

A Rich Tradition Of Winemaking

An Interview with Federico De Cerchio, De Cerchio Family Wine Group

EDITORS' NOTE Federico De Cerchio is the fourth generation of wine growers within the De Cerchio family. After achieving a degree in business and administration in 2012, split between Sweden and Germany, he returned back to Italy where he was poised to continue the family's rich tradition of winemaking. However, De Cerchio took a different path by venturing into his own business: he established one of the country's pioneering wine e-commerce companies.



Federico De Cerchio

Continuing his trailblazing tendencies, from 2014 to 2016, he secured a total of €2.5 million from a combination of investors and venture capitalists, ultimately selling the e-commerce platform in 2018. With that revenue, he bought Torre Zambra, his family winery. De Cerchio wasted no time in converting the family business to an all organic and certified sustainable operation. During the implications of COVID-19, he took this change in pace as an opportunity to further expand his influence in the industry and keep innovating, by founding the Famiglia De Cerchio wine group. Today, the group owns five properties across Abruzzo, Puglia, and Sicily, and is among the leaders in producing certified organic and sustainable wines. De Cerchio is also restoring the old Zambra Tower in Abruzzo with an ambitious hospitality project.

WINERY BRIEF The De Cerchio (famigliadecerchio.it) family has more than a century old tradition as winegrowers in Italy. In 1910, great-grandfather Vincenzo De Cerchio bought a plot of about twenty hectares of land in Abruzzo from the Zambra family and planted the first Montepulciano and Trebbiano vines in the region, which unfortunately were destroyed during the first world war. His son Laurentino De Cerchio, a soldier during the second world war, came home to Abruzzo in 1947 starting his tireless commitment to winemaking, replanting the vineyards and starting the construction of the first cellar. In 1961, the first "Torre Zambra" vintage was bottled, and the winery went on to become one of the most venerable in Abruzzo.

Will you discuss the history of De Cerchio Family Wine Group?

Our family has been involved in wine since 1910. It all started by coincidence when

my great-grandfather, Vincenzo, took a long ride with his dogcart to Naples to meet a doctor in order to cure himself. While in the waiting room, he met Baron Zambra, descendant of a Milanese noble family and owner of properties spread all over Southern Italy. They started chatting, and that's how my great-grandpa figured out the Baron owned a beautiful piece of land in Villamagna, his hometown in the Abruzzo region. He was a smart man but with no money down, merely a

farmer cultivating his small farm, he realized the Baron had nothing to do with this property and persuaded him to sell it. He must have had very good negotiation skills because he acquired this land of around 20 hectares (38 acres), including a lookout tower named Torre Zambra, and convinced the Baron to let him pay in small installments, without the need to get a bank loan which was very hard at the time. That's how it all started, by pure coincidence.

My great-grandfather planted the first vineyards of Montepulciano and Trebbiano in the region but actually he never produced wine – he cultivated grapes and sold them bulk. Then, after 30 years, the war broke through. He had a few relatives and many friends from our hometown, Villamagna, who emigrated to the U.S. during the 1920s and '30s. When he understood that Italy was getting involved in the conflict, he took his wife and younger son, Verino, and moved to the United States. His older son, my grandpa Laurentino, was 24 years old in 1939 and he could not leave for the States because he was called on duty by the Italian army. When Italy signed the armistice in 1943, he was made a prisoner in Lubljana and then moved to Wroclaw, Poland, by the Nazis. When the conflict finished in 1945, Eastern Europe was occupied by the Russians who didn't release all the prisoners right away, like the Allies did. They kept him in prison until 1947, when he came back to Villamagna by foot. I know it sounds like a dramatic movie, and my grandma had tears in her eyes when she was telling us this story over and over when me and my sisters were kids.

During the war, all the family properties were destroyed, including the vineyards and the tower. There was nobody in Villamagna when that happened. My grandma believes the tower was destroyed in 1943 during a battle between British and Nazi soldiers.



