

# BRINGING ITALY TO THE WORLD

Oscar Farinetti's Eataly food chain has a turnover of €300m and ambitious plans for further international expansion, but he is also a major player in the Italian wine industry. Michèle Shah reports.

Eataly is the world's fastest-growing and most successful international chain of high-end emporia dedicated to Italian food and wine. The driving force behind this epicurean adventure is Oscar Farinetti and his family.

## Rapid growth

Farinetti's roots lie in the Langhe in Piedmont. His mother was born in Barolo and his father, a wartime partisan and pasta maker, had his roots in Barbaresco. Farinetti developed an interest in wine at an early age by working in the local vineyards during his summer vacations. On graduating in economics from the University of Turin, he took responsibility for the sales of electrical appliances in Unieuro, the supermarket business his father had launched in Alba in 1967.

While building Unieuro into Italy's biggest seller of domestic appliances, with 105 outlets, 3,000 employees and a turnover of €800m (\$907m), Farinetti maintained his loyalty to wine. In 1989 he bought an estate called Cantine del Castello di Santa Vittoria in Roero not far from Barolo, the first of the collection of nine wine businesses the Farinetti family and its Eataly business have now assembled.

In 2003, Oscar Farinetti decided to sell his shares in Unieuro, and four years later, inspired by his friend Carlo Petrini, a fellow Piedmontese and one of the founding members of Slow Food, he decided to create a food 'wonderland' or 'happening'; an "explosion of Italy's biodiversity". Open to all, like a high street food market, it would not only sell genuine, artisanal food products, but also include places where people could enjoy a meal of fish, cheese, vegetables or meat. The philosophy of Eataly, as the venture was called, would be to "cook what we sell and sell what we cook".

Education is another of Eataly's imperatives. "Each product carries a story and a tradition. We want the consumer to be aware of what he eats," explains Francesco Farinetti, Oscar's eldest son who is responsible for managing and developing the company in Italy. "Many consumers



Oscar Farinetti



Eataly Rome



Eataly Chicago

don't know the difference between the grains we produce in Italy nor the fact that we produce more than 200 varieties of apples." To address this situation, Eataly organises interactive cooking classes for school children.

Each Eataly is situated in what Oscar Farinetti calls 'meaningful' spaces and buildings such as the late 18th-century building in Turin that once housed Punt e Mes vermouth, the former Ambasciatori cinema in Bologna, and the de-commissioned Ostiense air terminal in Rome.

New York's second Eataly, to be opened this year, will be in the new World Trade Center, covering 5,000 square metres, with a theme dedicated to world peace.

Over the seven years since its launch, the Farinettis opened a total of 30 Eataly businesses worldwide and achieved a 45% growth rate, increasing turnover from €33m in 2007 to €298m in 2014.

Eataly is still a family business with Oscar Farinetti very much at the helm, though today at the age of 60 he is handing the reins to his three sons and dedicating his time to his real passion: wine. Apart from Francesco, Nicola, 31, manages the overseas stores, and Andrea, 25, the youngest, an enology graduate, is responsible for production at Farinetti's nine wineries.

## A controversial choice

Like any empire, Eataly has faced challenging times. Recently, there was a controversy over the selection of the company to create two pavilions covering 4,000m<sup>2</sup> and hosting 20 restaurants at Expo 2015 in Milan. The official explanation was that no other company had the same level of expertise and experience, but the lack of a tender process led to questions being asked by politicians, as well as by Piero Sassone President of the Italian Culinary Institute for Foreigners (ICIF). It has been suggested that some of the attacks were political in their nature and Farinetti has certainly been controversial for his public support of Italian premier Matteo Renzi. According to Angelo Gaja, his "outspoken" manner on talk shows where he flamboyantly expresses his belief that Italy's financial woes could be solved by doubling its tourism and agriculture sectors is almost bound to be divisive.

A firm fan of Farinetti's business, Gaja says "I admire his vision and courage, [he is] a true leader with determination and ability to risk, but also to analyse before acting. In business he is tireless and convincing, a much sought after business associate, but one who has his own ideas and steers the ship by his own rules.

