



# Food Industry Monitor

Observatory on the performance of Italian companies  
in the food sector

**Presentation of results**

*Carminé Garzia*  
*Milan - June 24th, 2015*

# The sample

519 companies 43.5 billion aggregate revenues 71% representation of corporations

## The sectors analyzed

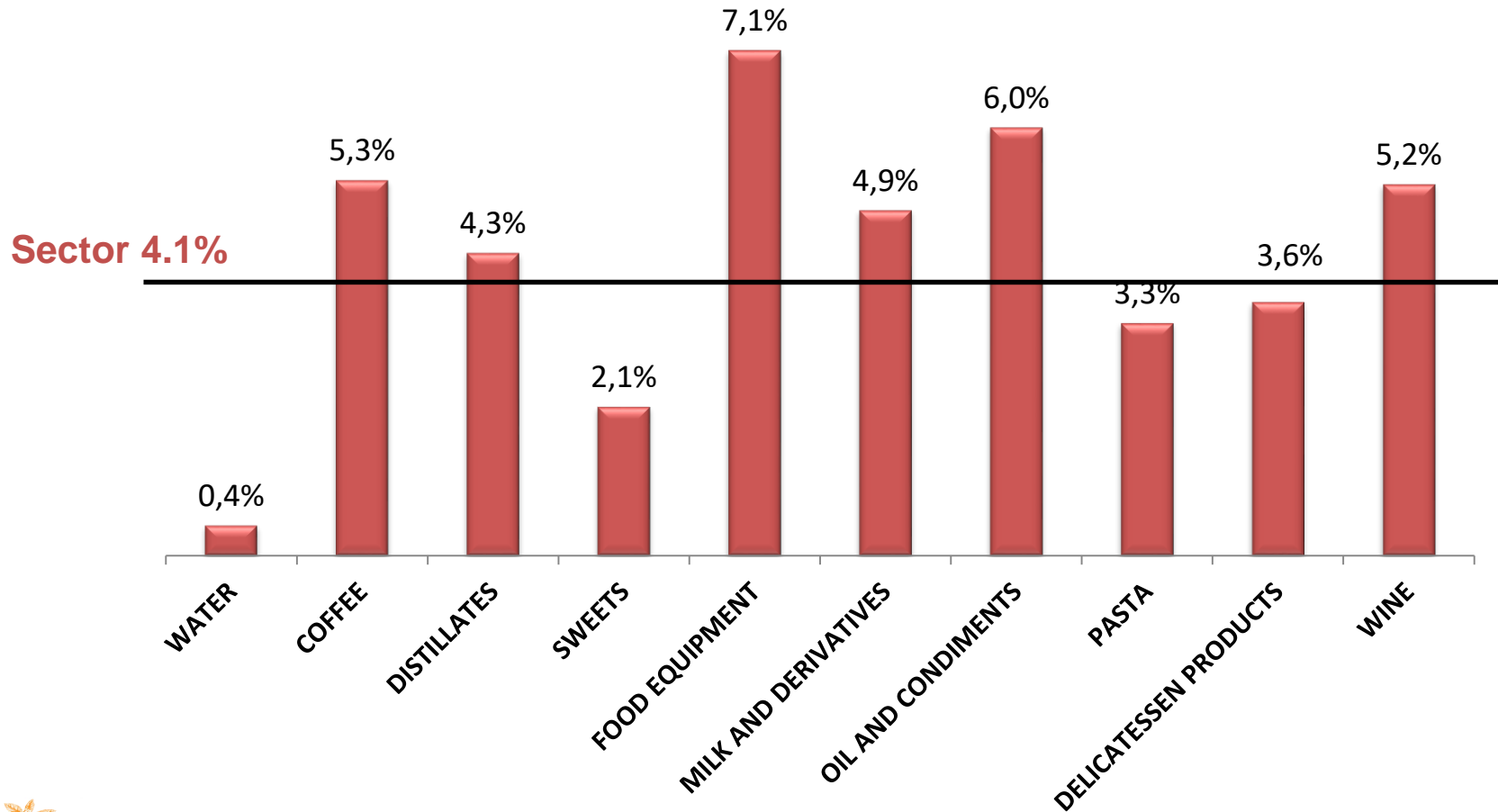
COMPARTMENT	NUMBER OF SAMPLE COMPANIES	AGGREGATE REVENUES CHAMPION	AVERAGE REVENUES (2009-2013)	MEDIA EMPLOYEES
WATER	40	2.508.540.471	62.326.471	131
COFFEE	48	2.720.498.388	52.194.225	166
DISTILLATES	48	3.317.725.292	64.915.290	107
SWEETS	46	6.802.566.703	144.041.598	415
FOOD EQUIPMENT	43	3.723.453.500	74.789.663	326
MILK AND DERIVATIVES	53	8.927.013.701	309.976.602	249
OIL AND SEASONINGS	48	2.071.528.376	38.093.452	32
PASTA	45	4.858.744.067	101.912.129	214
CURED MEAT	44	3.988.297.772	84.863.459	176
WINE	104	4.681.533.380	40.616.516	79

Sources: AIDA, CERVED

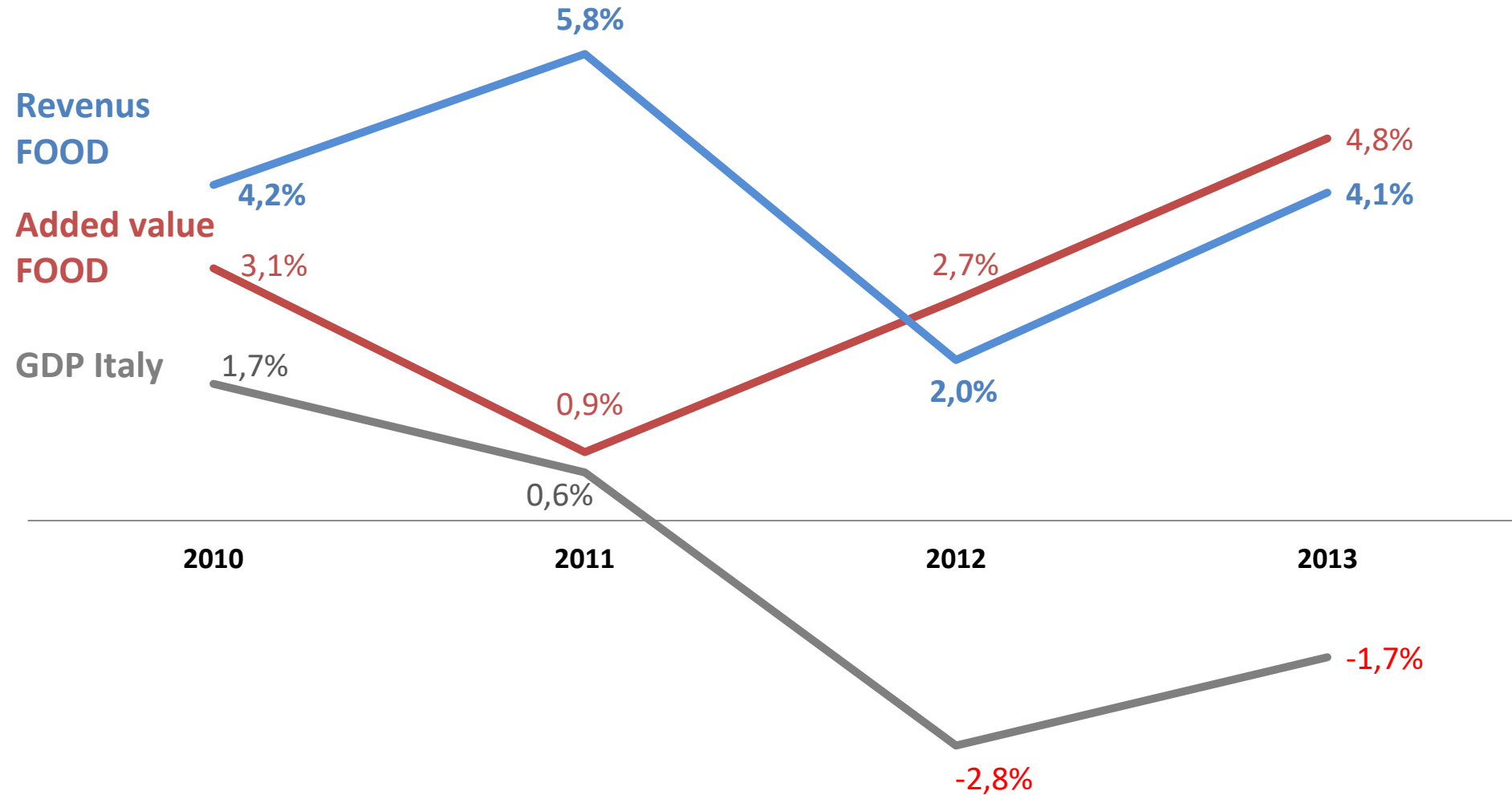


# Food sector - Growth

## CAGR Revenues (2009 - 2013)



# Food sector - Growth - Comparison with GDP

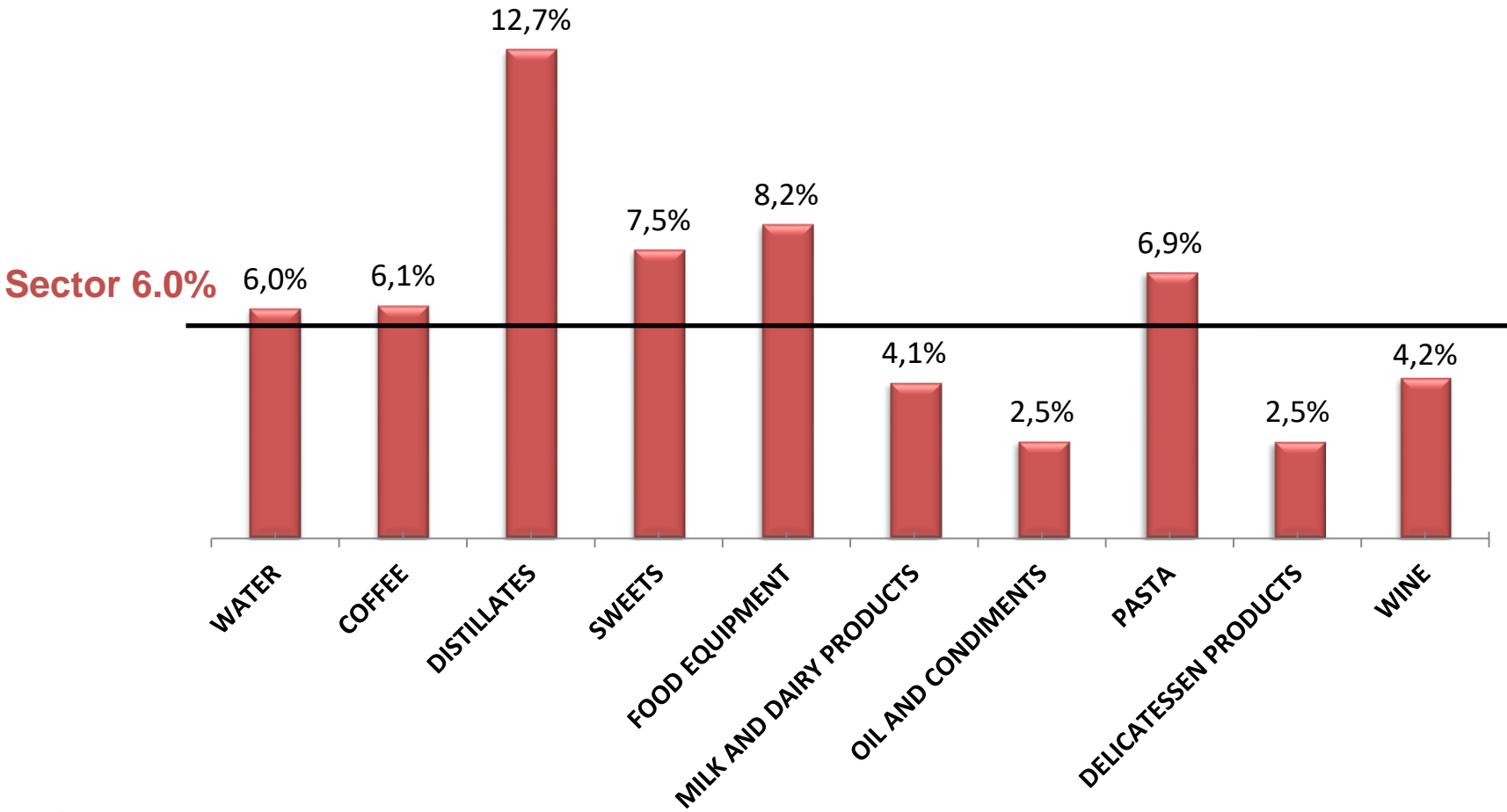


Source: IMF, World Economic Outlook, 2015.