Back in Villamagna, my grandfather Laurentino was lucky that he had his father Vincenzo in the U.S. who, in the meantime, was working in the car industry in Detroit. He sent him money regularly, which my grandfather used smartly to replant the vineyards and started the construction of the winery, which took 15 years. When it was finished, he decided to name it Torre Zambra, in honor of that old tower destroyed during the war. That's how in 1961 the first bottle of Montepulciano Torre Zambra was bottled.

During the years of the war, my grandpa made friends with many soldiers from Southern Italy, with whom he kept contact after the war and visited regularly. That's how, over the years, he had the chance to buy a few plots of land in Apulia and Sicily. Unfortunately, my grandfather passed away in 1983 and I didn't have the chance to know him.

My father, Riccardo, took over the winery in the early '80s. He consolidated and took Torre Zambra to another level in terms of quality and image and decided to start cultivating grapes also in the other regions, but stayed loyal to Abruzzo in terms of wine production: he just produced wine there and sold grapes bulk in other regions. He is a Montepulciano lover and knows everything about this unique Italian grape and concentrated all his efforts on the estate of Torre Zambra. Then, in 2010, to cheer for the 100-year anniversary of the family in the wine industry, he founded Idi Di Marzo, our second estate in Abruzzo. While Torre Zambra is very, very traditional in what it does, he wanted a new project where he could be more playful, experimenting with new grapes and new blends. At that time, we were not yet



De Cerchio vineyards (above) and aging barrels (below)

a wine group. We were a family owning two small wineries and a few vineyards in other Italian regions.

I got involved in the family business in 2018. After graduating with a degree in business and management in Sweden in 2012, I decided to follow my path and founded a wine e-commerce platform in Rome, which back in those days was something innovative. I had the chance to raise around €2.5 million from angel investors and venture capital firms and gained a lot of business experience. I moved to the Italian Capital for five years and when, in 2018, I had the chance to sell this company, I felt it was time to go back and take care of the family affairs. Because of that sale and with the help of a bank who lent me money, I had the chance to buy the estates of Torre Zambra and Idi Di Marzo, together with the rest of the vineyards outside of the Abruzzo region. At the beginning, my father wasn't very happy about it, but he came to understand that a successful project needs strong leadership and a concentrated ownership. That's what I had in mind when I did this move. While 2018 is just six years ago, a lot of things have happened. When I took over the wineries we had a great production team – my father is an experienced wine producer – but we had no sales structure which meant we started from zero. We had to build our brands both in Italy and around the world.

I was taking care of sales and promotion – frankly speaking, I could not afford an export manager at the time – and started traveling like crazy around the world. In 2018 and 2019, I traveled over 200 days a year all over the world. This gave me the experience to understand what was working and what was missing in the wine industry. That's how I decided to officially found Famiglia De Cerchio Wine Group in 2020, bringing all the family estates under one roof and, especially, by bottling the

wine made from the vineyards we had in the other regions. Then COVID hit. At the beginning, we were very worried and a bit in panic, but I can say that it was a period that helped us a lot because we had the time to reorganize ourselves and carefully decide what would be our next steps.

Nowadays, Famiglia De Cerchio manages five estates in three different Italian regions. We are officially certified sustainable, we farm our vineyards organically, and all our wines are certified vegan – we don't use any kind of animal product in the production process. We export 92 percent of our wines in more than 40 countries around the world and over 50 percent of our sales are concentrated in the U.S. and Canada.



What have been the keys to De Cerchio Family Wine Group's ability to remain relevant and grow for over a century?

That's a complicated question for me to answer because we always produced great wines, but the critics didn't notice them until recently. I think this is because my father is the classic wine producer who prefers to spend his days in the winery, refining his wines rather than traveling and showing to the press what he is able to do. Therefore, I think we have always been relevant in what we were doing by giving everything for the quality of our wines, never accepting a compromise, but the growth was very, very slow until recently. We basically had great wines which nobody knew.

How critical is innovation to Famiglia De Cerchio and where is innovation taking place in the business?

I started my career in a startup; therefore, I take innovation very seriously. Looking at our production, we are very innovative and experiment a lot on our whites and rosés, while we are very, very traditional in our reds. Then, we use software to monitor and control the production and we are in the early stage of experimenting with the use of drones in the vineyards.

