue to be reflected in Proinvest Group's policies, decisions and actions. ■

Written by Madina Turava





## Steep growth of the output



CEO of ZMM Bulgaria Holding,  
Mr. Emilian Abadjiev.

**W**ith an impressive product portfolio and established partners across the globe ZMM Bulgaria Holding LTD is one of Europe's top machine production companies. Determined to innovate, grow and maintain supreme quality it is an impressive example of success through the marriage of longstanding tradition and modern thought. The following article is based on an interview with the CEO of ZMM Bulgaria Holding, Mr. Emilian Abadjiev.

### Company history

ZMM Bulgaria Holding is Bulgaria's leading designer and manufacturer of such machine tools as conventional, variable spindle speed control, oil country, and CNC lathes and accessories. It also provides its clients with welded parts and mechanical machining products, gear wheels, toothed gears, parts, and units, as well as axes, shafts, spare parts and iron castings for metal-cutting and metal-working machines. The Holding was established in 2001 as a subsidiary of Industrial Holding Bulgaria AD to consolidate, manage and promote several preexisting production centers with over seventy years of experience in machine production. Among these are ZMM Nova Zagora which supplies parts and entire units to machine builders

throughout all of Europe and IHB Metal Castings, a foundry dedicated to the production of high quality castings from grey and nodular cast iron. Finally there is ZMM Sliven where lathe machines are manufactured. In 2014 another of the factories of the Holding – Mashstroy Troyan (founded in 1947) was merged with ZMM Sliven to make the factory the crown jewel of the Holding. The universal, oil-country and CNC lathe models produced there are exported worldwide to more than 80 countries. ZMM Bulgaria has sold close to 120 000 machines since the foundation of the company, and the production output is growing steeply, with 600 lathes manufactured in 2016, more than 700 in 2017, and it is expected that number shall again be exceeded this year. Further, the Holding's parent

### FACT BOX



#### FULL NAME:

ZMM Bulgaria Holding

#### GENERAL DIRECTOR:

Dr. Emilian Abadjiev

#### INDUSTRY:

Machine-building

#### ESTABLISHED:

2011 (ZMM Bulgaria Holding)  
1947 (first of the Holding's factories)

[www.zmmbulgaria.com](http://www.zmmbulgaria.com)





company, formerly known as Privatization Fund Bulgaria AD, was founded in 1996 and changed its name to Industrial Holding Bulgaria in 1998. It operates mainly in segments such as machine building, maritime transportation, port activity, shipbuilding and ship repair. It is listed on the highest segment A on the official market of Bulgarian Stock Exchange. Its headquarters are located in Bulgaria's capital, Sofia. Today ZMM Bulgaria represents the best of both worlds,

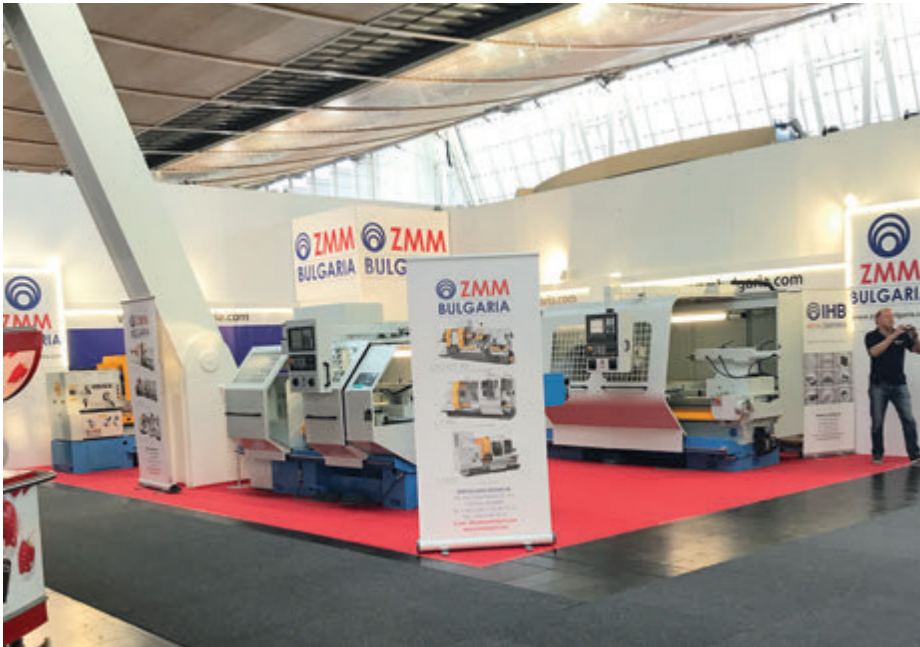
a marriage of tradition developed over the decades, understood as a strict set of rules that hold the company to the highest possible standard, and the capacity for constant renewal to adapt to the evolving technology and needs of its customers.

