

# Gateway to the Veneto

The Veneto in north-east Italy is home to some of the country's most profitable businesses. As Emirates begins daily flights from Dubai, **John Brunton** visits the the region previously best known as Venice's hinterland

**T**he view over Venice from the Skyline Bar on the rooftop of the towering new Hilton Molino Stucky takes in a stunning panorama that encompasses the Piazza San Marco, Palladio's Chiesa di San Giorgio and the Salute church.

But as you look upwards there is another sight that attracts your attention: a seemingly non-stop stream of aeroplanes coming in to land and taking off from Marco Polo airport, which sits just across the lagoon from La Serenissima. These planes are not just bringing in tourists to spend a romantic weekend in Venice, but also growing numbers of businessmen attracted to its hinterland, the dynamic Veneto region.

And this is a trend which is set for a dramatic increase, with the opening of this new Hilton – the first tailor-made business and conference hotel in the heart of Venice – as well as the inauguration of daily flights by Emirates from Venice to Dubai, opening up a whole new potential market not just in the Middle East, but beyond to south and south-east Asia.

The Veneto stretches from the coast up to the Dolomites, is home to almost five million inhabitants, and is the economic powerhouse of Italy. It is also the most visited part of the country, attracting around 60 million tourists a year (600,000 of whom come from the UK), who come not just to visit the unique destination of Venice, but also the historic cities of Verona, Padua, Treviso and Belluno, and glitzy ski resorts like Cortina in the Dolomite mountains.





The Veneto is fortunate to have a serious base of agricultural prosperity – vineyards, fruits, maize and cattle farming. And since the end of the Second World War it has become a dynamic industrial centre too, beginning with Europe's biggest petrochemical plants at the port of Marghera, right opposite Venice, which gave the impetus for more specialist businesses to base themselves in the region.

Today, the Venice shipyards are building the biggest cruise ships in the world, and the city of Treviso has been transformed into a business capital for everything from fashion and textiles to electrical white goods and electronics. And although these industries attract foreign businessmen, there is a two-way trade too, with the Veneto companies opening production bases in the surrounding Eastern European countries of Romania, Bulgaria and Albania.

For the Hilton Molino Stucky, it has meant being fully booked from its first day of business on June 1 this year. Not surprisingly, general manager Paolo Biscioni, who formerly ran the Grosvenor House in London pays testament both to the quality of his new hotel, and the region itself.

"What is unique about the Veneto is that we are not talking about impersonal multinational companies, but rather strong, individual private entrepreneurs who have built up brands that have both a respected global recognition and a reputation of the highest quality," he says.

"This region is a hidden goldmine of opportunities for businessmen. The likes of Benetton operating out of Treviso are just the tip of the iceberg – there is Luxotica and the whole eyeglass industry in the Dolomites, Zanussi electrical products, Colmar and the ski accessory business, factories producing specialist mattresses and furniture."

Biscioni also points out that the universities of Venice and Padua, two of the largest and most important in Italy, provide a market of global specialist conferences that the hotel can host.

"The owners of the Molino Stucky, the Italian Acqua Marcia company, have invested €200 million in restoring this building," he adds. "We can offer not just a



380-room property – something previously unheard of in Venice – but an authentic, state-of-the-art conference and banqueting centre that can host 1,000 people."

Someone who has a much longer experience of the market here is Francesca Bortolotto Possati, chairman and president of Bauer Hotel Venezia. Apart from her flagship property, a Venetian landmark like the Danieli and Gritti Palace, the Signora has recently opened the Bauer Palladio, a boutique spa hotel, on the Giudecca, and has just purchased an adjoining palace, the Casa Frollo, which she will convert into luxury residential suites. And in the neighbouring countryside, she owns what she calls a boutique winery, with 25 hectares of highly-prized vineyards, and the north-east's biggest dairy farm, a 1,500-hectare property with 3,000 cows.

Sitting on the terrace of her hotel's waterside restaurant, with gondolas gliding past below, she talks about both her fears and hopes for the future of Venice.

"In my view, it is the Veneto region, its prosperity and exciting tourist potential, that is the key to saving Venice," she says. "It is no understatement to say that the future of Venice is inextricably linked to the success of the Veneto. What Venice needs is for visitors to stay not one or two days, but a minimum of three or four, including a trip out of the city into the Veneto."

"It is as if the people running Venice don't even know of the potential sitting at its backdoor in the Veneto. With its historic villas and castles, art and culture, vineyards and unique gastronomy, there is no reason why this region shouldn't one day even supplant Tuscany. The development of the Marco Polo airport has been an enormous blessing – though well overdue – both for



Venice and the region. Recently, there has been a significant increase in tourists and businessmen from Russia, the Americans come in via Delta and US Airways, and let's hope soon that travellers from the Middle East will begin to return with the new Emirates link."

It is clear that the key to the future development of Venice and the Veneto is the small but perfectly positioned Marco Polo airport. The management company of Marco Polo, SAVE, is poised to complete an equity exchange, which will also give them control over nearby Treviso airport, where Ryanair operates a highly successful link with the UK and Paris.

Camillo Bozzolo, director of aviation development at Marco Polo, is keen to stress the importance of the arrival of Emirates in Venice. "If you look at what has happened in the past, once we persuaded Delta to fly here in 2000, then their success attracted US Airways," he says. "When Delta then commenced a flight to its hub in Atlanta in June 2006, the result has been to open up the whole of America to us."

