

Parmigiano Reggiano is known abroad as *Parmesan* and, for European consumers, *Parmesan* is synonymous with Italy. However, Roberto Roveri, CEO of the Parma-based company Bertozzi, believes in the

# A sprinkling of Made in Italy

GLOCALIST LEADERS 1

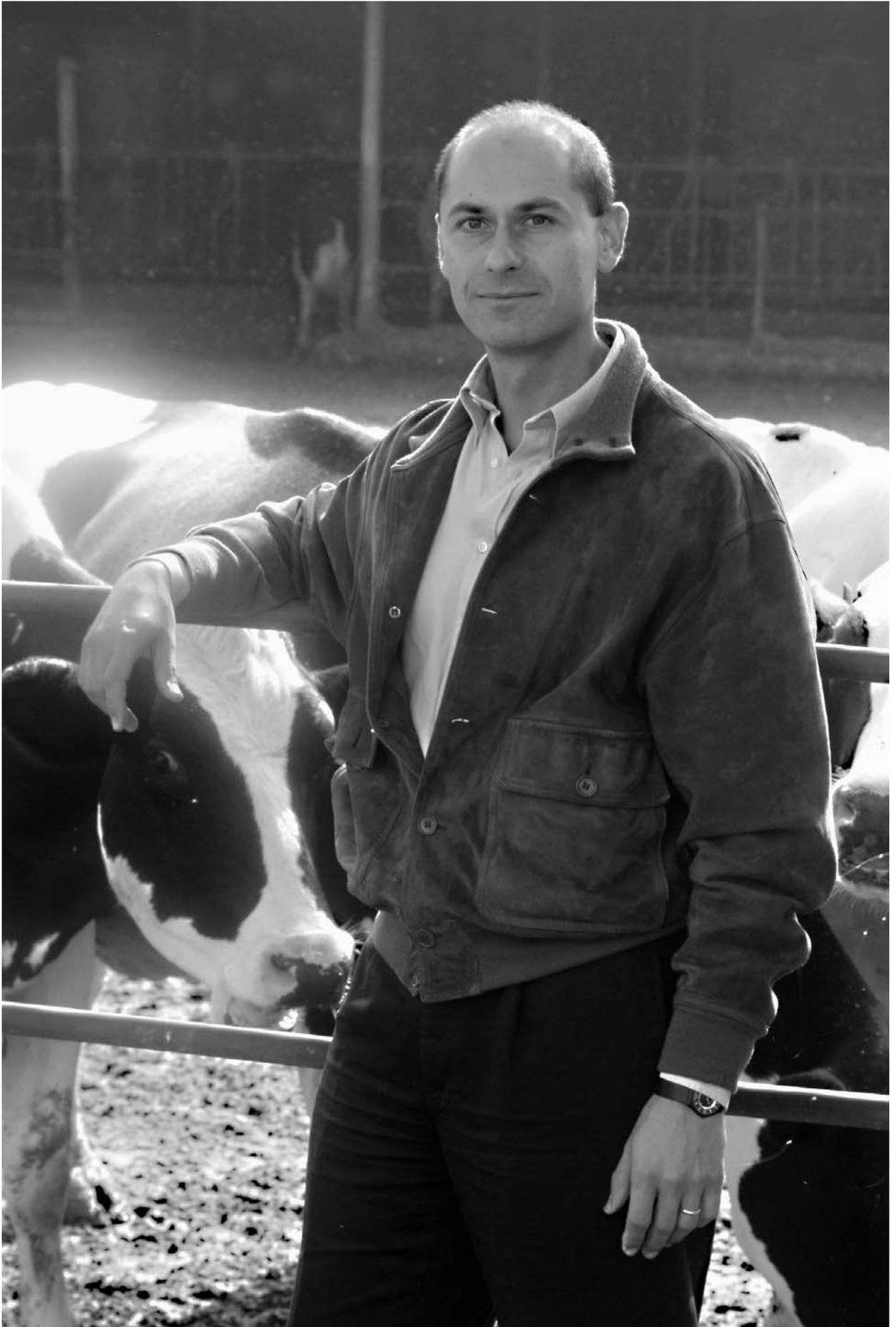
edited by Antonio Barbangelo

need to keep investing in the brand and product quality. Roveri was one of the first to realise that it was possible to export cheese in non-traditional forms