#### Product portfolio and business partnerships

ZMM Bulgaria covers a large range of machines. They can be divided into three main groups – the universal lathes,

the CNC lathes and the oil country lathes. Together, they cover large spectrum of customer needs and requirements – from machines for training at schools through machines used for the maintenance of different equipment (for example, many ZMM Bulgaria produced lathes are spread over the seas and oceans worldwide, as every ship carries at least one lathe for immediate necessities when at high sea) to machines used in production. Some work more than 10 hours non stop every day, like the ones utilised in the USA in the petrol industry. ZMM Bulgaria offers small machines with 325 mm working diameter and 750 mm DBC (distance between centres) up to machines with a working diameter of 1410 mm and up to 10 m DBC. All machines manufactured by ZMM Bulgaria are adapted to meet the special requirements and expectations of the particular customer. The company's entire catalogue is available online, with in-depth information on every single machine available separately for customer convenience. ZMM Bulgaria provides CNC machines for all of the major world producers, such as Siemens, Fagor, Fanuc or Heidenhein. Relationship with these companies continuously evolve for the sake of the better customer service and further improvement of the product





quality. A special agreement was signed with Siemens which outlines the major directions both of the strategic and day-to-day cooperation. With this ZMM Bulgaria's IT engineers keep up to date with the latest novelties developed by Siemens through special training. Similar arrangements are in place for Fanuc and Fagor. ZMM Bulgaria's engineers maintain close relationship with the engineers of these companies in order to deepen their knowledge of their respective systems and keep up to date with the rapidly and constantly developing technology. As a result of those partnerships, ZMM Bulgaria is able to produce new, cutting edge machines such as the LCC1000/1500 model equipped with Siemens SINUMERIK 840 D sl control system, first presented at the EMO Han-

nover 2017 trade show. The new control systems make it possible to monitor the machine's work through the Internet. ZMM Bulgaria primarily sells its products worldwide through intermediary distributors, some of whom it has been in business with for over 35 years. In the words of the company's CEO Emilian Abadjiev: "the direct, open and constructive contact to the customer is of extreme importance. Our partners have to be convinced that they can at any time reach me or our engineers, and get the necessary advice and support."

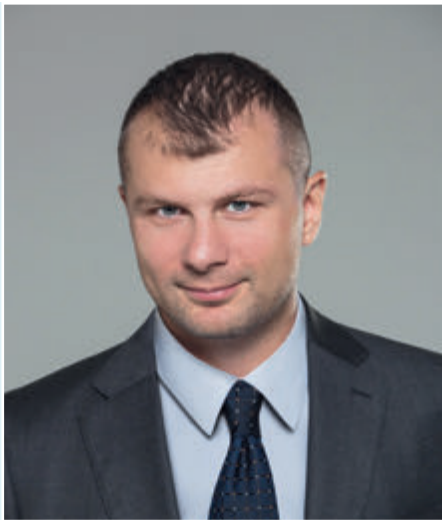
#### Recent investments

While there are currently no plans to expand the production plant, restructuring and re-equipment is under way. As a result, a new CNC machining depart-

