



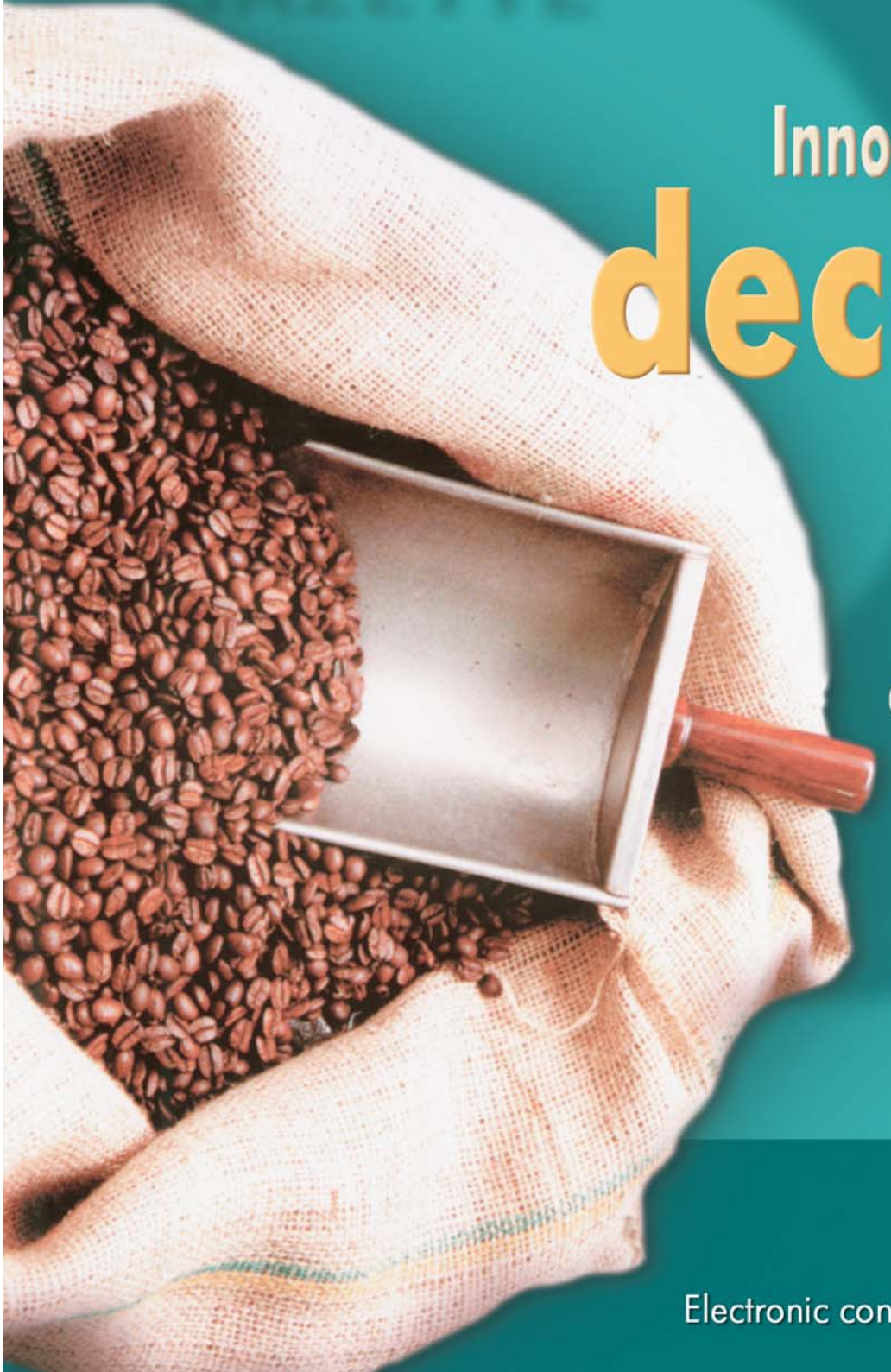
GAZETTE

Innovation over the decades

Nestlé and Niro choose Lilla

Masteroast, a pioneer in the UK

Sara Lee updates its Lilla roasters



Electronic control of coffee roasting process



Tribute

A life's history

Respected as a businessman and man, he was admired by his friends, family and employees. Onofre Lilla, father of the current Company's CEO - Engineer Ciro de Campos Lilla - made his life an example of hard work, dedication, and loyalty, which became today's Lilla philosophy, the company in which he worked since he was seven years old and to which he dedicated his entire life.



