

ID 23057 RUFFINO_Company Profile

1. Company Plant/Factory Profile

1.1 Ruffino was founded in 1877 by two cousins, Ilario and Leopoldo Ruffino, who discovered the ideal place to establish what continues to be the headquarters of the company (and Chianti itself) in Pontassieve.

Over 150 years of history, the estates and production facilities belonging to Ruffino have grown, undergone renovation and have been equipped with the most up-to-date technology. It currently employs 240 people across the Group's 10 estates which sustain the growth of Ruffino through their daily work.

The company produces and sells approximately 29 million bottles, with 37 labels with 89 countries supplied. Our portfolio is mainly linked to historic appellation in Tuscany including Chianti, Chianti Classico and Brunello di Montalcino as well as Prosecco and Pinot Grigio in Veneto. Ruffino relies on more than 570 hectares of vineyards across its estates in Tuscany and Veneto: Poggio Casciano, Montemasso, Santedame, Gretole, La Solatia, Greppone Mazzi, Cà del Duca, La Duchessa and Iulia.

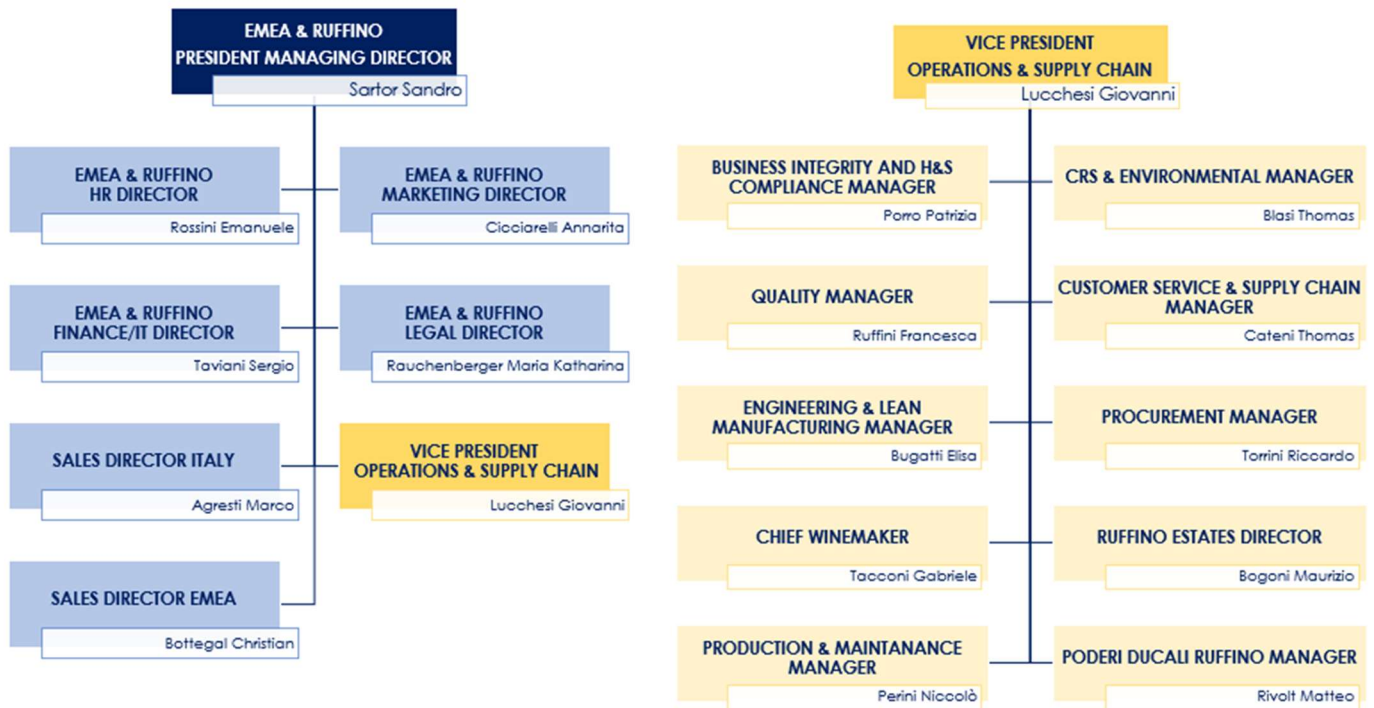
In 2011 the company became part of Constellation Brand, an American multinational leader in the beer, wine and spirits business.

