

**RePro
Project**

Real-Life Business Projects in
Multicultural Student Centered Learning



RePro Case





Antonio Carluccio: The Soul of the Company

Antonio feels fortunate that he was born in the land of sun. In 1937, his father was a station-master in the village of Vietri Sul Mare on the magnificent Amalfi coast. When he was three months old, the Carluccio family moved up to the North, in another beautiful area, the Monferrato. Growing up in a family of six children meant that everybody helped out at some time in the kitchen. His main chore was to pick fresh mushrooms and rocket for his mother's cooking and he was taught with his brothers and sisters to recognise and gather foods from nature. "I feel particularly lucky to have had a multi-regional upbringing because it taught me, through the culinary genius of my mother, the basics of what was to become my professional passion, Italian food" he says.

As a teenager, he joined the Navy to see the world, and then had a brief stint as a local journalist before training as a technician. Finally, he moved to Vienna to become a wine merchant. It was at this period of his life that what he'd taken for granted and absorbed as a boy only crystallised in the form of culinary skill. "I found that I wanted to eat the food that my mother used to cook, so had to start making it myself," he remembers. Of course, this urge for good Italian homemade food wasn't strong enough to make him want to be a chef but it did motivate him to explore his home country's cuisine and teach him the secrets of the classic dishes. During the 15 years of his wine trading career, he had the opportunity to eat in the best restaurants across Europe, something that became increasingly useful for him when he eventually became a restaurateur.

His wine business eventually led him to London in the middle 1970s. That's when he met the Conrans and married Priscilla. Her brother, Sir Terence Conran, invited him to take over his Neal Street restaurant in Covent Garden, which he turned from a French restaurant into a home for Italian cuisine. With his skill and the support of his wife, Antonio soon became a celebrity chef. He has written several best-selling books including "An Invitation to Italian Cooking", "A Passion for Mushrooms", "Passion for Pasta" and "Carluccio's Complete Italian Food". As well as training a series of famous chefs (Jamie Oliver started his career with Carluccio as a pastry chef), Antonio starred in two hugely popular BBC cookery series - Antonio Carluccio's Northern Italian Feast and Southern Italian Feast - and has made numerous appearances on BBC2's Food and Drink. His passion for mushrooms and truffles earned him the nickname the "godfather of fungi". In October 1999 he was made Commendatore of the Italian Republic.

The Neal Street Restaurant

Antonio transformed the already successful French Conran restaurant into a clearly distinctive eating place aiming at individual customers but also catering for a wide range of special events from intimate private celebrations - including weddings and birthdays, corporate dinners, cocktail receptions or a gathering of friends. Its infamous Private Dining Room, with a private cellar and zinc bar, gives the customer complete privacy in a contemporary and relaxed environment. A round table could seat up to 16 people or they could seat 24 people on two long tables.

The restaurant's new Italian chef, Maurilio Molteni works closely with Antonio to create fabulous genuine dishes. Customers may choose from three different seasonal menus, created to represent Antonio's passion for regional Italian food, or if they would like to experience Carluccio's 'Special Italian Feast' they may choose from the house's list of whole porchetta (roast suckling pig), whole fish and milk fed lamb – all generous delicious dishes that can be shared by the party. For a very indulgent celebration customers could begin with champagne or a cocktail that Antonio will create specially, accompanied by a selection of canapés before their chosen menu and complete their Italian Feast with a selection of grappas and cigars.

The restaurant can also provide a selection of gifts for the customers from simple to wildly extravagant, signed copies of Antonio's books or edible Italian specialities from the Carluccio's range – delicious sweets and truffles, flavoured oils, Vin Santo with Cantucci or fabulous hampers crammed with goodies.

A Passion for Authentic Italian Cuisine

Being a real connoisseur of the Italian cuisine, he did not take long to confront both the existing Italian restaurants and the large supermarket chains criticising them for palming the British public off with "Britalian" food which is nothing like the real thing.

With the British market for Italian food predicted to top £1.3 billion by 2007, everyone is happy to cash in on the popularity of Italian cuisine but Carluccio feels that they compromise on quality so prices can be kept down. In one of his statements to the press, he argued that "supermarkets have committed huge crimes when it comes to Italian food" and added: "It is often what I would call Britalian food ... everyone has jumped on the bandwagon". His main point is that the supermarkets in UK have such a large share of the market that they have to be able to supply huge volumes and quality is compromised.

