

Supply Chain_V5_171023

written by

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1 EXT. AGORDO - DAY 1

An aerial shot of Agordo and the valley surrounding it.

ERIC (V.O.)
It's 1961 in Agordo, and here,
Leonardo Del Vecchio, a young
entrepreneur with a vision, has
just established his own company.
Luxottica.

2 INSERT: ARCHIVE IMAGES 2

Images showing Leonardo Del Vecchio and his company in the
early days.

ERIC (V.O.)
The company starts producing
eyeglasses components. However,
Leonardo Del Vecchio realizes that
if he wants to take his business to
the next level, he needs to produce
and distribute the entire frame.

3 INT. CORRIDOIO DELL'ECCELLENZA - DAY 3

ERIC (narrator) walks down the hallway.

ERIC
Thanks to his foresight, Luxottica
soon adopted a VERTICAL INTEGRATION
MODEL. What does that mean? All the
processes are internalized, leading
to the development of a function
that can connect all the areas—from
the design of a product to its
distribution: the SUPPLY CHAIN.
Picture this.

4 INSERT: TIMELAPSE 4

The screen shows images of the different departments running
fast. It then ends with pictures of customers in the store.

ERIC (V.O.)
A German glass foundry produces the
semi-finished glass. This glass is
sent to the factory site in
Pescara, where it is turned into
lenses.

(MORE)

ERIC (V.O.) (CONT'D)
 From Pescara, the lenses go to Rovereto, where they are applied to the metal frames. The finished product is transported to the Italian warehouse in Sedico before moving on to the distribution center in Atlanta. There, it is finally distributed and delivered to a store in New York.

5 INT. SUPPLY CHAIN FLOOR - DAY

5

There is an open space with many working stations. Some people work at their computers, while others chat in front of their screens. Eric steps into the frame, holding a pair of Ray-Bans Aviators.

ERIC
 What a journey, right? These are today's necessary steps to create and distribute a pair of Ray-Ban Aviator. And guess who provides a perfectly integrated communication system between the glass foundry and the local store?

We get closer to the workstations, excluding Eric from the frame.

ERIC (V.O.)
 Through the years, the supply chain of EssilorLuxottica has faced many crucial revolutions. But one thing has never changed: the value of the people who work there.

5A MONTAGE - CORNER'S INTERVIEW

5A

This is a montage of all the people interviewed sitting on their chairs. Some drink a cup of hot tea, and others look at papers and numbers.

ERIC (V.O.)
 Because the most important link in any supply chain is the one who gets up every morning, drinks a cup of coffee and gets down to work.

THE 60S-70S

5B CORNER'S INTERVIEW

5B

SILVANO DA ROIT sits on his chair. Behind him, in the background, people continue working. He answers this question: **1) Dopo il successo al MIDO, quali sono le prime implementazioni tecnologiche volute da LDV per migliorare i processi produttivi?**

5C OPEN SPACE

5C

Eric walks down the floor.

ERIC

In the early days, Luxottica delivered just one kind of eyeglasses to a single market, Italy. Customers' commissions with the ordered quantities were recorded as data on simple tags.

5D CORNER'S INTERVIEW

5D

SILVANO DA ROIT sits on his chair. Behind him, in the background, people continue working. He holds a '70s punched card. He answers these questions: **2) Come e dove venivano raccolte le copie di commissioni clienti (IBM 029)?**
3) Come erano fatte le schede perforate (simili a un biglietto aereo) e quali dati riportavano (ogni biglietto corrispondeva a una riga per 30 colonne)?

5E OPEN SPACE

5E

Eric stands in front of the camera. He holds the same punched card.

ERIC

If this card were to contain all the data that the supply chain manages today, it would never finish unrolling.

Eric lifts the punched card. From that one, many others unroll until they touch the ground.

ERIC (CONT'D)

Up until the late 70s, the production was solely based on sales.

He starts walking.

ERIC (CONT'D)

At the end of the decade, the first predictive models capable of accounting for demand were adopted. The 1980s, however, brought a significant change.

