



## Family business on a grand scale – Family owned wineries in Italy

*Italy's massive wine industry produces over five billion litres of wine every year, yet family businesses that have been making wine for generations still enjoy considerable success. In the past, they shaped not only viticulture but also rural lifestyle. Many of them remain at the forefront today.*

"It's not the grape varieties that matter, it's the terroir" - This sentence has been heard in the industry at least a thousand times, but maybe not in this setting. Gorgona is a tiny volcanic island off the Tuscan coast, with little more than a hectare of vines and a prison. At first glance, the rocky island has everything imaginable to make a great film set. The prisoners march in the sweltering heat into the vineyard. Guards with sunglasses patrol the area in Land Rovers. "There has been no rain here since January," says Lamberto Frescobaldi, "but you hear the seagulls all day long. And nothing else."

Lamberto is not here as an inmate, but as patron of a rehabilitation project. Sciargui, one of the inmates selected for an interview, explains that Frescobaldi's confidence in him really makes him feel committed. "And my kids will be able to say I worked for Frescobaldi!" - not bad at all in the wine world. In addition there's a €1,500 monthly salary and a very low re-offending rate.



Gorgona © Matthias Stelzig

Clearly all the platitudes are not just empty words designed for a quick PR win - The project has been running for six years, and there's now a second operation in northern Italy. "It's going a bit slowly though." Still, Lamberto is a man who's already ridden through the Sahara on a motorbike. He clearly has stamina.

### The fine art of investment

Many large wine brands, especially in Europe, have developed out of small family farms, to become part of beverage corporations and other large public companies. But some brands remain under private ownership. This is particularly common in Italy. Family dynasties are responsible for quality growth here, and have shaped entire regions.

How deeply these clans are embedded in history and society is demonstrated by a look at Lamberto's family history. It begins in the 11th century at Tenuta di Castiglioni. His ancestors also did good business in Florence as bankers. Cashless goods traffic provided a huge gain in security in the times of highwaymen and politically unstable territories, and improved the conditions for successful free trade. As was typical of the time, the Frescobaldis surrounded themselves with prominent cultural figures from Dante Alighieri to Giovanni Boccaccio, and in particular the universal genius Michelangelo Buonarroti.

With their sponsorship of science and culture, the Frescobaldis influenced and indeed marked the transition from the luddite Middle Ages to the Renaissance, where success and progress was achieved through free thinking. Without the Frescobaldis, Michelangelo's world-famous statue of David would probably still be a plain block of marble.



Lamberto Frescobaldi © Matthias Stelzig

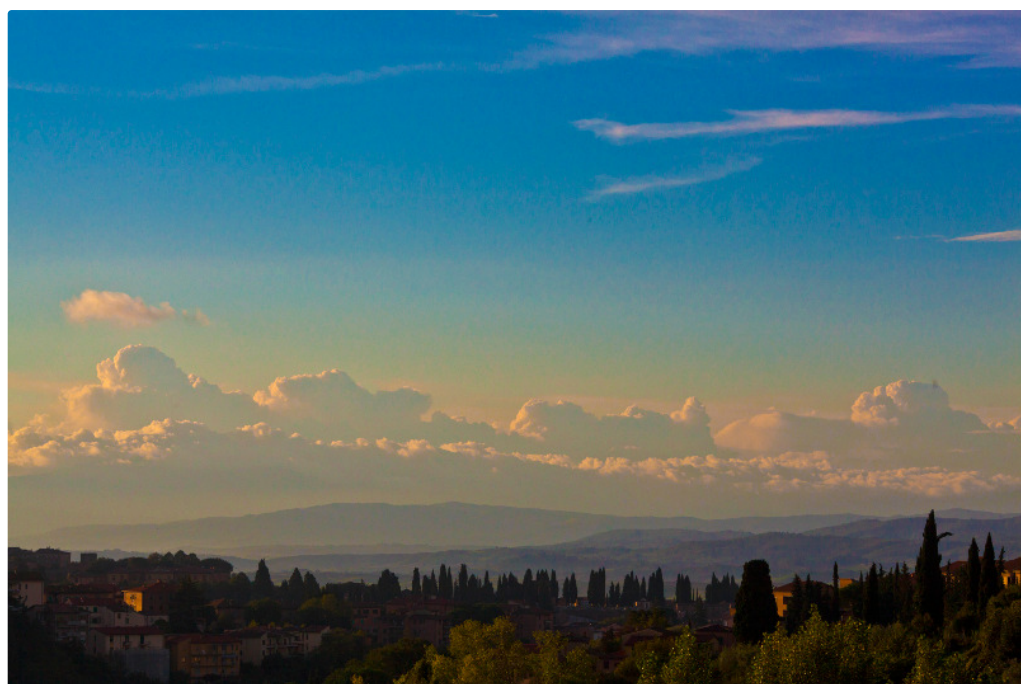
The entrepreneurial family came early to quality viticulture, exporting a significant amount of their output. On the customer list were political heavyweights such as Henry VII, the forefather of the Tudors, and the Florentine Katharina di Medici, who taught her subjects as the Queen of France, the fine cuisine. "The mezzadria [sharecropping] system guaranteed small farmers half of their crops," explains Priscilla Incisa Della Rocchetta. With the half-lease their existence was secured, while the landowners made large surpluses and ever better wines.