This acquisition reinforced Ruffino's international vocation without losing its peculiar Italian essence.

As part of the long term Ruffino strategy which is aimed to become a key player in the top quality wine business, at the end of FY23, the Group achieved a long-held goal.

We bought a few hectares of vineyards in the DOC Bolgheri appellation area in Castagneto Carducci, to which others will be added soon. Bolgheri is a unique place to produce high-end red wines made from Cabernet Franc, Cabernet Sauvignon and Merlot, as well as whites. Bolgheri represents a new challenge for Ruffino in a region of established producers, which has become important on the global wine scene over the last 20 years.

1.2 The total number of employees based in Pontassieve is 153 including Top Management, Operations, Finance, Marketing, HR, Legal and Sales. Please see Organization Chart below.



Wines are produced within our Ruffino Estates or bought from external suppliers and then moved to our plant in Pontassieve where we have cellars, bottling and warehouse. Once in the cellars wine can be kept for necessary ageing or prepared and filtered for bottling.

Bottling Department has been the first to be involved on TPM application and is set out as follows:

3 production lines: line 1 with a 7000 bt/h speed, line 2 with a 13000 bt/h and the Packaging line with a 1500 bt/h that is dedicated to the packaging of the most expensive products.

2. Milestone on the Journey of Manufacturing Excellence

2.1 TPM philosophy is very close to what we want our team to be: “A group of people with high level of interdependence who collaborate to achieve a common Goal, each member has a well-defined role based on its own experience and knowledge which are recognized by the other”.

Our goal is to produce the highest quality products minimizing any kind of losses with an on-going focus on continuous improvement.

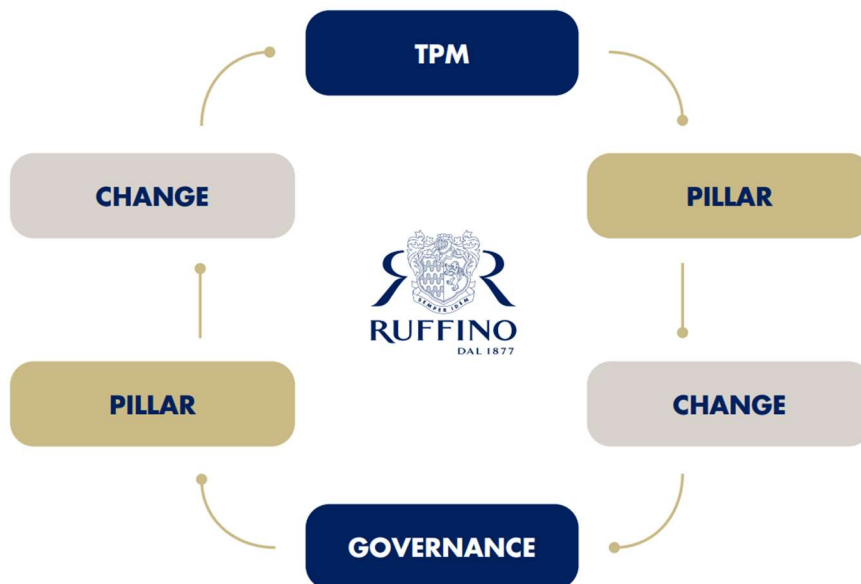
That’s why we decided to deploy the TPM methodology within our factory as we believe it’s the best path to follow to achieve our objectives and be consistent with our idea of work and working environment.

The activities carried out according to the “pillars” structure allowed the team to share skills and expertise across functions, learning together how to deal with challenges in the best way possible.

This way of working is crucial to get a constantly learning organization system which not only improves everyone’s skills but help being aligned on the challenges which are worth to be dealt with by the company.

Before starting this journey back in 2019 we had several areas of improvement with specific reference to the lack of clear KPI's and relevant KAI, lack of clarity on process workflow, no consistency on approaching issues and manage follow up and resolution and overall lack of synergies among functions.

The TPM Change Wheel and the related Governance have been key to generate the desired level of change in response to company needs and to external and internal challenges and through the pillars structure we have set short- and long-term goals creating a process of continuous improvement.



Our journey started in 2018 when we put together a team to start working on TPM, set our first **PILLAR (Focused Improvement)**, prioritize projects and get the right level of confidence on the methodology and the available tools.

