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MANAGEMENT



Fratelli Piacenza

Shedding skin to stay ahead:
Fratelli Piacenza's journey of
strategic renewal across
generations

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Epilogue

Prologue

Carlo Piacenza sat in silence in his office, the notes for the upcoming family meeting neatly arranged in front of him. It was 2011, and the mood in the historic headquarters of Fratelli Piacenza, a centuries-old family-owned textile business nestled in the heart of Biella, Italy, was tense. The company, a proud symbol of Italian craftsmanship since 1733, was now under pressure from shifting global markets, rising costs and a dilution of strategic direction. The triumvirate leadership model, shared between him, his cousin, and his uncle, had in a way kept the peace within the family, but Carlo felt it had also led to indecision and drift within the business. Now, he was preparing to make a bold move, which would change the family and the business dynamic forever. He intended to tell them he wanted to take back control, alone. Not just for his own vision, but because he believed it was the only way to save the business and ensure that it would survive, for the generations ahead. He reflected:

"There is no more time to waste. But am I making the right choice? Will they follow me? Am I up to the task?"

As Carlo prepared to face his family, the future of Fratelli Piacenza, and the legacy of generations before and after him, hung in the balance.

01 | Historical foundations and growth trajectory of the Fratelli Piacenza family business

1.1 Origins and early development of the family business

The story of Fratelli Piacenza begins long before the company bore its now-iconic name. In the mid-16th century, members of the Piacenza family were first recorded in the small Piedmontese village of Pollone. By 1623, archival sources document their involvement in the wool trade, a precursor to what would become a multi-century legacy. This heritage was formalized in 1733 when Pietro Francesco Piacenza [CP1] and then with his son Giovanni Francesco launched a woolen cloth factory in Paroir, a real estate within Pollone located near the river where to finish the woven factory thanks to the motor power provided by the water.

Fratelli Piacenza can be described as an institution embedded in the industrial and cultural fabric of the Biella region. Over nearly three centuries, it has transformed from a modest artisanal workshop into a vertically integrated luxury textile group. Through innovation, changes in the strategy, and a deep-rooted commitment to quality and family values, the Piacenza family has navigated wars, economic downturns, and global competition while preserving its identity and long-standing tradition. Now in its 14th generation, the firm remains privately owned and operated by the Piacenza lineage. Generational transition has always been a challenge, but so far has enabled the company to adapt to historical and industrial changes without losing its identity.

From its formal founding in 1733, the history of Fratelli Piacenza has unfolded as an unbroken thread of entrepreneurial continuity across fourteen generations (Table 1 in the annex presents Fratelli Piacenza genealogical tree). The early decades were shaped by a transition from the family's wool-trading roots into full-scale manufacturing in Pollone, with the company expanding its facilities and workforce by the mid-18th century. In 1814, the firm adopted the name Fratelli Piacenza. This marked a structural innovation that would become a hallmark of the family's governance, distributed yet cohesive, rooted in shared stewardship rather than individual dominance. The 19th century brought new challenges and opportunities, and it was under the leadership of Giovanni Francesco Piacenza, grandson of the founder, that the company made a decisive leap into the industrial age. Inspired by travels across England, France, and Belgium, Giovanni imported modern spinning and weaving technologies. His pioneering introduction of patterned fabrics, and his early use of commercial agents, positioned Fratelli Piacenza at the forefront of Italian textile innovation.

By the turn of the 20th century, Felice Piacenza, Giovanni's son, continued this legacy of industrial modernization and civic engagement. He was instrumental in founding the Lanificio-Scuola in Biella in 1918 to train future generations of textile workers and played a key role in regional industrial associations. Felice's leadership laid the groundwork for the company's sustained expansion and earned him national honors such as the title of Cavaliere del Lavoro. The tumult of the early 20th century, including the Great Depression, tested the family's resilience. Enzo Piacenza, Felice's son, steered the company through financial struggles and rebuild operations in Pollone, reaffirming the family's commitment to independence and to its territorial roots. In the decades following World War II, his sons Riccardo and Giovanni launched new ventures within the firm, including luxury retail and a ready-to-wear line under the brand Piacenza Cashmere, reinforcing the family's adaptability to changing market conditions. The story of Fratelli Piacenza continued in the 21st century, where the firm transitioned from single-family leadership to a shared triumvirate composed of Carlo, his cousin Vittorio, and his brother Enzo. This model, though initially intended to balance experience and continuity, eventually revealed its limitations amid the global financial crisis. A brief experiment with external management in 2006 ended in disappointment. At this point in time, the family came together to figure out how to run the business after the experience with the outside manager in a period of severe struggles, also due to the American market crisis of 2008. By 2011, Carlo Piacenza proposed a bold return to centralized family control. With the backing of a reduced shareholder base, his brother and uncle, he assumed the role of sole CEO and initiated a recapitalization that would prove crucial for the company's recovery. Under Carlo's leadership, Fratelli Piacenza entered a new chapter, marked by acquisitions, international expansion, and renewed emphasis on family governance.

1.2 Historical roots in the Biella region

The story of Fratelli Piacenza has always been inextricably linked to the Biella region, a geographic and cultural epicenter of Italy's wool industry. Nestled in the foothills of the Alps, Biella offered a unique combination of natural and human resources that proved decisive for the emergence of a world-class textile district. The pristine waters of alpine streams such as the Oremo were ideal for washing and dyeing wool, a factor that made Biella's fabrics renowned for their softness and brilliance as early as the 18th century.