But he also believes that Britons need to learn to cook as kitchen skills are not being taught. "The main problem is that people here don't know how to cook. They don't seem to learn it at home or at school. Things are getting better but my advice is, if you want to get the taste of Italy, go there," he told trade magazine The Grocer.

In response, the main supermarket chains presented their own market research, which suggests that British shoppers were not yet ready for the stronger tastes of traditional Italian recipes and did not like too much garlic or very acidic Italian sauces. Sainsbury's CEO at the time said: "We are using recipes we have developed ourselves. We try to make them a bit authentic but it's like the case of Thai, Indian or Chinese cuisine, if we did 100 per cent authentic produce and recipes, the customer base would not be ready for it". Tesco's spokesman rejected Carluccio's criticisms and said its Italian food remained a "hit" with its customers. "The creators of our Italian foods go to great lengths to develop the best products for customers, consulting top Italian chefs, sourcing the finest ingredients and using the best recipes".

However, the Carluccios spotted that there is a niche market for "authentic" Italian food, not only for consumption in a restaurant but also for cooking at home. The duo initially opened a premium delicatessen next to their Neal Street restaurant in 1991, which they operated based on a simple model. They went to Italy in their car, they drove around small producers, farmers, family businesses and they selected products that Antonio liked and that he thought reflected the general Italian foods and were not available in UK. They brought them back in UK, hand labelled them in the shop and sold them. As the reputation of the business grew, other retailers came to the shop and asked to buy the products in order to sell them in their own shops. This way, on the back of the shop came a small wholesale business. The arrival on the wholesale business started the brand labelling of the products as Carluccio's (before that they were sold with their original labels).

Carluccio's Caffés

That business created huge brand awareness; however, commercially it was not a success as it never made a profit. It was at this time that Priscilla came up with the idea of combining the food shop with a casual all-day Caffé as a branded "repeatable" business (she did not like the term "roll out" or "chain" but she intended to have more than one). In 1997, seeing the potential of this new concept, she formed a partnership with Peter Webber, Simon Kossoff and Stephen Gee, formerly directors of My Kinda Town, an American theme restaurant business with the objective to develop this concept. The group set out to raise some funds because they did not want to start with only one but with a set of shops. After 18 months of not so successful fund raising efforts they met Scott Svenson, the man who sold the 55 units strong Seattle Coffee Company to Starbucks in the UK. Scott liked the idea and agreed to invest in it, something that attracted the interest of other investors too: Carluccio's Caffés were born. Apax, the venture capital group, facilitated the creation of this business venture raising £2million from 35 investors, including Scott Svenson who represented them. The concept combined a food shop selling quality Italian produce - fresh pasta, cheeses, meats, bakery - with a Caffé offering simple Italian bar food such as soups, pastas, risottos. The first Carluccio's opened at the end of November 1999 in London's West End. Initial organic growth was slow, but "slowly and surely" was the philosophy behind this new venture. "This is not about fine dining and it's not about a chain being rolled out," Priscilla says. "The most important thing about this venture is the

quality of the food." "We see a big variety of customer, we are not fixed on a particular section of the market and I think that is healthier. Kids are welcome, people feed babies at the table and businessmen come here at night," she said.

Antonio and Priscilla held a 22% share of the business, the directors' team of Weber, Kossoff and Gee a 23% and the investors the remaining 55%. The couple have personally brought each of Carluccio's 60 Italian suppliers on board, including a Caffé in Alessandria that make its amaretti biscuits, pasta producers from Puglia, capers suppliers from Calabria, olive oil producers from Sicily and chocolate producers from Piedmont. By 2001 there were three stores in operation and with a vision of 100 sites nationwide the group went for an oversubscribed Rights Issue to raise a further £2 million. Since then, the company has not needed to raise any more money (all expansion activities have been self-funded).

The idea for the restaurants may have been Priscilla's - "She's a Conran, she understands what business is about and I leave that to her," says Antonio, happily - but without Carluccio himself they wouldn't exist. "Antonio is absolutely the taste buds of the company," his wife said. "We work with UK importers on the hams and cheeses but he still tastes and approves everything personally". It's around his food philosophy that the restaurants are built. "The simplest way of describing what characterises Italian cookery is that it involves the minimum of fuss, and the maximum of flavour. Classic Italian cuisine is about fantastic ingredients that aren't messed around with," he says, succinctly. "The flavours of the produce are foremost." This is a fundamental value for Antonio and he does not allow any deviations from it, insisting that all Carluccio's Caffés' chefs cook from quality, fresh ingredients on site to give each restaurant's food "real personality".