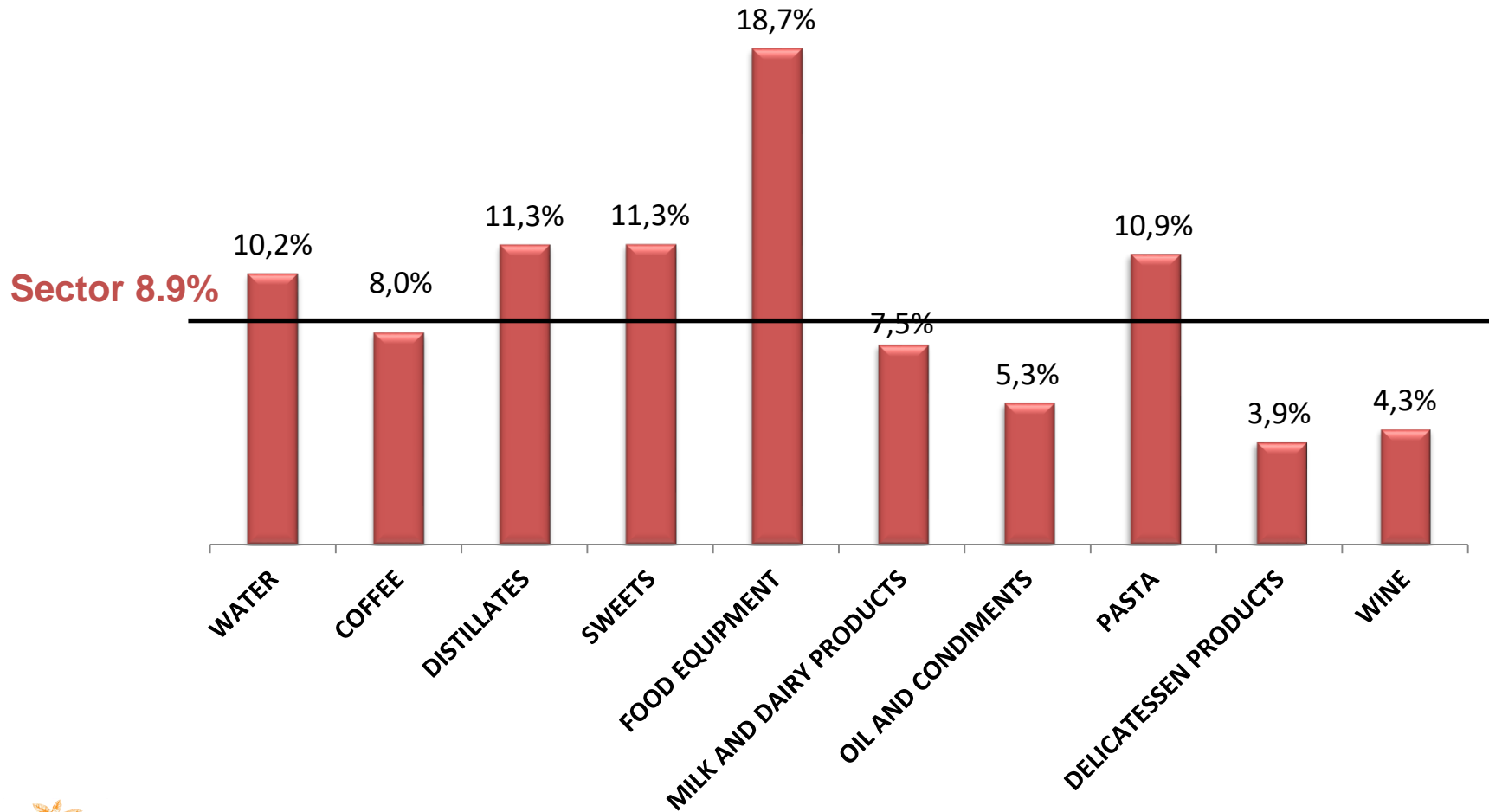
# Food sector - Commercial profitability

ROS (average 2009 - 2013)



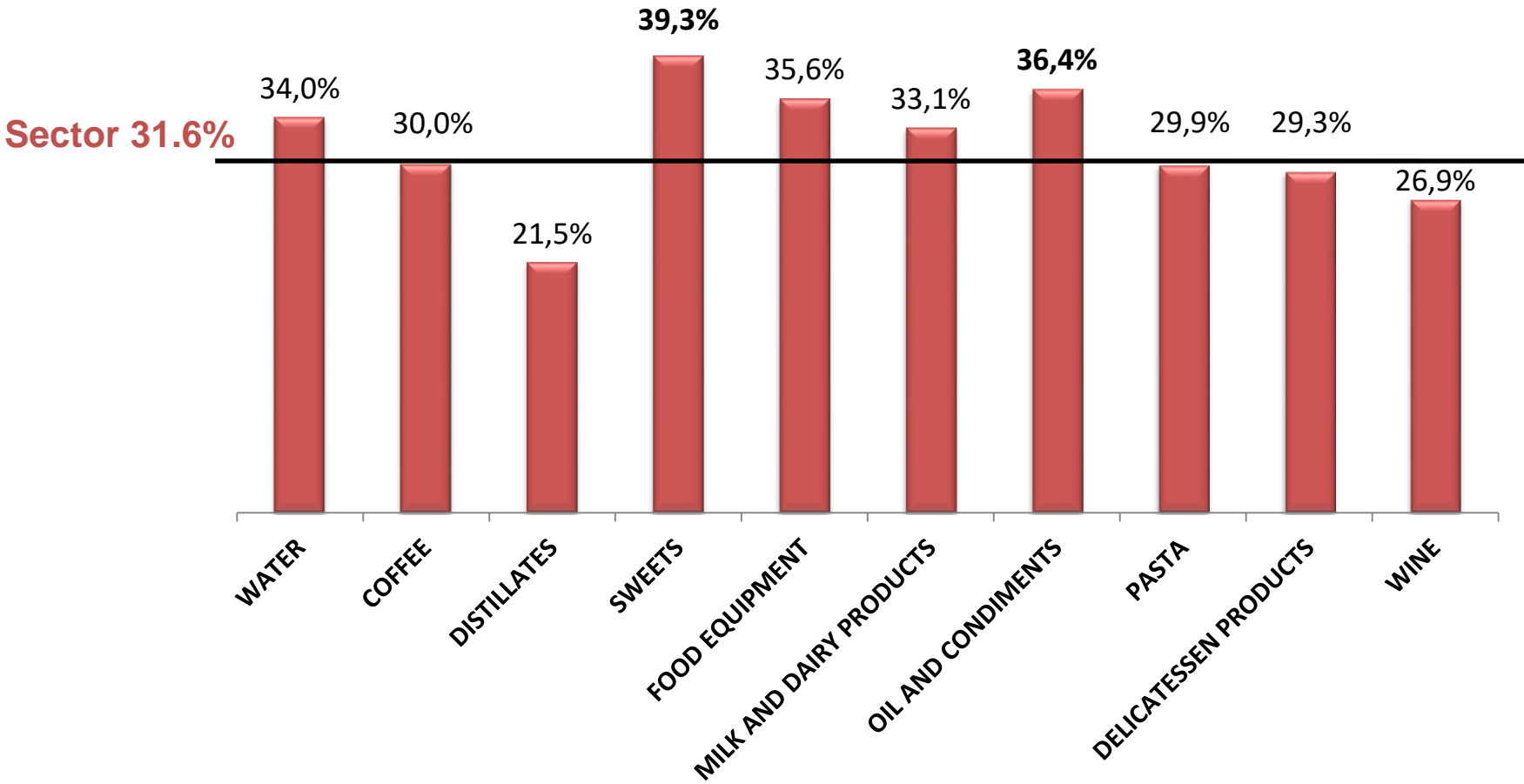
# Food sector - Return on Invested Capital

ROIC (average 2009 - 2013)



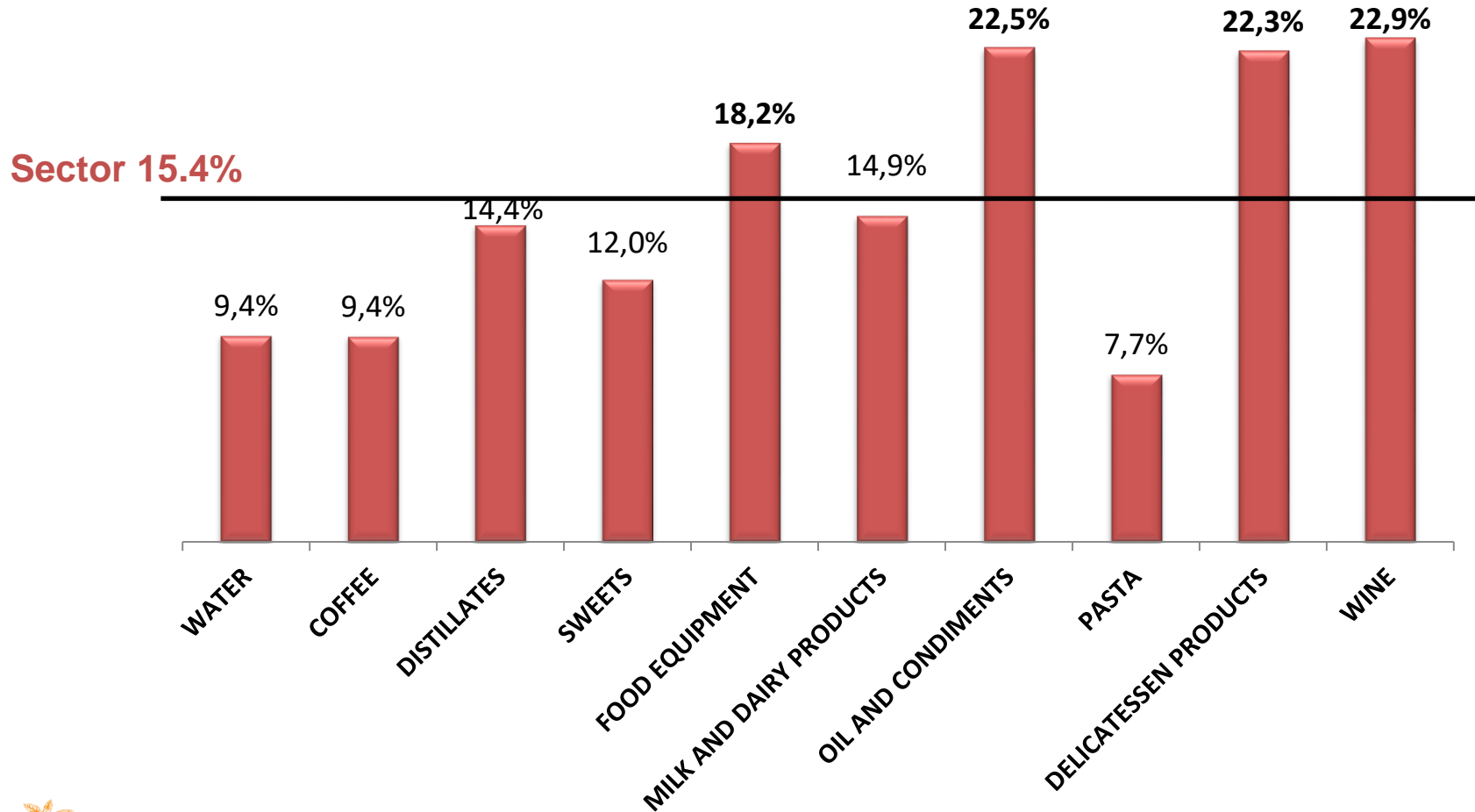
# Food sector - Working Capital Structure