From its inception, the Piacenza enterprise capitalized on this natural advantage. In 1750, the family secured perpetual rights to use the waters of the Oremo, ensuring a long-term strategic resource for their production. But the family's contribution to Biella went beyond technical dependence on geography, it was about identity, influence, and an enduring mutual transformation between territory and enterprise. By the early 20th century, Biella had emerged as a sophisticated production ecosystem. The Piacenza family played a central role in this transformation. Often referred to as part of the "aristocrazia laniera" (the wool aristocracy) the Piacenza family, alongside other families like the Sella and Cerruti, embodied a model of entrepreneurship rooted in localism and intergenerational commitment.

As the global economy shifted in the second half of the 20th century, bringing with it the delocalization of production and commoditization of textiles, Biella's industrial prominence began to fade. Yet, Fratelli Piacenza remained steadfast in their commitment to the region. Rather than relocate or outsource, the family doubled down on quality and innovation, preserving local employment and maintaining control over the entire value chain. This loyalty culminated in 2022 with the acquisition of the historic Lanificio Fratelli Cerruti, a move that not only safeguarded over 200 local jobs but also symbolized a renewed pledge to preserve Biella's textile legacy for future generations. For Fratelli Piacenza, Biella is more than a production base. As Ettore Piacenza explained:

"The territory has given us a lot and we have given the territory a lot. So, you really live the territory. And we feel it. The province of Biella has always lived from textiles [...]. And today, the thing that makes us most happy is that, unlike many other entrepreneurs who have relocated, we have invested here, in the territory. We have kept jobs, we have also created some, and this is very much appreciated."

(Ettore Piacenza, General Director of Fratelli Piacenza)

1.3 Different sensitive periods and their impact on the business and the family

The history of Fratelli Piacenza is punctuated by periods of acute stress and transition, moments when external shocks or internal discontinuities threatened the continuity of both the business and the family behind it. Yet, time and time again, the Piacenza family demonstrated resilience rooted in long-term vision, community embeddedness, and a strong sense of purpose.

These sensitive periods were not merely episodes of crisis; they were jolts that reshaped the company's identity, leadership models, and strategic outlook.

The earliest sensitive period dates back to the time when the French invaded Piedmont in 1790, drastically reducing the region's manufacturing industry. This led to a drastic downsizing of Piacenza activity. Thanks to Carlo Antonio (1799-1842; brother of Pietro Francesco, son of Francesco and nephew of Pietro Francesco), who introduced the first machinery to the factory and gave a boost to the industrial phase related to textile production, the family was able to overcome the crisis. Around 1850, the family also faced problems due to huge investments made for the construction of the railroad network, construction of new buildings and overall wrong investments. This crisis was overcome thanks to the prudent management of finances of Felice Piacenza (1843-1938; son of Giovanni and grandson of Carlo Antonio) and a loan made by a family member unrelated to the management of the company. During these years Felice, made numerous trips to Europe, especially to Belgium to see how production processes had changed. From these trips, with an almost scientific method, he applied these innovations to the company, expanding it and reaching its commercial peak.

Another defining challenge emerged during the economic disruptions caused by World War I. At the time, the company was under the guidance of Felice Piacenza, whose efforts to modernize production and professionalize the business were severely tested by wartime shortages and inflation. Rather than retreat, Felice used the period to deepen the company's technological base and strengthen ties with its workforce.

In the post-World War II era, the company benefitted from Italy's economic boom, but the shifting dynamics of globalization began to strain traditional business models. For instance, low-cost production from emerging markets had begun to erode the price competitiveness of Biella's textile producers. The Piacenza response was strategic repositioning: a pivot toward high-end fabrics, vertical integration, and the cultivation of a global luxury brand identity. This was a deliberate retreat from commoditization, favoring brand prestige and quality over scale and margin.

Still, the early 2000s would expose vulnerabilities not only in the market but also within the family structure. The death of key figures in the older generation left a vacuum of leadership.

In their absence, a triumvirate governance model was introduced, composed of Carlo Piacenza, his cousin Vittorio, and his brother Enzo.

While intended to preserve family harmony and balance perspectives, the model proved inefficient in the face of the global financial crisis. Strategic paralysis and internal disagreements slowed decision-making at a time when the company needed clarity and agility. Carlo recalled:

“Whenever there was a problem or a decision to be made, we would stop [...]. This has led to paralysis, and a company that does not make decisions is a company destined to fail. Our industry is constantly evolving; we must always be moving forward, coming up with new ideas and strategies.”

(Carlo Piacenza, CEO of Fratelli Piacenza)

Consequently, the most sensitive and transformative period came between 2006 and 2011. In an effort to professionalize the company, the family appointed an external CEO. But this move quickly revealed ineffective.

In an effort to remedy the delicate situation, in 2011, Carlo Piacenza made a decisive move: he called a family meeting and announced his intention to take over as sole leader of the business. With the support of a small group of shareholders (his uncle and brother), as some family members decided not to share his endeavor, Carlo initiated a full recapitalization of the company and set a new strategic course focused on agility, innovation, and heritage branding (Annex 2 presents an extended event timeline of the major milestone).