In 2022 we landed to 8 pillars: SHE, QM, AM, PM, EM, TE, IAI

For each of the pillar, a leader and a dedicated team were identified to define their mission, set up the master plan with relevant projects and timing.

5S program was first used by the H&S pillar on the “Chemical Storage Area” projects.

This area was meant to be used to store Chemical Products and waste but due the lack of organization of spaces and items turned to become a safety risk.



Our Quality Management pillar has been working on mapping activities and processes according to the MAKIGAMI format allowing the team to assess and analyse duplication and losses so to reallocate resources and time and increase efficiency and quality of performances.

3. Benefits Achieved

3.1 During this last four year implementing TPM we have reached a really great results in terms of safety, quality and productivity as well. We have had zero incident during 2019, 2020 and 2021 and 1 minor injury with one working day absence in 2022. We reduced our quality complaints from 61 in 2019 vs 9 in 2023. We increase our factory technical efficiency from 73,7 % in 2019 to 81,3 % in 2021

3.2 While setting out the Pillars and their related projects one of our goals was to increase ownership and awareness across every member of the organization allowing them to approach issues with a proactive mindset so to minimize corrective interventions.

The Performance Control System daily meeting established in the Bottling area first and in the Cellars later is an easy and straightforward way to interact with the team which meets for a 20 minutes session in front of a dedicated Board where they can go through the agenda (performance tracking, issues etc.) clearly displayed. This has increased number of signals reported, allowed timely discussion and resolution of issues and built a 2 ways communication.



4. Key of our Manufacturing Excellence

4.1 Our Manufacturing Excellence program has been developed to support our ambition to build “A group of people with high level of interdependence who collaborate to achieve a common Goal, each member has a well-defined role based on its own experience and knowledge which are recognized by the other”. Volatility, Uncertainty, Complexity and Ambiguity (VUCA principles) are clearly defining the business environment we must learn to successfully deal it with, learning to cope with changes, and get the most out of our people to support Ruffino premium strategy. We will focus on:

- “Zero losses” as a non negotiable;
- Safety fully embedded into the day-by-day Operations;
- Increase Database standardization across functions & pillars;
- Focus on the highest level of quality on both products and operations to support Company strategy;
- TPM to be consistently used in each and every activity of our Operations increasing awareness of the continuous improvement approach among of the team;

We are the team that puts the company vision into practice in order to meet the expectations of the people who choose our products around the world and “become the plant of reference for Constellation Brands and be the first in the Group to receive the TPM award from JIPM”.

5. Achievement record

The use of TPM integrated in the governance of Operations has allowed us to manage processes, changes and challenges methodically and in synergy between functions.

The objectives of the individual functions are all linked to corporate macro-objectives. Every function in Ruffino is aware of being part of a team that works to achieve a common goal.

Ruffino believes that the TEAM is a "group of people who work together with a high level of interdependence to achieve a common goal, where roles and skills are defined and recognized by each member".

In Ruffino TPM methodology helped to increase the involvement of all employees. This is important as it develops the responsibility of the people involved and the increase of knowledge of the whole group through collaborative learning.

Everyone plays an active role, expertise and experience are used by the group for problem solving. The cross-functional team, working closely together, defines actions able to eradicate the root-cause of the problems.

The whole Operations team is nowadays focused on proactive and preventive techniques to improve equipment reliability, the industrial process quality, as well as reaching an excellent management system.

People and machinery have changed, but above all, the culture has changed.

People have learnt to see the problems, "ask why" and interact to improve their every-day job. Cooperation between departments has been improved working side by side to focus on the achievement of defined and shared company objectives.

"Effort has been focused and less energy has been dispersed."