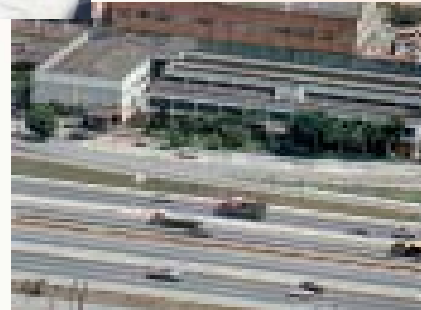
Onofre Lilla

Onofre Lilla, visionary businessman, died in 2002, at the age of 84. He left a solid and unforgettable legacy, which is composed not only of a patrimony and established name in the domestic and international markets, but also of an entrepreneurial culture of respect towards the coworkers, capacitation of the employees and valorization of technology.

Economist, he got his degree from Fundação Álvares Pentead, and was a pioneer in the Brazilian roasting equipment industry. Onofre Lilla is one of those men whose life is a saga. He was a hard and steadfast worker and student, husband, father, friend, and businessman loved and admired by everyone.

He was demanding, but always generous. Kind and entrepreneur, Onofre Lilla is one of those persons who are hard to remember without being touched. And who is hard not to miss.

Lilla's friends, coworkers and family are proud to pay this tribute - on this first issue of Gazeta Lilla



Today, the new headquarters is located at Dutra roadway, in Guarulhos - SP.

- to the person who was capable of combining work, life, ethics, and competence in one single life. An example and inspiration for those who knew him, and who had the privilege to live with him.

History

Lilla turns 85 younger than ever

Founded in 1918 by the Italian immigrant Vito Lilla, Cia. Lilla was the first factory to manufacture coffee-roasting equipment in the Southern Hemisphere. Vito Lilla was a coffee roaster in downtown São Paulo when World War I made impossible to obtain parts of the equipment used, which were manufactured in Europe at that time. Together, the need and creativity made possible to

manufacture - in Brazil - these spare parts for Lilla's and other roasting companies. This enterprise was so successful that the company stopped its roasting activities and began to manufacture machines. Ciro Lilla, grandson of the company's founder, continued the company's history of success during the 70's. Lilla roasts approximately 75% of the coffee consumed in Brazil and is currently the market leader in the production of coffee roasters in the country, in

addition to being present in over 35 countries with self-owned technology and know-how approved in the international market by the most demanding producers. For more information: lilla@lilla.com.br



Lilla after the 70's

1970's: C Series roaster replaces virtually all roasters in the Brazilian market;

1978: Start of exporting operations to several regions, including USA, Europe, Japan, and the Middle East;

1986: Launching of the Opus roasters, replacing C Series models;

1990's: Development of new technologies, such as Lilla Intelligent Automation and the exclusive Profile Roasting System;

2000's: New domestic and international partnerships.

Three decades of coffee in the Middle East

The market leader in Lebanon, the roasting company SuperBrasil is an excellent indicator of market growth for that region. "I first began to purchase Lilla equipment 32 years ago and chose to remain its client", says the successful businessman Chuckri Makari.

During his visit to Brazil in last October, Mr. Makari highlighted that since 1969, virtually all the industry installations in Lebanon

were designed together with Lilla. "It installed the system, which includes conveyors, silos, and equipment. We currently have two Lilla roasters and 14 grinders, in addition to elevators, buckets, etc.", he stresses. "The Middle East market is growing and demanding, also for espresso which is increasing its market share", he says. Mixing the powder directly to the water is the traditional way of preparing coffee in the region. It is the so-called Arabic coffee, which required the refurbishment of the grinders once a finer grinding and a darker roasting are required. "Lilla adapted its

Lilla's solutions for roasting processes conquer

Nestlé and Niro



In the search of a reliable option for the supply of coffee roasting equipment for its plant based in Araras, Nestlé was looking for a partnership which could offer solutions with technology and quality for the coffee roasting processes. After several tests applied on a Lilla's Automatic OPUS roaster, Nestlé's technical team developed a conclusive report in a team work with the Orbe PTC Center in Switzerland. The conclusion of

such work was the purchase of two Lilla roasters for the soluble coffee the plant in Araras 6 years ago.

In addition to that, Lilla sold another OPUS roaster to Nestlé Chile, which marked the beginning of a very important partnership.

Recently, Lilla supplied another two automatic Opus roasters for Nestlé Canada. This was the third purchase of Opus roasters made by Nestlé, and the first of the series outside Latin America.

Following the example of other units, but not the only one, Nestlé Brasil has selected Lilla as the supplier of roasters and installations for green and roasted coffee to be used during the expansion process of its plant in Araras, in the countryside of the state of São Paulo. It will be

a major and fully automated plant, with three more Opus 40 roasters, in addition to the other roasters already installed. Facing the competition of the most traditional manufacturers, Lilla won the challenge by presenting the best option, both from the technological and economical point of view.