## CREDITS as a percentage of TOTAL ASSETS



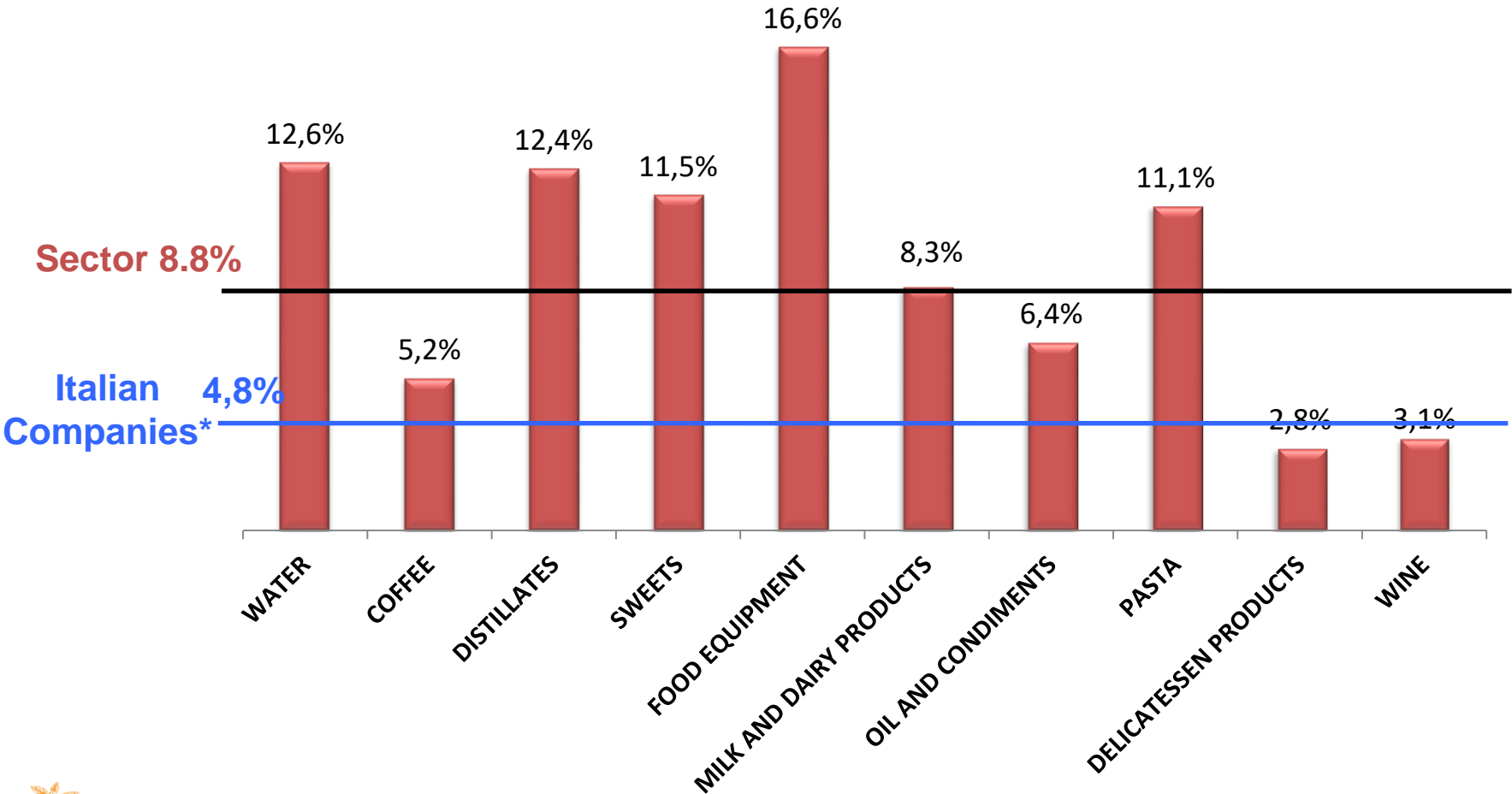
# Food sector - Working Capital Structure

## Inventories as a percentage of total assets



# Food sector - Return on equity

ROE (average 2009 - 2013)



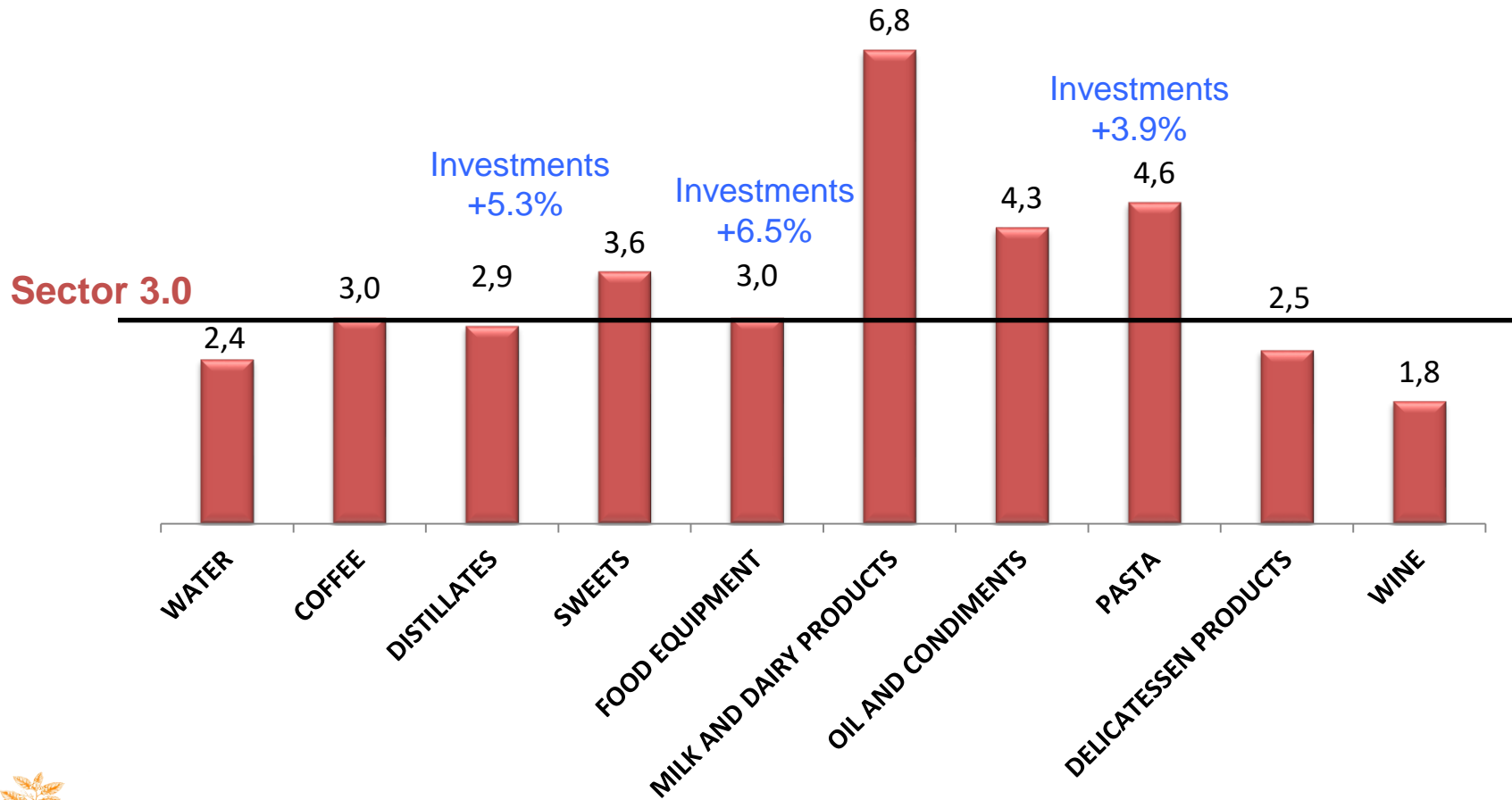
\*Source: MBRES, 2015



# Food sector - Productivity of investments

PRODUCTION VALUE / FIXED ASSETS MATERIALS  
(average 2009 - 2013)

Growth in net investment in capital goods 2009-2013: +1.2%.

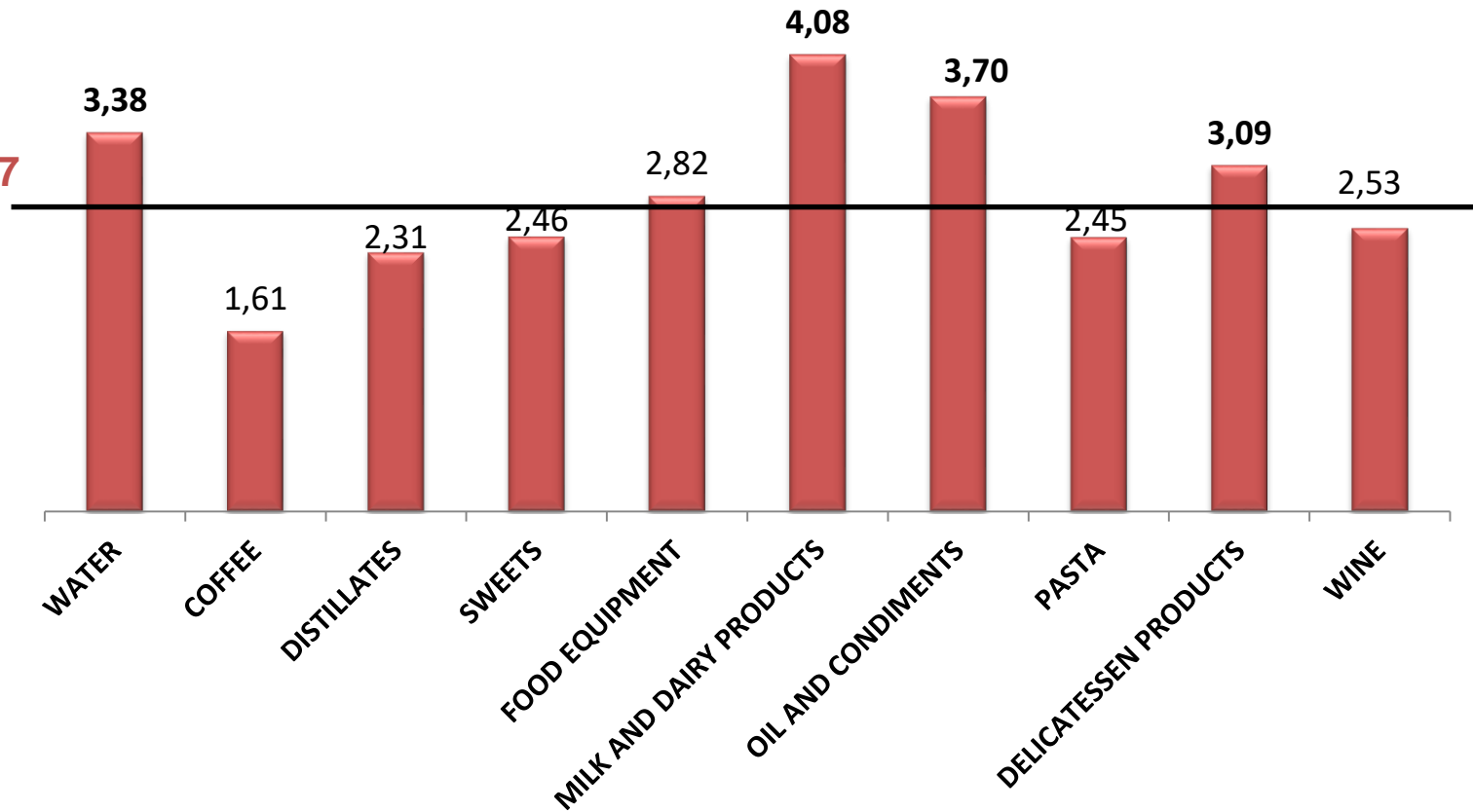


# Food sector - Financial structure

## INDEBTEDNESS RATE (average 2009 - 2013)

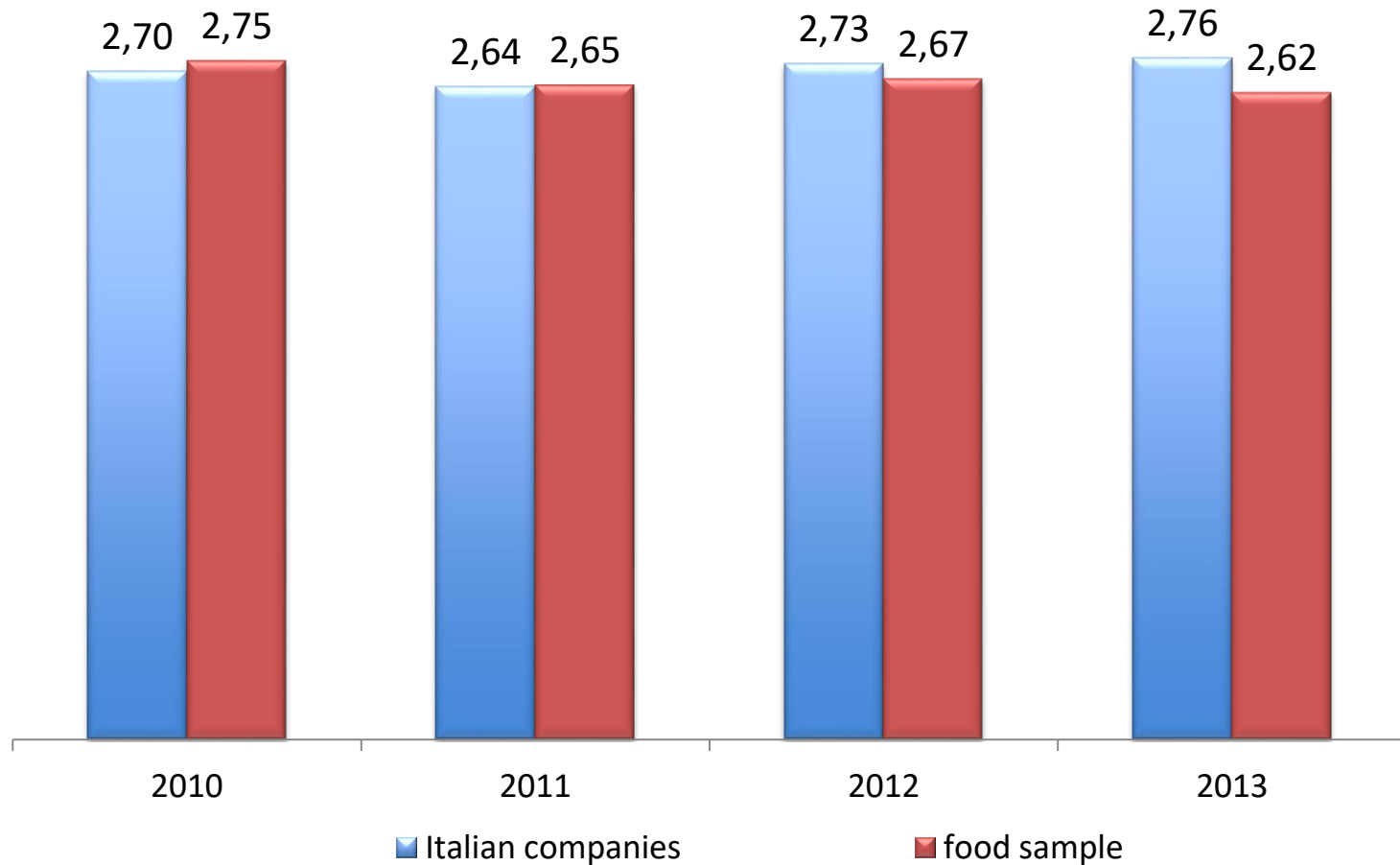
Average cost of debt (2009-2013): **3.8%**.

