

Robot Pastry Chefs and Ice Cream Makers The Story of Indian Gelato d'Italia's Growth

18 reprogrammable production lines. Thousands of ice lollies a minute. But the company has kept its artisanal roots

Interview with Marco Pellegrino, CEO of Indian Gelato d'Italia

by Elisabetta de Luca, in Cavriago (RE)

INDIAN GELATO D'ITALIA

Headquarters

Cavriago (RE)

Business

Ice cream production

Staff

50 employees

Turnover

€ 40 million

Ownership

Investment fund

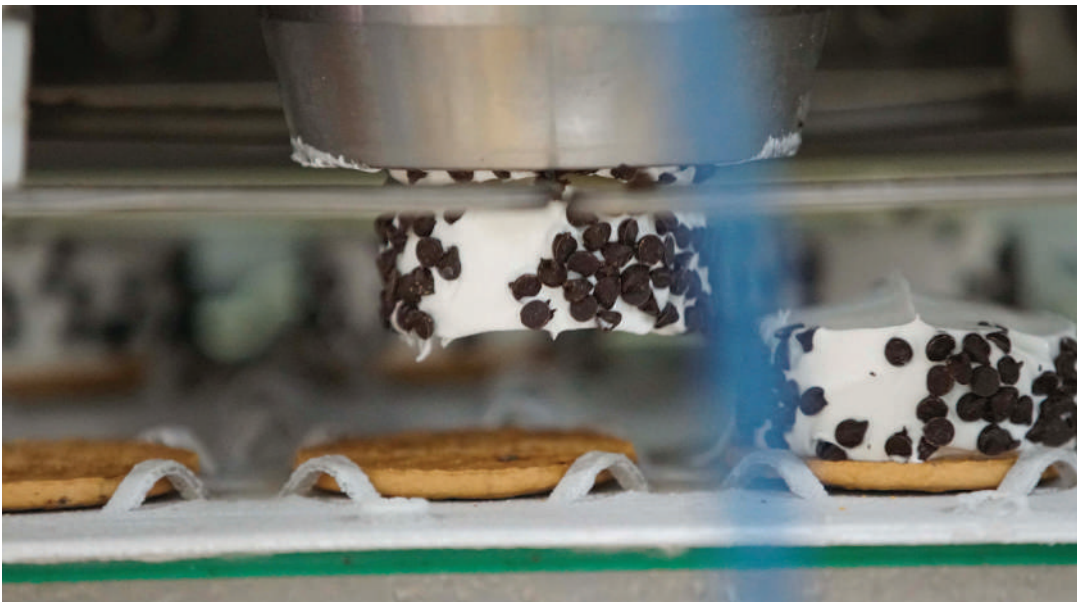
What is a Bif? When television host Carlo Conti posed this question recently to a contestant on the well-known show *L'Eredità*, viewers in Reggio Emilia surely knew the answer. It is likely, however, that the rest of Italy didn't know what was being referred to: an ice lolly. But not just any ice lolly: one produced by Indian Gelato d'Italia, a historic company based in Cavriago, in the province of Reggio Emilia. Bif is an acronym of the surnames of the company's three founders: Biada, Iori and Fornaciari. The company's history, however, dates back much further. Here to tell us all about it is **Marco Pellegrino, CEO of Indian Gelato d'Italia**: "In 1940, Goliardo Olivi took a small, family-run dairy that distributed milk to makers of Parmigiano Reggiano and converted it into the 'Bottega della Panna' ('Cream Workshop'), where he produced artisanal ice-cream, a product that had recently arrived in Italy, having been imported by Americans during the war. In 1958, together with his brother Enzo, Olivi opened a business, Gelati Indian. By the 1970s, it was one of the biggest companies in the industry".

Indian produces both own-brand ice-creams, such as the famous 'Indianino' ice lollies known locally as 'Bifs', and products for third parties. In 2016, the Olivi family secured backing from a fund, Idea Taste of Italy, which specialises in the agri-food sector. This came about thanks to the presence of Marco Pellegrino, the company's CEO. The change brought with it a desire to expand overseas, spreading Italian-made products around the world. That is why the company is now called Indian Gelato d'Italia: "30% of our turnover is generated abroad". The artisans behind the machines The company's success and growth are attributable to its capacity to develop new products very quickly – the Cavriago plant currently produces 450 varieties of ice-cream – as well as its investment in cutting-edge technology. All the most famous Italian ice-cream brands turn to Indian: "Our artisanal tradition and industrial excellence are two inseparable components of our history. The ability to innovate and interpret consumers' new needs is born out of our in-depth knowledge of products, processes and ingredients.

MARCO PELLEGRINO



Born and raised in Milan, Marco Pellegrino is an engineer with a Master's Degree from Bocconi University and a career in the food industry. After four years at Andersen Consulting, he joined the Danone Group, where he spent 14 years in various roles at the Galbani brand, in the commercial division, and in Paris, as a controller and in charge of mergers and acquisitions. Several different managerial roles followed in the olive oil and spray cream segments, before he joined Gelato d'Italia in 2016 as CEO.



