

**Trade Secrets, a key factor in the successful
internationalization of a world-class Italian drink:
The Campari case**

*Secretos Industriales, el factor clave en la exitosa
internacionalización de una bebida italiana de clase
mundial: Caso Campari*

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Original article (research)

RFJ, No. 7, 2020, pp. 296-318, ISSN 2588-0837

ABSTRACT: In recent years, trade secrets have been gaining importance within the IP world. Successful stories where secrets are the core of a business's success have inspired many companies to protect their valuable knowledge under secrecy instead of using other IPRs. One of the world's most important trade secrets is Coca-Cola. However, there exists another secret recipe for the preparation of a famous bitter liquor called Campari. This unique, vibrant red drink became a contemporary icon of the Italian lifestyle and, more, a world-synonym of the "Made in Italy". Famous cocktails such as the Negroni or James Bond's Americano have contributed to expanding the popularity of Campari, which is now distributed in more than 190 countries and has more than 20 production plants worldwide. This paper aims to analyze Campari's trade secret story and its crucial role in the transformation of a family business into one of the world's major players in the alcoholic beverages industry.

KEYWORDS: Law and economics, intellectual property, trade secrets, industrial development, competitive advantage.

RESUMEN: En los últimos años, los secretos industriales han ido ganando importancia en el mundo de la propiedad intelectual. Varias historias exitosas donde los secretos comerciales son el núcleo del éxito empresarial han impulsado a que muchos negocios opten por proteger su información valiosa a través del secreto industrial en lugar de otros derechos de propiedad intelectual. Uno de los secretos comerciales más famosos del mundo es Coca-Cola, sin embargo, existe otra receta secreta para la preparación de un famoso licor con un particular gusto amargo llamado Campari. Esta bebida de color rojo intenso no solo se convirtió en un icono del estilo de vida italiano sino en un símbolo contemporáneo de la industria italiana misma. Cocteles mundialmente famosos como el Negroni o el Americano de James Bond han contribuido a expandir la popularidad de Campari, que actualmente se distribuye en 190 países y tiene más de 20 plantas de producción en todo el mundo. El objetivo del presente estudio es analizar la historia del secreto comercial de Campari y su papel como factor clave en la transformación de un negocio familiar, en una empresa líder mundial en la industria de las bebidas alcohólicas.

PALABRAS CLAVE: Derecho y economía, propiedad intelectual, secretos industriales, crecimiento industrial, ventaja competitiva.

INTRODUCTION

Nowadays, IP occupies a central role in the development and success of companies. For this reason, enterprises are always looking for the best scheme to protect their valuable knowledge. While many firms prefer traditional systems such as trademarks, patents, and designs, some others prefer trade secrets.

Secrecy is maybe the oldest way to protect valuable information, and today it is gaining importance, thanks to the diffusion of successful stories that have inspired businesses to protect their valuable information as trade secrets instead of using other IPRs. In this regard, the most famous case of a worldwide successful trade secret is Coca-Cola and its 130-year-old formula. However, there exists another secret recipe for

the preparation of a famous bitter liquor called Campari. This unique, vibrant red drink became a contemporary icon of the Italian lifestyle and, more, a world-synonym of the “Made in Italy”. This paper aims to analyze Campari’s trade secret story and its crucial role in the transformation of a family business into one of the world’s major players in the alcoholic beverages industry.

The present study applied a critic-analytic methodology, and it is structured as follows: section number one exposes trade secrets’ main concepts contained in the provision of the TRIPS Agreement, followed by a short analysis of why secrecy is essential and which are its limits. Section number two consists of a brief resume of the European and Italian legal framework where the Campari case takes place. As the core of the present work, section number three focuses on the history of Campari since its creation until its present situation. This analysis exposes the most relevant events that marked the story of Campari, divided into six sections. Subsequently, with an insight into Campari’s internationalization path, section number four examines from a doctrinaire perspective the competitive strategies applied by Campari along the time. Lastly, the present work exposes the author’s conclusions from her point of view.