Sector 2.7



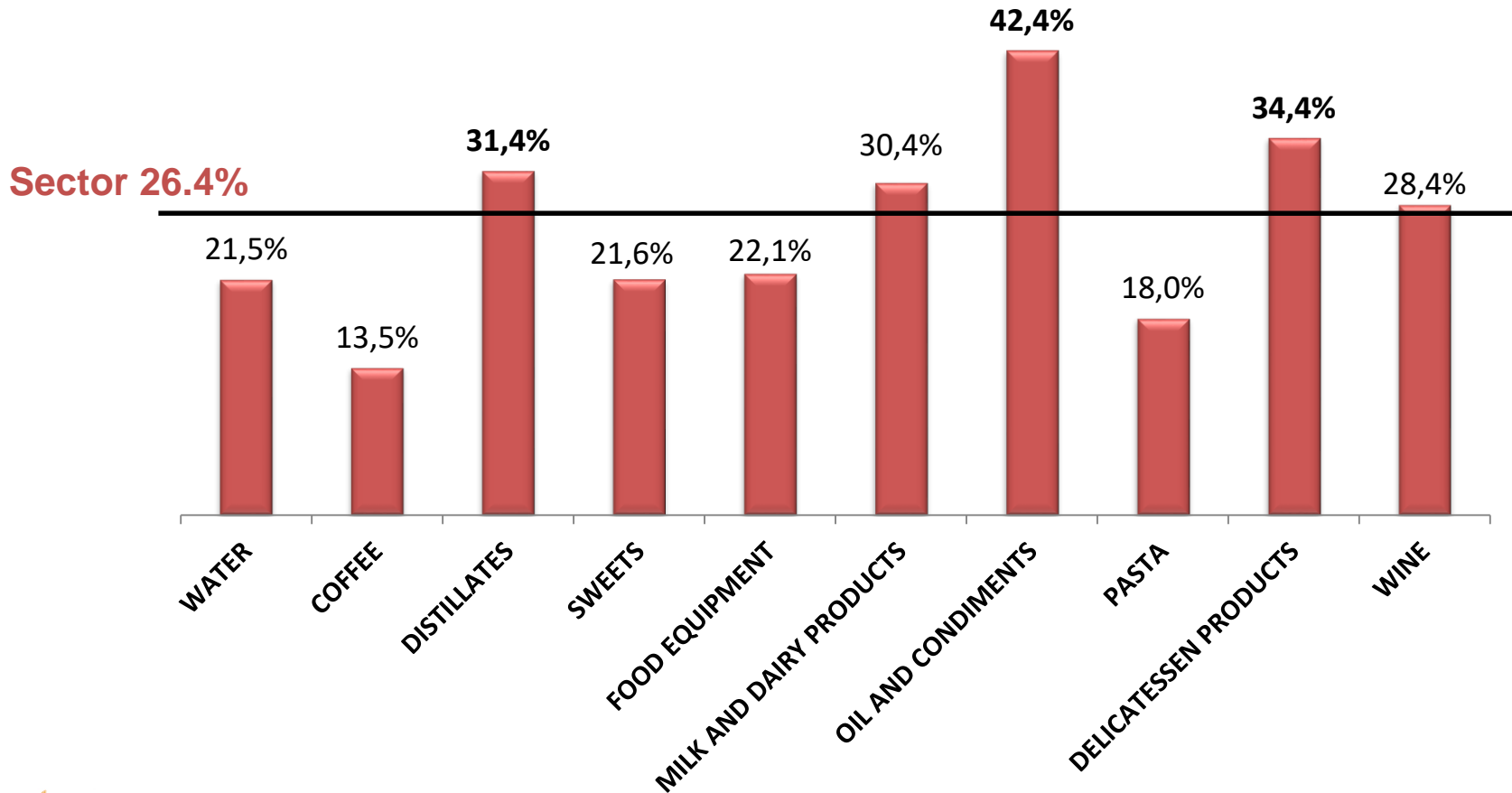
# Food sector - Financial structure

## Initial rate of indebtedness (2010 - 2013)

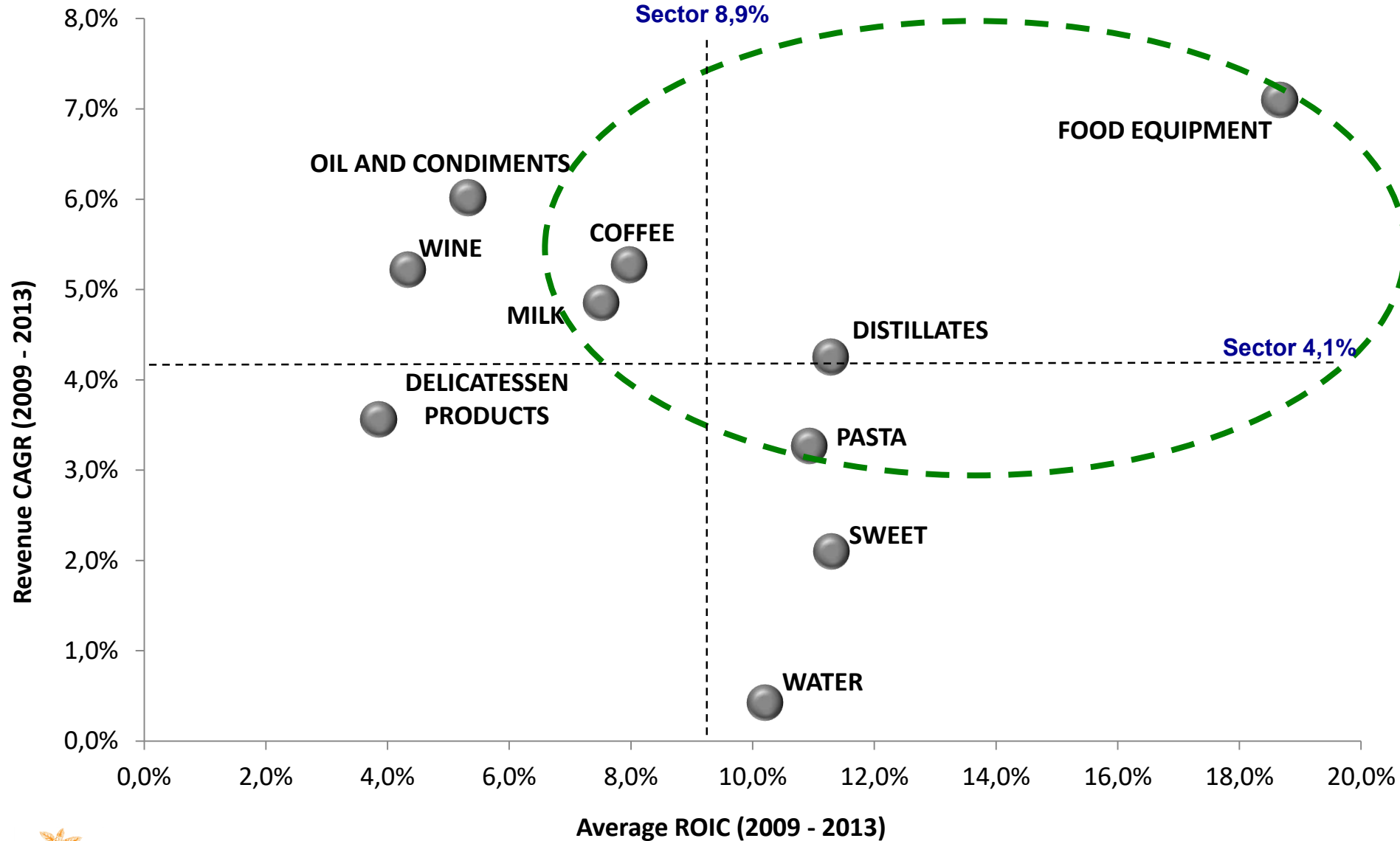


# Food sector - Financial structure

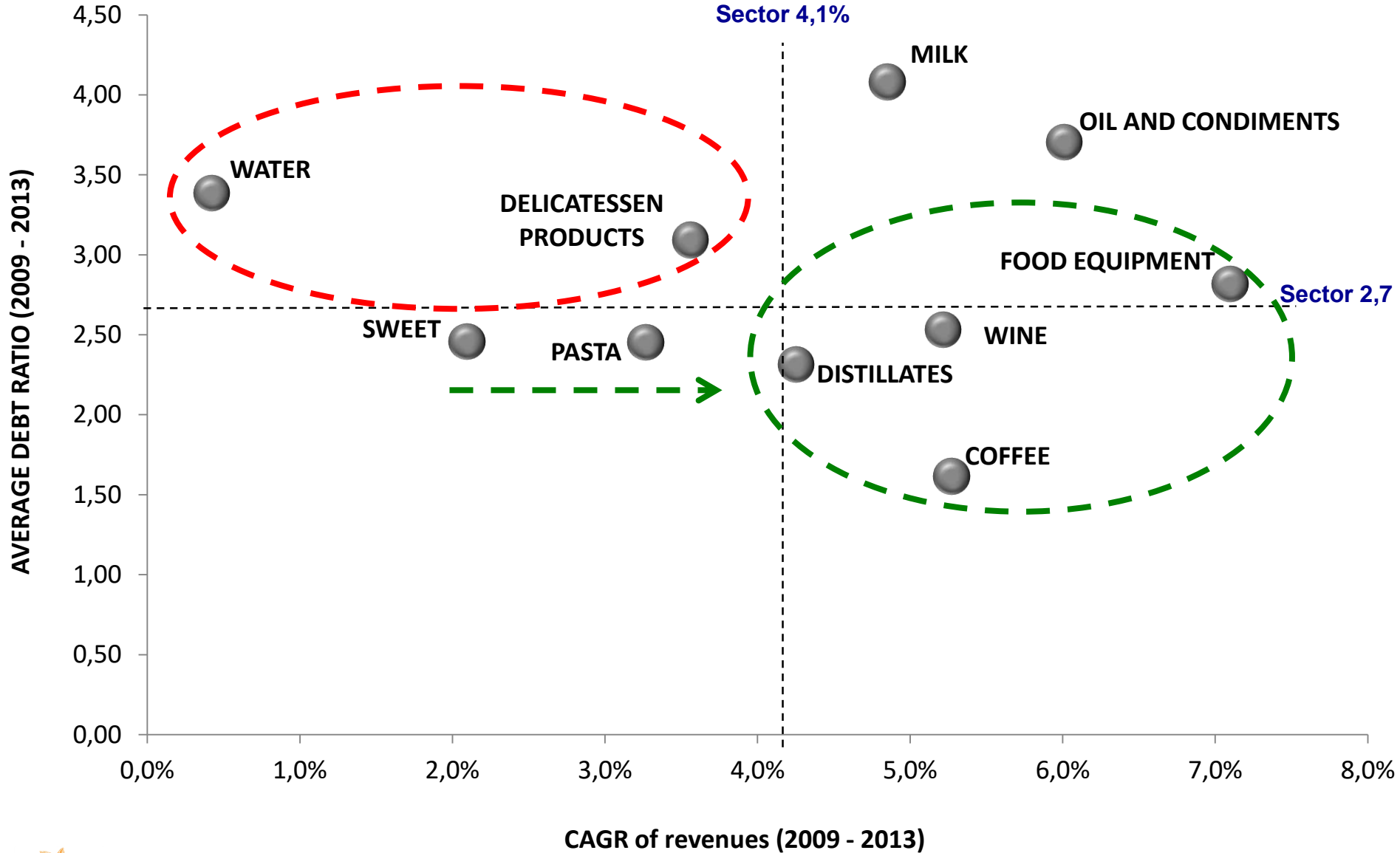
## Incidence of FINANCIAL DEBTS on TOTAL LIABILITIES