THE 80S - FIRST HALF

5F CORNER'S INTERVIEW

5F

SILVANO DA ROIT answers this question: **4) Ci può parlare dell'acquisizione delle prime filiali e del conseguente aumento del numero di dati da elaborare, che portò alla nascita del CED?**

6 INT. PRODUCTION DEPARTMENT - DAY

6

Eric steps into the frame and starts walking down the department.

ERIC

Markets were growing, European branches were increasing, and Leonardo Del Vecchio made a winning move: he standardized the language and methodology so that every branch could communicate as efficiently as possible. Then, when processing the information, no conversions were needed—at least until the arrival of Avant-Garde.

7 INT. SUPPLY CHAIN FLOOR - DAY

7

CORNER'S INTERVIEW

UMBERTO SOCCAL sits on his chair. Behind him, in the background, people continue working. He answers these questions: **5) Che cosa comportò l'acquisizione della filiale americana Avant-Garde per la supply chain? 6) Come arrivavano le informazioni?(evoluzione dai nastri magnetici al telefono, con conseguente accorciamento delle tempistiche da un mese a una settimana). 7) Ci può raccontare la conseguente introduzione del DATEST?**

8 INT. PRODUCTION DEPARTMENT - DAY

8

Eric stands in front of the camera. He holds a bunch of production orders.

ERIC

In the 80s, data were collected on these production orders. But how did they work?

9 INT. SUPPLY CHAIN FLOOR - DAY

9

CORNER'S INTERVIEW

DANIELA DE BERNARD sits on her chair. She holds some production orders. Behind her, in the background, people continue working. She answers this question: **8) Come funzionavano i cartellini e quali informazioni riportavano?**

ADELINA PEZZÈ sits on her chair. She answers this question: **9) Ci può descrivere la differenza tra i codici europei e quelli americani (esempio Carlos e Dida)?**

She shows the camera an example of a production order and how it should be read.

THE 80S - SECOND HALF

10 INT. PROTOTYPING DEPARTMENT - DAY

10

Eric walks down the prototyping department.

ERIC

The supply chain was taking shape, and the number of people working was growing.

He reaches a wall with several digital windows displaying the EssilorLuxottica brands.

ERIC (CONT'D)

The year 1988 marked a significant turning point. What if we considered eyewear not just a tool for vision correction but also a fancy accessory? This thought was behind the Armani breakthrough.

11 INT. SUPPLY CHAIN FLOOR - DAY

11

CORNER'S INTERVIEW

UMBERTO SOCCAL answers this question: **10) Che cosa comportò per la supply chain l'introduzione di Armani dal punto di vista della pianificazione (logica delle linee, non più un unico prodotto Luxottica, e prima differenziazione vista/sole)?**

11A OPEN SPACE

11A

Eric is back in the supply chain's open space. He walks down the floor and reaches a table. On the table, there's a spreadsheet.

ERIC

The Armani brand was Luxottica's first licensing agreement, and the introduction of eyewear that could serve as prescription glasses and sunglasses revolutionized sales coefficient estimation.

He takes the spreadsheet.

ERIC (CONT'D)

Spreadsheets were born, and a proper planning system was introduced.

11B CORNER'S INTERVIEW

11B

DANIELA DE BERNARD holds a spreadsheet and answers this question: **11) Ci può raccontare come si passa dall'informazione-decisione (con i dati riportati dai rappresentanti di ogni filiale) ai tabulati e a un vero e proprio sistema capace di attuare il forecast dei mesi successivi e proporre una pianificazione?**

ADELINA PEZZÈ answers this question: **12) Una volta che la persona dava l'ok al sistema e un nuovo lotto di produzione partiva, come si monitorava l'avanzamento (3 micro-fasi, rappresentate da 3 strisce orizzontali sul cartellino)?**

11C OPEN SPACE

11C

Back with Eric. He stands next to a person working at the computer.

ERIC

No matter how automated the processes were becoming, a person was always responsible for the final decision.

Eric starts walking.

ERIC (CONT'D)

A new decade was beginning. 1990 started with a bang. Luxottica acquired Florence-based Vogue Eyewear, becoming the company's first proprietary brand. But why was this so impactful?