1. TRADE SECRETS’ BASIC CONCEPTS

The universal definition of trade secrets is a relatively new concept introduced by the TRIPS Agreement for the first time in 1994. Although the text refers to them as “undisclosed information” and not expressly as trade secrets, these were the very first provisions enacted to protect confidential data, which have been adopted by regional and national legal frameworks all over the world.

Art. 39, number 2, of the TRIPS Agreement (1994) defines trade secrets as:

(...) any information that:

(a) is secret in the sense that it is not (...) generally known (...) or readily accessible to persons within the circles that usually deal with the kind of information in question;

(b) has commercial value because it is secret; and

(c) has been subject to reasonable steps (...) by the person lawfully in control of the information, to keep it secret. (World Trade Organization, 1994, p. 336-337)

Thus, a trade secret is any undisclosed information that generates an economic benefit to its holder, by rendering its products or services different from the others in the market. Trade secrets must remain confidential; otherwise, the relevant information would be openly known by competitors, turning the original product into something easy to duplicate and consequently reducing the business' profits. Furthermore, publicly- disclosed information loses its uniqueness, but it completely annuls the "trade secret status" and the legal protection that it implies.

Consistently with the previous paragraph, the held given on September 18, 1996, by the Court of First Instance of the European Communities (1996) in the case T-353/94 *Postbank vs. Commission*, describes trade secrets as: "(...) information of which not only disclosure to the public but also mere transmission to a person other than the one that provided the information may seriously harm the latter's interests" (par. 87) In this regard, the Court emphasizes that trade secrets' real value is formed by the relevant information itself and the secrecy surrounding it, which is, in fact, the feature that renders the data's outcome exclusive. The Court furthers this assertion by explaining that the merest disclosure to anyone outside the "safe circle"¹ Of the TS holder puts at risk the total loss of the secret's value since data leaks allow competitors to reproduce or apply the secret information in their own business. To that end, the provisions of the TRIPS Agreement urge to the lawful

1 A safe circle in this context refers to a limited number of persons to whom the trade secret holder has disclosed the information to perform their activities within the enterprise.

holder of any trade secret to take “reasonable steps” to maintain its confidentiality.

Hence, in practical words, which are these reasonable steps to protect secret information? The Oxford Advanced Learners Dictionary online (2019) “reasonable” as something appropriate and practical. The TRIPS’ intention when stating “reasonable steps” in such a general manner was to provide a wide range of possibilities for businesses to choose the security measure that best suits their interests.

Some actual examples of measures to protect trade secrets can be found in decision No. 05-1285 given in 2006 by the United States Court of Appeals, Seventh Circuit (2006), in the case of *Confold Pacific Inc v. Polaris Industries Inc.* The Court enlists security measures such as: “(...) executing confidentiality agreements with employees and others and by hiding the information from outsiders using fences, safes, encryption, and other means of concealment (...)” Safe-vaults, encryption, non-disclosure agreements, digital and physical fences are the most common methods used to protect trade secrets. However, it is not compelling for businesses to apply these means but to seek the best option to protect their confidential information according to their needs and economic capacity. In this manner, a start-up or a small company might not be able to afford high-tech monitoring services, while multinational companies have the economic capacity to implement sophisticated security systems in their headquarters or production plants.

For instance, according to WIPO, Coca-Cola’s formula is considered the “best-kept secret in the world”. According to a declaration given by some high-rank executives of the company, the written formula of Coca-Cola is kept at the Trust Company Bank in Atlanta in a security vault, which can be opened only by the authorization of the Board of Directors. Besides, the company has designed a rigorous internal policy, which establishes that the formula must be divided into two parts; each part must be known only by one person whose identity is also confidential. Moreover, these selected persons are not allowed to meet, speak, or travel together. (World Intellectual

Property Organization, n.d.; Braet and Verhaert, 2007, p. 186)
In this way, Coca-Cola has ensured the confidentiality of its formula for more than 100 years.