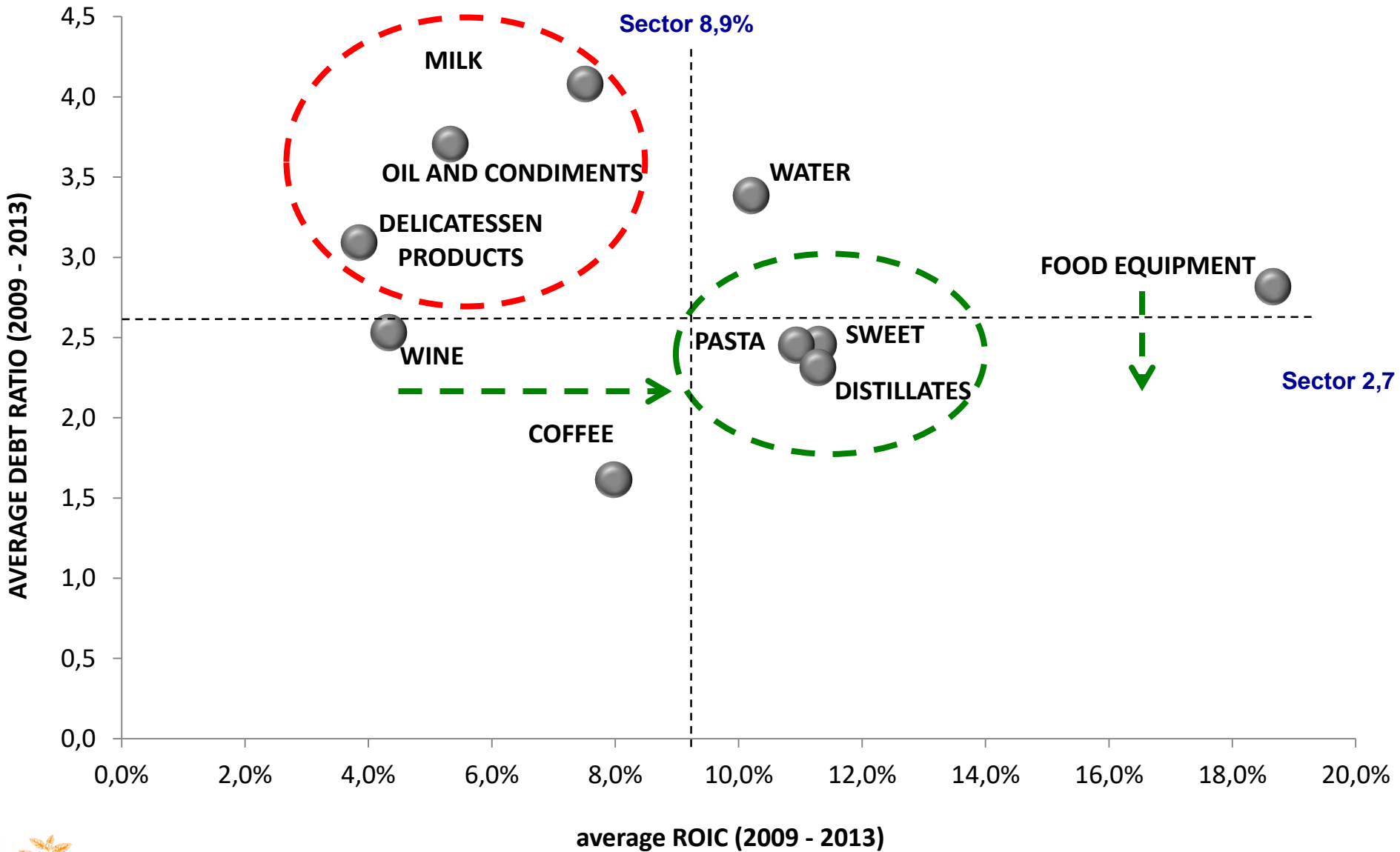
# Food sector - Growth and profitability 2009 - 2013



# Food sector - Debt and Growth 2009 - 2013



# Food sector - Indebtedness and profitability (ROIC)



## Food sector - Rank of sectors

	<b>INCOME CAGR (2009-2013)</b>	<b>ROS AVERAGE (2009-2013)</b>	<b>INDEBTED RATE (2009-2013)</b>	<b>GROWTH RANK</b>	<b>OPERATING PROFITABILITY RANK</b>	<b>FINANCIAL SOLIDITY RANK</b>	<b>TOTAL RANK (2009-2013)</b>
<b>COFFEE</b>	5,3%	6,1%	1,6	3	5	1	1
<b>DISTILLATES</b>	4,3%	12,7%	2,3	6	1	2	2
<b>FOOD EQUIPMENT</b>	7,1%	8,2%	2,8	1	2	6	3
<b>PASTA</b>	3,3%	6,9%	2,5	8	4	3	4
<b>SWEETS</b>	2,1%	7,5%	2,5	9	3	4	5
<b>WINE</b>	5,2%	4,2%	2,5	4	7	5	6
<b>OIL</b>	6,0%	2,5%	3,7	2	9	9	7
<b>MILK</b>	4,9%	4,1%	4,1	5	8	10	8
<b>CURED MEAT</b>	3,6%	2,5%	3,1	7	10	7	9
<b>WATER</b>	0,4%	6,0%	3,4	10	6	8	10

With the same total rank, the company with the lower debt rate prevails.



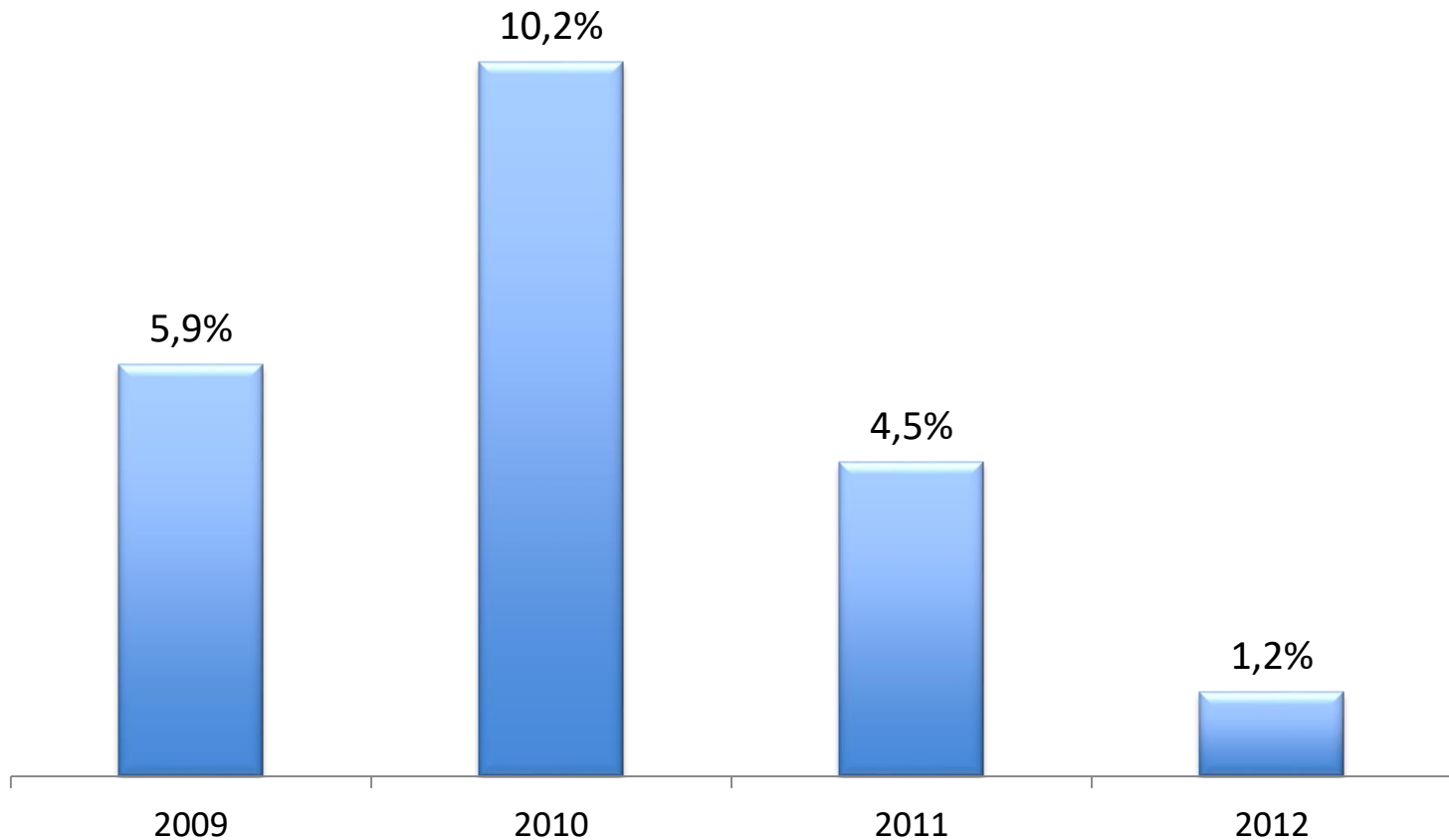
**Coffee**

# Coffee - Growth

Concentration Index CAGR (2009 - 2013): 0.03%.