In 1716, for the first time in the world, a wine-growing area (Chianti) was delimited. The initiator was a certain Cosimo III. di Medici, who also protected his own vineyards from plagiarism with the formation of the Chianti heartland. The concentration of entrepreneurial capital within the merchant families was not without influence on the quality of the wine. Early on, landowners hired the best viticultural and vinicultural professionals to develop an ever-clearer flavour profile. Chianti became the flagship of Italian wine.

### The High-tech Super Tuscans

Sangiovese did not thrive on the stony soils of Bolgheri. The region had little reputation. "Cabernet was popular at the time because French wines had a better reputation," explains Priscilla Incisa della Rocchetta, who manages Tenuta San Guido today. Whether it was pure experimentation or the shortage of French wine due to the Second World War that prompted Marquis Mario Incisa della Rocchetta to plant Cabernet Sauvignon in 1944 is not certain. However, vines sourced from his friend Baron de Rothschild produced an excellent wine, although the variety was not allowed within the region's appellation. Among others, nephew Piero Antinori urged his uncle to go to market.

With the vintage 1968 the first Sassicaia appeared on the market as a simple "vino da tavola", because of the 'illegal' Cabernet. International critics cheered, but Italian wine were less enthusiastic. "In time, it became more important that it was Italian Wine" says Priscilla Incisa Della Rocchetta. Furthermore, Rocchetta's colleagues also saw the opportunity.



Tuscany © Matthias Stelzig

Antinori himself, together with renowned oenologist Giacomo Tachis, created a wine from Sangiovese, Cabernet Sauvignon and Cabernet Franc, matured in French oak barriques. This table wine 'Tignanello' marked the birth of the "Super Tuscans". These blends of international varieties were made with much vineyard work, even more technology and minimal yields. Wines with such concentration were a novelty. The somewhat forgotten Tuscany could suddenly boast wines of international repute, and even ones that appealed to the tastes of Michel Rolland and Robert Parker.

Few wines have influenced the modern wine world as much as Tignanello and Sassicaia. Big money poured into Tuscany once more. Celebrities from Angelo Gaja to Banfi and various foreign financial gamblers invested in Bolgheri. Soon, three-digit bottle prices were being realised. However, the gamble didn't pay off for quite a few of the risk investors. Their bottles remained on the shelf, and the overpriced credit purchases retaliated. Rocchetta is still owned by the family, including 250 hectares of woodland and wilderness where migratory birds can take sanctuary "And that," says Priscilla Incisa della Rocchetta, "will stay that way".

### The huge influence of bubbles

The grape variety discussion soon spread to other regions. In Piedmont, Angelo Gaja, whose family had been growing wine in Barbaresco for over 300 years, switched quickly to Cabernet Sauvignon, Chardonnay and Sauvignon Blanc. Through steps such as controlled fermentation, barriques and single vineyard cuvées, he became the top producer with prices to match.

The avant-gardist even called for changes to the regulations, to move away from single-variety Nebbiolos, as with Montalcino, where he had also invested. He got a rather mixed response. His wines from international varieties, however, attracted attention that indigenous varieties would hardly have gotten at the time. Winemakers have only started to bring the focus to their local grape varieties more recently, since wine drinkers become bored by international varieties.





Antonio Carpenè could not have known how big a trend he would help spark. The renowned chemist, known along with Robert Koch and Louis Pasteur, produced the first Charmat-method sparkling wines in the 19th century, and effectively invented Prosecco. He also founded the first viticulture research institute in Conegliano, in 1868. His sons in turn co-founded the "Cooperative for the Protection of Prosecco di Conegliano-Valdobbiadene" in 1962. In 2016, 400 million liters of Prosecco were drunk worldwide, of which the Carpenè Malvolti house still makes some of the best.

