

# **DERTHONA EXPORT CONSORTIUM**

## **PROGRAM OF ACTIVITIES– YEAR 2007**

### INTRODUCTION

During 2007 Derthona Export Consortium intends to put in place a series of strategic linked interventions aimed at starting a promotional activity with the main foreign sale channels.

Overall the program must contain both “traditional” promotional strategies (focusing on seminars and mainly on the presence at fairs) and innovative and focused strategies, besides assistance to companies (web synergy, contacts before every event, client database).

The agro-industrial companies of Derthona Export Consortium must therefore be able to offer an imagine of their products based on quality, trust, food safety, regularity in sale, appropriate minimum sale quantities, taking customer satisfaction always into great account.

### GENERAL OBJECTIVES

In general, the Derthona Export Consortium intends to trace the lines of its programme for the year 2007 as regards the interventions aimed at improving some specific promotional activities and at realizing some specific projects to enhance the internationalisation of small and medium agro-industrial companies of the Tortona territory and of those members of the Consortium.

As it is known the process of internationalisation of a company, although it offers new market opportunities, requires great efforts as regards both knowledge and investments, which must necessarily follow an organized approach to be better accepted by the adherent companies.

For this reason the aspects that have been taken into consideration in order to develop a concrete and correct promotional and sale policy abroad are the following:

- choice of the foreign market with the indication of phases, way to act, time, places and costs;
- financial interventions by potential public and private partners
- cost per action;
- total amount of the project

Before establishing the entire program for the year 2007, designed on the basis of the specific needs put into light by the agro-industrial member companies, the Derthona Export Consortium has identified some projects to be implemented in the future in agreement with them:

- Presence at fairs;

- Presence at international fairs held in Italy;
- Realization, print and distribution of catalogues, folders and informative material translated in different languages
- Advertising on newspapers, specialized magazines, radios and televisions made abroad by the Consortium;
- Organization of workshops, conferences and promotional meetings with foreign operators;
- Organization of missions of Italian operators abroad on behalf of the companies of the Consortium and missions of foreign operators in Italy in the seats of the Consortium companies;
- Demos and tasting sessions;
- Realization of market surveys;
- Launch and further update of the dedicated Internet site (which has also been translated);
- Financial and secretarial staff in charge of the organization of the whole program as well as of the assistance and consulting services.

## SPECIFIC OBJECTIVES

The specific objectives of each company have been carefully analysed by the Consortium, which has taken them into great consideration, besides a theoretical approach, to make its programme more effective. For this purpose, a survey has been carried out within each single company and has produced the following results:

The companies identify themselves within the industrial and craft-made activity system, except for Cantina Sociale di Tortona – Viticoltori del tortonese – which identifies itself within the agricultural system;

All the companies are dedicated to agro-industrial activities or side activities and require huge human and structural capitals, both with regards construction and machinery investments, these being necessary to meet the increasing market demand;

Due to the fact they operate in a very specific sector, agro-industrial companies stress their need to be constantly updated with regards to tracking standards, industrial safety, HACCP (Hazard Analysis and Critical Control Point) , food safety and so on, this causing an evident increase in production costs;

One distinctive element of the Consortium is the historical authenticity of the companies belonging to it whose name is already known and which have already been given different awards, both during national and territorial events;

Among their priorities these companies have put the presence at foreign fairs, both within and outside EU countries as well as at international fairs held in Italy, the preparation and printing of the whole advertising material, the organization of workshops and promotional meetings between foreign operators (buyers) and the companies and some individual or collective missions abroad;

Only some companies have indicated in a decreasing order the following services: translation, interpreting, advertising on foreign catalogues, specialised magazines, spot, radio, television and market surveys.

On the basis of data collected and above described the following program of initiatives has been defined for 2007:

## ACTIVITIES OF THE DERTHONA EXPORT CONSORTIUM FOR 2007

### 1. FAIRS

The Consortium intends to start a program including its presence at international fairs. For this purpose the following reviews have been identified:

Lugano - "I Viaggiatori 2007"

Verona, Vinitaly 2007

Moscow – World Food Moscow 2007

Cologne - Anuga, Germania

Dublin – Expo Food & Drink event

Phoenix – Expo Fair

Lugano – I Viaggiatori 2007

This exhibition has made itself known in few years and has become the most visited one in Switzerland today. In 2006 it hosted about 60.000 visitors, 400 stands and 1.500 operators. This exhibition, which has mainly a tourist objective, is also an important occasion to attend an international workshop aimed at promoting contacts and commercial relationships for an agricultural and tourist offer in which the companies of the Consortium and the territory on which they operate are specifically involved, such as the offer of "Strada del Vino" and the agro-industrial companies strictly linked to it and associated to the Consortium. For this reason the exhibition offers both tasting proposals and marketing initiatives aimed at increasing the value of the entire territorial area.