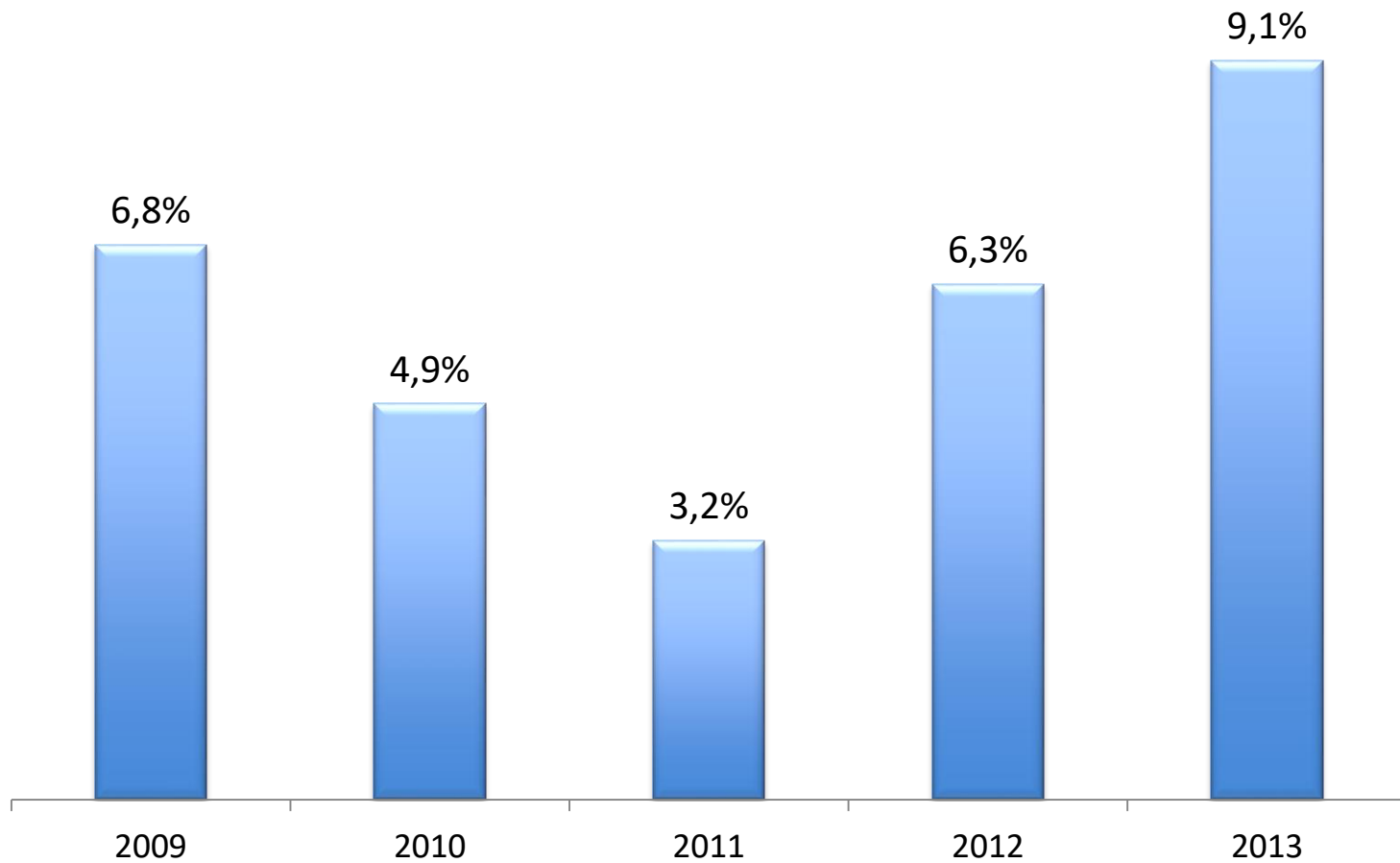
HHI Concentration Index (2013): 2.707

## Rate of change in net revenue



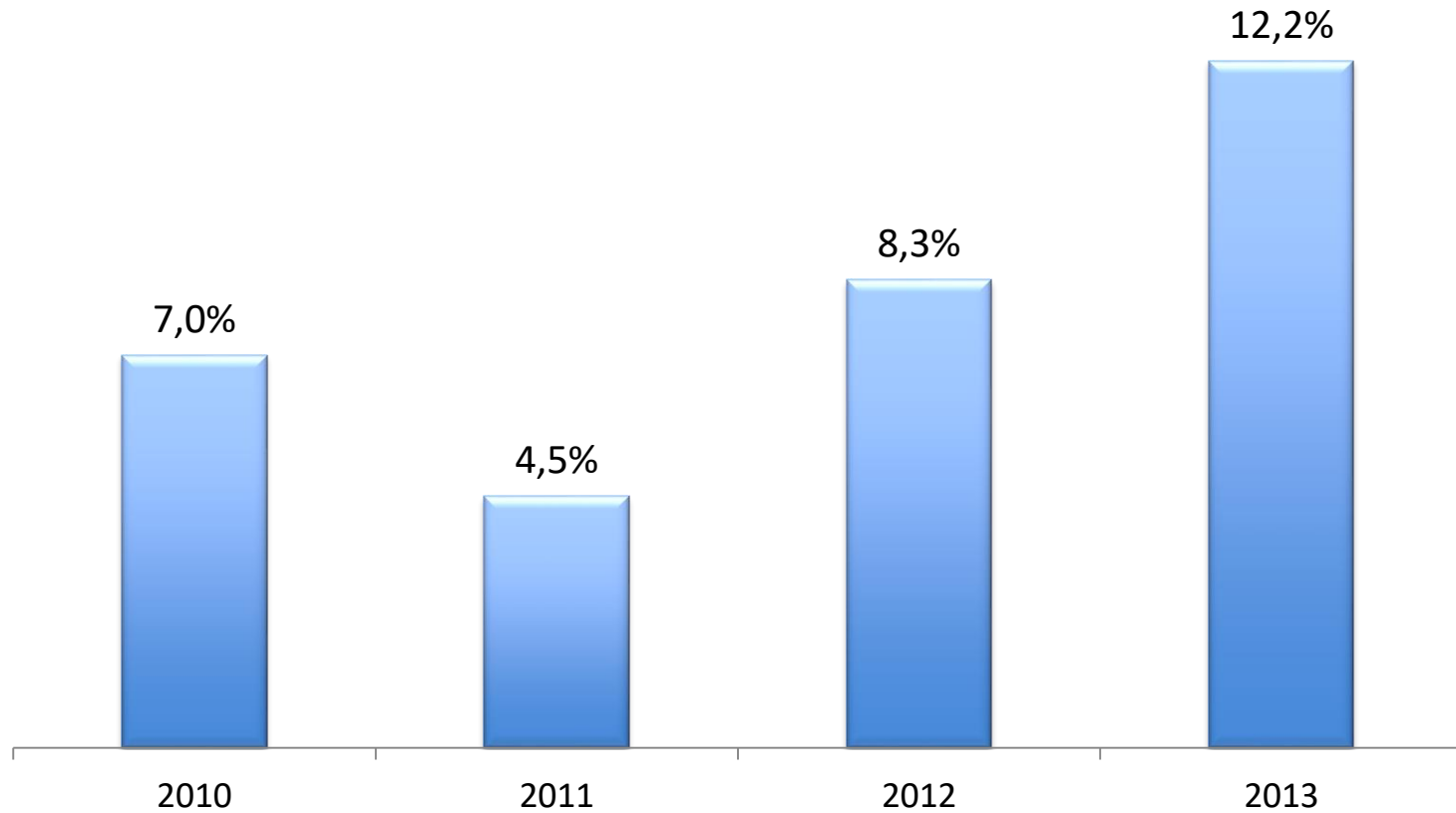
# Coffee - Profitability

ROS



# Coffee - Profitability

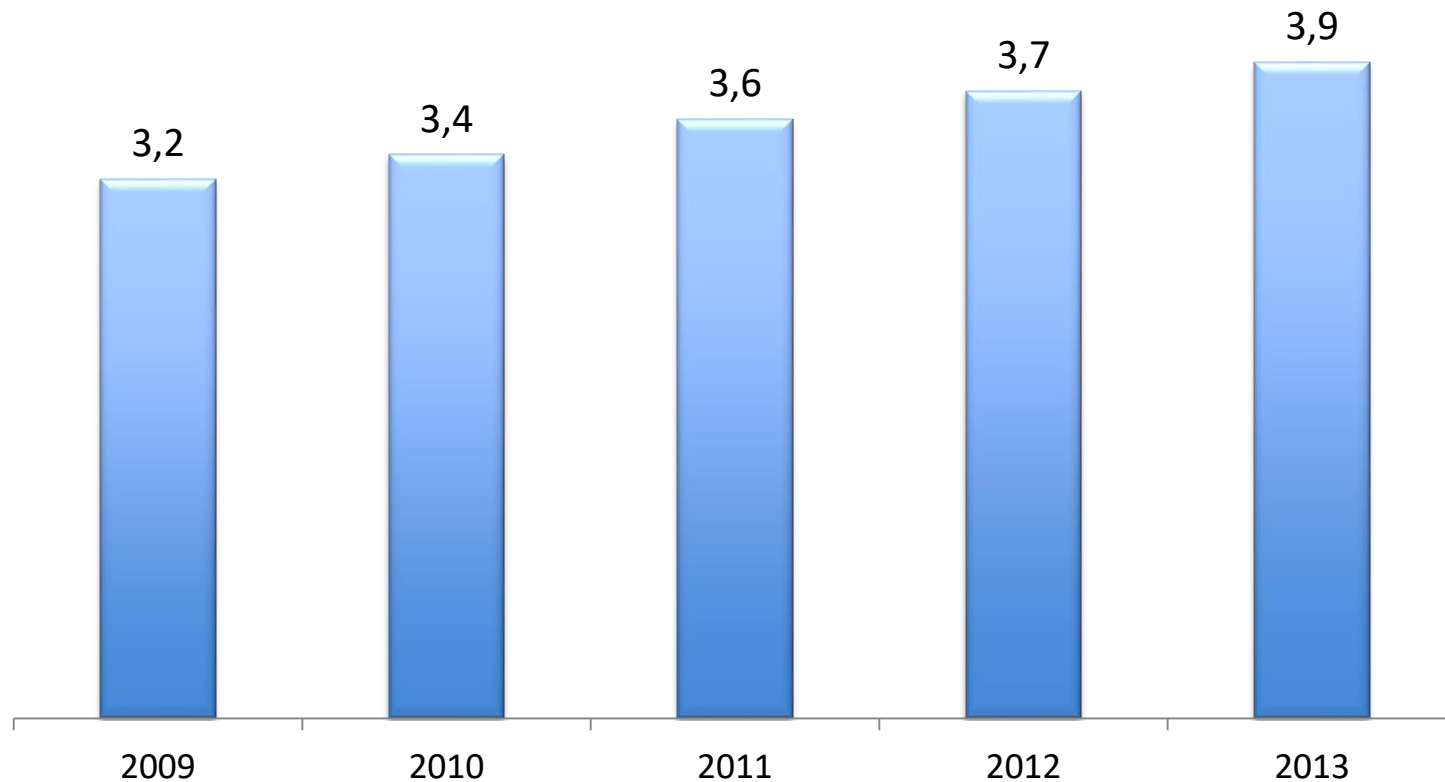
## ROIC



# Coffee - Productivity

Growth in net investment in capital goods 2009-2013: +0.5%.

## Value of Production / Imm. Mat.



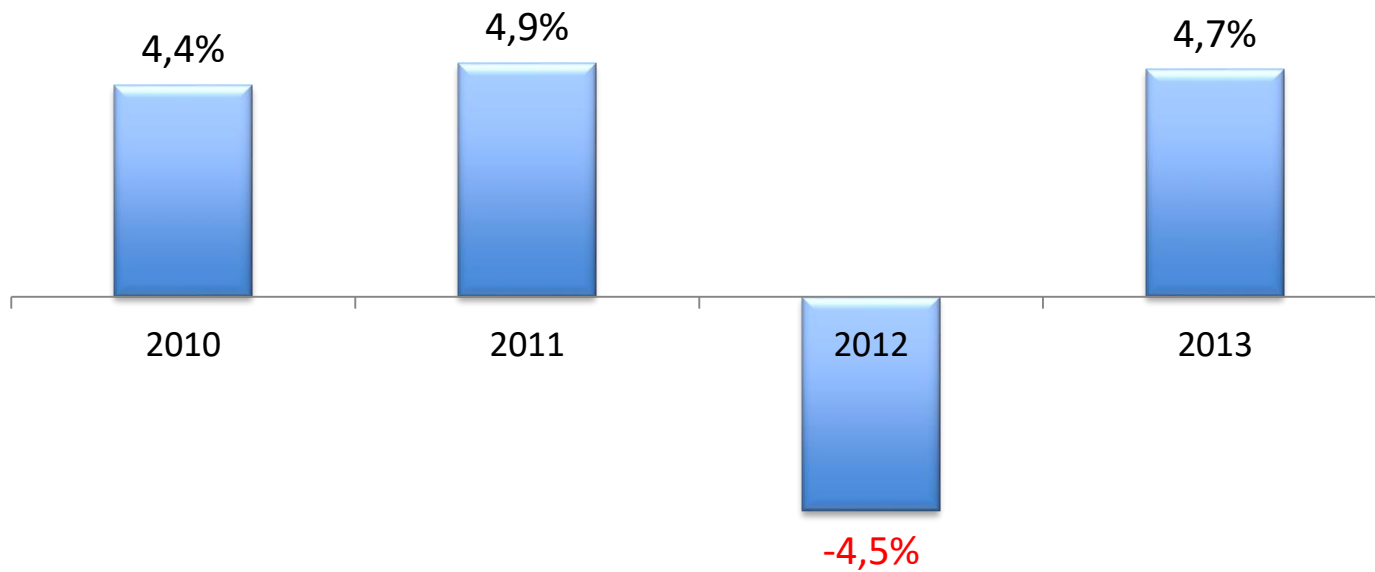
**Sweets**

# Growth

Concentration Index CAGR (2009 - 2013): - 0.05%.