A detail of Indian Gelati d'Italia's production line

Today the company is growing, and in order to compete on international markets, it needs to carry out its work in accordance with the highest possible standards of quality. To that end, we have obtained the most important industry certifications. Our competitive advantage is our typically 'artisanal' ability to get the best out of our raw materials, whilst using up-to-the-minute technology. This loving, expert craftsmanship, which the Olivi family passes on to everyone involved in the business, is our heritage". Today, three product segments are spearheading Gelato d'Italia's growth: the health-conscious and gluten-free range; the premium line, which focuses on the quality of the raw materials used and the details of the packaging; and the company's 'smoothies', ice lollies made from puréed fruit. Being immersed in a strong, sweet, fruity smell and surrounded by coloured juices flowing from automatic pumps that turn into ice lollies in a fraction of a second, (over 1,000 a minute), as well as soft, creamy textures with chocolate slivers being slapped between two biscuits by a pair of robotic arms to make ice-cream cakes, it becomes increasingly clear what Pellegrino means by "investment in technology". "The pilot plant, which is constantly preparing recipes and samples to be submitted to customers, is like an artisanal ice-cream factory, but one that can reproduce on a small scale most of the technological processes that will be

used more extensively. This is certainly one of our strengths, together with our ability to identify and 'exploit' new trends in food tastes. For example, we have already started working with soy, coconut milk and gluten-free biscuits." Innovation, explains the CEO, is heading in two directions: the development of products - in collaboration with the customer - and the development of factories. "We have to guarantee flexibility, but also stability, in order to meet our customers' production requirements.

That is why we have 18 reprogrammable production lines, which can be set according to the relevant needs. In 2018, we launched a new line that is the only one of



A part of Indian Gelati d'Italia's production line

THE ICE LOLLY: AN ACCIDENTAL SUCCESS



The Cavigo factory produces 450 varieties of ice cream

The ice lolly, or 'ice on a stick', was invented in 1905 by 11-year-old Frank Epperson in Oakland. One winter's night, he accidentally left a glass of water and soda on the porch, together with the stick he had used to mix them together. It was a very cold night, and the next day Frank returned to find a block of ice with a stick in it. He used hot tap water to get it out of the glass and ate it, using the stick as a handle. In 1923, Epperson obtained a patent for the concept of 'ice on a stick', which he named the 'Popsicle'. This name has become a well-known ice-cream brand throughout the United States. This story is told both on the website of Epperson's company and in a book, *Mistakes That Worked*, which recounts 40 cases of mistakes that led to ideas that ended up giving birth to some famous family-run companies. Another example? The piggy bank. But that's a different story...

its kind: it can be programmed with three completely different settings, so it's like having three lines instead of one."

Teaming up with Sinfo One to manage complex operations

While machinery is at the forefront of ice-cream making, people play a key role at the plant too: "Here at Gelato d'Italia we have 50 permanent employees, but that figure rises to 300 with seasonal workers, generating turnover of more than €40 million. The company is currently experiencing a phase of exponential growth: in 2018 alone, we created 150 new products, but we needed to standardise our operating processes across all departments in order to manage the complexity of our operations. In order to do that, we needed a new information system, and the solution we chose came from Sinfo One. Thanks to Sinfo One's contribution, says Pellegrino, Gelato d'Italia now aims to achieve greater control over the underlying variables of its production processes, from procurement to warehouse management, and from cost control to production planning. So why did you choose Sinfo One out of all the providers on the market? "We carried out a diligent selection process covering various products, and we chose Sinfo One because it offered us a strong programme with an implementation time frame that was compatible with our activities. That is no small advantage during our current growth, which is good but complex. We also assessed the impacts the product would

have on our organisation. What struck us about Sinfo One was its vast experience in the Food sector and its many references from companies in the industry, both large and small. This enabled us to compare the development of our processes with those of other companies. Another aspect was the implementation time frame on offer. The application already incorporated customisations developed for other companies, which would mean the project would involve only the adaptation of the system to our requirements, thereby limiting the need to develop specific software. As soon as the project had begun, we found confirmation of these criteria in the quality of the Sinfo One team working alongside us". Another characteristic of Gelato d'Italia's production is its seasonal nature: "Our business model, in which our activities are heavily concentrated in the summer months, allows us to tackle this type of project only at certain times of the year and for very short times. This guided our choice towards a project that involved re-configuring an existing system rather than developing a new one". There were two things that Gelato d'Italia asked of Sinfo One: "To extend the functional coverage of the system and to safeguard the company's heritage of information and experience. This is a task to be carried out using machinery and technology, but know-how still lies in the hands of the company's people. We need to disseminate information and make it accessible to future new hires, and Sinfo One really helps us to do that."