THE 90S

11D CORNER'S INTERVIEW

11D

UMBERTO SOCCAL answers these questions: 13) **Con Armani si ha la prima differenziazione vista/sole, ma qual è l'impatto di Vogue Eyewear sulle vendite degli occhiali da sole?** 14) **Quali azioni dovette attuare la supply chain per far fronte a un aumento così cospicuo di volumi?**

11E OPEN SPACE

11E

Eric enters the frame. He spots a worker wearing a pair of Persol. He approaches him.

ERIC

(indicating the eyewear)

They're Persol, right? Can I?

The worker nods and gives him his Persol eyewear. Eric starts speaking to the camera, holding the glasses.

ERIC (CONT'D)

1995. Persol, a company based in Lauriano, near Torino, was the second proprietary brand to join the Luxottica family. And its glasses, mainly made of acetate, were a new challenge for the supply chain.

11F CORNER'S INTERVIEW

11F

ADELINA PEZZÈ answers these questions: 15) **Come era organizzata la pianificazione nel momento in cui Persol venne acquisito?** 16) **Come l'introduzione di un altro materiale (ovvero l'acetato) incise sul modello di pianificazione della supply chain (si lavorava per brand, ognuno gestiva una linea, e c'era una differenziazione per tecnologia)?**

11G OPEN SPACE

11G

Back with Eric.

ERIC

It is no longer just a single product but multiple brand lines. Different materials. An ever-increasing number of people working. And more and more advanced technologies and planning systems. Luxottica's supply chain has come a long way since the early years.

11H CORNER'S INTERVIEW

11H

DANIELA DE BERNARD answers these questions: 17) **Insieme a Persol, nel 1995 fu acquisita anche la catena retail Lenscrafters. Come impattò questo sulla supply chain?** 18) **Quali sono le azioni attuate per dialogare con le esigenze di un nuovo mercato, quello del retail appunto?**

11I OPEN SPACE

11I

Eric enters the frame.

ERIC

The 1990s started with a bang, and their conclusion was no less. In 1999, it was Ray-Ban's turn to test the supply chain.

11L CORNER'S INTERVIEW

11L

UMBERTO SOCCAL answers these questions: 19) **Come avvenne l'acquisizione di Ray-Ban?** 20) **Quale fu la maggiore sfida per la supply chain a seguito di questa acquisizione?** 21) **Quali furono le azioni della supply chain che permisero a Ray-Ban di uniformarsi al linguaggio di Luxottica (ristrutturazione della produzione)?**

THE 00S-10S

11M OPEN SPACE 11M

Back with Eric.

ERIC

The first years of the new millennium witnessed a series of significant acquisitions. On the retail side, the Australian OPSM, the American Sunglass Hut, GMO from Latin America, the Italian Salmoiraghi&Viganò, along with an expansion in the Chinese market.

11N CORNER'S INTERVIEW 11N

LUIGI DELLA LUCIA answers this question: **22) Quali furono gli avanzamenti principali dal punto di vista dell'elaborazione dei dati (cartellini con codice a barre per registrare l'avanzamento dell'ordine di produzione, integrazione del sistema di pianificazione Cyber Plan, RAISE e SAP AS400)?**

THE 10S-TODAY

12 INT. EYE TECH ROOM - DAY 12

Eric sits on one of the barstools that surround the table.

ERIC

In 2018, a combination of two highly complementary and visionary companies, Luxottica and Essilor, led to the birth of EssilorLuxottica. With this merging, Luxottica expanded its scope, finally being able to internally produce and distribute a complete pair, from the frame to the lenses.

Eric stands up.

ERIC (CONT'D)

Today, EssilorLuxottica's supply chain cyclically manages 35,000 active SKUs and different product categories, including eyeglasses, AFA, contact lenses, and optical accessories.

12A CORNER'S INTERVIEW

12A

MARCO GIADA sits on one of the barstool surrounding the table of the Eye Tech Room. He answers these questions: **23) Com'è organizzata oggi la supply chain? 24) Quali sono le sfide che la funzione si è prefissata? 25) Quale pensa che sia il futuro della supply chain in termini di evoluzione tecnologica (lenti) e come le persone potranno continuare ad avere un ruolo centrale nei processi?**

FADE OUT.