While moving on to the kind of information that can be safeguarded as a trade secret, it is essential to mention that the threshold of protection of this system can reach the areas that other IPRs do not cover. The amount of assorted data that can be preserved as a trade secret is immense, and precisely such resilience renders trade secrets a very attractive tool for companies seeking to protect their intangible assets.

The doctrine has further analyzed the expression “information” used by the TRIPS to define trade secrets’ by classifying in three groups the different types of data that can be protected:

- a. Secrets are related to the business’s technical-industrial area, such as recipes, scientific formulas, industrial designs necessary to perform manufacturing or assembling activities.
- b. Secrets related to the commercial activity of the company, such as sales reports, marketing campaigns, suppliers, and client lists.
- c. Secrets related to the internal organization of the enterprise, such as relations among personnel or the financial situation of the company. (Payán, 2011, pp. 211-212; Gómez Segade, 1974, mentioned in Payán, 2011)

Further examples of trade secrets include algorithms, chemical compounds, laboratory notes, databases, business plans, the salary structure of a company, price lists, manuals, and production processes. In this sense, it is also possible to say that a patent under development could be protected as a trade secret since obtaining a patent must fulfill the novelty factor, which establishes that the invention must not be part of the public-domain knowledge when filling the application.

Thus, this flexible and far-reaching scope of protection combined with the long-lasting lifecycle of a trade secret, the lack of formal registration procedures (since the information must only comply with the three requirements stated by the TRIPS) and their relatively low-cost in confront with other IPRs has encouraged business to rely more on secrecy increasingly. (Nunez, 2019, p. 72-73)

To conclude, this first section is essential to mention the limits of trade secrets. First of all, trade secrets are not always recognized as an actual IPR, and such acknowledgment depends entirely on the laws of the country in which they are protected. Besides, differently from other IPRs, trade secrets do not confer to its holder any exclusive right over the protected information. Thus, the main issue is not the disclosure of information through unlawful means but by the lawful manner of the eventual discovery of the TS content. In this regard, the TRIPS Agreement and consequently regional and national legislations consider independent discovery and reverse-engineering as honest means to obtain secret data. Thus, any person who acquires a trade secret by using these honest methods cannot be sanctioned as no illegal act was committed and cannot be prohibited from using the information in question. (Nunez, 2019, p. 39)

Nevertheless, these restrictions should not be considered as a discouraging factor of trade secrets since some information might be very complex or extremely expensive to decipher by independent discovery or by using reverse-engineering, dissuading competitors from acquiring the trade secret in question. This threshold can be considered a helpful guide when choosing the best IP system to protect valuable data. In this sense, if the information contained in a product, process, or method can be quickly revealed by applying reverse engineering, the holder may opt for a different IPR such as patents or copyrights (depending on the nature of the data). On the other hand, if the relevant information is difficult to decipher by the reverse engineering process, trade secrets are among the most suitable systems to adopt. (Nunez, 2019, p. 40)

2. A BRIEF REVIEW OF THE EUROPEAN AND ITALIAN LEGAL FRAMEWORK RELATED TO TRADE SECRETS

As mentioned in the previous section, the TRIPS Agreement is the international treaty that provides the standards for the protection of trade secrets. Hence, the European Union and all its Member States are bound to the TRIPS provisions.