PILLAR								ID	TYPE	INDICATOR ▲_direct correlation (indicator to increase) △_indirect correlation (indicator to increase) ▼_direct correlation (indicator to decrease) ▽_indirect correlation (indicator to decrease)	UNITS	FY20	FY21	FY22	FY23	TARGET FY24	YTD FY24	TARGET FY25	
	FI	AM	PM	QM	T&E	SHE	EEM												LO
▲	▲	▲	▲					P	K.P.I.	EFFICIENCY LINE 1	[%]	58,1	70,1	68,1	70,5	72,5	75,2	75,0	
▲	▲	▲	▲					P	K.P.I.	EFFICIENCY LINE 2	[%]	76,5	71,2	78,8	78,7	82,5	82,7	85,0	85,0
▲	▲	▲	▲					P	K.P.I.	EFFICIENCY LINE C	[%]	66,2	65,3	72,3	59,6	62,5	80,9	70,0	70,0
▲	▲	▲	▲					P	K.P.I.	FACTORY EFFICIENCY	[%]	73,7	71,1	77,4	77,6	81,0	81,7	83,5	83,5
▲	▲	▲	▲	▲			▲	P	K.P.I.	OVERALL EQUIPMENT EFFECTIVENESS LINE 1	[%]	37,3	37,6	38,9	35,1	42,0	36,2	47,0	47,0
▲	▲	▲	▲	▲			▲	P	K.P.I.	OVERALL EQUIPMENT EFFECTIVENESS LINE 2	[%]	64,3	59,8	64,9	62,1	66,0	62,9	70,0	70,0
▲	▲	▲	▲	▲			▲	P	K.P.I.	OVERALL EQUIPMENT EFFECTIVENESS LINE C	[%]	49,1	44,0	53,9	44,8	50,0	49,1	55,0	55,0
▲	▲	▲	▲	▲			▲	P	K.P.I.	FACTORY OVERALL EQUIPMENT EFFECTIVENESS	[%]	60,2	57,4	61,5	58,6	61,0	59,5	63,0	63,0
▲	▲	▲	▲	▲			▲	P	K.P.I.	SATURATION LINE 1	[%]	35,3	20,6	29,4	27,6	n.a.	28,1	n.a.	n.a.
▲	▲	▲	▲	▲			▲	P	K.P.I.	SATURATION LINE 2	[%]	77,5	79,2	82,0	71,8	n.a.	71,5	n.a.	n.a.
▲	▲	▲	▲	▲			▲	P	K.P.I.	SATURATION LINE C	[%]	24,2	14,5	22,7	24,5	n.a.	26,2	n.a.	n.a.
▲	▲	▲	▲	▲			▲	P	K.P.I.	UTILIZATION LINE 1	[%]	11,5	8,4	10,7	10,1	n.a.	10,5	n.a.	n.a.
▲	▲	▲	▲	▲			▲	P	K.P.I.	UTILIZATION LINE 2	[%]	20,5	21,9	21,9	19,8	n.a.	19,7	n.a.	n.a.
▲	▲	▲	▲	▲			▲	P	K.P.I.	UTILIZATION LINE C	[%]	6,5	4,5	6,4	6,8	n.a.	8,3	n.a.	n.a.
▲	▲	▲	▲	▲				Q	K.P.I.	OVERALL MATERIAL EFFICIENCY	[%]	98,3	99,0	98,4	98,2	99,0	98,8	99,0	99,0
▲	▲	▲	▲	▲	▲		▲	C	K.P.I.	OVERALL LABOR EFFICIENCY	[%]	n.a.	n.a.	n.a.	31,1	n.a.	33,3	n.a.	n.a.
▲							▲	D	K.P.I.	PLANNING ALIGNMENT INDEX LINE 1	[%]	72,0	93,0	91,0	92,0	90,0	97,8	90,0	90,0
▲							▲	D	K.P.I.	PLANNING ALIGNMENT INDEX LINE 2	[%]	72,0	62,0	85,0	92,0	90,0	93,7	90,0	90,0
▲	▲	▲	▲				▲	M	K.A.I.	CLOSED TAGS	[%]	75,4	76,4	82,7	84,7	85,0	85,7	90,0	90,0
▲								M	K.A.I.	PERFORMANCE CONTROL SYSTEM AUDITS	[#]	n.a.	n.a.	5	27	22	11	20	20
								S	K.P.I.	INJURY	[#]	0	0	0	2	0	0	0	0
								S	K.P.I.	NEAR MISS	[#]	13	0	6	7	4	2	0	0
								S	K.P.I.	UNSAFE ACT	[#]	28	9	15	10	8	2	0	0
								S	K.P.I.	UNSAFE CONDITION	[#]	266	101	105	28	20	15	0	0
								M	K.P.I.	SHE SIGNALS	[#]	658	767	877	944	n.a.	963	n.a.	n.a.
