

Veneto Region

For all the last quarter of the century, Veneto's industrial system has been showing a very positive development rate, in many senses high above other Italian regions and most other European regions. The region has exploited a flexible attitude towards enterprises, industrial clusters and network systems. However, globalization and increased competition has also put pressure on the industrial system around Veneto, especially to facilitate an appropriate support system, which puts the issue of clusters in a new focus.

Despite the fact that the Veneto region is a densely populated area with almost no raw materials, where 4,400,000 people are concentrated in an area of just 18,300 square kilometres, yet it has managed to become one of Italy's most important and dynamic economic areas. It is the second Italian region for exports after Lombardy, and now contributes about a third of the entire Italian surplus in its balance of payments account.

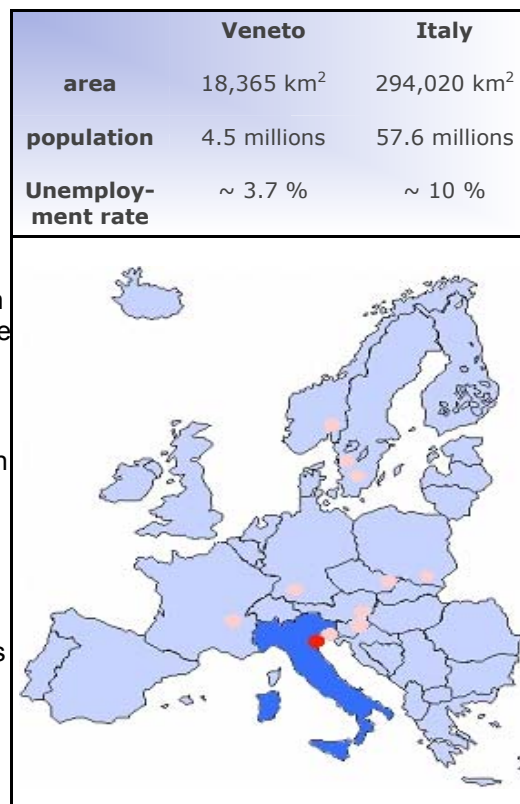
The basis of Veneto's impressive economic results is its great production capability, which boasted 327,065 companies active in 2000 (excluding agriculture). That means one company per 13.6 inhabitants, that is one per 7 economically active adults.

Today, Veneto is one of the strongest economic regions in Europe, with a gross domestic product (GDP) estimated at € 71,044 million in 2000: 9.54% of the Italian national GDP, an increase of 3.1% over the previous year. In fact, for the last two decades, Veneto's annual growth rate has constantly outstripped the national average (2.9% in 2000).

The clusters (short profile)

The region includes 20% of Italian textile districts, 10% of leather shoe-manufacturing districts, 15% of engineering districts, as well as the main district for eyewear manufacturing in Italy, and perhaps in Europe and the world. Districts are as follows:

- 1. Textile and clothing of the Area Pedemontana** (127 communes spread throughout the provinces of Belluno, Padua, Treviso, Venice and especially Vicenza). Area characterised by an elevated concentration of companies working in the fashion field, like Marzotto and Diesel. In this area there are 759 enterprises, with 18,118 workers, making up one third of the entire local manufacturing industry.
- 2. Textile and clothing of the Area Meridionale** (127 communes in the provinces of Padua and Rovigo but also Vicenza and, to a smaller extent, Venice and Verona). It consists of two specialised productive systems: the first one is the Alto Polesine-based system, where a local process of entrepreneurial development in the sector of the casual clothing became strong; the second one is the specialised area of furs, based in the southern area of the province of Padua.
- 3. Wood and furniture of the Bassa Pianura Veronese** (36 communes based in the provinces of Padua and Verona). The area is specialised in the production of art furniture and employs about 6,300 employees in 1,700 enterprises; the average number of workers is 4 per each firm; the majority of the enterprises manufacture end products.
- 4. Wood and furniture of Sinistra Piave** (52 communes mainly located in the provinces of Treviso, Belluno and Venice). The cluster is specialised mainly in the production of modern furniture in a wide range of styles; this is the biggest furniture cluster in Italy and boasts the presence of large groups like Doimo, Snaidero, Santarossa, Veneta Cucine. The Veneto side of the district has 1,500 productive units with 16,300 employees and an average of 11 workers each.
- 5. Footwear of Montebelluna** (16 communes surrounding the town of Montebelluna, in the province of Treviso). Around 400 firms produce sports footwear, employ around 9,000 employees and have a turnover of € 1.24 billion. In this area, an historical handicraft tradition of mountain boots manufacturing and an extraordinary innovation capability regarding both process and product live together. More than 65% of the world production of ski boots, 80% of the world production of motorbike footwear and almost 25% of world production of "in-line skates" is realised locally. What's more, the largest Italian shoe manufacturers for football, cycling, basket, tennis and athletics, cross-country race, snow-board, after-ski boots and ice skates are based here.
- 6. Footwear of the Collina Veronese** (11 communes, all based in the province of Verona). The footwear cluster of Verona has 675 firms, taking into account both shoe manufacturers and subsidiary activities, employing more than 6,700 people and producing more than 45 million pair of shoes (almost 49% of total production in Veneto, 10% of Italian production): turnover is around € 1.29 billion per year and 38% of production is for export.
- 7. Tanning and engineering of Arzignano** (12 communes surrounding Arzignano, in the province of Vicenza). With an annual turnover of almost € 2.58 billion, of which € 1.24 billion coming from export, and 120,000 hides processed every day by 8,500 workers in 770