Nevertheless, as the Caffés are part of a large brand, a high degree of standardisation for control and brand consistency purposes is always necessary. The dishes are always approved by Antonio with the assistance of the group's executive chef Jennifer McLoughlin. The core menu changes every six months, but daily specials in each restaurant reflect seasonal dishes and are chosen by each site's head chef from a database of about 100 dishes which are pre-approved by Antonio.

Another fundamental value for Carluccio is the maintenance of regional integrity in the food on the Caffés' menu: authenticity is of paramount importance for him and, although the menu items originate from various Italy's provinces, he "almost" never fuses regional ingredients or techniques in dishes. But there's always an exception to the rule. "I had to come up with a vegetarian dish," explains Antonio, "so went into the kitchen and threw a few things together - really chunky penne with a sauce of grated courgettes, chilli, a little bit of garlic - and put it with some mini-spinach balls. And now it's one of the biggest sellers in the restaurants - but I have to admit it's a bit of fusion."

Priscilla's input was crucial in the branding and design of the Caffés. Every printed material, every product that has the name of the company on it, staff

uniform, the look and feel of the stores, the colour of the chairs, whether they are using mirrors or not, all these decisions come from her extraordinary eye for design. The operational aspects of the stores are all designed by Simon Kossoff and his team of strong corporate restaurant experience; however, she had some input in the decision to follow a service approach to dining more typical of mainland European cultures, which meant that being friendly to families is really important. "When I was researching the Carluccio's concept, I noticed how many mothers with children were hanging out in Caffés during the day", she said. "This observation turned into our 'community tables', where mums come for a coffee and chat in an informal, relaxed atmosphere." In order to be more family-friendly, Carluccio's offers high chairs, a children's menu, and plastic glasses for children, and also gives a bowl of bread sticks to children as soon as they arrive. "It's important to get them occupied quickly", added Priscilla. She does not feel there is any need to exclude children from the adult fine-dining experience in the evenings. "We are open from breakfast through lunch to dinner, seven days a week, so naturally we attract a wide range of customers" she says. "But I don't see why restaurants that aim mainly at an evening trade should not welcome children, too. I don't really think the economic argument for their exclusion stands up, and if a couple of businessmen are complaining about a slightly boisterous family scene, then I think it's them who have the problem."

Priscilla also emphasises the importance of training staff to assist families. "We want our staff to make families feel welcome and relaxed," she says, "not give the impression that they are a problem to overcome."

The UK Press has embraced the concept and never ceases to praise the Carluccio's for what they have offered to the British Culinary Life.

Exhibit 1 presents a few clippings for the group

Exhibit 1 – What the Press Say

<p>"They are bright, bustling places with a trattoria feel, where children are welcomed with open arms."</p>	<p>BBC Olive, February 2006</p>
<p>"Shoppers delight in Carluccio's deli-cum-restaurants, where you can have just an Italian coffee and biscuit or a large pasta or salad."</p>	<p>The London Guide, January 2006</p>
<p>"If ever there was an Italian equivalent to a French Brasserie then Carluccio's is it. Great informal attitude, very decent cooking and the pasta is wholly reliable."</p>	<p>Evening Standard, December 2005</p>
<p>"It's not just a great place to eat- from breakfast to dinner- it also has a fab deli</p>	<p>Reading Evening Post, December 2005</p>

selling authentic Italian wares."	
"Breakfasts served with brilliant breads and top-quality coffee, simple pasta and antipasti lunches and puddings to die for."	The Times, December 2005
"Carluccio's is a byword for comfort food."	Oxford Mail, December 2005

Scuola per Cuochi

The Carluccios also believe in developing people to the very best of their ability. Therefore, the group's approach is to coach everyone to acquire an exceptional knowledge of Italy and Italian food. And Antonio has all the potential to inspire! Their staff training is thorough and challenging, sometimes tough, but a lot of fun! Antonio and Priscilla enjoy being involved in many aspects of training and imparting their knowledge of Italy and Italian food.