It is essential to mention that despite the TRIPS provisions, European national legislations still had significant differences regarding trade secrets' tutelage. For this reason, in 2016 the European Parliament adopted the Directive 2016/943 in order to provide a minimum set of standards for the protection of trade secrets within the European Union and thus, foster cross-border research, development, and innovation while securing to European companies a sufficient and consistent legal framework protecting their secret intangible assets. The Directive established a standard definition of trade secrets within its significant premises and, more importantly, it harmonized the civil means that trade secret holders can claim in the case of the misappropriation, unauthorized use, or unauthorized disclosure of their valuable confidential information. (Nunez, 2019, p. 34-35; European Parliament and the Council of the European Union, 2016, p. 2-8)

Moving on to the Italian context, as a Member State of the EU, it is subject to the TRIPS dispositions and also to the Directive 2016/943, which as a legislative act it establishes the set of objectives that all EU Members must comply. Regarding Italy's national legislation, the Industrial Property Code (CPI) is the primary legal document for the protection of trade secrets. Among its main provisions, the CPI recognizes trade secrets as an IPR, allowing their lawful holders the possibility to claim for civil redress against infringement, including damages indemnity and the refund of the infringer's profits. (European Union Intellectual Property Office, 2018, p. 149)

3. INSIDE CAMPARI: HISTORY AND EVOLUTION

3.1 Campari's origin and the *aperitivo* culture in Italy (the 1860s)

Campari is par excellence, an icon of the Italian aperitif culture. *Aperitivo* (aperitif) derives from the Latin word *aprire*, which means “to open”. In this particular context, the *aperitivo* was a drink consumed before the dinner to stimulate the appetite. The aperitif tradition was born in Turin at the end of the 1700s as a social ritual that marked a before and after in the Italian lifestyle. During those years, the industrial production of alcoholic beverages was still inexistent. Thus, cafes used to prepare their artisanal liquors and infuses. (Campari Academy Barcelona, Spain, 2019) Liquor-masters of the time were very protective of their creations, serving them at their places only. As a consequence, clients were compelled to visit the same bar to enjoy their favorite drink.

Within this environment, in 1860 in Novara, a skilled liquor producer called Gaspare Campari, invented a vibrant-red aperitif with a particularly bitter taste obtained from the infusion of a secret blend of herbs, aromatic plants, and fruits with digestive properties. Initially, Gaspare Campari named his new invention *Bitter all' Uso d'Holanda* as it was inspired by the liquors served in the Netherlands at that period. However, with time and its growing fame, Gaspare's special drink started to be known as “Campari” on behalf of his surname. (National Geographic Italia, 2012)

After leaving Novara and moving to Milan, Gaspare Campari opened the *Caffe Campari* at the brand-new Galleria Vittorio Emanuele II in 1867. (National Geographic Italia, 2012) This passage is fundamental in the history of Campari and in the aperitif tradition itself since, even though this ritual was born in Turin, it was embraced and developed mainly in Milan, where its success was overwhelming, expanding to the rest of the world in the following decades.

3.2 Campari's first steps towards expansion (1904 - 1920)

Upon the death of Gaspare Campari in 1882, his sons Guido and Davide assumed the control of the family business. However, Davide was the real promoter of Campari's success in Italy and around the world. He was a genuine businessman with a very modern approach towards the management of the enterprise, which nowadays is still considered a visionary ahead of his time.

The expansion era of Campari started in 1904 when Davide opened the first Campari's production factory in Sesto San Giovanni, a little town that now makes part of Milan's metropolitan area. Back then, the area was the perfect place for growing industries as it was plenty of space and water. Furthermore, it was a well-connected zone, thanks to the tramway that passed near there.

In 1915, Davide opened the Camparino Bar at the Galleria Vittorio Emanuele II, as a "little brother" of the old *Caffe Campari* founded by his father. Differently from his predecessor, the Camparino Bar had an innovative system that provided a continuous flux of sparkling water coming directly from the cellar, offering to its clients an ideally refrigerated Campari Soda, the star drink of the bar. Additionally, the Camparino Bar was decorated according to the Art Nouveau style, with furniture pieces made by famous Italian artists and artisans. The combination of these elements converted the Camparino Bar into an institution within Milan, becoming the gathering place for intellectuals and celebrities who met to discuss politics, culture, and fashion while enjoying Campari. (Camparino, 2019)

During 1920, two of the most famous Campari-based cocktails were created: the Americano and the Negroni. These classic drinks represented the beginning of a new era for Campari since both cocktails were included in the official list of the International Bartenders Association (IBA). Further to this, the Americano gained international fame when it became James Bond's favorite drink in the movie 007 Casino Royale. (Campari, n.d.)

