

Streamlined for global expansion

Our series converter of the month goes South to Italy for the first time and picks out the well-known privately run self-adhesive specialist Ritrama which is undergoing international expansion under the management of Ricardo Rink, a member of the third generation of the Rink family

Austrian immigrant Arnold Rink founded Ritrama in 1962 in Milan as Rink Trading and Materials. Over the last four decades the company has developed into a leading producer of roll labelstock and a household name in the world of self-adhesive materials.

Now 86 years old, Arnold can be proud of this 100% family-owned company, with his son Thomas as president of the company and a driving force in the company's expansion. Two generations later C2 Europe met with grandsons Ricardo and Ronald Rink, general manager and division manager respectively, to learn about the secret of Ritrama's success.

The international expansion began in 1982 when Ritrama (UK) Ltd. was formed on a green field site and has built up a significant position in the UK roll label market. In 1989 Coating srl was founded with the goal of using acrylic solvent-based adhesives. This company has since been renamed Coating Ricofin srl and has moved within the greater Milan area from Agrate to Cernusco sul Naviglio.

US expansion came in the 90s with the acquisition of two manufacturing

facilities in Cleveland and Minneapolis, producing coating material for the North American screen printing and roll label markets. Cast film PVC is also produced here for Ritrama's Viscom division. In 1994 a plant near Barcelona was acquired and became Ritrama SA, now serving the Iberian peninsula and focusing on filmic self-adhesive products – the so-called clear-on-clear market.

In 2000 the company FAD, a competitor specialising in security materials and paper self-adhesive rolls and located in Sassoferrato, near Ancona in Central Italy, was acquired. In 2006 the new group headquarters and distribution centre were opened in Caponago, on the A4 Milan motorway, having moved from nearby Monza, which has recently been sold.

Here Ritrama directs the rest of the group as well as distributes roll label materials all over Europe using fully automated warehousing and packaging equipment. This location is currently ongoing further expansion for a state-of-the-art distribution centre of its VISCOM division into a fully automated warehouse, slitting and logistics centre using current



Ritrama headquarters

technology. Today Ritrama has seven facilities, employing 700 staff. Annual production capacity is 700Mm², creating a turnover of around €350M and making it one of the top suppliers of self-adhesive materials.

Business model

Ritrama is horizontally organised with 20 managers worldwide, usually with dual responsibilities. The factories operate on a 5-day 3-shift system and over the years the three-week August closure in Italy has been reduced to just one, reflecting the importance of its export business.

Size has also enabled the Rink family to begin streamlining the production process in order to reduce customer delivery times and increase productivity. "We have reached a threshold volume capacity which allows us to separate the coating from the finishing process," says Ricardo. "This enables us to offer our customers better quality control and to work with our customers more closely, and faster and better."

"The coating process is now contained at our Ricofin and Sassoferrato facilities. The Caponago headquarters has become our slitting and logistics centre. We can now make longer runs on our coating lines and produce larger volumes. Our service standard



(from left to right) Ronald and Ricardo with father and company president Thomas Rink pose in front of the new company headquarters in Caponago near Milan



Ritrama managing director Ricardo Rink



Ritrama material is used for seal and reseal products

from customer order to the order leaving our factory has been cut from two weeks to just 48 hours.” Logistics centres have also been set up in the UK, Poland, Spain and the Ukraine.

Essential to the smooth running of the logistics centre is a good computer system, which enables minimisation of offcuts. A barcode system is used for tracking the jumbo rolls and the warehouse is fully-automated. Ritrama does not sell to end users but can still boast a product range of around 1000 products using 3000 different combinations, around 30-40% of which are commodity products, the rest specialities. Historically, Ritrama specialised in filmic material until 2000 and the acquisition of FAD. Nowadays the split is 60% paper and 40% film. Local materials suppliers are used when possible and product samples are retained for two years.

Ritrama claims to be the first company to have introduced water-based adhesives and the first manufacturer

of self-adhesive PE as an alternative to PVC. The company puts an emphasis on ecology by using solar panels and a floor heating system to save energy. Recycling projects, such as a plan to incinerate waste in Sassoferrato, is currently undergoing approval by the Italian authorities. The plan is to reuse heat to produce energy. This plant achieved ISO 14001 certification in 2004 and is undergoing the 18001 certification process for health and safety.

