

Opening today in Bologna "Marca 2018", two days dedicated to the world of Private Labels, organised by BolognaFiere in collaboration with ADM

PRIVATE LABELS
'THE VALUE AND ROLE FOR THE COUNTRY SYSTEM'
THE THEME OF THE OPENING CONFERENCE

In **2017** Private Labels, that are increasingly becoming brands in their own right that meet consumers' needs and compete with industrial brands, have passed some important milestones: for the first time in Italy revenues have exceeded **10 billion euros in turnover** in the sector of packaged consumer goods, while growth has been constant.

Italians' shopping baskets have seen an increase in Private Label products, which have reached a market share of **18.7%**. Private Labels continue to take advantage of innovation and the sector is growing because the products manage to satisfy the requirements and sensibilities of Italian consumers, who are increasingly selective when it comes to their eating habits that are ever more centred around **health and wellbeing**. Today, in fact, making the difference are those products in the **organic** sector as well as the **washed and ready-to-eat** products. Furthermore, Private Labels represent the 'made in Italy' identity, because 91.5% of the copackers contracted by the grocery retail groups are Italian, particularly small and medium-sized enterprises.

This is the main data to emerge from the inaugural conference at "**Marca2018**", the annual appointment dedicated to the sector of Private Label products, introduced by the President of BolognaFiere, Gianpiero Calzolari.

"The 2018 edition provides strong confirmation," stated **Gianpiero Calzolari, President of BolognaFiere**, "that Marca is consolidating its position in second place in Europe and its uniqueness on a national level. We pursued a direction 14 years ago that has proved to be successful, providing support to Italian producers also when it comes to internationalisation. Over these years we have observed a profound transformation of the Private Label products that today express extremely articulated typologies, responding to the requirements of customers that are increasingly well informed and selective. Organics, functional products, the excellent local food and wine delicacies and the focus on high quality, are just some characteristics that have ensured the success of the 'made in Italy' identity. It is also with this aspect of internationalisation," continues Calzolari, "that we have maintained the focus for this edition, selecting also with the support of ICE, trade delegations of buyers and category managers from all over the world. There will be 80 delegations from 19 countries that, during the days of the fair will be able to cultivate commercial contacts and agreements with over 650 exhibitors present at Marca. The event's success is derived from the solid collaboration with ADM and with the leading grocery retail groups that participate in the event and play a key role in defining the development strategies of the Fair, participating also in the Technical Scientific Committee."

The 14th edition of the event opened with the ADM conference on the topic of "**Private Labels: the value and the role for the country system**", this year occurring in a new guise thanks to the collaboration with **The European House - Ambrosetti**.

“Private Labels have demonstrated great vitality in recent years and notable resilience. Applying our “Four Capitals” model we have analysed the economic, social, cognitive and environmental contributions generated by Private Label products for the country system. The economic multiplier that we have calculated is equal to 2.6, meaning that for every 100 euros of added value generated by Private Labels, a further 260 euros are generated across the economy. Also in terms of employment, it is a very relevant sector, with over 200,000 jobs across the industry and a multiplier equal to 1.9, while 18% of workers are aged under 30 years of age (+50% compared with the Italian average) and 62% are female (+48% compared with the Italian average). The success of Private Labels seen in recent years can be connected to the strategic turning point for the sector, with the passage from a “me too” form of production to a diversification of the industrial brands, with typologies of products that are innovative and that offer greater added value,” explained **Valerio De Molli**, Managing Partner & CEO di The European House - Ambrosetti.

“**The mega-trends that will impact on the business world, trade and society in the next ten years,**” is the topic of the speech by Gerd Leonhard, CEO of The Futures Agency.

“**The vision of the trade industry,**” is the topic under discussion at the round table that will follow the conference, chaired by Gianni Riotta, columnist for *La Stampa*, and with the participation of Marco Pedroni (Coop Italia), Francesco Pugliese (Conad) and Maniele Tasca (Selex).

“**Marca 2018** has, once again, confirmed its credentials as an unmissable event in the calendar,” announced **Giorgio Santambrogio, President of ADM**, “in a year in which Private Labels have taken centre stage in a period of great dynamism. Over time Private Labels have modified their role, passing from outsiders on the margins of grocery retail to become, to all intents and purposes, brands in their own right that are capable of meeting customers’ requirements and taking advantage of innovation. The grocery retail groups in recent years have, not only added an increasing number of organic, healthy lifestyle and functional products, but have also shown an aptitude for taking advantage of the attraction of local production and delicacies and the small semi-artisan producers that have proved to be so successful. The Private Label is, furthermore, an excellent tool for taking Italian produce abroad, where it has been performing impressively. From “Distribution” we have become a genuine “trade industry” and, in parallel, what was previously described as a Private Label has become the distributors ‘Own Brand’: no longer private because it is sold abroad and online and it is becoming a product on a par with industrial brands, capable of providing a contribution to Italy’s entire country system. The business of distribution,” underlines Santambrogio, “generates 7% in added value to GDP and 9% in terms of employment, on a national level. Thanks to the collaboration with The European House - Ambrosetti, this year we have described the new Own Brands, framing them within the model of the four fundamental capitals: economic capital, social capital, environmental capital and cognitive capital. In a future that is already within the realms of possibility, I imagine that Own Brands will move beyond the role of mere brands to become retail groups.”

ADM

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