The Carluccio's Management Training programme is tailored to the individual. Lasting 8 to 18 weeks for managers and 4 to 6 weeks for chefs, it is based upon a hands-on approach in order to gain experience of every aspect of the Caff , from preparing the coffee to running a successful shift.

"It's a person's attitude to food which counts for me - to food, generally, and to interpreting real Italian food," stresses Antonio. "They have also to understand that this is a hard job - full of joys, but hard. If you have somebody who wants to do something and learn you can teach them business, you can teach them cooking."

Three times a year, the group invites a selection of 12 of their existing chefs to take part in the group's Scuola per Cuochi (School for Cooks) in conjunction with Westminster Kingsway College in London, with the aim of improving their skills and providing the basis for future training and development. It is a detailed and demanding course with a focus on genuine Italian food, run as part of the chef's working week, with the focus on practical, hands-on experience. They have so far enjoyed a huge rate of success and have already promoted some "students" to the position of head chef! Each course ends with a graduation Scuola per Cuochi dinner, a 4 course Italian meal prepared by the chefs who have attended the course, with Antonio giving feedback and awarding certificates afterwards. This is an internally-run course available to Carluccio's chefs only.

In addition to the above, the group also take this one step further with a bespoke, 2-week course at the 'Italian Culinary Institute for Foreigners' in Costigliole d'Asti, Turin, Italy for 6 of their existing chefs selected by the management to further improve their skills and knowledge of Italian food.

The school has already produced 24 basic-course graduates and will shortly offer an advanced chef programme. The company aims to run three 14-week courses this year - typically with 10 chefs on each - at a cost of £45,000.

Carluccio's has also opened a training kitchen at its property in Islington, London.

The Rise and Rise of Carluccio's

"When we started there was Brit-Italia but we wanted to bring in the genuine thing," Priscilla says. "We wanted to explain this is what Italian food is all about: it's a simple, very good quality product."

The formula of simple but original food identified by Antonio, designed and marketed by Priscilla, "was always intended to be big business, to spread quality to all places", she says. The company today has 33 branches, 1,300 employees, and no plans to stop there.

In November of 2005, when the group was serving around 60,000 people a week with sales rocketed by 90 per cent in three years and the group ranking as the 49th fastest-growing private company in the UK, the owners started thinking to float the group on the Alternative Investment Market. The reason behind that thought was the original promise to the investors that in 5 years time they would have liquidity in their investment. It was the time that the investors wanted to value their investment and to be able to choose to have their money back. The group had three choices: trade sale, private equity deal and flotation. The first choice was quickly dismissed as the management team felt that there was still potential for growth and, in fact, did not want to "give it away". They then looked at a private equity deal and discussed the possibility with a number of companies (including Legal General Ventures, Phoenix Equity Partners and Graphite Capital) but at the same time they looked at the possibility of flotation to the extent that they prepared the documentation and did some test marketing to major institutions in order to "see", according to Kossoff, "their appetite". The objective was to try and gauge the difference between the private equity price and the flotation price. At the time, the private equity price was higher than the flotation price. The Carluccios, owning less than one-fifth of the company, were planning to sell almost their entire stake and stay on as consultants, so they wanted the highest price. However, the majority of the external investors did not really want an 'exit' by selling to private equity because they saw a continuing opportunity and so, in terms of flotation, they were ready to take a lower price and still be part of the company's future. Also, the management team thought that they never had any debt and a private equity deal would load the business with debt, resulting in a change of culture. Moreover, they did not want a single owner or two, opting for the flexibility of the "public model".

In December 2005 the group was listed on the Alternative Investment Market at 94.5p a share, valuing the company at £53.6m. It would sell 56.7 million shares worth £26.5m. Antonio and Priscilla made £9.6m from selling down their 22 per cent stake to 3 per cent. The managing director Simon Kossoff made nearly £2m from halving his holding, while the executive chairman

Stephen Gee £1m and non- executive director Peter Webber £1.4m from selling down their stakes.

Simon Kossoff explained that the decision to float was guided by the fact that its private equity backers were looking for less commitment and that the Carluccios themselves were now in their seventies and looking to step back. “We wanted the greater flexibility that comes with flotation - that's really why we're doing it” said Kossoff. “It was not driven by a need to raise new money.” In the end of 2007, the market capital of the company was about £110 million.