"Following the same business logic, both we and Emirates are betting that a direct flight to their hub in Dubai will open the gates to the whole of Asia. Just imagine that, from July, Venice will automatically have a new link to 10 non-stop destinations in India, to Shanghai, Peking, Bangkok and rest of south-east Asia."

"And if we see our passenger numbers maturing, then the decision of Emirates to fly here will hopefully attract a long-haul carrier to follow suite – why not Singapore Airlines, Malaysia or Thai? This way we can continue our strategy of offering the consumer less circuitry – shorter flights – and cheaper fares by staying on the same carrier."

Massimo Massini, manager of Emirates Italy, confirms this view. He adds: "Our non-stop service will connect the area around Venice, including the Italian cities of Verona, Trieste, Florence and Bologna – as well as the neighbouring country of Slovenia – with 88 cities across the Emirates network."

"Venice is a popular tourism destination and an important gateway in northern Italy for commerce. I am certain that our new service will contribute to Italy's many flourishing small and medium-sized businesses by providing increased access from Venice to other major cities around the globe via Dubai, and vice versa."

According to Bozzolo, the arrival of Emirates at Marco Polo is only one of a series of developments which will turn the airport into a serious contender to attract business travel away from Milan's awkwardly-placed Malpensa. "Obviously, being the airport of Venice immediately gives us a marvellous advantage – let's face it, everyone will come here once in their lifetime," he says. "But our job is to tell people to look beyond the lagoon to the business opportunities waiting to be discovered in the Veneto region."

"The Veneto is one of the richest areas in Italy, with the highest number of registered companies in the country – we're not talking multinationals, but relatively small profitable organisations, many of which boast global trademarks – Benetton, Diesel, Electrolux, Diadora, Aprilia, Dainese, Illy. Last year saw the airport attracting a record 6.3 million passengers, but we have a whole host of advantages in development that we believe will demonstrate to potential new carriers that Venice is a profitable route for them."

"Inside the terminal itself, apart from the Travelex business centre, we have a



series of boutiques representing landmark Veneto companies – Murano glass, Fortuny fabrics, gold jewellery from Vicenza, Stefanel fashion, Vogart eyewear. To facilitate businessmen who want somewhere convenient to stay, a new hotel, the Marriott Courtyard, has recently opened right outside the airport.

"More importantly, we have just begun the process of inviting bids to construct the Venice Gateway project. Following a design by Frank Gehry, the airport will be transformed into a modern gateway

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to Venice and the Veneto, incorporating state-of-the-art exhibition and conference facilities, corporate office and business centres, hotel, shops and dining outlets. The whole project is likely to call for an investment in the region of €130 million.

"Added to this, transport links are set to improve with the opening next year of a motorway by-pass that will end traffic congestion and seriously increase our catchment area. There are also plans for linking the airport to the future high-speed train network called the Fifth Corridor, which will connect Lyons to Budapest, plus a Light Railway service to the city of Padua, and even a futuristic plan to build an underground train tunnel between the airport and Venice itself."

It is bound to take a good many years for some of these ambitious projects to be realised, but such is the dynamism of this region that you can't ignore the buzz here that "anything is possible". I took a final trip up to the seemingly sleepy mountain town of Bassano del Grappa, to meet the Nardini family, a typical example of the breed of private entrepreneurs that make the Veneto an economic powerhouse.

Based here since 1779, the high-powered director of the enterprise, Cristina, is the seventh generation of Nardinis. Their grappa is the leading brand in Italy, producing 2.5 million bottles a year, and now it is the export market which is a major priority. To present the company's image

and showcase their products, the family have just completed a serious investment – they won't say just how much – to construct a stunning conference, research and events centre adjacent to their distillery. After considering a design by Renzo Piano, they chose instead the renowned architect Massimiliano Fuksas, whose futuristic creation, called simply "Bolle" (bubbles) would not look out of place at the next World Expo, rather than hidden away in the hills of the Veneto.

There are challenges, however, as Bortolotto Possati points out. "One of the big problems is that Venice has become what I call a 'hit-and-run' city for investors, attracting businessmen who inject large amounts of capital, take a quick profit and then sell and disappear," she says. "What the city needs is people who believe in the long-term future, as I do, who realise that this is a unique destination as long as it maintains its identity."

"I was fortunate that I inherited the Bauer hotel from my grandfather, but since then I

have invested in the region of €100 million in the city, buying a series of palazzi along the Grand Canal and over on the island of Giudecca. So, not only can you say that I am committed to the future of Venice, but that I've committed the next generation as well."

She admits, however, that she is ambivalent about a possible influx of Chinese visitors to the city. "I am a little anxious because, at least for the next few years, I foresee a business of large groups rather than independent travellers, similar to what happened 10 to 20 years ago with the Japanese, who in the end have not become a significant element in the tourism economy here. But then we will also have to examine the effect of Chinese business investors in both Venice and the Veneto, as that is another phenomenon that is growing very fast right now." ■

### GETTING THERE

Venice Marco Polo is served by BA and Easyjet from Gatwick and Bmi from Heathrow. Ryanair flies into Treviso from Stansted. Return fares with BA: business class from £286, economy class from £95. Return fares with Easyjet from £66 and with Ryanair, from £44.

Other airports in the region include Verona and Brescia. Verona is served by Air Italy from Stansted (return from £52) and by BA from Gatwick (economy returns from £80 and business class from £258). Brescia is covered by Ryanair from Stansted (from £49 return).

