



Giuseppe Miroglio: here's how startups help us to innovate

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by Giovanni Iozzia

"They allowed us to improve production and activate new services for our customers", says the president whose name is that of the industrial group (textiles, fashion and retail) who has acquired two new companies and started numerous collaborations. His experiences even as an investor in some venture capital funds.

Two startups in the portfolio, many active collaborations with other new innovative companies and above all the satisfaction of having seen the growth of the Miroglio Innovation Program launched three years ago. "At the beginning the land was dry, today the whole organization is more sensitive and therefore we can take a step forward thinking about the day after tomorrow", says Giuseppe Miroglio, 46 years old, president of the homonymous group, which ranges from textiles to retail passing from fashion, founded in 1947 in Alba by his grandfather, whose name he carries. Today it is one of the small Made in Italy multinationals: about 620 million turnover, presence in 34 countries, 12 fashion brands.

Giuseppe Miroglio, with a degree in Economics and Commerce and a great curiosity for technology ("I have the Tesla"), is also a first-person investor and therefore knows the Italian innovation ecosystem well. In this interview he tells us what "the day after tomorrow" is and what the Miroglio group is doing to better to deal with it.

President, let's start with the Miroglio Innovation Program...

We are convinced that being able to build a culture of innovation is the cornerstone to performing today and to be more competitive in the future. We have started to creating a dedicated structure with two souls: promoting internal innovation and scouting the market to bring in new stimulates. We do not believe in innovation centers outside of the company. This company, lead by Leonardo Raineri, who also has the task of managing startups, that follow a path parallel to the company.

How did you start working with startups?

We have invested a lot in our textile printing activities and a lot of time in digital technologies offering various advantages, like the ability to manage reduced production volumes. To understand how to use it to offer our customers new services, we took it to a hackathon and challenged the participants to find an innovative idea. A platform emerged that was incubated for 6 months in H-Farm and was then absorbed into the company. After two years, it is now an activity that starts with a turnover of about 500 thousand euros.

What does this platform do and what's its name?

It is called "The color soup" and allows you to order even just a few meters of personalized print fabric, online. It was the first startup that entered our company parameters. We strongly believe in the personalization of products over the increasing market massification, made of low prices and poor quality. This belief is what guided us in the acquisition of another startup.



What is it and what does it do?

TailorItaly. It was acquired in 2016 and allows any piece of clothing to be customize: shape, color, detail. An opportunity that we immediately wanted to bring into the company. Thanks to this startup we launched a capsule collection of the Fiorella Rubino, MyWay brand with the goal of extending the possibility of personalization to other brands in the group.

Is startup scouting aimed only at acquisition or do you also have other forms of collaboration?

Of course, we currently collaborate with four startups in different areas of our activity: Evo Pricing for replenishment (supply, ed.) of our stores, Clod3D for prototyping solutions, Just Knock for recruiting and Satispay for payments that we will soon be introducing in all our stores. We are also have a collaboration with IcooHunt, which is a trend analysis platform.

How and what has the relationship with startups been useful to for you?

It has allowed us to put a 3d prototype into the company's production processes. We have introduced RFID technology into the logistics and retail chain. We have starting using new forms of payment in our stores. We have thousands and it will take some time, but not that much, but what is most important to me now is being able to see the day after tomorrow.

What's the day after tomorrow for the Miroglio Group?

The goal closest to our heart is bringing real omnichannel model into the company. For example, ecommerce is still marginal for us but it is growing in a significant way, but it's not just that. We need to learn how to manage orders generated and completed online and vice versa. We have to bring more technology to the stores, to have analysis processes typical of ecommerce, Service need to be customized along with the product. All this generates a proliferation of data that will be managed efficiently and effectively.

Where do you see the fastest change in retail?

For us, it's changing the way we interact with stores. Since we introduced Workplace, a Facebook collaboration tool, information exchange and experience has increased, not only with the company but also among the stores. Best practices spread faster; the use of technology is shared and so processes are much simpler and faster. We can also see it from the shop windows...

However, it will not be easy. What have been and what are the difficulties encountered in these innovation processes?

The main difficulty in many cases is the non-knowledge of things. It was necessary to start an acculturation process, to strengthen some strategic areas with the inclusion of figures and skills from outside the company. This generated a positive shift in change.



President, coming back from the start, how did you approach the world of startups?

Four years ago I joined H-Farm, attracted by startups as a model of innovation for established companies like ours. I followed the turning point towards Made in Italy and now towards the what is being created by Riccardo Donadon.

But you did not stop there...

No, I began to make some personal investments, as for example in Satispay, which was born in our territory and has made a good mark in the Italian scene.

Did you make any other investments?

With direct investments I am very cautious, because then you have to follow them. Besides, I am an enthusiast of nature and I must therefore discipline myself. Instead I mentor with "Reseau Entreprendre" but always in Alba.

Have you therefore renounced making other investments?

No, but I preferred joining some venture capital funds.

Which?

United Ventures, Techwald which is a fund focused on the HealthCare, and in Milan, Investment Partner, which is new.

Why Italian venture capital continues to remain weak despite the interest of entrepreneurs like you?

The first cause is that the Italian market offers fewer opportunities for scalability than others. So having a return in a reasonable time is very difficult. Italy is a particular country where models experimented elsewhere probably won't work.

What would be the best model for Italy?

With us, startups make sense if they are very tied to existing companies. Even the exits have to imagine themselves with the consolidated companies. And venture capitals stay away because they follow other logic and is very use to other types of returns on investment. What also needs to be said is that the funds of vc tend to be polarized in Milan and Rome. If they went outside the city, they could probably find many interesting opportunities.

In your opinion, are startups interested in being acquired by other companies?

I believe that the ambitions of startup owners are changing. The increase in awareness that innovation is made and also needed in the factory. And not everyone thinks of becoming the new Elon Musk.