



CAFFÈ VERGNANO DOUBLES ITS PRODUCTION PLANT

In the first months of 2011, the second production plant will open in response to increasing market demand

Torino, 19 OCTOBER 2010 - Caffè Vergnano will double its production plant in Santena on an area of more than 15700 sqm, in front of its first and current plant, strategically located close to highway A21.

The new building, divided into two sections for two different production purposes, is under construction and will be complete in early 2011. A first section will be used as a **warehouse for semi-finished products and packaging** while the other section will be dedicated to **production** and host the **upgraded production lines for the development projects for various Caffè Vergnano products, in order to anticipate and meet the changing needs and growing market demand in the various sales channels on which the company operates.**

The plan to double Caffè Vergnano, which **consists of an investment of 3 million Euros, excluding machinery**, is designed to integrate and ensure interaction between the current plant and the new one. Caffè Vergnano's new warehouse and production areas will have six access and loading gates for vehicles.

"The doubling of the production plant" - Franco Vergnano, AD of Caffè Vergnano, says - "is one of the key pieces in the company's industrial plan, which increases its production capacity and further optimises the constant attention to product quality, which has always been our priority. A choice" - Franco Vergnano continues - "made with the aim of responding to the growing demand on the Italian and foreign markets, and maintaining an artisan production process that puts the quality of the final product first, as well as care for the environment."

The new production plant project was entirely designed according to the same environmental values that distinguish Caffè Vergnano's policy, summarised in the program "Caffè Vergnano for the Environment" a project that has the company engaged in the introduction of eco-friendly and recyclable packaging materials, and the introduction of specific production processes aimed at promoting environmental responsibility.

Strategies have been implemented, in fact, for continuous improvement to reach maximum competitiveness, final quality and operating flexibility in total respect for the environment. Caffè Vergnano has obtained ISO 14001 certification, in addition to adopting procedures to comply with the directives of national and international regulations. In this view, Caffè



Vergnano is being equipped with all the production procedures necessary for maximum care for the environment: the purification of water used in production processes, as well as reduced waste and emissions.

In detail, the production plant, in terms of placing the new structure within the surrounding environmental context, will have its side and front walls painted green. On the front, the green will serve as background to the Caffè Vergnano 1882 logo and will be a visible testimony to the eco-sustainability of the company's projects. The walls show a boxed architectural style, with the central block black, the company colour, and they recall the severity and geometry of the traditional design of the Caffè Vergnano image.

Details of the new production plant

- Total surface area 15700 sqm
- Surface area reserved for services (outside green area, sidewalks, bus stop and access lanes) 3931 sqm
- Surface area built upon 5305 sqm
- Maximum building height 10 m (optimised, compared to the current 8 meters)
- Surface area of squares built with cement drainage blocks: approx. 3500 sqm
- Green area/forest surface area approx. 300 sqm
- No. of pallets that can be contained: approx. 3,500

The construction of Caffè Vergnano's new production plant was entrusted to **Magnetti Building** of the Magnetti Group, a leading company in the construction of industrial buildings, able to provide customised and avant-garde solutions. Magnetti Building counts among its accomplishments: projects for Lindt Italy, Porsche Italy, Colussi, DHL, and Ermenegildo Zegna.

The Growth of Caffè Vergnano

The structure expansion project is part of a complex picture of the productive growth of the Turin company. Caffè Vergnano has successfully competed for 128 years in the international coffee market, and represents the excellence of a good "made in Italy" espresso in the world, through the export and the Caffè Vergnano 1882 chain, true ambassadors of taste.

The company, headed by Carlo Vergnano, President, and Franco Vergnano, CEO, has arrived today at its fourth generation in the family business, exporting to 61 countries, with 90 employees. Caffè Vergnano ended the year 2009 with a turnover of 50 million Euros (60% from large-scale retail, 20% from the bar and restaurant sector and the remaining 20% from export) with a double-digit growth since 2001 and a turnover in 2010 increased by 10%. The export sector is providing very comforting data. Asia in particular marks a growth in turnover of 150%



over the previous year and is a market with great opportunities, which in 2011 expects entry into Indonesia and Sri Lanka, and consolidation in other countries.

For further information visit www.caffevergnano.com