

Interweaving managerial skills and tradition to give a new vision to the firm

Since 2015 Varaschin has revolutionized its production of outdoor furniture. And sales have increased with the handwork of collections of great quality. Merit of the skills and choices of the entrepreneurs and of the manager of the organization

Interview with Pietro Varaschin, Giancarla Antoniazzi, Stefano Giust and Verena Varaschin by Giorgia Pacino

VARASCHIN



Headquarters Vittorio Veneto (TV)



Sales revenue

over 18 million euros (EBITDA expected for 2021: 12-13%)



Business manufacture

of outdoor furniture



Staff

40 employees



Ownership (shareholders)

Pietro Varaschin, Giancarla Antoniazzi, Verena Varaschin, Romina Varaschin, Vally Varaschin

It is a journey that starts among the hills combed by the vineyards, just stained red in the season of poppies and propped up here and there by the bell towers of the Treviso countryside. Here, in a weave dense like that of rattan of the first outdoor seats, the story of Varaschin, a firm from Vittorio Veneto, in the province of Treviso, specialized in elements and accessories for outdoor furnishing, has been knotted.

The seat is a small casket hidden among the hills of prosecco. On the other hand, the brothers Ugo and Pietro Varaschin learned the ability to fold the material in their hands, to give shape to a new idea, right in these lands, when they were very young. One aged 19 and the other just 14, in 1969 they started by working the natural fibre imported from Malaysia on behalf of the companies in the area. At the time it was common for children, as soon as they finished elementary school, to attend the school created by a benefactor from Barbisano, a small hamlet of the nearby Pieve di Soligo, where they were taught to weave baskets. "We started from a stable, spending time folding and folding. And slowly we set up a business", says, repeating those ancient gestures with his hands, Pietro Varaschin, President of Varaschin, who leads the company today together with his sister-in-law Giancarla Antoniazzi, General Manager of Varaschin.

The first real turning point came in the 1970's, when the small reality of Vittorio Veneto began to export its products. At that time, began also Pietro's travels to Singapore and then to Indonesia in order to get the precious filament obtained from the reeds (rattan and, later, rush), which was starting to run out. "The first weekend of June 1986, exports close and the price of the material grows by 250%", explains Varaschin, between one anecdote and the other. The year before, far-sighted, he had bought such a large load that it would have been enough up to 1993.

Staff working These were the golden days of rush: Varaschin on fabrics. alone consumed from 20 to 25 thousand reeds All the specifications a month and, in the mid-80s, there were still 185 of materials are collected microenterprises in the province of Treviso that in the "infotecniche" used it.

From rush to synthetic fibres

Then, starting in 2000, the market collapsed and came the need to reinvent themselves. Varaschin began to produce modern traditional furniture, also indoor, but it found it difficult to cope with an increasingly strong competition. Laid rush aside, the company moved on to rope, acrylic thread and soft fabric tapes. Since 2015, synthetic fibres have helped to overcome the financial crisis of 2007-08 and, above all, that of 2010-11, but on the desk of those who decided the production lines more and more new materials were piling up: three price lists, four catalogues, 90 collections, indoor-outdoor. It was therefore the time of the - necessary - rationalization: in five years Varaschin specialized in outdoor furniture, passing to 35 collections, greatly expanding the depth of range and positioning itself on a medium-high market segment. Today the company is projected towards a sales revenue that exceeds 18 million euros and works permanently with 70 countries in the world, from which 60% of its turnover comes.

The new vision of the company - well summarized in the payoff adopted in 2016: "Outdoor Therapy" - is mainly due to Stefano Giust, Chief Operating Officer and Head of Business Strategies at Varaschin.

It is he who does the honors to Sistemi&Impresa, in the place that is called "landscape showroom", where the pieces of the best designers are displayed: the bergère relax Summer Set designed by Christophe Pillet; the Emma collection by Monica Armani and then tables, chairs, chaise longue and sofas, between Dryfeel rubber and Teak wood. One-off pieces that from Vittorio Veneto have put out to sea towards the Hotel Gallia in Milan, the Ca' di Dio in Venice and the hotels in Capri, Ischia and Sorrento, in addition to the resorts in Villasimius.







"For the first six months of my experience in the company I focused on data analysis. I discovered that indoor furniture represented only a cost and gave an image that didn't fall into line with the management and, above all, with the identity of the company. We needed to start from a new project and from a credible and detailed corporate plan", underlines Giust.

Already known to the Varaschin family, with whom he had worked well in the past, Giust returned to the management of the company in 2015, first as Sales Executive and then, from 2019, as Chief Operating Officer. Two are the threads running through his vision: handmade weave and the depth of range developed on selected collections. Each collection, which previously counted four or five pieces, today has about thirty. While

expanding the collections, the manager has streamlined the general offer, revolutionizing the sales price list thanks to the addition of the "infotecniche". It is thanks to the latter that everything is indicated with maximum precision: the names of suppliers, the characteristics of fabric, the peculiarities of rubber, cushion and seat, the materials of the sofa section, even how to do the right maintenance and how to move the heaviest tables correctly.