Verona - Vinitaly 2007

Vinitaly is the reference exhibition of the national and international oeno-gastronomical operators. It is the biggest fair in the world and has become more and more important during last years also at an international level, having paid a great attention to innovation and having presented itself not only as a commercial fair, but also as a concrete "event" not to be missed by operators.

Vinitaly, which usually welcomes more than 4.000 exhibitors on a surface of about 80 square metres, is a review at the disposal of companies and hosts a series of traditional meetings together with some innovative events able to involve operators coming from worldwide.

The companies belonging to Derthona Export Consortium have already experienced the importance and usefulness of this review during its previous editions.

Moscow – World Food Moscow

This is one of the most important fairs held in Russia and in the countries of the former Soviet Union, specifically

dedicated to food and soft drink products. It takes place on a 20.000 square metre surface, with 1.000 exhibitors coming from more than 50 countries. Every member company of the Consortium would be put within a common area, but could customize its own contact desks and products layouts. In the exhibition rooms some seminars for presenting the products of the Derthona Export Consortium could be run, while in its stand some points for the tasting of products could be set up.

#### Cologne - Anuga 2007

Anuga is one of the main fairs attracting a great number of foreign visitors every year (about 168.000). It takes place in a very strategic location for the companies of the Tortona area since Germany is one of the main countries to which Italian agro-industrial products are destined. The fair is a sector review where the entire range of food and drinks products is presented to visitors with transparency and in a structured way. The Anuga Fair in Cologne has many synergic effects: individual or collective thematic meetings are part of a simple structure and are easily accessible. Moreover, Tortona companies take advantage from this fair in terms of great appeal and international echo and updated information on innovation, as already happened in 2005.

#### Dublin – Expo Food & Drink Event

In 2005 Ireland represented the second experience abroad for the companies of the Consortium with workshops and promotional meetings in Dublin and in other cities. Expo Food & Drink Event takes place in Dublin and focuses on the promotion of the agro-industrial sector. Dublin and more in general Ireland is an area that strongly attracts Tortona companies, both for historical and cultural reasons and for the strong presence of agro-industrial operators coming from Tortona and the territories around it.

The Irish fair that some companies of the Derthona Export Consortium already experienced, is re-proposed in order to enhance the relationships started and to identify new potential clients thanks to the fame acquired.

#### Phoenix – Expo Fair

It is organized by the Italian-American Chamber of Commerce for the producers and exhibitors of food products and soft drinks and takes place from 16<sup>th</sup> of April 2007 until 22<sup>nd</sup> of April 2007 in Scottsdale (Phoenix-Arizona) within the Borgata Shopping Mall. Each participant has its own exposition area which remains opened from 10:00 a.m. to 20:00 p.m.. This is a very important occasion for the companies of the Consortium to make their agro-industrial products more and more known even outside the EU boundaries. Beside this, some companies of the Consortium are expected to come due to some commercial relationships already started.

## 2. RELATIONSHIPS AND WORKSHOPS

The Consortium intends to start a series of individual and collective promotional events organized by a single company or a group of companies to stimulate the relationship with potential customers, both national and foreign.

Among the other activities of the Consortium there is that aimed at enhancing and making the relationship with foreign buyers more and more strict and trusty, as successfully done in the past. Such buyers can be identified and contacted thanks to the commercial relationship already established by some companies of the Consortium or, in the case of new potential buyers, through the collaboration with different bodies, which could then collaborate together.

For example the company “Acetificio Emiliani S.r.l.” already owns a wide customer base. Some of its clients could therefore be invited to taste some new products which could be interesting for their sales.

A second example is that offered by the company “Plast.com” belonging to the Consortium which, after establishing a good sale network in Corse, could suggest its buyers to come to Tortona so as to make the agro-industrial products of this area known, as already done in the past.