								M	K.P.I.	SHE SIGNALS SOLVED	[%]	67,2	78,4	86,5	91,0	92,0	87,0	95,0	95,0
				▲				S	K.A.I.	SHE SOP/OPL	[#]	n.a.	n.a.	22,0	9,0	n.a.	2	n.a.	n.a.
								S	K.A.I.	SHE AUDITS	[#]	n.a.	n.a.	12,0	93,0	95,0	10,0	100,0	100,0
								E	K.P.I.	SHE REGULATORY NON CONFORMITY	[#]	0	0	0	0	0	0	0	0
▽							▽	E	K.P.I.	WATER INTAKE PER BOTTLED WINE	[-]	n.a.	1,84	1,88	2,09	1,90	1,99	1,80	1,80
▽							▽	E	K.P.I.	WATER DISCHARGE PER BOTTLED WINE	[-]	n.a.	1,64	1,53	1,47	1,50	1,26	1,45	1,45
▽							▽	E	K.P.I.	ENERGY CONSUMPTION PER BOTTLED WINE	[-]	n.a.	n.a.	0,24	0,20	0,20	0,15	0,20	0,20
▽							▽	E	K.P.I.	WASTE PRODUCTION PER BOTTLED WINE	[-]	n.a.	n.a.	0,023	0,014	0,014	0,021	0,015	0,015
▽							▽	C	K.P.I.	WASTE PRODUCTION: SLUDGES PER BOTTLED WINE	[-]	n.a.	0,073	0,037	0,027	0,026	0,019	0,025	0,025
				▼				Q	K.P.I.	COMPLAINTS	[#]	61	57	43	26	23	7	20	20
				▼				Q	K.P.I.	QUALITY INDEX	[#]	2,08	2,40	1,56	0,86	0,83	n.a.	0,66	0,66
				▼				P	K.P.I.	NON CONFORMITY OF RAW MATERIAL / SERVICES SUPPLIERS	[#]	121	70	98	76	n.a.	25	n.a.	n.a.
				▼				Q	K.P.I.	CORRECTIVE NON CONFORMITY OF PROCESS OPENED	[#]	42	22	44	24	24	6	20	20
				▼				Q	K.P.I.	CORRECTIVE NON CONFORMITY OF PROCESS SOLVED	[%]	100,0	100,0	98,0	100,0	100,0	83,0	100,0	100,0
				▼				D	K.P.I.	MICROBIOLOGICAL NON CONFORMITY	[%]	11,0	8,0	7,0	12,0	5,0	16,0	3,0	3,0
				▼			▽	Q	K.A.I.	PREVENTIVE NON CONFORMITY OF PROCESS	[#]	6	1	10	4	n.a.	6	n.a.	n.a.
				▼				Q	K.P.I.	NON CONFORMITY OF FINISHED PRODUCTS SUPPLIERS	[#]	19	4	8	10	n.a.	4	n.a.	n.a.
		▲	▲	▲	▲			Q	K.A.I.	QM SOP/OPL	[#]	n.a.	n.a.	33	32	n.a.	28	n.a.	n.a.
▽	▼	▼						P	K.P.I.	MICROSTOPS LINE 1	[h]	71,6	19,3	28,2	20,8	16,0	8,9	8,0	8,0
▽	▼	▼						P	K.P.I.	MICROSTOPS LINE 2	[h]	109,0	76,1	62,2	53,1	25,0	23,4	23,0	23,0
▽	▼	▼						P	K.P.I.	MICROSTOPS LINE C	[h]	36,9	19,2	38,5	24,2	30,0	5,7	25,0	25,0
▽	▼	▼						P	K.P.I.	MICROSTOPS LINE 1	[#]	1416	946	1373	1017	925	434	850	850
▽	▼	▼						P	K.P.I.	MICROSTOPS LINE 2	[#]	2057	3715	3037	2598	2125	1145	1750	1750
▽	▼	▼						P	K.P.I.	MICROSTOPS LINE C	[#]	n.a.	n.a.	n.a.	555	n.a.	55	n.a.	n.a.
▲	▲	▲						M	K.A.I.	OPENED TAGS	[#]	688	890	1093	1268	1312	1429	1600	1600
	▲	▲						M	K.A.I.	PIL AUDITS	[#]	n.a.	28,0	28,0	63	24,0	17	6,0	6,0
	▲	▲		▲				M	K.A.I.	AM SOP/OPL	[#]	n.a.	n.a.	28,0	270,0	n.a.	68	n.a.	n.a.
		▼						P	K.P.I.	OPENED MAINTENANCE TICKETS	[#]	540	354	313	402	250	115	200	200