ment was created and equipped with machines produced by the company's own factory: LT 580/2000 with Siemens 828 and higher rpm – 2500 (an improvement over the old model's 2000 rpm). The factory developed and built it for its own use along with a new spindle boring machine. In this way it decreases the dependence on external factors and supplies. The IHB Metal Castings foundry was refurbished with new mixers from a leading British manufacturer Omega. Also in 2015 ZMM Nova Zagora, the plant specialized in gear production, was outfitted with new and modern Kapp Niles grinding machine and in January a new gear cutting machine was purchased from the South Korean company Hera. Another area of constant new investment is human resources. In total the Holding employs 1184 people at its plants. To quote Mr. Abadjiev, "The most modern machine is a dead piece of metal without a qualified person able to program and operate it", which is why a lot of importance is put on the HR policy, employee training and acquiring new, skilled workers. ZMM Bulgaria plants' directors are in constant contact with their workers, know them by names and are aware of their family lives and problems. The constant training and retraining is a daily task of the management. The factory in Sliven where the lathes are assembled and tested is spearheading two different programs for vocational school students, attended currently by 32 students. Both programs combine their regular studies with professional training. Each student signs a special contract with the factory, receives payment and is assigned a mentor who takes personal care of their training and development. ZMM Bulgaria also makes regular presentations at the Technical University in Sofia to attract young, up-and-coming engineers. ZMM Bulgaria is currently focused on strengthening its position in Israel, Spain, UK, Algeria, and entering some new markets such as Brazil, Argentina. In order to increase the recognisability of its brand, ZMM will be participating in numerous international trade shows, such as the upcoming event in Lebanon's capital, Beirut, Metallobrabotka in Moscow, AMB in Stuttgart, IMTS in Chicago, MAKTEK in Istanbul, BIMU in Milano, and the trade fair in Porto. ■

Written by Andrzej Kaczmarczyk





President of Runaco Group  
Zurab Kavtaradze

Our publishing house presents to the reader's attention an interview with the director of Runaco group - the modern Russian vertically integrated holding, which unites enterprises for the design, production and servicing of pumping equipment for oil extraction. In 2012, it took place the merger of four companies: BENZ, Noris, Orion-R and Runaco Service for the purpose of building an effective

holding that can fully satisfy customer needs. Zurab Kavtaradze, President of Joint Stock Company, responded to questions concerning the history of development, current status of holding and its prospects.

**Mr. Kavtaradze, can you describe the most significant moments in the history of the company.**

There were several moments. Certainly here it is necessary to point out the year 1962 – the moment of creation of Bugulma Electric Pump Plant (BENZ). It is the oldest enterprise in the oilfield services industry in Russia. During more than 50 years, the plant has been designing, producing and carrying out guarantee repair of the Electrical submersible pump units (ESP). Of its newest history, I would mention a few landmarks. In 2010, BENZ became the property of an investor group, which till nowadays is engaged in its management. 2011 marked as the beginning of work of the Group Service Department, as well as a year of joining the company Orion-R - a manufacturer

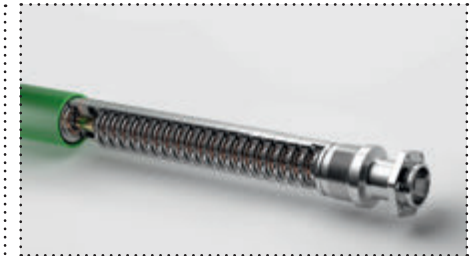
of the variable speed drives (VSD). A year after, manufacturing of high-temperature submersible oil cables has begun on the Noris plant. Finally, at the turn of 2012-2013 the management Runaco Group was created. That has allowed to turn companies into a single holding specializing in manufacturing of the ESP the extraction of formation water.

**What was the key to a such a big success of the enterprise in the industry market, in your opinion?**

If we are talking about companies from our segment, i.e. producers of the ESP, there are not so many present on the market now. There are only four in Russia, namely: Borec, Novomet, Alnas and us. We possess an important competitive advantage - maximum flexibility of the technological processes allows to adapt to the small-batch assembling for each particular customer. Our management, financial flows and other business are highly optimized. It should be noted that we are cooperating not only with Russian companies. A large share







of exports falls on Kazakhstan and Azerbaijan. We are exploring the market of Middle Eastern countries. Particularly, the delivery of high-temperature engines to Oman is discussed, negotiations with Indonesia are under way. Among Russian customers you can note Rosneft, Surgutneftegas, Bashneft, Tatneft, Slavneft, Gazprom, Gazprom Neft, Lukoil.