02 | Managing generational transitions:

The pivotal role of Carlo Piacenza leadership,
tradition and territorial roots

2.1 Strategic leadership in family business: Carlo Piacenza's approach

In family businesses, transitions of leadership are often as emotionally charged as they are strategically difficult. At Fratelli Piacenza, the generational shifts that occurred in the early 2000s were complicated by the loss of charismatic figures from the older generation, individuals who had embodied both operational expertise and moral authority within the firm.

Their absence created a situation that exposed latent tensions and uncertainties about the company's future governance. By the mid-2000s, the Piacenza family had adopted a shared leadership structure. Decision-making was slowed by differing visions and styles, and ambiguity in role delineation blurred accountability. The situation was further exacerbated by the great economic crisis of those years and China's aggressive entry into the textile market. For the Piacenza family it was like a hurricane: major customers were telling them that they could find their product at a fraction of the price. The family was facing both internal and external problems and required faster and bolder changes.

Carlo Piacenza, born in 1955, had grown up deeply embedded in the culture of the family business. However, unlike many of his predecessors, he entered leadership during a time when the core assumptions of the industry, and the very nature of leadership of the organization, were being questioned.

The turning point came in 2011, when Carlo made the bold decision to end the triumvirate and assume sole leadership. He articulated a clear and urgent vision: the company needed a streamlined governance and a decisive hand if it was to navigate the structural transformation of the luxury textile industry.

Under Carlo's leadership, the company recognized that competitiveness could no longer be defined just by price, as other nations were stronger in that. Instead, they had to concentrate on something different. The Piacenza family decided to go back to their roots, and began again to service major brands, investing in creativity, innovation, and speed of execution. Carlo's leadership was not purely top-down. He understood that to be successful he had to integrate the next generation without replicating the ambiguities of the past. His sons, Ettore and Vasiliy, were gradually entrusted with operational and strategic roles, but this was never a rigid, forced expectation. Rather it was a choice that was left to them, without imposition or pressure, and guided by their will and their passion. As Ettore Piacenza shared:

“When I was a child, my father used to take me to his company. I remember playing with the wool and cashmere balls in his office while he told me stories about the distant places where those fibers came from. I was fascinated by the map showing their origins. From an early age, I dreamed of joining the company, it was always my goal, never something my father imposed on me.”

(Ettore Piacenza, General Director of Fratelli Piacenza)

Carlo also recognized the value of internal cohesion beyond bloodlines: non-family managers were empowered to bring in complementary skills, ensuring that the family's emotional commitment was matched by professional expertise. Employees were given full power over their work, and this made the real difference.

For much of its long history, Fratelli Piacenza operated under an implicit governance model rooted in trust, seniority, and the informal authority of family elders. Carlo Piacenza recognized that in order to secure the future of the company, governance needed to evolve from familial intuition to institutionalized process. He shared:

"In family businesses, there are ties, there is a history, there are moral guarantees that go beyond financial calculation. I still remember that my father, before he died, brought his children and grandchildren together and told us a phrase that has stuck with me forever: "Remember the link. Never break it." This sentence has been a kind of moral testament. Our family and business history are deeply intertwined."

(Carlo Piacenza, CEO of Fratelli Piacenza)

2.2 The involvement of external managers and the role of external advisors

In 2006, Fratelli Piacenza took what was, at the time, a bold and unprecedented step: the appointment of a non-family CEO to lead the company. The rationale behind the decision was clear. The family hoped that an external executive could bring fresh perspectives, operational efficiency, and global expertise, qualities increasingly necessary as the textile industry confronted intensifying international competition, digitization, and evolving consumer preferences. For a business that had always been family-led, this marked a significant departure. Yet, despite the external CEO's strong credentials and experience, the experiment ultimately failed. As Carlo Piacenza would later reflect, it was a period of "learning through contrast", a demonstration of what happens when external expertise is introduced without the scaffolding of shared values and mutual understanding. This experience did not discredit the value of external input completely.

Rather than abandoning external management altogether, he opted for a hybrid model: one in which the leadership remained firmly in family hands, but where key roles were occupied by external professionals.

Over time, Fratelli Piacenza cultivated a team of trusted non-family managers who complemented the family's deep knowledge of the product and brand with technical and operational capabilities. These individuals were not just hired for competence; they were selected for their ability to understand and respect the company's cultural context. In this model, external managers acted not as substitutes for family leadership but as critical enablers.

Managers from outside the family are given room to operate within clearly defined mandates, while ultimate strategic decisions remain with the family, ensuring that continuity of purpose is never compromised. Under Carlo's renewed leadership, the company reoriented itself toward high-value, customized textile production, aimed at fashion houses and niche markets where heritage and artisanal credibility are not just appreciated, they are essential. As Vasiliy Piacenza reflected:

“Being family-led gave us the luxury of thinking long term, of not being pressured by quarterly results”.

(Vasiliy Piacenza, Brand Manager of Fratelli Piacenza)

2.3 The foundation to preserve the legacy of the entrepreneurial family

As Carlo Piacenza worked to restore strategic direction and operational control, it became clear that the company's legacy was not just a matter of heritage, it was a strategic asset that required active curation and custodianship. In 2020, this vision took institutional form with the revitalization of the Fondazione Piacenza, a family-led initiative dedicated to preserving, narrating, and transmitting the company's nearly 300-year history. While the Foundation had existed in prior iterations, its new mandate reflected a deeper mission: to serve not only as an archive, but as a living bridge between generations, and between the firm and its territory.