The Lunelli family also enjoyed great success with elaborate sparkling wine production. The owners of the Ferrari winery took great international role models and produced pure, age-worthy Chardonnays. "Nevertheless, the wines have a lot of fresh fruit instead of bread and pâtisserie flavours," says Camilla Lunelli as she explains the concept. There are twenty million bottles in the cellars. At tastings of older Ferrari vintages, tasters who usually remain emotionless can be observed in rapture over the delicacy of vintages from the 1990s. Ferrari is a worldwide standard for wines made in this style.

Piero Mastroberardini made a statement in 2015, via a vineyard in Pompei. He planted the fertile volcanic soil with regional grape varieties, according to ancient traditions. You could not get much closer to the character of a wine in antiquity. "With this," says Mastroberardini, "we want to promote the appreciation of our native soil and historic vines, as my father did." Local varieties such as Aglianico in Taurasi and Fiano helped Mastroberardini achieve DOCG status. Several hundred hectares in various historic locations are now part of the operation.



*Degustation Pantelleria © Matthias Stelzig*

### Revolution in sustainability

The south of Italy is economically more challenged than the north. This also applies to wine and again to Sicily. "Until well into the eighties bad wine was made from bad Trebbiano and Nero d'Avola," remembers Alessio Planeta. "When my father founded the producers' association Settesoli, Sicilian wine was coloured and alcoholic." "And it was shipped to terra firma unlabelled," adds Antonio Rallo, owner of Donnafugata.

Unlike in Tuscany, there are not many large estates in Sicily. Families often lack the money to invest. The real inspiration of the island therefore came in the late 20th century. "It started here," says Alessio Planeta. "Chardonnay, Sauvignon and Cabernet have made us internationally known." Like most of his colleagues, he had experienced wine production abroad: Burgundy or California, everyone had their key experience somewhere. "Reductive Chardonnay in barrique as in Australia - it worked for us too." Sicily became known.

With this increase in prestige, the winemakers began once more to focus on the true potential of their regions. "Pantelleria, the island off the African coast, attracted me like a magnet," recalls Antonio Rallo, "but it was very inhospitable". After endless hard work, two kilometers of dry stone were rebuilt to cultivate terraces and a gem was cut from the volcanic island – the sweet wine Ben Ryé. After a fire, endemic plants are being reforested. All in all, it's more environment protection than agriculture.





Etna is considered as a beacon in terms of regionalism and terroir. Here individualists make the most amazing wines. Pioneers on the lava slopes were mostly large families. Vittorio, Noto, Mamertino, the grandees are always looking for new vineyards. "At the moment, Nocera from Marsala is interesting," enthuses Alessio Planeta. "This is currently our laboratory."

Slowly, the real wealth of Sicily has appeared. Nero d'Avola, Grillo, Nerello Mascalese and Nerello Cappuccio are now internationally appreciated varieties, especially because of their regionality. Most winemakers still regard their parents' business as their DNA. But the winegrowers have become entrepreneurs with many hundreds of acres of arable land. Collaborations with universities that systematically explore historical varieties and terroirs have helped. There are dozens of trial plantings of native vines on the island. Sicily has bright prospects for the future.

#### Narcissists instead of shareholders

Families play a major role in almost all classic wine countries. In Italy, however, their influence often goes further. "They actually shape entire areas of the country," says Priscilla Incisa Della Rocchetta. In addition, some companies have been in successful operation for centuries. Why is that? "Maybe because the names come so easily over the lips: Gaja, Antinori, Planeta, anyone can pronounce that." Compared with "Krk" or "Bacharacher Wolfshöhle" this is clear, if perhaps not the whole story.



Alberto (l.), Lucio and Giuseppe Tasca © Matthias Stelzig

"Rules and Passion", says Alberto Tasca d'Almerita as an attempt at polite analysis. But the heir to the eighth generation gets straight to the point: "Most families fail when new members take control." He contends that too much modern entrepreneurial thinking is worthless on the long run: "Even the patriarchal narcissism of the elderly is preferable." Too many family members is even worse though, as Alberto demonstrates by showing a family photo of about forty people. "That means yet more narcissists. It's better to have one person in charge."

But there are other benefits: "As a family, I can make long-term decisions without asking my shareholders," explains Antonio Rallo, "what do I really get from 'shareholder value' in the long run?" Sustainability can be a key. "We own our land," confirms Albiera Antinori, CEO of the family business, "and we are constantly improving the quality. That's crucial. "

Lamberto Frescobaldi, whose Tenuta di Castiglioni is still family owned after 30 generations, offers a very logical conclusion: "When company directors argue, they look for another job and never meet again. When families quarrel, the company collapses. But the family is still here."

Matthias Stelzig