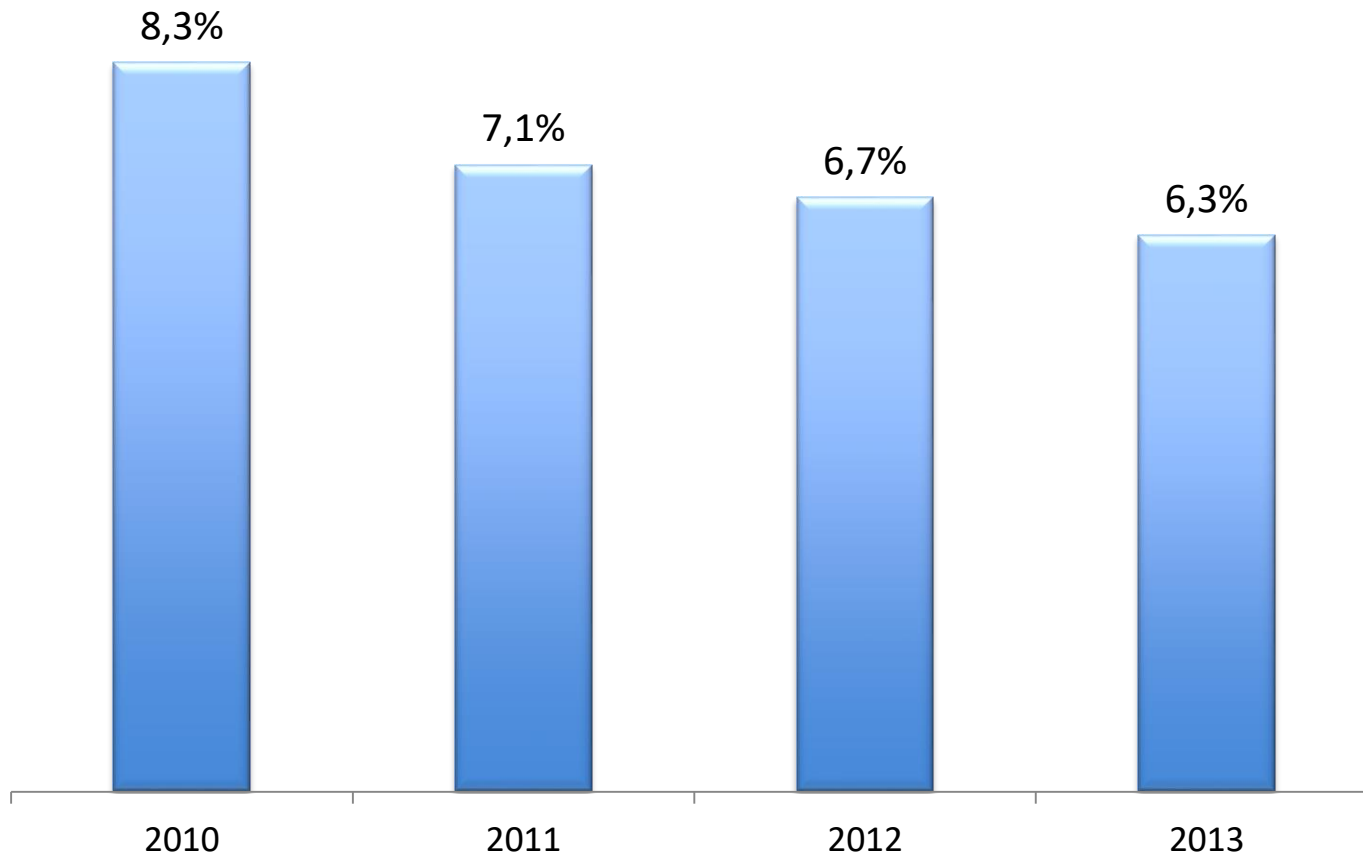
HHI Concentration Index (2013): 1.708

## Rate of change in net revenue



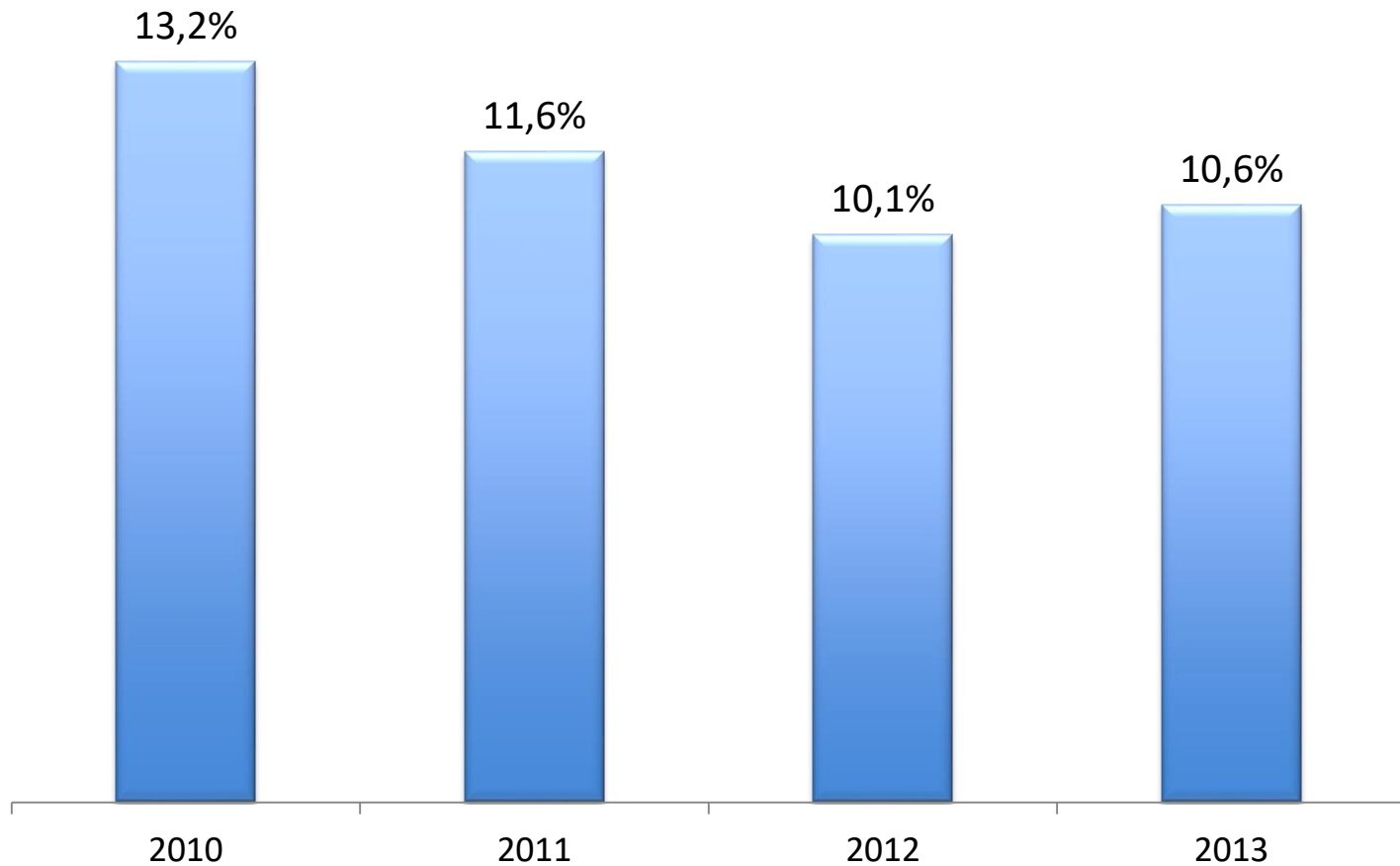
# Sweets - Profitability

ROS



# Sweets - Profitability

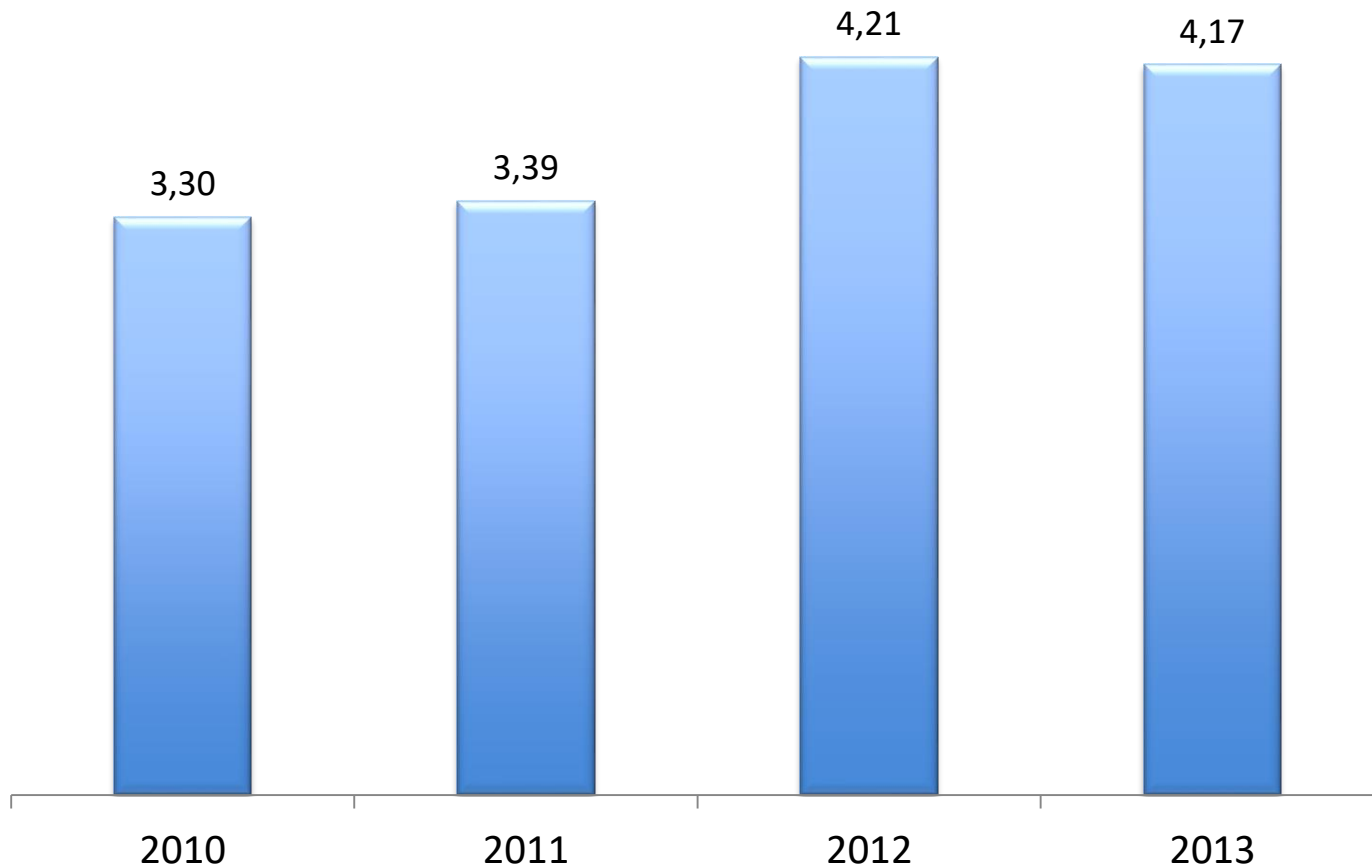
## ROIC



# Sweets - Productivity

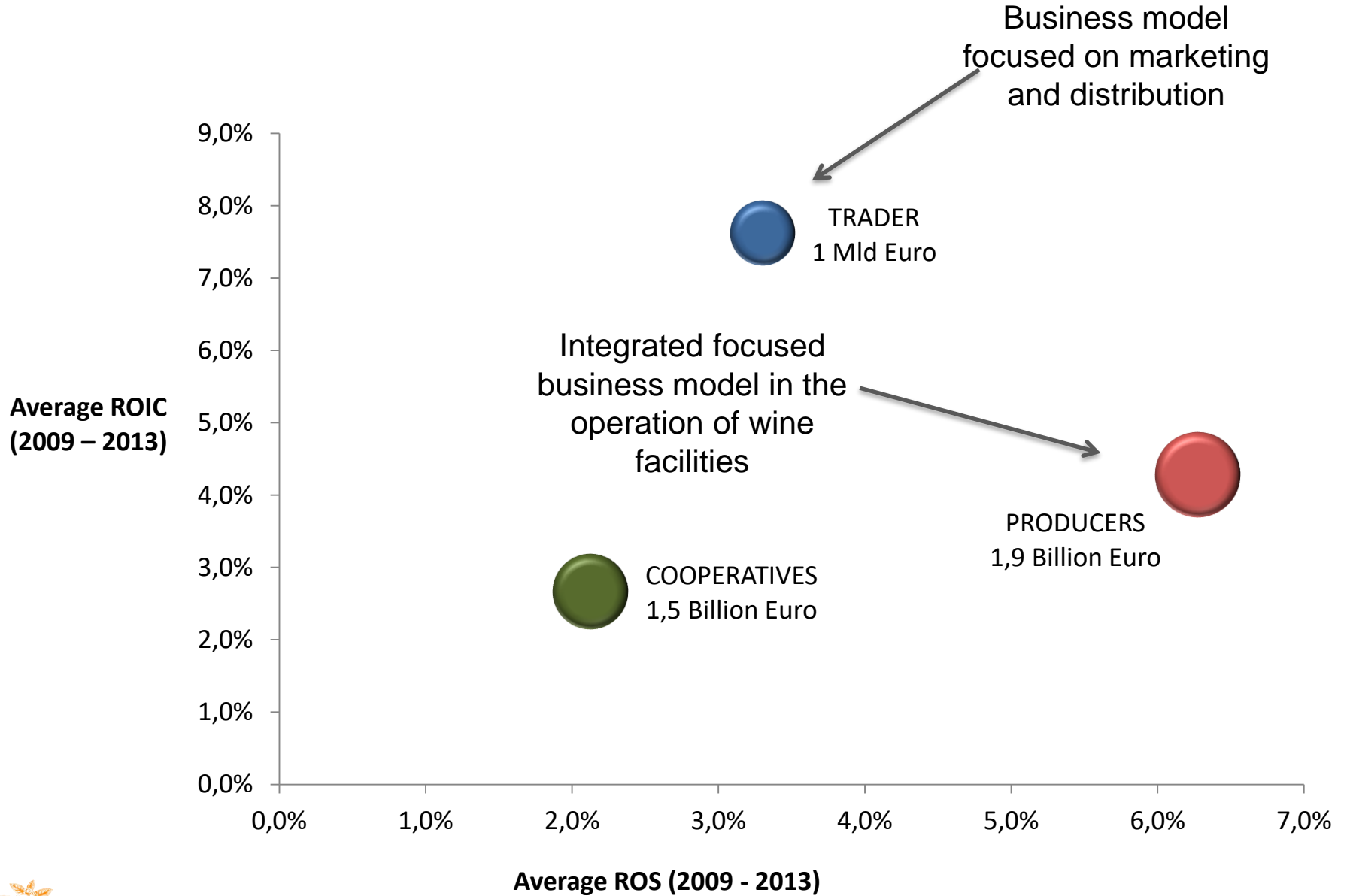
Growth in net investment in capital goods 2009-2013: -2.4%.