Under the stewardship of Felice Piacenza with the role of Special Project & Heritage Manager, the Foundation was given a dual purpose: cultural preservation and intergenerational education. As Felice described:

“The Piacenza Foundation was born in the 1980s. The reorganization of the archives began in 1982, at the behest of my uncle Giovanni. With the help of a young graduate in archives and letters, we were able to catalog the company’s historical documents. Before that time, everything was stored in old wooden crates in the attic of the factory. During the move in the 1970s, when we moved production from our historic plant in Pollone to a larger facility near Biella, we found these crates. Inside them were documents, letters, invoices and photographs covering centuries of company and family history. After about ten years of reorganization work, the Foundation was officially born, with the aim of protecting, promoting and disseminating the historical heritage and know-how accumulated over the centuries by our family.”

(Felice Piacenza, Special Project & Heritage Manager of Fratelli Piacenza)

The Foundation houses textile samples dating back to the 18th century, early mechanical equipment, correspondence from exhibitions across Europe, and photographic documentation of the company’s long-standing role in the Biella region. But its role goes beyond preservation. The Foundation now support brand storytelling, product development inspired by archival patterns, and host educational initiatives that reconnect the family and wider public with the company’s values. One of the Foundation’s most symbolic projects has been the start of digitalization of the company archive, with the aim of making centuries of textile knowledge accessible to new generations of designers, clients, and students.

The Foundation also plays a vital role in sustaining cohesion within the family. In an enterprise where ownership spans multiple generations and branches, the Foundation functions as a shared cultural anchor. In an increasingly competitive and commoditized industry, this depth of narrative creates differentiation hard to replicate.

Source: Fondazione fratelli Piacenza website



Reflection Box 1

In 2011, Carlo Piacenza decided to end the shared leadership structure and take control of Fratelli Piacenza. His choice came at a moment of internal stagnation and external crisis, yet it marked the beginning of a new era for the company. By centralizing leadership, Carlo redefined how decisions were made, professionalized governance, and reconnected the family around a shared purpose. This transition, however, also raised deep questions about how authority, tradition, and family ties coexist in a multigenerational enterprise.

- 1. What were the main reasons behind the failure of the triumvirate leadership structure at Fratelli Piacenza?*
- 2. How did Carlo Piacenza's leadership style differ from previous generations, and why was it effective?*
- 3. What are the advantages and risks of shifting from collective to centralized decision-making?*
- 4. In what ways can leadership renewal sustain both continuity and innovation in family businesses?*

03 | From company to Group:

Growth and diversification in the Fratelli Piacenza family business

3.1 How family businesses innovate and renew themselves in stagnant sectors

Operating in a mature industry like textiles, such as wool and luxury fabrics, poses significant strategic challenges. Global overcapacity, the rise of fast fashion, and the commoditization of standard offerings have rendered many traditional textile businesses vulnerable to disruption or decline. This is aggravated by the fact that the world of textiles is structurally bound up with intricate complexities, especially due to resources that tend to deplete over time. Yet, Fratelli Piacenza has demonstrated that family firms can transform stagnation into opportunity. When Carlo Piacenza resumed control in 2011, he inherited not just an ailing business but an industry in existential flux. The high-end textile segment was under assault from lower-cost producers in Asia and Eastern Europe. Clients who once prized consistency were now demanding customization, speed, and sustainability.

The response needed to be radical and rapid. The company shifted from a model based on volume and repetition, once generating 90% of its revenue from just five staple fabrics to a new paradigm of hyper-customization, delivering over 250 unique articles annually. This pivot required more than operational adjustment. As said by Vasiliy Piacenza:

“We had to change skin [...] This meant forgetting what had made us successful and learning how to be artisans again, but at industrial speed”.

(Vasiliy Piacenza, Brand Manager of Fratelli Piacenza)

This reinvention was possible precisely because Fratelli Piacenza was a family business. Unburdened by short-term shareholder expectations, the company could afford to invest in innovation, even when returns were uncertain. As multiple family members emphasized, their strategic horizon stretches not in quarters, but in decades. This long-term view allowed them to embrace risk during periods when many competitors were retreating or exiting the market. Importantly, innovation at Piacenza was never framed as a break from tradition, it was an extension of it. As Roberto Deambrogio, the company's general manager, reflected:

“Despite the fact that Piacenza has an important heritage ... all this has never been a cage preventing it from renewing itself, changing its skin and keeping up with the times.”

(Roberto Deambrogio, Company General Manager of Fratelli Piacenza)

Creative freedom was deliberately cultivated. Designers were encouraged to experiment with new blends and textures, while the commercial team sought closer collaboration with luxury brands, co-developing fabrics in response to evolving trends.

