Interview with Roberto Brazzale, CEO of Gruppo Brazzale

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How "Italian Sounding" Can Help "Made in Italy"

Roberto Brazzale is an unconventional Italian and a global farmer. A descendent of an ancient family of farmers of the Veneto region and an agricultural entrepreneur abroad, he produces PDO [Protected Designation of Origin] cheeses in Italy but also "grana" in the Czech Republic and beef in Brazil. In his opinion, the so-called "Italian sounding" [producers outside Italy using Italian sounding names] does not damage [products that are] "Made in Italy". On the contrary it represents a driving force for the Italian agro-food industry.

Mr. Brazzale, tell us about yourself: Who are you and what do you do?

Since 1700 and for seven generations, we have been producing butter and cheeses. Today we own brands such as "Burro delle Alpi", "Gran Moravia", "Alpilatte", "Zogi" and many others. We originally come from the Asiago Mountains where over a century ago our ancestors moved there from Zanè, near Thiene, to build our first industrial plant. Today the company has production plants in Italy, Czech Republic and Brazil. We also have a cheese factory in China producing fresh cheeses for that market. We continue to make products of our tradition, developing them both in the recipes and in the most suitable areas in the world, especially through supply chains that are at the forefront in sustainability, outside and beyond the PDO [Protected Designation of Origin] systems. We have developed our retail chain, comprised of 18 shops, with more soon to come, in the Czech Republic and China, where we sell mostly products made in Italy. Our driving principle is to do things that focus on improvement, in order to provide consumers with better tasting and more convenient products.

How do you respond to those who accuse you of "Italian sounding"?

The concept of Italian sounding is the ultimate, desperate card for those seeking protection. It is portrayed as an illicit conduct when it is simply indicating the use of an Italian word for products that already have their common denomination in the Italian language or are inspired by it, or the evocation of Italy and its tradition.

Italian sounding does not violate GI norms nor does it constitute misleading practices — otherwise the appropriate legal remedies would be activated. It is a normal commercial practice that has always concerned the whole world: Witness the use of terms such as hamburgers or würstel: is it German sounding? Or chewing gum and hot dog, is it American sounding? Or vodka, is it Russian sounding? And these are just the first examples that come to my mind. Nobody has even dreamed of forbidding their use. When it is not illicit, Italian sounding is a necessary and appropriate practice to inform the consumer about what kind of product he or she is buying, or to what tradition it is inspired by, even if it does not necessarily originate from that country....

The hostility towards Italian sounding is ridiculous if we think how the use and the evocation of Italian names and symbols helps to maintain the interest in our nation and its original products, preventing them from being forgotten or becoming irrelevant. Italian sounding is a great driving force for the exports of our original products. Problems arise when these products do not possess distinctive characteristics compared to foreign ones, those that justify higher prices.

And here is where the shoe pinches: The producers that are not able to be on the market without public and political support, demand to be protected by law from competition – not from illicit practices, at the expense of offering variety to the consumer.

In the case of our Gran Moravia (the grana cheese produced by Brazzale SpA in Czech Republic), of course we use the Italian language! We use Italian because it's our mother tongue, together with the Veneto dialect, and the language of most of our consumers. I am not aware that the right to use the language of Manzoni (an Italian writer) has been granted exclusively to some GI consortium. Should I have used a Czech word? And how would the Italians understand that our grana is made in Moravia, if I don't t tell them in Italian?

You claim that food Made in Italy cannot expand further because the Italian land would not be able to produce enough to match global demand, can you expand further on your position?

The Italian agricultural land is half of that of Spain or France: just 2.9 hectares per capita compared to 4.7 of the EU average. In quantitative terms our agriculture cannot grow against a global demand expected to increase for the next decades and a generalized domestic deficit which for milk exceeds 30%. The only way to grow is to import raw materials of zootechnic processes, such as cereals, oil or fodder, or delocalize production processes where there are appropriate resources and land. We have done so in Brazil with regards to livestock for meat production and in Czech Republic for milk. The products made there are fantastic and our environment and sustainability standards are the highest in the world.