3.3 Building a brand through art rather than advertising: Campari's commercial campaigns (1920 - 1970)

Since 1920, following Davide's ingenious strategies, many great artists of the time, like Leonetto Cappiello or Ugo Mochi, started to collaborate with Campari, establishing the basis of a close connection between the brand and the world of art. (Campari, n.d.) This ambitious but smart approach reflected the image that Campari developed among its consumers: a drink that represented sophistication and elegance. Therefore, plain propaganda for such a product was not an option to consider.

Thus furthering that scheme, Davide created Camparisoda in 1932, which caused a complete revolution into the beverage industry as it was the first ready-to-drink product in the history of soft alcoholic drinks. The recipe was still similar to the traditional Campari and Soda served at the Camparino Bar, with the difference that the carbonated water i.e., the soda, was now added right before the product's bottling. Even though the concept of Camparisoda was already a significant innovation, Davide considered that to render it a truly unique product, it needed a unique-designed bottle. For this purpose, Davide contacted the Italian artist and sculptor Fortunato Depero who created for Camparisoda the first single-portion-bottle of the history, with a triangular design that recalls the shape of glass turned upside-down. In this regard, the designer Matteo Ragni (2012) commented that the design of Camparisoda's bottle and the idea behind it is so exceptional that it became an angular stone not only for the alcoholic beverage sector but also among the design world. (National Geographic Italia, 2012)

During the 50s and the 60s, Campari continued to work with talented artists to create captivating posters while following the trends of the moment, such as pop art or contemporary representations aimed to reach and impact modern cities' lifestyles. Besides, by the 1960s, Campari was already distributed in 80 countries around the world, demonstrating the success of its business strategy and its steady international expansion.

In the 1970s, Campari's commercial campaigns made another significant move, collaborating with great names inside the cinema industry. The most notable partnership was with the famous Italian director Federico Fellini, who agreed to work with the company due to his emotional link with the brand since his father used to be a big Campari customer.

3.4 The turning point of Campari: from a single-brand enterprise into a multinational company (1990-2000)

Since the 80s, during a period of economic growth in Italy, Campari (n.d.) consolidated itself as the "(...) star of exclusive and distinctive consumption occasions (...)" Becoming the symbol of a first-class lifestyle in Italy, and more particularly in Milan, where the aperitif moment became an exclusive social meeting where people assist in affirming their status and in interacting with other attendees for professional or personal benefit.

In the 1990s, Campari adopts four new brand-values: international involvement, prestige, passion, and uniqueness which were the drivers of a new communication strategy, reflected in modern campaigns like "Red Passion" and also in the introduction of the Campari Calendar in 2000, which every year collaborates with renowned models and actresses like Salma Hayek and Penelope Cruz.

Lastly, as a leading international company, Campari reached its turning point in 1995 by incorporating its classic organic-growth method with an external growth approach, acquiring the first brands of its actual portfolio, and becoming a multinational company that is present nowadays in over 190 countries.²

2 Organic growth strategy: a business increases its operations by relying on its internal resources.

External growth strategy: a business increases its operations by employing resources that were not developed by the company itself, such as Mergers and Acquisitions (M&A) or strategic alliances.

3.5 Campari in the 21st century (2000 – until today)

Today, the Campari Group is the 6th major player in the global spirits and drinks industry, with over 50 world-premium brands comprising Cinzano, Aperol, Sky Vodka, and Glen Grant Whisky. Besides, the Campari Group has developed an extensive international distribution network with 18 manufacturing plants within Europe, North and South America, Oceania, and the Caribbean. (Campari Group, 2019)

The Campari Group headquarters are still located in the area of Sesto San Giovanni in Milan. However, the production plant was transferred to Novi Ligure in the Italian region of Piedmont after 100 years of functioning in 2004. The new Campari plant is a 200.000m² high-tech structure that was included by National Geographic in its “mega-factories” list.