In addition to that, Nestlé Mexico – currently considered as the biggest group unit regarding the coffee production – has selected the technology of Lilla for its plant based in Toluca. This is a good example of international approval won by the technology of the Opus roaster.

Niro also chooses Lilla

The major worldwide manufacturer of equipment for the soluble coffee industry, the Danish company Niro A/S has also chosen Lilla's roaster. Niro produces the systems used in this industry, such as drying towers, for example, but not the roasters. Until then, Niro purchased European roasters to outfit the plants being deployed, but it is now using the Opus model. The roaster and equipment for green and roasted coffee aim at a new high-technology industry of soluble coffee to be settled in Europe.



The pioneer in the U.K.

Founded in 1986 in England, Masteroast started its operations as a small gourmet roasting company. In 1992, already installed in the city of Peterborough, they bought their first Opus-5, with capacity for 300 Kg./hour and smoke-free operation, complying with the strict European Community regulation concerning pollution emissions.

In order to roast coffee from more than 40 origins and 500 different types of blending, another Lilla roaster was bought in 1998 — an Opus-

10 with capacity for 600 Kg./hour. The beginning of the operation of the new plant took place with the presence of representatives from the European Parliament, Brazilian Consulate in London and Lilla.

In 2002, Masteroast innovates once more, equipping its Opus-10 roaster with the Profile Roasting System and nowadays is ranked as the biggest gourmet roaster in England and attends all over the U.K., being the pioneer in the use of automatic roasting controls, quality and diversity of blends.



models to our needs using finer screening in its systems." Makari says that Lilla's roasters are also better due to their high technology and excellent technical assistance.



Sara Lee updates its Opus roasters

The biggest Brazilian coffee company works solely with Lilla roasters

Imagine the production capacity of a plant working with nothing less than 17 Opus roasters. This is the operational structure of Sara Lee Cafés do Brasil, which is the company responsible for the production and marketing of some of the most famous Brazilian brands such as Café do Ponto, Pilão, Seletto, Caboclo, and União.

To increase the efficiency of these plants, Sara Lee decided to update all Opus roasters since some of them have been working for more than 15 years with their original settings. The company is adding more resources with state-of-the-art technologies provided by Lilla, which includes the new *profile roasting* system. This system controls the complete roasting process in a continuous way, at controlled temperature and using other devices that assure the uniformity of the final product. Sara Lee and Cia. Lilla have a continuous policy aiming at the improvement and development of all their roasters. During this updating phase, five Opus roasters were renewed and the technical team is now working on the sixth roaster.

The company also relies on other pieces of equipment manufactured by Lilla for the systems for reception of green coffee, storing, blending and feeding of the roasters, among others. This set, including the roasters, is monitored by a computerized supervision system that

generates the reports required for the production follow up.

A giant company in the world coffee industry, Sara Lee is the market leader in Brazil, which is the biggest coffee producer in the world. The corporation holds its business in 55 countries, has 155 thousand workers and has revenues of US\$17.7 billion/year. Sara Lee produces food, beverages, clothing, domestic appliances and hygiene products. In Brazil, the corporation has 1,000 employees working in the coffee industry. The multinational company has its main strategy of expansion based on the acquisition and development of brands already established in the local market. Sara Lee opened its doors in 1998 in Paris with the acquisition of five important brands, totaling 30% of the domestic market.



State-of-the-art technology applied on conveying systems

Realcafé Solúvel chooses Lilla's technology for the conveying of green coffee

Located in the district of Viana, in Grande Vitória, state of Espírito Santo, Realcafé Solúvel, a company of Tristão group, has selected Lilla's service quality and technology to implement a weighing and conveying system for green coffee from one industrial unit to another unit 100 meters apart.

Controlled by PLC, this system allows Realcafé to order Tristão electronically the supply of green coffee duly specified according to the type and beverage. Such electronic order is promptly filled after the weighing and conveying of green coffee to Realcafé's storing silos.

The overall system is automated through pneumatic conveying. The operation control is very simple and rational. Besides, Lilla's intelligent automation system enables the operator to program and direct with absolute security the coffee loading/unloading, prepare green coffee blendings, as well as feeding the roasters.

Grupo Tristão, a major soluble coffee exporting company, is already present in the roasted and ground coffee industry represented by the brand Cafuzo. The company has been investing continuously in this segment – especially in the products' quality - to increase its market share.



Company Headquarters at Viana (ES)



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