		▲						P	K.P.I.	MAINTENANCE TICKETS SOLVED	[%]	100,0	99,9	99,7	99,2	96,0	98,5	98,0	98,0
		▼						P	K.P.I.	LINE BREAKDOWNS	[%]	246	110	76	50	28	11	12	12
		▼						P	K.P.I.	BREAKDOWNS DURATION RATE	[%]	1,3	0,8	1,0	1,0	0,8	0,4	0,5	0,5
		▼						P	K.P.I.	MEAN DOWNTIME TIME	[min]	29	28	39	40	25	28	15	15
		▼						P	K.P.I.	MEAN TIME TO REPAIR	[min]	25	25	37	38	25	23	15	15
		▲						P	K.P.I.	MEAN TIME BETWEEN BREAKDOWNS	[h]	13,6	27,6	44,6	63,6	71	146	120	120
	▲	▲						P	K.P.I.	BREAKDOWN ERADICATION RATE	[%]	n.a.	n.a.	n.a.	82,1	83	77	85	85
▲	▲	▲	▲	▲	▲	▲	▲	M	K.A.I.	SOP/OPL	[#]	n.a.	n.a.	91	329	n.a.	98	n.a.	n.a.
				▲				M	K.P.I.	TPM PARTICIPATION RATIO	[%]	10,0	32,0	47,0	54,0	62,0	57,0	70,0	70,0
				▲				M	K.A.I.	PEOPLE TRAINED	[#]	n.a.	n.a.	117	119	n.a.	112	n.a.	n.a.
				▲				M	K.A.I.	TRAINING MAN HOURS	[h]	n.a.	n.a.	1456,0	1159,0	n.a.	356,5	n.a.	n.a.
								P	K.P.I.	PERFORMANCE	[%]	n.a.	92,0	wip	wip	80,0	wip	n.a.	n.a.
								P	K.P.I.	VERTICAL START-UP	[%]	n.a.	88,0	wip	wip	75,0	wip	n.a.	n.a.
								P	K.A.I.	VERTICAL START-UP	[#]	n.a.	1,0	n.a.	wip	2,0	wip	n.a.	n.a.
								C	K.P.I.	ECONOMIC RESPECT	[%]	n.a.	100,0	100,0	wip	100,0	wip	n.a.	n.a.
								C	K.P.I.	BUDGET	[%]	n.a.	100,0	100,0	wip	100,0	wip	n.a.	n.a.
								D	K.P.I.	PLANNING	[%]	n.a.	100,0	100,0	0,0	100,0	wip	n.a.	n.a.
								M	K.A.I.	PROJECTS OF CLASS A&B	[#]	4	2	4	2	n.a.	2	n.a.	n.a.
								M	K.A.I.	PROJECTS OF CLASS A&B DEVELOPED WITH EEM	[#]	0	1	1	2	n.a.	2	n.a.	n.a.
							▲	D	K.P.I.	LOGISTIC ON TIME - DISTRIBUTION DOMESTIC MARKET	[%]	n.a.	76,0	84,0	92,9	93,0	92,0	95,0	95,0
							▲	D	K.P.I.	ON TIME	[%]	96,0	92,0	63,0	86,6	88,0	82,8	90,0	90,0
							▲	D	K.P.I.	IN FULL	[%]	98,0	98,0	99,0	99,1	99,5	99,8	99,6	99,6
							▲	D	K.P.I.	ON TIME IN FULL	[%]	95,0	90,0	64,0	86,0	88,0	82,8	90,0	90,0
							▲	D	K.P.I.	OUT OF STOCK	[%]	n.a.	n.a.	22,0	20,4	10,0	14,0	5,0	5,0
							▲	D	K.P.I.	MAPE	[%]	78,0	81,0	63,5	65,9	50,0	60,1	40,0	40,0
							▲	M	K.A.I.	ADMINISTRATION EMPLOYEES INVOLVED	[%]	n.a.	n.a.	1,0	24,0	35,0	30,0	45,0	45,0

*The microstop has a duration of less than or equal to one and a half minutes.

**The pillar indicators represent an average of the project indicators.

***Class A identified all those products which represent the 80% total company revenue.

class A, SKU with sales >= (Σsales[€] / ΣSKU[#])

class B, SKU with sales >= (Σsales[€] - ΣSKU class A[€]) / (total SKU[#] - ΣSKU class A[#])

class C, other SKU