# A classic combination. With an unexpected twist.

Say hello to Helix – the innovative wine packaging concept combining an internally-threaded glass bottle and a twist-off, twist-on cork. It's everything you love about cork and glass. Now with re-sealable convenience.

—  
[helixconcept.com](http://helixconcept.com)



 helix



Düsseldorf, Germany  
15.-17.3.2015  
Halle 13, Stand E29

“Oscar,” Gaja continues, “is a wonderful promoter, he knows how to create ‘expectation’ so that everyone visiting Eataly feels they are at the centre of a show, yet at the same time Eataly has great educational value and has done a lot to assist Italian artisan products of-fering a proper growth of this industry.”

Exploiting a sophisticated franchising model, Eataly has set itself an ambitious programme for 2015 and 2016, including creating the highest restaurant in Europe, at 3,400m on Mont Blanc, and an 80,000 m<sup>2</sup> park in Bologna named ‘Eataly World’. The franchise will expand in Italy in Forlì, Modena, Expo 2015 Milan, Trieste and Verona, and overseas in São Paulo, Munich, Seoul, New York, Los Angeles, Dubai, Moscow, London and Paris. Another area of expansion under consideration is the launch of an online fresh produce operation. The financial aim for 2015 is to increase turnover by 50%.

According to Francesco Farinetti, Eataly’s biggest headache is to gauge as precisely as possible the fine line between quantity and quality – an issue that becomes more evident with growth and expansion – while upholding the company’s aim to offer its shoppers the best of Italy’s biodiversity. Both selling and cooking food and using it for educational purposes helps to reduce wastage, but in 2015, Eataly is aiming to bring the figure to zero by recycling and composting all of the company’s garbage.

### Italian wine

Wine has always been at the centre of Oscar Farinetti’s life, and now he has decided to dedicate more time to globally promoting the international potential of Italian wine. After his 1989 acquisition of Castello di Santa Vittoria, which now produces 100,000 bottles, Farinetti bought the 500,000-bottle Monte Rossa winery in Lombardy, the 200,000-bottle Le Vigne di Zamò in Friuli, and the 180,000-bottle Serafini e Vidotto in the Veneto. In addition to these, he purchased five more estates in Piedmont, ranging from the tiny, 40,000-bottle San Romano via the 150,000-bottle Borgogno to the large, 8m-bottle Fontanafredda which joined the fold in 2008.

Unlike the collectively branded Eataly food outlets, the nine wine businesses maintain very individual identities. As Roberto Bruno, commercial director of Fontanafredda explains,



Eataly New York



Eataly Bari, Italy

“We want our wineries to express the unique character and passion of those who founded them, together with those who manage them today – and course to express the terroir and appellation in which they are situated.”

Apart from their collective ownership – by Eataly or the Farinetti family – all of the estates share the fact that they are members of the ‘Vino Libero’ association created by Farinetti to cover organically grown wines with SO<sub>2</sub> levels that are at least 40% below the legal limit. As the association’s literature says, “The agriculture of Vino Libero breaks down the divisions between different cultivation methods and offers a new one, which better meets the needs of producers and consumers”. The association currently has 13 members, four of whom are independent of the Farinetti family and Eataly.

Farinetti’s passion for culinary education extends to wine classes that are held within the Eataly outlets, and his readiness to put himself in the shoes of the consumer is also apparent in the way his wineries approach wine tourism. Bruno explains that the company has taken pains to ensure that all of its wineries from the north to the south of Italy offer the same level of experience for visitors. In Piedmont, where there are six wineries within relatively close proximity, it has created a new network called ‘Around Barolo’. This

brings together a range of different forms of hospitality, ranging from bed & breakfasts to restaurants, congress centres and spas.