local units, it is one of the biggest concentrations of the tanning industry, due to an industrialization process started in the Sixties. The need to protect the environment, directly linked to the kind of processing carried on in that area, brought firms to introduce advanced technological solutions in their manufacturing cycles that, as a consequence, generated important improvements in the quality of the products too.

- 8. Eyewear of Belluno and Treviso** (67 communes, 45 of which located in the province of Belluno and the rest in the province of Vicenza). In the cluster there are 12,000 employees working in 250 enterprises, characterised by a massive industrial component: 150 firms with 11,000 employees. Within the province we can find all the four big firms whose turnover amounts to the 70% of the total for the sector.
- 9. Marble of Verona** (20 communes, all based in the Province of Verona). The industrial district of marble in Verona is the first in Italy and in the world. It holds the leadership in international trade: 9.5% of world export is covered by the stones processed by the Valpolicella-based firms. Due to the fragmentation of the market, there are no precise statistical data on the production; however, the overall turnover of the sector in Verona is estimated to be about € 2.07 billion per year.
- 10. Jewellery and precious metals of Vicenza** (23 communes in the province of Vicenza). The area of this cluster in this province is quite wide and goes from the chief-town to Bassano del Grappa, and includes a high number of enterprises: more than 1,150 including 860 handicraft firms, with more than 12,000 employees and an annual turnover of € 3.62 billion.
- 11. Footwear of the Brenta** (11 communes along the river Brenta, 8 of which in the province of Venice and 3 in the province of Padua). Today the footwear manufacturing units of this district are about 720, with 9,000 employees for a value of € 0.38 billion, and the typology of their products consists mainly of female shoes.
- 12. Pottery of Nove** (in the commune of Nove, Vicenza) The strong attitude to entry international markets finds its evidence in an export volume figure of € 157 million (data 1999). Overall, it is a specialised system competing on the quality field, product innovation and customer service and gets the resources to defend its image of leadership on the market from its own tradition and capability to renew itself continuously.
- 13. Glasswork of Murano** (in the circumscription of Murano, within the commune of Venice). With an on-going effort from local entrepreneurs to maintain and strengthen quality image and levels, enterprise service tools are created, like promotion, commercialisation and joint purchases of raw materials, giving birth to the quality label "Vetri Murano". The enterprises of the sector are about 260, mainly handicraft companies, with 2000 employees, while the export share is 35% over the total production.
- 14. Roundabout of the Polesine Occidentale** (6 communes in the province of Rovigo). In the far west side of the province of Rovigo, bordering Lombardy and Emilia-Romagna, one manufacturing worker out of five builds roundabouts or elements necessary to their realisation. The handicraft component, among the roundabout companies of Polesine, is important: about two thirds of the settlements have more than 500 employees in the sector.
- 15. Maritime works of the Lagoon and the Coast** (10 communes: 7 in the province of Venice and 3 in the province of Rovigo). This system consists of 102 local units, employing more than 800 people. The productive specialisation index of the overall fish processing activities (fish processing activities employees/manufacturing industry employees rate) would reach 12.0% for the entire area, 9.4% for the communes of the province of Rovigo and 18% for the commune of Chioggia.

The sub-clusters:

- 1A- Engineering of Schio-Thiene** (part of the industrial cluster n. 1 and includes 31 communes in the province of Vicenza)
- 1B- Furniture of Bassano del Grappa** (part of the industrial cluster n. 1 with 29 communes, 24 of which in the province of Vicenza and the rest in the province of Treviso)
- 2A- Agro-food and fishing industry of the Delta del Po' – Chioggia** (6 communes in the delta area between the provinces of Venice and Rovigo)
- 4A- Engineering of Conegliano** (12 communes in the province of Treviso)

Research Institutions:

- **Treviso Tecnologia** provides enterprises with services and support related to R&D and technology.
- **Tecnology & Design Centre** is involved in the development of new ways of making prototypes quickly.
- **Technologic Parks Vega** (Venice), **Star** (Verona) and **Galileo** (Padova) supply services linked to technological innovation, research, design, the study of new models, quality and certification.

Centers of Excellence:

The Science Parks are accompanied by Centers of Excellence which operate alongside them as actual centers of innovation diffused throughout the regional territory, offering training courses and other services to companies.

Education (universities and colleges):

The well-coordinated and broadly based services of the six universities in the Veneto region offer 156 different options, including degrees, diplomas and specialisation courses; 88 at Padova, 35 at Venice (two universities) and 32 at Verona. Feltre, specialised in modern languages and Treviso, recently opened, give an added value to the educational offer of the region.