**T**he subject of food quality, safety and genuineness continues to provoke lively debate and the promotion of typical Italian products abroad has often been in the spotlight. The fact that no fewer than 153 Italian products bear a label of origin shows that a great deal of progress has been made; in fact, Italy leads Europe in this respect, ahead of France with 146 typical products, Portugal with 93 products, Spain with 92 and Greece with 84. Italy should continue along this path, believes Roberto Roveri, 43, CEO for the past eight years of Bertozzi Spa, based in Collecchio, in the Parma region, which produces Parmigiano Reggiano in slice, sliver or grated form. He represents the fourth generation of a family that has dedicated itself for decades to the production and sale of reliable, high quality products – a corporate success story that began in 1901 when Roberto's great-grandfather set up Abele Bertozzi Spa in Parma (Roveri's mother is the sister of Carlo Alberto Bertozzi, the third generation of this lengthy entrepreneurial adventure). Great-grandfather Abele used the best existing techniques of the early part of the century – from steam ploughing to dairy technology –

and applied them to transforming the products of his land and to what would later evolve into a food packaging industry.

"In our company we believe that there is only one way to supply a full guarantee of genuineness", says Roveri, "and that is to keep an eye on the entire chain, from the fields to the cows and all the way to the maturing stage and the final product". In fact, Bertozzi controls the entire production process over a limited territorial area, complying with the strict norms of the Parmigiano Reggiano Consortium, of which it is a member. "This way, we are sure that our products contain the simplest, healthiest elements: hay, milk, fire and time", the CEO adds matter-of-factly. The Bertozzi factory meets the HACCP (Hazard Analysis Critical Control Points) norms – a system that identifies the critical points that might be of hazard at various stages in the food production process – and received ISO certification in 1998. In addition, the Collecchio company was certified an organic food producer six years ago (it is a member of AIAB, the Italian Association for Organic Agriculture). The company has a €20 million turnover and exports about 20% of its production.



**How many employees do you have? And where are your production units located?**

We have 45 employees working in three principal locations: our milk production company, Simda Agricola Spa, based in Collecchio, the dairy near here at Ozzano Taro and the packaging plant, also in Collecchio. Our head office is here as well. It's all squeezed in between the foothills of the Apennines and the plains of the Parma province within the Regional Taro River Park.

**When did you start producing and selling grated cheese?**

In the mid-1960s. That was when the Bertozzis began to focus on cheese and started to produce and sell sliced and grated Parmigiano Reggiano. We have perfected our products from the era of the legendary Fiat Seicento and the Beatles to the present day. Over the last few years, the push towards technological innovation has allowed us devise a vast range of packaged foods in a variety of shapes – slices, cubes, nibbles, slivers etc.

**What are Bertozzi Spa's top products today?**

Our top seller is definitely Parmissimo: fresh-grated Parmigiano Reggiano in 165g jars and 90g packets. Other products that are doing extremely well are the flakes marketed as "Petali di Parma Parmissimo" and tubs of Parmigiano Reggiano slivers.

**What are your sales outlets in Italy?**

Large-scale retail is the main market outlet for these products. The breakdown of our sales is: 21% in hypermarkets, 66% in supermarkets and 13% in mini-supermarkets.

**Today, people increasingly tend to eat outside the home and often in a hurry. How do we reconcile our changing lifestyles and healthy eating?**

We have seen a growth of 10% in the grated cheese segment over the last few years. This product adapts to the needs of today's consumer who does not want to give up tasty and healthy food, despite a frenetic pace of life. The same trend can be seen with our other Parmigiano Reggiano

derived products – flakes, nibbles etc. – as well as our latest product, i.e. ready-to-use sauces made with fresh-grated cheese.

**Can you give us some figures as regards the Parmigiano Reggiano Consortium?**

The Consortium includes 500 dairies. We produce 3,100 cheese wheels every year, with a slight increase over the last few years.