Business areas

Of the four areas, the roll label division dominates with more than 60% of the total business. Visual Communications or Viscom, run by Ronald, accounts for 25% of turnover and serves digital, screen and sign making. The Graphics division, which supplies paper merchants and distributors, makes up nearly 10% and the industrial division (speciality tapes and automotive products) just 3%.

Nearly 75% of turnover comes from Europe, with Germany as the biggest market, followed by Italy, the UK and Spain. “We have always been export driven, we have a knack for it,” comments Ricardo proudly. “You don’t need a flag in every country but service requirements are real in developing markets. We keep things manageable by concentrating our production and this has led to streamlined facilities.”

Ritrama UK is used as a base for the UK, Scandinavia and Northern Europe as well as the Far East. Offices in the Ukraine, Poland and Russia reflect the increasing importance of Eastern Europe. These are distributors using the Ritrama name.

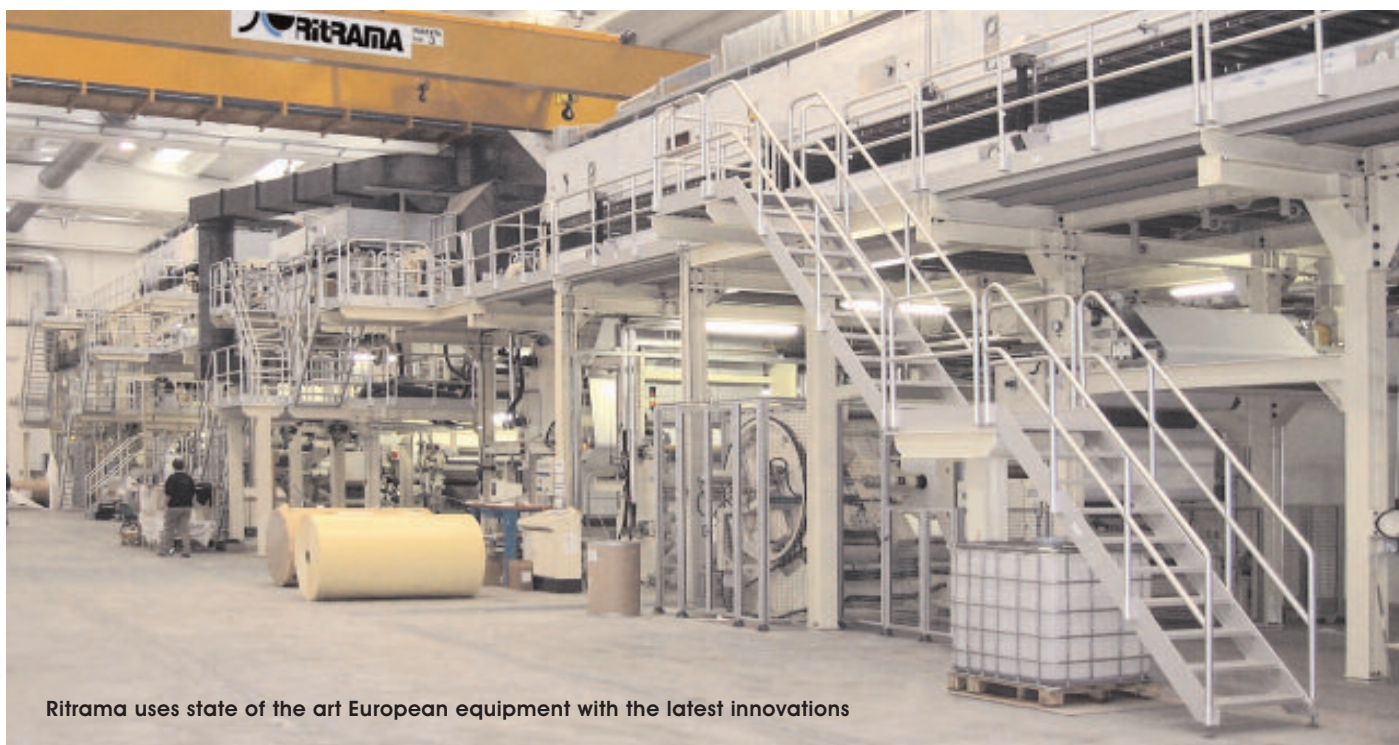
There is also a slitting centre in Poland. North America, also with in-house production facilities, accounts for nearly 20% of sales and is currently the only significant overseas market. However this is set to change with new factories opening later this



