

BEST OF EUROPEAN BUSINESS AWARDS

Italy's cream rises to the top

The judges in Milan have returned their verdicts on the country's most impressive companies. Adrian Michaels reports

The winners of the Italian portion of the Best of European Business Awards, announced last night at a dinner in Milan, include companies from diverse sectors, from insurance and banking to luxury goods and telecoms.

The awards, organised by the Financial Times and Roland Berger Strategy Consultants, strive to single out the Continent's star corporate performers and identify the factors behind their success.

Juries in seven countries - the UK, Germany, France, Italy, Spain, Poland and Portugal - judge companies with the best record for growth, value generation and innovation. There are four categories: growth, value creation, innovation and New Europe strategy.

Poste Vita, the life insurance company of Poste Italiane, the Italian postal service, won the large company division in the growth category. The judges said that Poste Vita had demonstrated the ability to build a competitive advantage in what was a new sector for the group. They said Poste Vita, which launched in 1999, had contributed significantly to an undeveloped sector in Italy and demonstrated that a service business could diversify in an innovative way.

Poste Vita uses the 11,000 post offices in Italy to distribute its products to great effect. Its clear commercial strategy is based on a range of products that are simple, flexible and transparent.

Other shortlisted companies in this category were utilities company ACEA, electronics distributor Esprinet, Pirelli tyres and engineering contractor Snampiogetti.

The medium-sized growth category was won by Fastweb, the telecoms company that has been focusing on the growing broadband market. Fastweb, the judges

said, had taken on a sector dominated by a large incumbent company, Telecom Italia, and demonstrated success founded on customer service and a bold investment strategy.

Also on the shortlist were property company Aedes, utility companies Energia and Enertad and Genialloyd, the direct sales part of Ras, the insurance company.

Luxottica scooped the prize for value creation among larger companies. The global leader in eyewear sells many of its own brands that include Ray-Ban, as well as making glasses under licence for names such as Versace and Prada. The judges praised its long-term value creation, vertical integration and ability to integrate numerous and important acquisitions. This month Luxottica announced its third acquisition in China and now has almost 300 stores in Guangdong province, Beijing and Hong Kong.

The shortlist for large company value creation also included Autogrill, the restaurant and service station operator, media company L'Espresso, Italcementi, the cement company, and oil services company Saipem.

Bulgari, another company in the luxury goods sector, won the award for mid-sized companies. Its value creation was eye-catching in a volatile sector and demanded continuous product innovation. It had successfully diversified in range and geography and carried out strategic acquisitions. It had shown great capacity to extract value from its brand in many different markets, the judges said.

Other smaller companies shortlisted were construction group Astaldi, drinks company Campari, electrical materials company Gewiss and Permasteelisa, the architectural engineering group.

Finmeccanica, the defence company, won for its innovation, showing the best of Italian industry in a highly technological and strongly competitive sector. A commitment to investment in research and development had paid off, the judges said, with continuous innovation in products and processes reinforcing Finmeccanica's leadership position internationally.

Shortlisted for innovation were braking systems company Brembo, Saes Getters, the industrial science group, and pharmaceuticals and chemicals company Zambon.

Unicredito, the widely praised Italian banking group, won for its New Europe strategy. Italian banks have been among the first to recognise the opportunities for growth in these emerging markets, and Unicredito seized the potential earlier than most. This year it acquired Germany's HVB, adding that bank's strong presence in eastern Europe to that already built by Unicredito. Unicredito, the judges said, had demonstrated a great ability to integrate acquired businesses.

The rest of the shortlist in this category contained shoe company Geox, appliance manufacturer Indesit and Miroglio, the textile manufacturer.

The Italian jury was chaired by Maurizio Dallochio, dean of SDA Bocconi, the university in Milan. Its members were Fulvio Conti, the chief executive of energy company Enel; Gianfranco Fabi, deputy director of the newspaper Il Sole 24 Ore; Pierfrancesco Guarguaglini, chairman and chief executive of Finmeccanica; Francesco Mengozzi, general director at Poste Italiane; Corrado Passera, chief executive of Banca Intesa; and Umberto Quadrino, chairman and chief executive of energy

company Edison. The judges did not vote in categories in which their own companies were nominated.