**What are the "Production Standards" of your consortium?**

These are a set of extremely strict rules and standards that all Consortium members must follow. For example, the "Production Standards" specify that no additives may be used and that marks of origin must be clearly displayed on the rind.

**Why is this cheese so expensive?**

We should remember that Parmigiano Reggiano is a hard paste cheese that requires a long maturing period. This means it only has about 30% water content, i.e. it is a very concentrated cheese in which the nutritional substances present in milk (casein, fat, minerals and vitamins) undergo a specific "drying" – or rather dehydrating – process during the dairy transformation as well as the long maturing period. So when you buy this product, you're ingesting 70% of nutritive substances. Other soft paste or fresh cheeses, which are incidentally sometimes of excellent quality, might have water content of up to 50%.

**Is it important what the cows eat?**

Certainly. The animals that produce milk for our cheese mainly eat hay from the area of origin. They cannot eat other foods such as fermented forage, which costs less but can create problems in terms of quality in the cheese-maturing phase.

**Let's take a closer look at this phase. How long are the wheels left to mature?**

The maturing period lasts at least 12 months and may be longer. A very strict selection procedure is carried out. The Consortium checks all the wheels produced after the first 12 months of maturing. It's a kind of "exam", and it's compulsory. In this phase a specific mark is placed on the

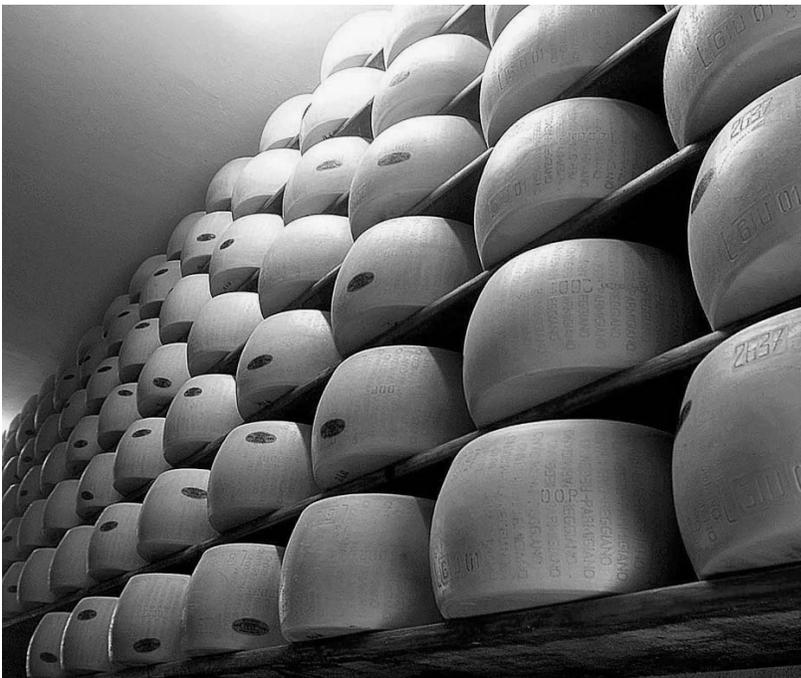
wheels that are absolutely perfect. Another kind of mark is placed on good-quality but second-choice wheels. After 18 months of maturing the first-choice wheel goes through a second “exam” to select the truly exceptional wheels. This is the Parmigiano Reggiano that is generally meant for export. The maturing can continue for up to 24 months and, in some cases, for up to 36 months.

**Do black-rind wheels still exist?**

No! They have been absolutely forbidden since the 1960s.

**When did you start exporting?**

The first lot of Collecchio wheels were exported to North America in the 1920s and 1930s. The export process was very different in those days! Our Parmesan reached its destination after several days at



sea. The second phase started in the 1960s with exports going once again to the U.S. as well as a few European countries. In recent years we have also begun to export to Japan and Russia.

**Which European countries do you export to the most?**

The list of countries where we have the strongest market presence is: Finland, Greece, the Netherlands, Austria, Spain, Denmark, Belgium, Sweden and Germany.