**Please, tell us about manufactured products and services provided by the company.**

The main activity (for this, in fact, companies were merged into a holding) is the production of the ESP. A pump unit consists of two parts: an on land part is a VSD and a downhole equipment which includes pump, motor, seal section, gas separator and an element of their connection - a cable line. All of these components are manufactured by our enterprises. On BENZ we run full cycle

of works related to the production of the downhole part of pump unit. Orion-R company produces all types of VSD, starting from the most simple (direct starting) and ending with the VSD with intelligent control. So, we of ESP demanded by oil companies. I would like to note that our company provide full production cycle and ESP service starting from the idea and further production and maintenance of equipment on the fields.

**What are the principles of the production process organization on the enterprise?**

I think that the time of large factories with rigid technological cycle of production is running out. It is relevant businesses which, in one hand, will be able to respond flexibly to market demands, and in the other - will have a low cost price in order to be competitive. These are two contradictory factors.

The whole principle of the production process of Runaco Group is built up on the basis of these two reasons. Today, industrial enterprises with the number of employees about 700-1000 persons make spectacular gains. These businesses are the most competitive nowadays and will remain so in the future identifying new format of the companies. One of the core management principles of Runaco group of companies is the most profound automation of manufacturing processes, their systematization, the ultimate elimination of the human factor. On the one hand, it reduces the number of mechanical errors, and on the other - allows people to be more engaged in creativity, to think about development and improvement of a product, and don't waste time with a mechanical routine work.

**What kind of new technological and engineering solutions are introduced today at the enterprise? On what**





**equipment production output is carried out?**

We do not set ourselves the task of modernization for the sake of modernization. We are starting out of the product and take measures aimed at the release of such goods, which will be competitive in price and the best in quality. Different models of machines are present at the enterprises starting from the machines of 15-20 years old and up to the latest equipment from



Japanese and German manufacturers. Work on the improvement of production is conducted in several directions. Firstly, it is an optimization of production costs. For the realization of this goal we have focused on the automation, the purchasing of new machinery and equipment, we have developed

programs for personnel training. Assimilation of related specialties by personnel is also an important factor for us, because the universality of employee skills allows for more quick solution of current tasks. Secondly, constant work on improvement of qualitative indicators of our products is carried out. For example, we work on improvement of pump performance curve, that allows to make the pump shorter, significantly reduce consumption of materials, and production costs, as well as improve the operational characteristics of goods. The third direction is the engine direction. We have projects in so-called «high-speed» theme. Classical ESP operates at 3,000 rotations per minute and high-speed can be increased to 6,000-7,000, and even up to 10,000 rpm. But later other problems arise: with bearings, control, etc. Our engineers are searching for solutions to these problems. The next point of focusing for us is permanent magnet motors. Such an engine combines the positive qualities of direct current machine and the asynchronous motor. As it is known, efficiency factor of permanent magnet motor higher up to 10-15% than of asynchronous. Now we are develop actively of this direction. Also, at this time, we are very focused on working with the largest Russian oil company Rosneft - we are preparing actively for the 2017 tender campaign. And we constantly look at expanding of the output range, for instance, we've had a positive experience in the sale of sucker-rod pumps to the Bashneft company. In general, the key goal for the future is an increase of market share in Russia and abroad.

**What are you most proud of in a company work?**

I am very proud of my team. Currently, personnel consists of more than a thousand employees. Large reduction of staff was due to the systematization and automation, however it did not affect workflow, and even vice versa - volumes of production and output in the past three-four years increased significantly. The BENZ output increased by 20% while reducing the staff by 40%. Talking about financial results, in comparison with indicators of financial or retail companies, they are not so high. But we have a development strategy approved, and everything meet our expectations. Our companies operate positively. The most important award for us is the quality of manufactured products. The average volume of complaints towards our goods over the past year amounted to less than 2%, it is a good number.

**FACT BOX**



**FULL NAME:**

Runaco Group

**PRESIDENT OF THE COMPANY:**

Zurab Kavtaradze

**OPERATIONS:**

Production of pumping equipment for oil extraction

**ESTABLISHED:**

2012

**EMPLOYEES:**

1000

**www.runaco.ru**

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