Exhibit 1 – Carluccio's Caffés Locations

Carluccio's THE SHOP CAFFÈS ANTONIO RECIPE EVENT CATERING PEOPLE COMPANY INFORMATION

Benvenuto a Carluccio's LOGIN VIEW BASKET PRODUCTS GO

CAFFÈS

WHERE TO FIND US

- BENTALLS, KINGSTON UPON THAMES
- BICESTER
- BLUEWATER
- BRIGHTON
- THE BRUNSWICK
- CANARY WHARF
- CHISWICK
- COVENT GARDEN
- EALING
- ESHER
- BRENT CROSS, FENWICK
- BOND STREET, FENWICK
- FULHAM ROAD
- HAMPSTEAD
- ISLINGTON
- KINGSTON
- MARKET PLACE
- OXFORD
- PUTNEY
- READING
- RICHMOND
- SMITHFIELD
- SPITALFIELDS
- SOUTH KENSINGTON
- ST. ALBANS
- ST. CHRISTOPHER'S PLACE
- ST JOHN'S WOOD
- STRATFORD UPON AVON
- TRAFFORD CENTRE, MANCHESTER
- TUNBRIDGE WELLS
- WALTON ON THAMES
- WESTBOURNE CORNER
- WINDSOR

A DAY IN THE LIFE

MENUS

CAFFÈ EVENTS

HOME

I Caffè

THE CAFFÈS

Find your nearest Carluccio's Caffè by selecting from the locations in our menu or by using the postcode search below.

For a more accurate result, please enter your full postcode:

SEARCH

Our burgeoning food shops display delicious cheeses, hams and salamis, special pastas and sauces and biscuits for stocking the larder.

Exhibit 2 – Antonio's Books

Libri di Cucina

COOKERY BOOKS



Exhibit 3 – Online Recruitment

Carluccio's

ANTONIO | CAFFÉS | THE SHOP | OUTSIDE CATERING | PEOPLE | COMPANY INFORMATION

RECRUITMENT
TRAINING
COOKS' SCHOOL

[Recruitment_Managers](#)
[Recruitment_Chefs](#)
[Recruitment_Team_Members](#)
[Recruitment_Graduates](#)
[Recruitment_Office](#)
[Recruitment_New_Openings](#)

Selezione del Personale

RECRUITMENT

For more information on the following positions please click on the title:

- Managers/Assistant Managers
- Head Chefs/Sous Chefs
- Deli Managers
- Team Members
- Graduates
- Office
- New Openings

Alternatively, for positions regarding:

- [Waiters / Waitresses](#)
- [Deli Assistants](#)
- [Baristi](#)
- [Commis Chefs](#)

Please contact the [Caffés](#) directly and ask to speak to the Manager or Head Chef.

We are opening more [Caffés](#) soon so there's never been a better time to apply!

Home | Antonio | Caffes | Shop | Outside Catering | People | Company Information | My Basket | My Account
Terms & Conditions | Copyright 2004 Carluccio's PLC

Exhibit 4 – Online Person Specifications



“During my employment with Carluccio’s I’ve had the opportunity to work in a number of Caffès. Throughout this time I have found the variety of experience, level of support and overall ethos of the company extremely rewarding, the training has been great and I would recommend it to whoever asked”

Jacqui, Waitress

In our Caffès you will find an authentically Italian experience, we offer high quality products at incredible value. Our service is friendly, informal and efficient. We try to make our customer’s experience special, whether they come in for a quick espresso or for a four course meal.

Full training is given.

Who are we looking for?

People who:

- Are smart with a presentable appearance
- Are energetic & enthusiastic
- Work well in a busy restaurant
- Are team players
- Are flexible
- Are 18 years or over
- Are eligible to work in the UK
- Are fluent in English

Positions available

- Waiter /ess
- Barista
- Delicatessen assistants
- Commis Chefs
- Kitchen porters

Email Sam for more information on becoming a team member.

[Please click here to download our application form](#)

Please send your CV to:

Niki Rouse
Recruitment Manager
12 Great Portland Street
London W1W 8QN

Electronic sources for the case:

<http://www.carluccios.com/CarlucciosSite/pages/home/default.asp>

<http://www.digitallook.com/>

(this site requires a FREE OF CHARGE subscription and then provides the most recent information of the company you want to investigate)

<http://www.caterersearch.com/Home/Default.aspx>



Education and Culture

Leonardo da Vinci

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