3.2. Expanding the textile offering to maintain competitive advantage over time

Fratelli Piacenza's transformation over the past decade has not only been strategic, but it has also been deeply product-driven. Central to the company's renewal was a decisive expansion and reinvention of its textile offering. From a historical specialization in high-end woolen fabrics, especially those destined for classic outerwear, the firm pivoted toward a diversified and fashion-forward product portfolio tailored to the demands of

global luxury markets. In the early 2000s, the company's catalogue was dominated by heavy, timeless staples: pure cashmere and wool blends, mostly in neutral tones and formal cuts. These products were sought after by high-end coat manufacturers, but they were losing traction as consumer preferences shifted toward lighter, more versatile, and fashion-sensitive fabrics. Roberto Deambrogio, an historical employee of the business, recalled:

“The classic women's coat was our staple, but we knew the model wasn't going to hold. And here, in my opinion, the foresight of the family was crucial. There was what I refer to as the whole theme of tradition was not a constraint, but, if you will, a starting point, a springboard, a base on which to project into the future.”

(Roberto Deambrogio, Company General Manager of Fratelli Piacenza)

Rather than doubling down on declining demand, the company embraced a logic of reinvention.. The shift also extended into the rhythm and responsiveness of production. Instead of the traditional two-collection cycle aligned with Fall/Winter and Spring/Summer, Piacenza began releasing multiple capsule collections throughout the year.

A core strength in this expansion was the company's capacity to blend heritage craftsmanship with innovation. New weaving techniques, dyeing processes, and finishing technologies were introduced, often developed in-house or through exclusive partnerships with local suppliers. The result was a range of textiles that were simultaneously contemporary and unmistakably Piacenza.

Another major evolution was the creation and growth of Piacenza 1733, the company's own finished product line. Long known primarily as a supplier to other brands, the family saw an opportunity to vertically integrate into the consumer market, offering scarves, coats, and accessories that directly embodied the firm's values.

All items are made in Italy using proprietary materials, with full traceability and sustainability at the core of the brand message. As mentioned by Vasiliy Piacenza:

“It is an important goal: to grow, but also to tell. Because today you don't just sell a product anymore, you sell a story. The story of a company, the story of a family, how a family works. This is what we need to convey. Family values, which then translate into a finished product.”

(Vasiliy Piacenza, Brand Manager of Fratelli Piacenza)

3.3 Building a modern business portfolio: the rise of a renewed textile group

By the early 2020s, it had become clear that product innovation alone would not be enough to ensure the long-term competitiveness of Fratelli Piacenza. In a luxury market increasingly shaped by supply chain control, speed-to-market, and brand coherence, the company began to shift from being a textile manufacturer to becoming a vertically integrated industrial group. What emerged was not simply a revitalized company, but a modern, agile, and diversified enterprise built on legacy, yet geared for the future. The strategy unfolded through a carefully executed series of acquisitions. In 2020, the company acquired Lanificio Piemontese, a smaller mill with complementary capabilities and market positioning. This was followed in 2022 by the acquisition of Arte Tessile, a Jacquard design studio specializing in digital pattern creation. Later that same year, Piacenza made what was arguably its boldest move: acquiring Lanificio Fratelli Cerruti, a historical Biella-based company with deep family and territorial ties. The acquisition not only preserved over 200 jobs in the region but gave Piacenza access to a much larger industrial footprint, solving urgent space constraints and enabling operational synergies across product lines. Vasiliy Piacenza remarked:

“We restored an important part of the area’s history. We felt a responsibility to take over the company, because otherwise those jobs, and the valuable know-how, experience, and skills of lifelong workers, would have been lost. With this operation, we ensured continuity for the company and secured its future.”

(Vasiliy Piacenza, Brand Manager of Fratelli Piacenza)

By focusing on verticality, the company insulated itself from volatile supplier markets, improved delivery reliability, and enhanced its ability to experiment rapidly with new materials and techniques. Organizationally, this shift also necessitated a more robust management model. Operational roles were delegated to specialized managers, often with deep experience in their domain, while strategic direction remained in the hands of the family. In a region where many traditional facilities have either closed or been absorbed by global conglomerates, Fratelli Piacenza has charted a distinct path. Its approach to diversification is grounded not in opportunism but in industrial logic and cultural continuity.

Reflection Box 2

Operating in a mature and highly competitive industry, Fratelli Piacenza had to reinvent itself to stay relevant. Under Carlo's leadership, the company shifted from volume-based production to customized and high-value textiles. Through diversification and key acquisitions, the firm evolved into a modern textile group while preserving its deep roots in the Biella region. This process shows that innovation in family firms is not about abandoning tradition but reinterpreting it to create new value.

- 1. How can a historical company innovate without compromising its identity and heritage?*
- 2. What strategic factors made Fratelli Piacenza's diversification successful in a mature market?*
- 3. How can acquisitions help reinforce (rather than dilute) a company's legacy?*
- 4. In what ways does long-term family ownership enable risk-taking and experimentation?*
- 5. How can tradition become a driver, not a constraint, for innovation?*

04 | Looking Back to Move Forward? About the Future of Fratelli Piacenza

4.1 Embracing a new generation: managing family expansion alongside business growth

In any multigenerational family enterprise, the passage from one generation to the next is not merely a transfer of roles, it is a test of continuity, culture, and adaptability. At Fratelli Piacenza, the preparation of the new generation has been neither accidental nor uniform. The Piacenza family has long recognized that longevity in family business cannot rely solely on bloodlines, but rather must be built on engagement, education, and entrepreneurial readiness. This philosophy has guided the integration of the 14th generation into the business. Ettore Piacenza, today General Manager of the industrial division, exemplifies the careful calibration of this process. After studying economics in the United States and gaining work experience in New York's fashion industry, Ettore returned to Italy to undergo a rigorous, ground-up training path. He began with a hands-on stage in Peru to learn the alpaca supply chain, then rotated through various departments including quality control, procurement, and production before taking on leadership responsibilities. Ettore shared:

“Of course, [my father] he wanted us to join the company, but he never pushed us, he always told us - Have your own experiences, do what you want to do - If we didn't want to work in the company tomorrow, that was okay, we had to follow our passions. And fortunately, I always had a passion for the company, it was always innate. Even today I still have a lot of passion for my work, for what I do and for the products we make.”