With an annual turnover of nearly €57m, the wine business exports to 80 countries, with the majority going to the US, Canada, Sweden, Norway, and Denmark, Japan and South Korea. Domestic sales, including distribution through Eataly’s shops and restaurants are also “very significant”, Bruno explains. In fact the wines are sold in all of Eataly’s overseas operations, apart from Dubai. “Our wineries are not the only ones that supply wines to Eataly. We have an internal team trained in wine merchandising that is responsible for the showcasing of the wines, the promotions, in-house tastings and the training of the service and sales division.”

While each of the estates has its own story to tell, the jewel in the crown is inevitably Fontanafredda. As Bruno explains: “For Oscar it was impossible not to buy it when the opportunity arose in 2008. The reason is ‘historical’, because it belonged to the Italian royal family – to King Emmanuel II of House of Savoy, the first ruler of a united Italy.” Bruno continues that it was Emmanuel who decided to convert Fontanafredda from a hunting lodge into the largest contiguous estate in Barolo, an area well known for its fragmented plots and production. “Fontanafredda is an exception: it was too beautiful, too big, too historic to let it slip out of [Oscar’s] hands.”

Farinetti’s readiness to include outsiders in his Vino Libero association is mirrored in the book he published in 2013 called *Storie di Coraggio* (Stories of Courage) that describes a dozen Italian winemakers such as Gaja, Antinori, Incisa della Rocchetta, Lungarotti, Allegrini, Planeta and Gravner. As the owner of iconic wineries such as Fontanafredda and Borgogno, Farinetti has earned the right to stand alongside these heroes.

His recipe for success starts with making a profound analysis of the project. “This is a fundamental step,” advises Farinetti. “Secondly, never ever give up. If the analysis is correct and you put in enough determination you will make it.” He doesn’t think success has gone to his head and likes to believe he has his feet firmly fixed to the ground, yet is always ready for a new challenge. Bright smiling eyes, drooping mustache and loads of charisma, Oscar Farinetti likes to call himself a “merchant of utopias”. ■

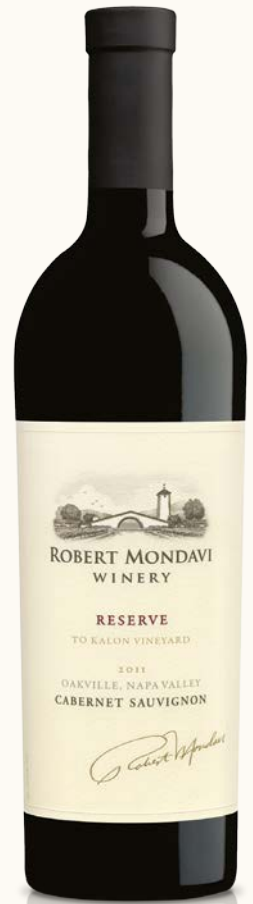




ANNOUNCING THE RELEASE OF OUR LONG-AWAITED  
**TO KALON VINEYARD DESIGNATE  
2011 CABERNET SAUVIGNON RESERVE**

**92**  
POINTS  
*Wine Spectator*  
SEPTEMBER 2014

*"A wine of finesse and polish, offering grace and elegance, with refined red berry, currant, black cherry and subtle vanilla oak notes. The finish sails along smoothly." – James Laube*



Please visit us at ProWein, Hall 9, A27

RobertMondaviWinery.com | Please enjoy our wines responsibly. © 2015 Robert Mondavi Winery, Oakville, CA



## UNDO ORDINARY

With Award-Winning Kim Crawford Wines

### 2013 Small Parcels Spitfire Sauvignon Blanc

**91 POINTS**

"BEST OF NEW ZEALAND  
SAUVIGNON BLANCS" FEATURE  
*WINE ENTHUSIAST*, AUGUST 2014

**90 POINTS**

EXPERT'S CHOICE  
*DECANTER*, MARCH 2014

Please visit us at ProWein, Hall 9, A27

FIND US [KimCrawfordWines.com](http://KimCrawfordWines.com) | Please enjoy our wines responsibly. © 2015 Constellation Imports, Rutherford, CA USA