Ritrama's labelstock is used by the world's leading personal care product manufacturers



A wide range of beverages rely on Ritrama labelstock for consistent results



Ritrama uses state of the art European equipment with the latest innovations

year in South America and China. Ritrama China will open in Hefei, capital of the Anhui province, 400 km from Shanghai, with Ritrama SA in Valparaiso, Chile.

“We have been struggling in overseas markets with the strong Euro, especially in dollar-based countries. The strategy is to produce in each main market so that we take the currency element out of the equation. This has worked well for us in the US and UK so we expect the same result in South America and China,” explains Ronald. There are sales offices in Singapore, Mexico and Brazil and Ritrama uses agency and distribution agreements in other markets such as the Middle East.

Market trends

Ritrama’s roots are in filmic material and this market continues to be robust. “Filmic liners are becoming more widespread because they offer better clarity, a more solid base and have advantages at applicator level. As the film becomes thinner, it is possible to get more labels on a roll and cut costs. Filmic material has no disadvantages and is very price competitive.

“We offer a large range with both paper or film face,” explains Ronald.

“Another trend is the use of more squeezeable filmic materials for better rigidity and also we see increased use of transparent materials. As for paper, there is more use of self-adhesive labels in wine making, replacing wet glue. End users are increasingly looking at the environmental impact of packaging.”

“In our other divisions there is clear move in the outdoor display market away from PVC as plasticisers are being replaced by new ones such as polyolefins,” Ronald adds. “In the industrial field there is a wide range of new products with both functional and decorative properties, especially for the automotive industry.”

Demanding customers

Ricardo says that today’s customers are extremely demanding: “Everything is commodity nowadays and prices are very keen. Our customers rely on us for stocking. They demand exact lengths, splice-free and 48-hour delivery!

“We are asked to supply 100% service but unfortunately we can’t charge for it. Our smaller competitors specialise to survive but we are much smaller than our two biggest competitors so it’s like being squeezed at both ends,” he observes.

Coating expertise

There are three coating lines in Sassoferrato and also three at the Ricofin plant in Cernusco, two of which are solvent-based and one water-based. In Sassoferrato hot melts are used to combine the benefits of both water-based acrylics and tackified acrylics and solvent-based adhesives and rubber. Ritrama works with all adhesive suppliers and since 2005 also makes its own hot melts, which gives it more control of technology development.

The 20 000m² plant also converts paper sheets. The philosophy is to coat in one pass. It is possible to sili-conise, top coat and key coat in-line. Speeds of more than 400m/min can be achieved on the 2m wide lines. Ritrama has mostly BMB machinery. More recently a state-of-the-art Pagendarm line has been installed and two more are coming online soon. “Our suppliers need to meet international standards. We use the same equipment worldwide and work to the same standards worldwide,” comments Ricardo.

“By using the same equipment in different locations we can also train our workforce efficiently for all our worldwide operations. This is carried out in Italy. We replicate know-how



Ritrama end product applications include security labels



New squeezable Clearflex clear on clear material from Ritrama

by using our knowledgeable operators to get new facilities up and running as quickly and smoothly as possible. It's a group effort involving 20 people."

R+D is performed at a local level. This includes the approving and scaling up of raw materials and each plant has its own lab. Ritrama spends between 5 and 10% of turnover on R+D, often working in close co-operation

with adhesive suppliers and siliconers. There is no pilot coater. Trials are carried out on the production lines. "We choose to miss out the middle man," says Ricardo. "By running trials on our full-sized lines we ensure production conditions from day one and we find this works better for us." A dry laminator and simple flexo back printing and marking complements the large machinery.