(Ettore Piacenza, General Director of Fratelli Piacenza)

The family's approach ensures that new entrants develop not only technical skills but also a deep understanding of the company's purpose, values, its people, and its place in the broader industrial ecosystem. Vasiliy Piacenza, now responsible for brand and product strategy, followed a similarly path, combining external study with internal mentorship. At the same time, legacy planning is approached with a modern lens. While ownership remains concentrated within the family, the group has embraced a more open conversation around governance, succession, and inclusion. Importantly, the family does not shy away from the realities of expansion. Not all members are expected to work in the business, but those who do are expected to bring value, and those who don't are still engaged through family councils, foundation initiatives, and periodic shareholder updates. This approach helps manage expectations, preserve unity, and ensure that the business remains a platform for family involvement, not a source of division. However, there is still the question of how to handle future generational transitions. As Carlo Piacenza explained:

“I always try to look ahead and ask myself: the next generation is fine, but what about the one after that? We don't have a formal plan, maybe that's a mistake, maybe not. Some might say, 'Why worry about what will happen in two generations? They'll handle it when the time comes.' Yet it's a question that has always been on my mind.”

(Carlo Piacenza, CEO of Fratelli Piacenza)

4.2 Keeping control within the family or changing towards externalizing leadership, what's next?

Few questions test the resilience and philosophy of a family business more than this: Should control remain within the family, or is it wiser to entrust leadership to external professionals? The Piacenza family has experienced both extremes. The appointment of an external CEO between 2006 and 2011 remains one of the most pivotal episodes in the company's recent history. While intended as a step toward modernization and neutrality, the move revealed fundamental

misalignments between the hired executive and the business. Still, the experience was instructive. Rather than retreating into a purely family-run model, the company restructured its leadership logic. Carlo returned as CEO but made clear that management would now be shared with carefully selected external professionals, not to dilute family influence, but to complement it. This model, still in place today, is designed to ensure operational excellence while preserving strategic and symbolic control within the family. Key managerial roles in product development, operations, and commercial strategy are now held by long-tenured professionals like Roberto Deambrogio, who joined the firm in 1995 and rose through the ranks to become General Director of the textile division. As he put it:

“What makes this company work is not whether you're family or not. It's whether you carry the values, the ambition, and the respect for what Piacenza represents”.

(Roberto Deambrogio, Company General Manager of Fratelli Piacenza)

4.3 Strategic outlook: balancing tradition and innovation for long-term sustainability

For a family company nearing its 300th anniversary, the future of Fratelli Piacenza is shaped by a paradox: how to stay the same by continuing to change. With a rich legacy of craftsmanship and continuity, and a new generation increasingly at the helm, the firm now faces the challenge of preserving its identity while remaining relevant in an industry in constant transformation. The group's strategic priorities for the coming decade reflect this balancing act. On the one hand, Piacenza continues to carry forward a tradition-as-resource perspective: strengthening ties with the Biella territory, deepening the cultural dimension of its brand, and maintaining control over the supply chain.

On the other hand, innovation is no longer optional, it is imperative. The company is expanding its investments in digital tools and a growing emphasis on sustainability metrics and certifications. As Vasiliy Piacenza noted:

“For generations, our family has been made up of pioneers, travelers, and explorers. Our curiosity has driven us to discover new fibers, create new products, and explore the world. Today, we are refining our value proposition through innovation and the knowledge gained from those explorations.”

(Vasiliy Piacenza, Brand Manager of Fratelli Piacenza)

Vertical integration remains central to the firm's strategy. By controlling key steps of the production process the company not only preserves quality but also gains the agility to respond to changing market conditions. With production now spread across multiple sites, including newly acquired facilities, the group can scale innovation without losing control of its identity. Equally important is the strategic decision to continue developing Piacenza 1733, the company's proprietary luxury brand. By offering finished goods to end consumers, the company can better communicate the depth of its heritage, design philosophy, and values. It also provides a buffer against market volatility, allowing Piacenza to capture more value from its creativity and craftsmanship. In a sector often focused on speed and novelty, Fratelli Piacenza is betting on innovation through tradition: preserving what is essential, updating what is not, and always keeping an eye on the next generation. As Roberto Deambrogio shared:

"We must make all strategic decisions while having a clear focus on our north star: creating value on the ground for future generations, making a product with intrinsic, tangible value"

(Roberto Deambrogio, Company General Manager of Fratelli Piacenza)



For Fratelli Piacenza, being a family business has always been more than a governance model. It is a way of thinking, deciding, and enduring. As the company looks ahead, this identity is not a liability in a competitive market. On the contrary, it may be one of its strongest strategic assets. Across interviews with multiple generations of the Piacenza family, a recurring theme emerges: the ability to act without the pressure of short-term returns.