The company “Cantine Volpi S.r.l.”, which has always been in charge of export activities, has shown its will to invite some buyers from United States, Sweden, Great Britain and France in order to grant contacts to all the companies associated to the Consortium and to the Consortium itself.

In the same way, “Cantina Sociale” of Tortona, which has recently set up an exhibition and an area specifically equipped for the tasting of products, can act as go-between its foreign clients mainly concentrated in Germany and Ireland.

Another good opportunity not to be missed is that represented by the development of the relationship with Tortona City Council, which was started when the Consortium was born. In fact Tortona City Council has already started and wants to enhance some explorative missions abroad aimed at re-launching the “made in Tortona” food sector. If, from one side, the most interesting aspect of this initiative is represented by cultural exchanges, the ongoing twinning and educational initiatives, the market relationships and so on, on the other side, the main objective remains the diffusion and promotion of the local productions, carefully grouped in a structure able to be effective, as it is the Derthona Export Consortium.

Moreover, some companies of the Consortium have been invited to attend the fair “Assaggia Tortona” which takes place every year in collaboration with Tortona City Council welcoming many visitors from the catering sector.

## 3. ECONOMICAL-ISTITUTIONAL AREAS

Derthona Export Consortium, which includes the main and biggest companies of the agro-industrial sector around Tortona, has been recently set up, therefore it has started but needs to enhance a series of “institutional” activities in order to become appreciated.

First of all, the Consortium has chosen its logo in order to differentiate itself from any other promotional or sale activity.

For this reason the entire documentation required by the charter and the law must be prepared and updated with specific reference to:

- letterhead sheet;
- stamps;
- folders

In particular the company must translate all the documentation in the language of the country hosting the above-mentioned fairs and, in any case, in the language of those countries which could represent potential export markets for the companies of the Consortium.

Another very important aspect is construction (already started) and the update of the Consortium Internet site. The site should present the Consortium in an official and institutional manner, but should have a key role in supporting the producers in their promotional, sale and presentation activities of the products sold via Internet.

Moreover, it should allow the dialogue with final consumers, besides making it possible to register accesses, to make market surveys, to evaluate the level of attraction of the different products, to follow the evolution of consumers preference and to act in order to make strategic choices of the companies of the Consortium appropriate.

Today it is also possible to implement an internet service aimed at searching the origin of specific products and putting the ingredients and nutritional characteristics into light.

Finally, a third aspect to be considered, which requires huge human resources and machinery investments by the Consortium, is the realization of the information material relating to each company and its activities.

For this reason, the realization of folders, catalogues, lists, media advertising, (also abroad) in the language of the destination country has already been decided.

#### 4. CONSULTING RESOURCES

A sale policy abroad, mainly in the first phases and for "specific" products "such as those of the agro-industrial sector, must necessary include the services that some institutional subjects, both local and national, can offer to the companies of the Consortium, besides those of private subjects acting as consultants. On the basis of the positive experience of the past, it is therefore necessary to go on with a series of services offered by Istituto per il Commercio Estero - I.C.E. (Institute for Foreign Trade).

Moreover, the Consortium should take advantage from the information coming from the consulting services offered by Centro Estero di Torino (Turin Foreign Centre).

A final consideration to be done concerns the fact the Consortium should support a series of actions and consulting interventions that different associations are able to offer, such as Unione Industriale di Alessandria (Alessandria Industrial Union), A.L.C.E - Associazione Lombarda Consorzi Export (Association of Export Unions) and Federexport.

Besides the relationships developed with Tortona City Council, on the basis of what experienced in the past, it will be possible to develop some consulting relationships with Mountain Communities, seats of the companies of the Consortium, with the Province of Alessandria and the Chamber of Commerce of Alessandria.

Such subjects, which support export activities, are those identified by the Derthona Export Consortium for the supplying of the following services:

- economic information;
- legal information;
- bureaucratic services linked to export activities;
- transport information;
- fiscal and customs information.

As regards private subjects they can take advantage from the collaboration of some experts of the sector or having the required competence mainly as regards specific issues such as the management of the increase of the number of members, the identification of integrated strategies, the set up of collective purchase and sale activities.

In particular, the increase in the number of members, which has already been experienced, represents a weapon of great potential. In fact, it requires greater efforts both as regards management and co-ordination aspects, but at the same time, allows the Consortium to take advantage from new resources and financial contributions to start new export activities which could become more and more effective.