## Value of Production / Imm. Mat.

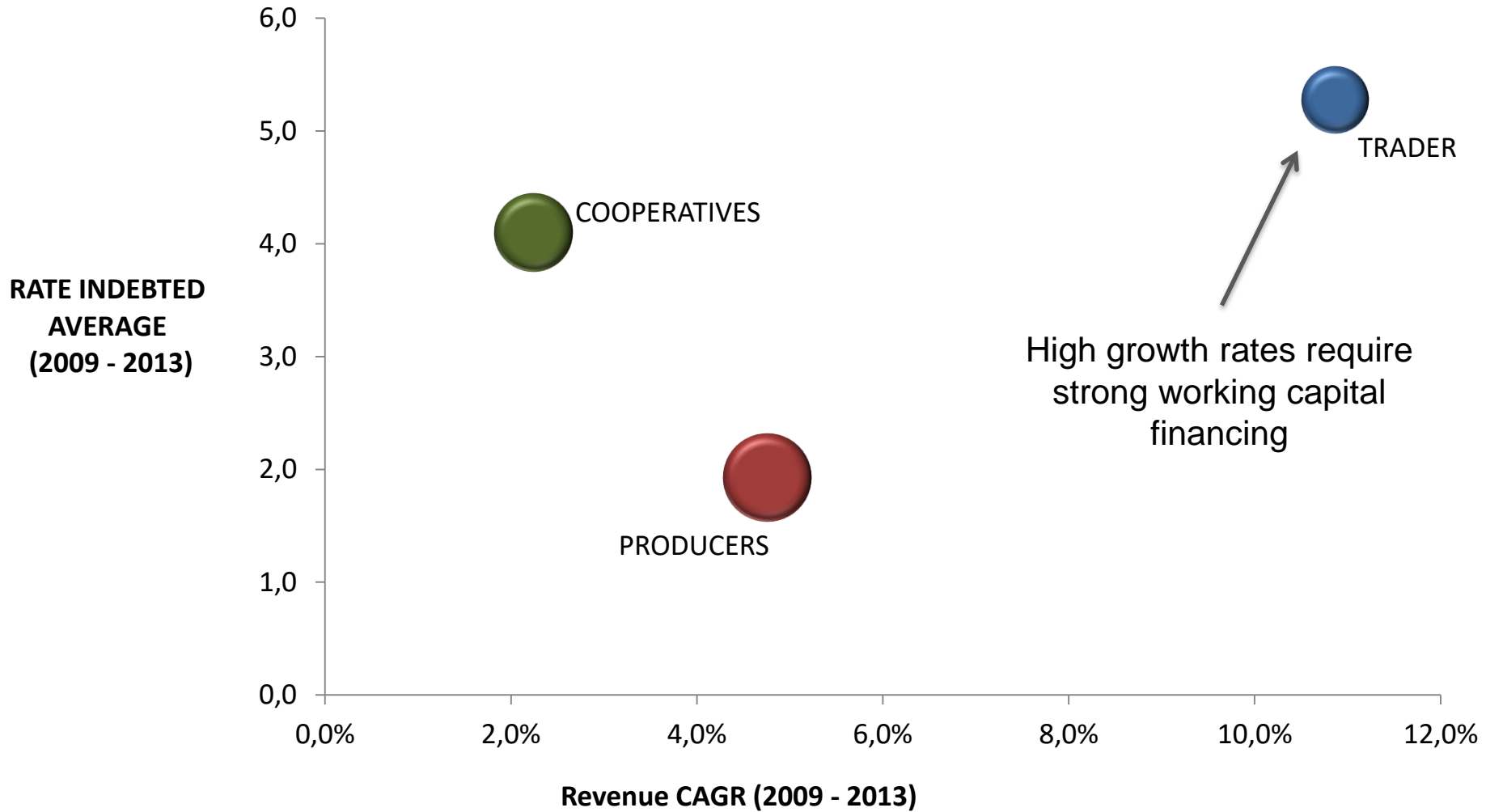


**Wine**

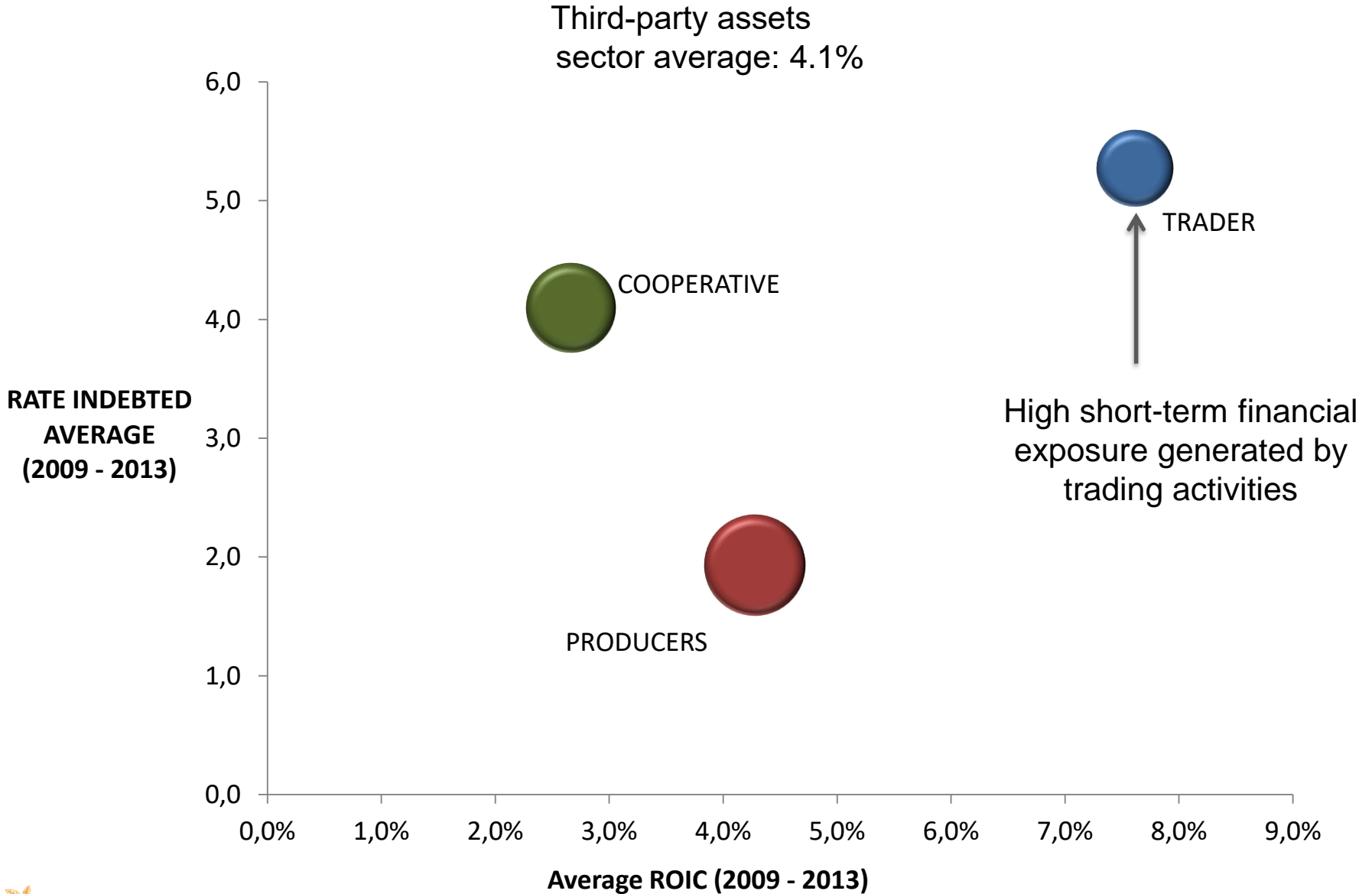
# Wine - Profitability



# Wine - Growth and Debt

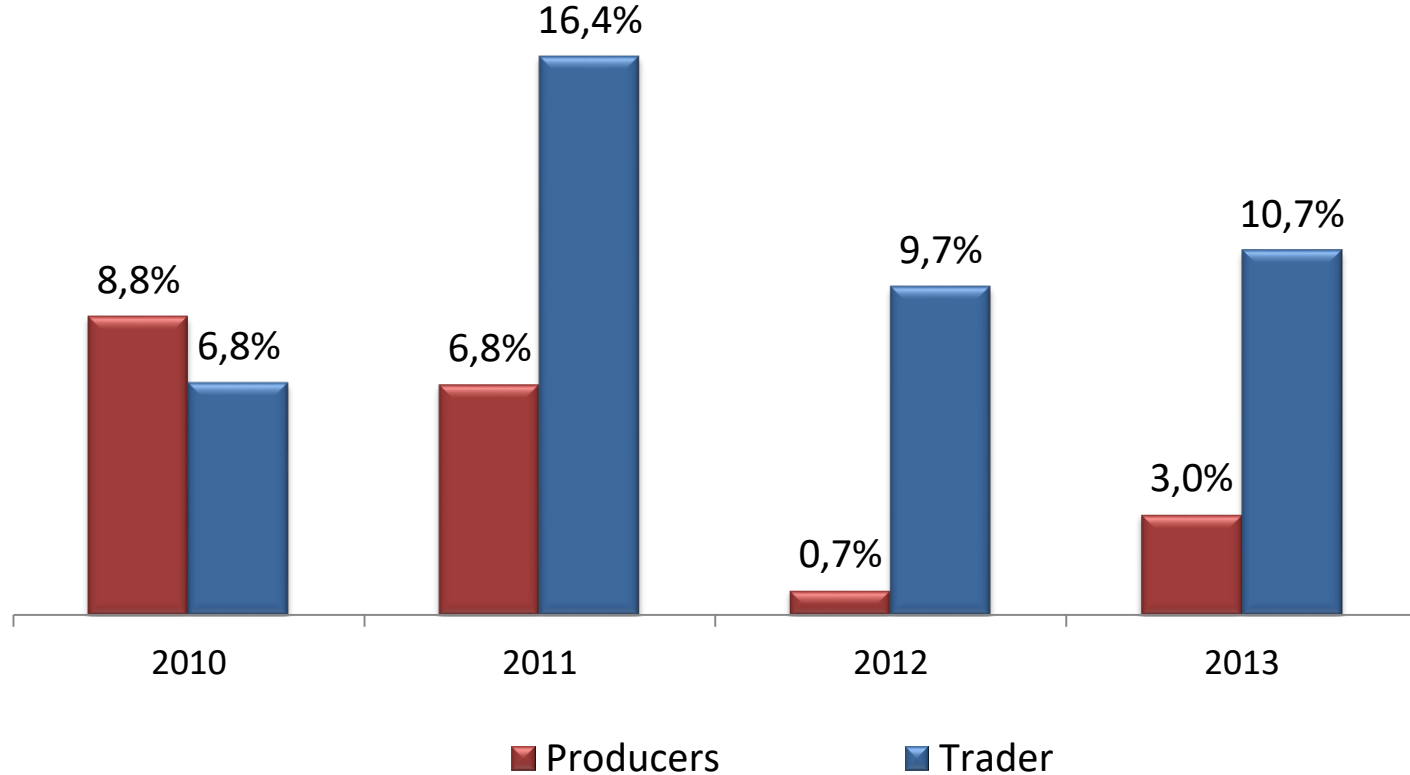


# Wine - Profitability and Financial Structure



# Wine - Producers and Traders - Growth

## Rate of variation in production value



# Wine - Producers and Traders - Profitability

ROS



# LEGAL NOTES

This research report was created on the basis of public data and data collected from restricted access databases, which were processed by a research team at the University of Gastronomic Sciences in Pollenzo, Bra. The report was written by Prof. Carmine Garzia. Dr. Francesco Maria Gentile and Dr. Federica Oldani, *research associates* of UNISG, contributed to the construction and updating of the database.

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