This long term orientation, a rare commodity in many corporate contexts, enables the company to invest in projects, partnerships, and people with a view to generational impact.

Family ownership also brings emotional alignment around purpose. The Piacenza family does not view the business merely as an asset, but as a legacy to be nurtured. This emotional investment drives decisions that might be overlooked in other contexts, such as preserving jobs in the Biella district, maintaining artisanal know-how, or restoring the Lanificio Cerruti not only for strategic reasons, but also for its symbolic and regional value. At the same time, the family is aware that emotional commitment alone is not enough. Carlo Piacenza has consistently emphasized the importance of meritocracy, structure, and openness to external expertise.

This self-awareness has led to the development of a balanced governance structure in which operational roles are earned, not inherited, and where external managers play an essential part in execution. It also supports a culture of intergenerational transition that is neither rushed nor assumed. The company's identity as a family firm allows it to articulate a compelling narrative in the luxury market. Still, challenges loom. Technological disruption, geopolitical uncertainty, and the climate crisis will test even the most resilient organizations. But Fratelli Piacenza appears ready to shape its own response to them, through a model that combines tradition with innovation.

Reflection Box 3

The transition to the 14th generation represents a critical juncture for Fratelli Piacenza. As ownership and leadership expand to include new family members, the firm faces the enduring tension between preserving a long-standing legacy and fostering strategic renewal. Within this context, next gen members must develop legitimacy as leaders, reconcile divergent expectations across family branches, and introduce innovation without compromising the firm's heritage.

- 1. What are the main challenges faced by next-generation leaders entering a centuries-old family business? What key competencies next-generation leaders need to build to ensure effective succession?*
- 2. How can younger family members introduce innovation without alienating the older generation or disrupting tradition?*
- 3. In what ways can legacy become a strategic resource rather than a cognitive constraint on innovation?*
- 4. What are the risks of "path dependency" in multigenerational firms, and how can they be mitigated?*

Annex 1

Fratelli Piacenza's Family tree

Nome	Generazione	Date	Note
Pietro Francesco Piacenza	VI	1697 - 1774	Married Maria Ferraris, with whom he had 6 children, including Giovanni Francesco.
Giovanni Francesco Piacenza	VII	1727 - 1796	Married Maria Bullio (first marriage, daughter of wool industrialists from Occhieppo). Married Angela Maria Ormezzano (second marriage, daughter of wool industrialists from Mosso), with whom he had 12 children, including: • Pietro Francesco (1777-1841): Married Rosa Gilà (daughter of wool industrialists from Portula) • Carlo Antonio (1779-1842): Married Caterina Ambrosetti (daughter of wool industrialists from Sordevolo) • Giovanni Antonio (1780-1841): Unmarried • Giovanni Battista (1782-1837): Married Irene dei Calvi
Pietro Francesco Piacenza	VIII	1777 - 1841	Married Rosa Gilà (daughter of wool industrialists from Portula), with whom he had two children: • Giovanni Francesco (1810-1880): Unmarried • Giacomo (1811-1881): Married Marianna Mathis (the line continues through the female branch)
Carlo Antonio Piacenza	VIII	1779 - 1842	Married Rosa Gilà (daughter of wool industrialists from Portula), with whom he had 7 children: • Angiolina (1810-?): Married Giovanni Pezzia • Giovanni (1811-1883): Married Giuseppina Marandono • Teresa (1814-?): Married Alessandro Gianti • Gregorio (1818-1859): Married Margherita Ferraris, with whom he had one son • Maria (1821-?): Married Giacinto Cantono • Delfino (1823-1879): Married Mariettina Pugno, no children • Irene (1827-?): Married Eugenio Mazzuchetti
Giovanni Piacenza	IX	1811 - 1883	Married Giuseppina Marandono, with whom he had 4 children: • Carlo (1841-1882): Married Rosa Curlo (the line continues through the female branch) • Felice (1843-1938): Married Silvia Bozzalla-Pret (daughter of wool industrialists from Biella) • Ada (1844-1887): Married Luigi Ferrero • Amalia (1847-1926): Married Giacomo Ametis
Felice Piacenza	X	1843 - 1938	Married Silvia Bozzalla-Pret (daughter of wool industrialists from Biella), with whom he had 4 children: • Livia (1879-1978): Married Alfredo Drago (from the Agostini family) • Guido (1881-1939): Unmarried • Mario (1884-1957): Married Maria Capriolo • Enzo (1892-1967): Married Baby Rolla Rosazza (descendant of Vitale and Federico Rosazza)



Nome	Generazione	Date	Note
Mario Piacenza	XI	1884 - 1957	Married Maria Capriolo, with whom he had 3 children: • Elena • Felice • Franco
Enzo Piacenza	XI	1892 - 1967	Married Baby Rolla Rosazza (descendant of Vitale and Federico Rosazza), with whom he had 6 children: • Giovanni • Riccardo • Matilde • Franca • Emilia • Guido

Annex 2

Timeline Extended

XVI

1564

First record of the Piacenza family documented in the "Survey carried out on the community of Pollone", where Joannis de Placentia and Batta Piacenza are mentioned.

Note:

This is not a reference to the company, but to the family.

XVII

1623

First evidence of activity related to the wool trade, thanks to the census carried out to swear allegiance to Vittorio Amedeo I of Savoy by all Piedmontese families.