<u>Few collections</u> <u>for a large depth of range</u>

Each collection is complete and, at the same time, transversal. Each category intersects with a precise target price structured on three levels:

STEFANO GIUST

Business manager, he has a degree in Economics. He has been a consultant in the industry area of Consiel Spa, where he has carried out consultancy activities for leading companies in the commercial and marketing fields. He has held managerial positions within industrial companies operating in the furniture sector. Author of several articles related to the area of business and commercial-marketing strategies and of a book published in 2019, La strategia di successo per rilanciare le aziende (A successful strategy to relaunch companies). Since 2015 he is Sales Executive at Varaschin, of which he has redefined vision, strategy, values and core business, laying the foundations for the relaunch of the company. Since January 2019 he holds the position of Chief Operating Officer (COO).



entry, medium and top level. Giust has also revolutionized the work cycle: the first 15 days of October the catalogue, the price list and the new collections are presented to the whole sales force; in December, the prototypes to be brought to the Milan fair in April are completed; in January, deliveries to customers for the new season start. New projects are planned over a period of 24 to 36 months. On the date of our meeting, the price list is already set until 31 December 2024. Selling, instead, is concentrated on three well overseen channels: the world of Retail, with qualified high-end retailers; the HoReCa sector, aiming directly at hotel chains; and the universe of architects, interior and landscape designers. For them, a technical showroom has been set up on the ground floor of the Treviso headquarters, where the elegance of the furnishing accessories goes together with the needs of spaces and matches, to find the best solution for each environment. The meeting room - 90 seats for a rainbow of armchairs - and the lounge area with the "materioteca" (materials library), that marks the history of the weaves and materials, complete the tour. White sofas, the bar and a full wall-view of the vineyard offer the opportunity to complete orders with a glass of prosecco in hand.

"Comfort was already in the DNA of the family", explains Giust. "The contribution of people and collaborators has been fundamental, especially after the difficulties of 2020. When we reopened on 4 May 2020, after the first lockdown, we registered a drop in sales of 62% and supposed a loss of about 600 thousand euros. In the end we closed the year with earnings after tax of 230 thousand euros, without any cut on the commercial level. And on 2021 we are preparing for a record growth with an important margin. We believed and recovered quickly. For this I thank in particular all the collaborators, they have been extraordinary."



PIETRO VARASCHIN

At the age of 14 he started working rattan for some companies in the Treviso area that marketed seats and accessories. Right-hand man of his brother Ugo, he started the business with him in 1969, in the old family stable. In 1978 he founded together with his brother and Giancarla Antoniazzi the company Varaschin, dealing with product development, production, raw material and suppliers. In the 1980's he traveled between Singapore and Indonesia to stock up directly from the source. Since 1989 he is President of the company.

COVER INTERVIEW





The seventh value: sustainability

Merit also of the route traced by the six founding values of the company, well highlighted on the wall of the showroom: handmade weave; a cosmopolitan-inspired design; high comfort; the ergonomics of the product; high quality; specialization in the outdoor context.

"We have rebuilt a new company specialist in outdoor furnishing, creating a high and coherent image, choosing the best collections and offering a high-quality product", says Giust.

In April 2022, the launch of a new business line, to be presented at the Salone del Mobile in Milan, is expected. And to the six values will soon be added a seventh: sustainability. The announcement is scheduled for October 2022, on the occasion of the annual meeting with agents, but the whole company is working on this topic. "Instead of confining ourselves to a declaration of intent, we first wanted to understand what we could do on this front and present a concrete project." Some steps have already been taken in this direction. The choice in favour of aluminum, for example, recyclable and resistant material, as well as the renunciation of plastic in packaging and the study of new fabrics, created through recovery processes. "The next step is recyclable fabric, but it must have all the quality features of our products. We declare a value only after having made a part of the way", explains Verena Varaschin, Marketing and Communication Manager at Varaschin. Daughter of Ugo and Giancarla, Verena works in the family business together with her sisters Romina, who deals with accounting administration, and Vally, Head of the Italy-Foreign Sales Office.

<u>Customer care between communi-</u> cation and technology

The second generation has chosen operational roles for itself, but throughout the headquarters there is still family likeness, in the corridors of the second floor

GIANCARLA ANTONIAZZI

In 1973, at the age of 19, she began working with the Varaschin brothers as Export Manager. Thanks to her knowledge of the German language, she concentrated the new commercial action on the markets of Germany, Austria and Switzerland. After the birth of the company in 1978, she dealt with commercial development, especially export, and administrative management. In 1989 she assumed office as head of the commercial and administrative-financial areas and became General Manager of Varaschin.



as in the production rooms. To convey this dimension also to the outside People of Varaschin, a social storytelling about the company, entrusted to the people who live it every day, was born. To show to the customer the face of those who are behind every piece of furniture.