With regards to your activity as an agriculture entrepreneur abroad, you maintain that many of your products are more Italian than those produced in Italy. How could that be?

What does Made in Italy mean? Does it mean produced on the Italian territory? Okay, but what exactly? Is it the final product, milk for instance, or the original raw materials? And what if the raw materials come mostly from abroad such as soy, maize and fodder? And what if the labor force is mainly not from Italy? All production processes are the result of a sum of factors that come from the most varied sources. By contrast, what should be considered as relevant is how much of Italy is in a product. "Italian" means a combination of land, human factors and culture. When these are present to a significant extent, the product can be called "Italian" because it brings significant value added to Italians and Italy, even if certain stages of the production process take place abroad or some of the ingredients are sourced abroad. In this sense, Gran Moravia can be defined an Italian product, because it's a "grana" cheese of our tradition, made in a cheese plant which is totally Italian, in terms of technology and ownership, even if it's located in the Czech Moravian region with production processes governed by Italian personnel using

milk produced in Moravia according to specifications devised and implemented by Italians. The successive stages of ripening, packaging and commercialization both domestically and globally are completely done in Italy by Italian personnel. Moreover the product is used for cooking Italian dishes. For these reasons we believe we have to go beyond the traditional concept of Made in Italy to start talking about "Italian product".

Currently the traditional concept of "Made in" is misleading because it indicates characteristics that often are not present or are negligible. Today we call a GI cheese one that is made in Brescia with milk coming from cows bought as heifers of the German Bavarian region, fed on Brazilian soy, American corn and Spanish dehydrated alfalfa artificially inseminated by Canadian bulls, checked by an Israeli pedometer in a German milking parlour, milked by Pakistani or Albanian farmers and the milk transported by a Bosnian truck driver, curdled by a Moldavian cheese maker that uses Danish rennet. All on a land that is fertilized with Canadian potassium and German fertilizers, plowed by American tractors and sown with French hybrids. Why would such a GI cheese be more Italian than our Gran Moravia?

You have maintained that the "Italian Made", in other words the Italian agro-food entrepreneurship abroad, can provide work to many young Italians and at the same time help "Made in Italy". How can this be done?

Given the structural limits of Italian agriculture, the processing industry that has the real know-how that singles-out Italy form the rest of the world – can develop added value and employment only if it processes in Italy raw materials made abroad by foreigners or made by Italians abroad, or as in our case, it establishes plants abroad using local raw material.

Such an opportunity should not be boycotted but also recognized and appreciated explicitly by politicians and society at large, because it opens unlimited possibilities for development. Italians know that they can produce good things anywhere, not only in traditional areas, not only in Italy and not only with Italian raw materials. Actually, very often the raw materials produced abroad are even more suitable to produce Italian traditional products, which result in products that are even tastier, healthier and more convenient. An overall increase of turnover for these processors would bring benefits also to Italian farmers because the industries they supply would be much more competitive and efficient than they are today, stronger from an export point of view and more competitive domestically, where they would compete for Italian raw materials.

Giving up this big market means handing it over to foreigners, it is not protecting the Made In Italy as many here think and say. Today there is a complete lack of recognition that Made in Italy is also produced outside the Italian borders. This is because Italy is hampered by an obsolete and corporatist culture that responds solely to the interests of landowners. This distortion is costing us a lot and is making us lose positions irreversibly. And is making farmers lose too.

What are the problems affecting Italian agriculture? What are the strategies to address them?

The crucial problem is the unsustainability of the primary sector following the entry in the Eurozone without having first reformed the system and its inefficiencies. Moreover, Italy has

committed the error of confining itself in a grotesque self-congratulatory protectionism. Over time it has built an inefficient, corporatist and consociational system, dominated by unions, consortiums and politicians that demand for protectionism, obtain the legalization of cartels, reject technological innovation and competition, systematically mislead and scare the consumer and denigrates unfairly foreign competition. This system is slowly and inevitably confining Italian agriculture to an unsustainable and very dangerous underdevelopment erroneously confused with tradition. What are the remedies? More competition, less political interference, more technology greater openness to the world and more courage from entrepreneurs.

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