It is noted that, at that time, Pollone had 13 heads of families with the name Piacenza, including Giovanni Angelo and Bartolomeo, identified as "merchants of wool bales."

Note:

First reference to activities linked to the wool trade.

1733

Date defined as the beginning of manufacturing activity, probably initiated around the 1720s by Pietro Francesco (1697-1753) and Francesco (1727-1796).

Note:

First reference to manufacturing activities.

1750

Perpetual contract for the use of the waters of the Oremo stream.

1753

Expansion of the production facility built in the Paroir region.

1757

Recognition of the Piacenza family among those with significant wealth (200,000 lire).

1799

Opening of the sales office in Turin, managed by Pietro Francesco (1777-1841; son of Francesco and grandson of Pietro Francesco) and Angela Maria Ormezzano.

XIX

1813 | First moment of crisis

The French invaded Piedmont in 1790, drastically reducing the region's manufacturing industry.

This caused a severe downsizing of Piacenza's activities. Nevertheless, they managed to overcome the crisis thanks to Carlo Antonio (1779-1842), brother of Pietro Francesco, son of Francesco, and grandson of Pietro Francesco.

This marks the end of the phase in the company's history based on artisanal production and craftsmanship.

Carlo Antonio introduced the first machinery into the factory, beginning the industrial phase related to textile production, which continued under his son Giovanni Francesco in the 1830s.

1814

The company adopted the name "Fratelli Piacenza" (Piacenza Brothers) for the joint management by Pietro Francesco's sons: Giovanni Francesco (1810–1880) and Giacomo (1811–1881).

1820 - 1830

Establishment of a commercial network throughout the kingdom and strong relations with the Sella family, with whom they exchanged information on how to improve products and production methods.

1827

Defined date for the beginning of manufacturing activity, with the introduction of the first spinning machines in the factory.

1830

Intensive use of machinery within the plant.

1839

Introduction of a new type of fabric into the Italian market, patterned textiles.

1840

Introduction of traveling salesmen responsible for covering the Kingdom of Sardinia.

1842

Purchase of the Vercellone plant in Pollone, which became the company's headquarters.

Giovanni (1811–1883; son of Carlo Antonio) became mayor of Pollone.

During these years, Giovanni Francesco, together with his brothers, undertook numerous trips across Europe (England, France, Belgium, and Germany) to observe how the industrial sector was developing in these regions, to understand innovations in products and processes, and to learn how to adequately train employees.

These experiences allowed him to recognize the backwardness of Italian industry but also inspired him to improve and innovate his own company.

1844

Silver medal at the Turin Exhibition for the success and innovation of this product.

1846

Silver medal at the Genoa Exhibition.

1854

Gold medal at the Turin Exhibition.

1856 | Second moment of crisis

The crisis was linked to the heavy investments made by the family in the construction of the railway network, new buildings, and other misguided ventures.

This crisis was overcome thanks to the prudent financial management of Felice Piacenza (1843–1938; son of Giovanni and grandson of Carlo Antonio) and a loan granted by a family member not involved in the company's operations.

1858

Silver medal at the National Industrial Exhibition of Turin.

Note: This medal was refused as it was considered a step backward compared to the previously awarded one.

1879

Foundation of a new company, maintaining the same name, by Felice.

During these years, Felice undertook numerous trips across Europe, particularly to Belgium, to observe changes in production processes.

From these trips, using an almost scientific approach, he applied these innovations to the company, expanding it and reaching its commercial peak.

XX

1902

Appointment of Felice Piacenza as Cavaliere del Lavoro (Knight of Labor), the first round in Italian history.

1907

Appointment of Felice Piacenza as Commander of the Order of the Crown of Italy.



1911

Opening of the Lanificio Scuola (Wool Mill School) for the training of specialized workers.

1929 | Third moment of crisis

During the global financial crisis, the company went bankrupt due to its strong commercial ties with the United States. However, Enzo (1892–1967), son of Felice, managed to preserve the Pollone facility and resumed production in 1931.

The business, which had been taken over by the bank, was leased by Enzo for twenty years until it was finally repurchased.

1940

Enzo Piacenza appointed Cavaliere del Lavoro (Knight of Labor).

1992

Creation of the company archive by Giovanni Piacenza (son of Enzo, father of Carlo, and brother of Guido).

1994

Death of Giovanni (son of Enzo, father of Carlo, and brother of Guido).



XXI

2004

Death of Riccardo (son of Enzo, brother of Guido).

Company management entrusted to Carlo and Enzo (sons of Giovanni) and Vittorio (son of Riccardo), forming a triumvirate.

2006

Change in management with the appointment by the Board of Directors of Fabio Foschi (external to the family) as CEO.

2011 | Fourth moment of crisis

The family met to decide how to move forward after the negative experience with the external manager, following the 2008 global financial and real estate crisis.

Carlo stepped forward to take control of the company, assuming full powers as sole director and requesting a capital increase, which was joined by Enzo (his brother) and Guido (his uncle, Felice's father).



This decision was a gamble but allowed the company to recover.

In this year, Carlo's sons Enzo and Vassilij also joined the company.

2020

Under Carlo's leadership, the company became a corporate group.

2021

Acquisition of Lanificio Piemontese and the software house Arte Tessile.

2022

Acquisition of the historic family-owned company Fratelli Cerruti.

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