Slitting centre

The workflow in the new logistics centre takes the semi-finished rolls, slits and packages them before they are picked up and shipped off to the customer. Ritrama has around 35 slitters from a selection of the leading European suppliers and investment in new machinery is made regularly. At the Caponago headquarters the seven slitters have been moved from



11TH - 15TH SEPTEMBER 2008

EXCEPTIONAL ONLINE BANKRUPTCY AUCTION

Exceptional online bankruptcy auction, by the order of the secured creditor and the receivers Mr. C. Bijl and F.W. Aartsen of Van Zeijl Bijl Aartsen Advocaten, in the bankruptcy of:

BURGERS FLEXIPRINT B.V. & CITO FLEXIBLES B.V.

5X FLEXOGRAPHIC PRINTING PRESS 10 colour 'WINDMÖLLER & HÖLSCHER', type Novoflex cm ('03); 8 colour 'WINDMÖLLER & HÖLSCHER' type Soloflex ('98); 8 colour 'FISCHER & KRECKE' type 34 DF ('97); 8 colour 'FISCHER & KRECKE', type 34 DF ('93); 6 colour 'FISCHER & KRECKE', type 34 DF/6, ('88). **7X EXTRUSION LINE** 2x 'WINDMÖLLER & HÖLSCHER' 3 layer BLOWN FILM EXTRUSION LINE, coex, ('03), ('90); 'REIFENHÄUSER' 3 layer BLOWN FILM EXTRUSION LINE, type 70/30d, coex, ('85); 2x 'WINDMÖLLER & HÖLSCHER' mono-extruder, type e90-30d, ('73), ('78); 'REIFENHÄUSER' BLOWN FILM EXTRUSION LINE, mono-extruder 90/30d ('84); 'WINDMÖLLER & HÖLSCHER' EXTRUDER, type e60-30d, ('79); **2X LAMINATOR** 'WINDMÖLLER & HÖLSCHER' SOLVENTLESS LAMINATOR, type Varicoater ('00); 'SCHIAVI' SOLVENTLESS LAMINATOR, type Eco junior, ('02). **3X SLITTER REWINDER** 'KAMPF' SLITTER REWINDER, 2x type Conslit II 17/085, ('03), 1x Conslit 16/06, ('98). **VARIOUS MACHINES** various BAG MAKING MACHINES; MOUNTER PROOFERS; EMBOSsing MACHINE; PLATE WASHING MACHINE; ANILOX WASHING INSTALLATION; GRANULATE TRANSPORT INSTALLATION; OXIDIZERS; INK MIXING STATION; VARIOUS SILO'S; 8x 'DALMEC' ROLL HANDLING; COMPRESSORS and many more. **WAREHOUSE** HIGH RISE TRUCK; REACH TRUCK; FORKLIFT TRUCK; BIG AMOUNT OF PALLET RACKS; Many more...

VIEWING DAYS: Thursday 11th and Friday 12th September 2008 from 10.00 till 16.00 hrs. or by prior appointment (+31 33 254 2960)

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CONVERTER OF THE MONTH



The fully automatic packaging line in the logistics centre has four robots to pick and place finished rolls



The Ritrama logistics centre processes 500 000m² of material a day

the warehouse into the purpose built slitting department. Depending on the machine one or two operators are required plus a supervisor for the fully automated packaging line.

A fully automatic Atlas slitter, specialised for processing up to 2m film rolls, runs at up to 600m/min. This is complemented by a new slitter from PSA for 2m paper rolls and is one of

four new PSA machines. The others are headed for Mexico, Chile and another Italian facility. This forms part of the standardisation procedure now in operation at Ritrama.

Finished rolls are handled by four pick and place robots which can handle seven different jobs simultaneously and memorise multiple rolls being processed on different slitters.

A driverless forklift system is used for palletising finished rolls, which can be taken from different racks in order to collect clients' orders. The palletising and packing lines are constantly modified to automatically weigh and label using the latest technology. The final result is impressive with up to 500 000m² being slit and delivered throughout Europe every day. ■

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