**Where do you have the strongest commercial links?**

In two countries in northern and southern Europe: Finland and Greece respectively. Consumers in these markets are very familiar with our products and we have an excellent relationship with supermarket chains. In Finland we have an agreement with the Stockmann chain and in Greece we have a tie-up with practically all the retail chains.

**And where do you find it hardest going?**

In France. We're still not well known enough there. And there's also a lot of competition from the varied French food tastes and many cheeses.

**Do you have branch offices abroad?**

Yes, one in the U.S., in Norwalk, Connecticut. It's only a sales office, obviously. It's where my uncle, the chairman of the company, Carlo Alberto Bertozzi works. In other markets we have significant distribution and sales reference points.

**Let's go into the flavour of hard paste cheeses: the Parmigiano Reggiano Consortium is not the only one in Italy.**

Of course not: we should also mention the Grana Padano Consortium. As far as European laws are concerned, both cheeses are PDO (Protected Denomination of Origin) products. The two consortiums signed a significant agreement recently to safeguard Italian products abroad. It is a two-pronged agreement: on the one hand it is intended to spread awareness of and promote these delicacies of ours in other countries; on the other, it envisages a legal safeguard against counterfeit products.

**Yet another Italian product for which copies can be found all over the world...**

You're telling me. Safeguarding the Parmigiano Reggiano brand and denomination is an issue of strategic importance and a constantly topical one, as for all PDO products. The opening of exports to European and non-European countries (the U.S. above all) in particular has brought to light continuous improper use of the brand, with the risk of

importers, retailers, restaurant owners and managers and consumers confusing Parmigiano Reggiano with other hard paste grating cheeses that do not meet the requirements of the Consortium.

**Have studies been carried out in this respect?**

Yes. The confusion and the improper use of similar names was evidenced by a study commissioned last year by the Parmigiano Reggiano Consortium to the French market research institute TNS Sofres on European consumers' perception of the term "parmesan". The results show that as far as the European consumer is concerned, the denominations "parmesan" and "Parmigiano Reggiano" relate to the same cheese. Besides, the term "parmesan" is spontaneously associated with Italy.

**How did European consumers respond?**

One of the most interesting figures in the survey concerns the response to the question: "What are the words that come to mind if we were to say 'parmesan'?" In fact, 96% of Germans, 92% of the French, 90% of the British, 89% of Swedes, 85% of Belgians, 80% of Spaniards and 51% of Estonians replied: "Italy". "Parmesan" is one of the best-known cheeses in Germany: 50% of respondents are aware of "parmesan", whereas only 4% are aware of the term "Parmigiano Reggiano". In addition, 14% of respondents identified "parmesan" as a PDO product. But very few of the respondents said they were aware of both terms, "parmesan" and "Parmigiano-Reggiano". There were similar results in France, where 68% of respondents think that "parmesan" and Parmigiano Reggiano are two different cheeses.

**So there's a need to keep working to spread awareness of genuine Italian products. The major food and wine shows could certainly contribute. Which of the trade fairs do you attend?**

The most important ones are the Cibus fair in Parma, the Sial fair in Paris and the Anuga in Cologne. These are all two-yearly events. The next Cibus will be held the coming May and the next Sial in October; the Anuga will be held in 2007.

But we also take part in other events, such as Prodexpo in Moscow, Alimentaria in Barcelona and the Fancy Food Show in the U.S.

**What upcoming Bertozzi projects would you like to discuss?**

We have several projects. In 2006 we will be working, among other things, to obtain a traceability certification. At a time when food scandals abound, we will give the consumer a guarantee of being able to trace the product he is buying at any stage and go all the way back to the milk-producing cow via an online search system.

THE GROUP IN NUMBERS

<b>Year of foundation:</b>	1901
<b>Turnover:</b>	20 million euros
<b>Profit:</b>	8.400 million euros
<b>Workforce:</b>	45
<b>Main export destinations:</b>	United States, Finland, Greece, the Netherlands, Austria, Spain, France and Germany.