Will you discuss Famiglia De Cerchio's focus and commitment to sustainability?

What I get asked many times, including from my colleagues, is: what did you have to do in order to be sustainable certified? What did you have to change? My answer is: we just had to fill out some paperwork. I'll explain: first of all, we are sustainable in our private life. Since I was a kid, my mom taught me to differentiate wastes correctly. My father was an active environmentalist, fighting for each tree that got cut. My family always made me live very close to nature and, consequently, to take care of it. Now, how does this translate into our Wine Group? When I say "we are sustainable," it means we embrace three different principles. First, a proactive approach to CO2 reduction. For example, we



De Cerchio wines (above and below)

are constantly reducing the glass weight of our wines to lower emissions during production and transport. Overall, less than 15 percent of our wines are bottled in heavy bottles – it was 35 percent just six years ago. Secondly, we have an equal treatment of our workforce and pay people properly, according to their skills. We are known as those who raised the bar of wages for seasonal workers and set a new standard in our area.

Lastly, we empower local communities, meaning that we hire people who live near our wineries. But on this point, I would say something more. There are many smart and skilled youngsters from our little village who left Italy looking for better job opportunities in Switzerland, the U.K., Australia, and other countries. We already have many coworkers who decided to come back from abroad to work with us, and this makes me really proud and happy. My goal for the next few years is to increase this trend and give the chance to all those emigrants to come back to their beloved villages, where they can find a job they like and which has a direct impact on their territory.

You are also restoring the old Zambra Tower in Abruzzo with an ambitious hospitality project. What interested you in this effort?

We actually have two monster projects we are working on. Apart from rebuilding the old tower – I use this verb because it was destroyed to the ground, so it isn't a restoration but a reconstruction from scratch, using the original bricks – we are also building a new winery for Torre Zambra. Both these projects are focused on hospitality. Why? Well, I always believe that it is key to have direct contact with the final consumer – make people come to the winery, giving them the chance to sleep there, live the experience, and spend time in the

place where the wine they love is made. For wine lovers this is magic, but I believe even if you are not very keen on wine it is a nice experience. A winery is always a nice place for guests to spend time and, in Italy, very few give you this opportunity. Our hospitality project, rebuilding the tower of Torre Zambra together with an old farmhouse at a beautiful location of around one acre, will have an “a la carte” restaurant, a wine bar, four guestrooms, and two suites – one inside the tower – and a swimming pool surrounded by three-century-old olive trees overlooking the vineyards. You go down the valley, one quarter of a mile away, and you'll see the new winery of Torre

Zambra. One floor is underground where the wine will be produced and there will be one above-ground floor with two restaurants overlooking the vineyards, one with capacity of 100 people and one of 300, in between our barrel rooms. My dream is to give the chance for our aficionados to celebrate their events, weddings, or any kind of important moments inside our most iconic winery, Torre Zambra.

Where did your passion for the wine business develop?

I wasn't drinking wine until I was 21 or 22 years old, and I wasn't interested in it at all. When I was a teenager, I wasn't a proper “student model” and was more interested in motorbikes and cars. I was working in Torre Zambra only during the summer so I could buy branded clothes and I said to myself: I won't just be another winemaker. My family was sort of pressuring me because they saw no interest in the winery from my side. I hated that. Like a typical rebel, the more they were trying to get my attention directed to wine, the more it was moving away.

Then, I started university and I moved to Padova, a city very close to Venice, to work on my bachelor's degree. Being away from my hills, from my hometown, and my family gave me a different perspective and made me understand what was important for me. Then, between my Italian bachelor's degree and my Swedish master's degree, I had a year break and I took my first sommelier course. That's where the passion started. I learned about the different Italian, French, and worldwide appellations and I started to study wine on my own, both from a production and a business perspective. Then, my e-commerce startup gave me the chance to meet very talented wine producers and entrepreneurs from all around Italy, from whom I learned even more. Nowadays, I dedicate my career, and basically my life, to wine. I never thought about that when I was 18. ●