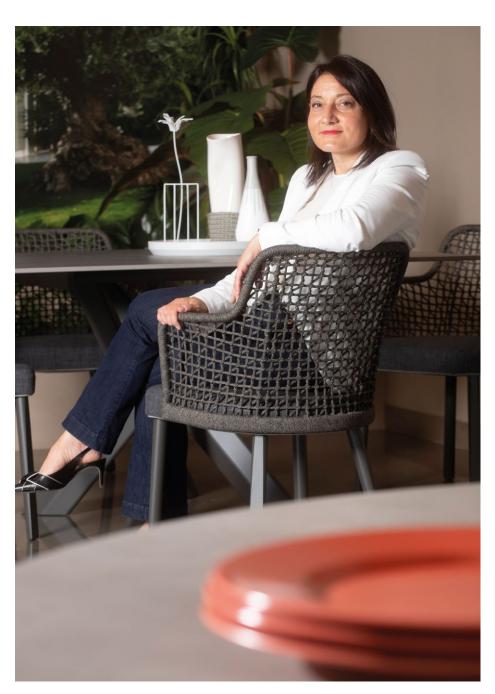
"Our communication strategy has changed in recent years", says Verena Varaschin satisfied. "Before we were much more present in trade magazines, now we limit ourselves to appearing in the issues of the spring-summer season, when outdoor furniture plays the lord and master."

In the meantime, the online presence has grown, with great attention to social networks – Pinterest in primis – and to the new website, inaugurated a year ago after having analyzed the browsing style of about 7 thousand users. Thus, the moodboard section, which collects images and sources of inspiration for architects, designers and end customers, and the section dedicated to Customer care, with useful information on the product, assembly sheets and maintenance recommendations, have been created. Visitors seem to have appreciated: in a year, new users have increased by 49%.

Before buying, many would like to be sure to choose the right piece for their environment. Therefore, in order to offer an extra tool to the most demanding customers, Varaschin has started a collaboration with a startup of the University of Pordenone to create an Augmented Reality configurator: thanks to a simple App, that can be downloaded on the smartphone, customer only has to frame his own garden or terrace to view the products inserted in the space. "Our customers are looking for participation and want to be more involved. That's why we also show them what we do on the territory, supporting our hills."

Hills, but also mountains.

To pay homage to the beauty of its land, Varaschin has decided to set on the Tre Cime di Lavaredo



VERENA VARASCHIN

Daughter of the founders Ugo Varaschin and Giancarla Antoniazzi, she joined the family business at the age of 19, after graduating from Linguistic Liceo. She works closely with her mother and the sisters Romina and Vally. For four years she has been Marketing and Communication Manager at Varaschin. She has helped to change the company's communication strategy, strengthening its presence online and on social networks, and launching the new website, renewed with the inclusion of the Moodboard and Customer care sections, activities developed in collaboration with the integrated communication agency Care.



The group gathered in the lounge area, overlooking the vineyards. From left:
Vally Varaschin, Stefano Giust, Pietro Varaschin, Giancarla Antoniazzi, Verena Varaschin, Romina Varaschin

an unusual *outdoor deep experience*, to show the most beautiful pieces of its production in an iconic setting, raised to symbol of the Dolomites, a UNESCO World Heritage Site.

Pietro Varaschin, on the other hand, proudly claims to be the only one in the family to have traveled a lot: "The others are all here, always fond of this territory."

Expansion abroad while remaining family oriented

Giancarla Antoniazzi has been working for the company since 1973 and has remained in her place even after her husband Ugo left the company to become a farmer. For years she has been involved in foreign markets, including Austria, Switzerland, Belgium, Germany and Holland, as she speaks German, getting along with other languages she did not know and managing the most disparate customers. Even the Swiss agent who used to land on his private jet just a short walk from the headquarters. That's probably why to her three daughters, that she has always left free to make their own choices, she made only one

request: learn languages. Shy and reserved, "Mrs. Giancarla" – as everyone here calls her – was the first to know immediately that the meeting with Giust could be good for the company. "We could see that he had the right characteristics for our business. When we were at a crossroads, after the end of the rattan era, he helped us to choose and lead the right way." It was not easy, her eyes say while she tells of the hardest years, when the company continued to invest in new lines and had to choose which ones to leave. "When you have 40 employees to manage, you have everything in charge, but now I'm satisfied", she says. She never thinks about the future of the company and, even if she lives in a family business, she would prefer not to take her job home. Working together with her daughters allows her, however, to live with them the satisfactions, without need of having to tell them. "I hope that they always will have the intelligence to understand that you are not able to do everything and that they will trust the right people. If you are lucky enough to find them, you must learn to manage them and work together with them. Behaviours do so much more than what you preach."