On the other hand, the old installations were transformed into the new *Galleria Campari*, which opened its doors to the public in 2010 as part of the 150th-anniversary celebration of the brand. The gallery is a modern multimedia space that collects the artwork created for the company during the years. Likewise, in 2012 the company inaugurated its last creation, the Campari Academy, which offers formation courses for professionals in the bartending sector, but also to persons passionate about mixology. (Nunez, 2019, p. 39)

Both the Gallery and the Academy represent the new image of Campari, which turned from a drink-brand into an institution within the sectors related to the beverage industry such as visual arts, fashion, bartending, entertainment, and even lifestyle. It is fundamental to look back through Campari’s history to realize that, what started as a popular drink part of a new tradition, transformed into a reference of Italian culture at the international level.

3.6 Keeping the recipe secret: a 150-year challenge

The recipe of Campari has remained secret for more than 150 years fostering several rumors about it. While some people say that Campari is prepared with almost 80 ingredients,

some others assure that, in reality, it contains more than 300. The truth is that only evident elements like alcohol, water, and sugar are known to be part of the recipe. While the unique blend of aromatic plants and fruit is an enigma that only a few persons in the company are aware of. (National Geographic Italia, 2012)

Whereas for family businesses, it's easier to commercially reproduce a secret formula for large companies like Campari. It represents a significant challenge, particularly when the legal provisions consider reverse engineering processes or independent discovery as non-liable manners for obtaining a trade secret. Therefore, Campari has adopted a strict security policy to keep its trade secret confidential without affecting its production of 160.000 Campari bottles a day. Some of these safeguard measures, similar to Coca-Cola's ones, provided that the identity of the persons aware of the secret recipe must remain confidential. This is the case of "Mister X" the person in charge of controlling the raw ingredients delivered to the factory and supervising certain phases during the preparation of Campari. In 2012 for the first time in the history of the company, Mister X explained Campari's production process to a crew of National Geographic for the filming of their TV program "Mega factories".

Mister X holds a high responsibility inside Campari since he is the only person allowed to perform some necessary actions during the production of the drink. For instance, each aromatic plant used in Campari's secret blend has been encoded by the enterprise with a unique ID number, which only Mister X understands. Furthermore, all the herbs delivered to the factory are packed and sealed, and the key of each cargo is shipped directly to Mister X.

Upon the arrival of the secret aromatic herbs to the factory of Novi Ligure, where Mister X conducts himself a preliminary inspection of their quality, they were also sending several samples to the production plant's chemical laboratory for further controls. After this initial examination, the core preparation of Campari begins.

From a locked room through a computer, Mister X establishes the amount of herbs necessary to prepare for Campari's unique blend. He determines such quantities by following the original recipe kept inside a safety vault. In the meantime, under Mister X's supervision, an operator proceeds to pour the herbs into a digital scale connected to Mister X's computer. The scale does not show any weight measurement units to the operator. Thus, Mister X is the only one able to determine the achievement of the exact amount of each ingredient and hence, authorize to continue with the following steps. Once the measurement stage has been completed, the herbs are mixed, grind, and infused first in water, then with alcohol, and subsequently distilled. The result of this process is the very core of Campari's flavor. (National Geographic Italia, 2012) At this point, the job of Mister X is done. However, the herb blend has to go through further stages to become Campari. The next steps comprise adding sugar and colorants, two filtration processes, multiple quality tests done by experts, and the chemical laboratory. Finally, after all these steps, Campari is ready to be bottled, labeled, and shipped within and outside Italy.

4. Analysis of Campari's trade secret management and its influence on its competitive advantage and the product's internationalization.

Even though Campari's secret formula i.e., trade secret was created by Gaspare Campari, it was his son Davide the person that transformed it into a famous worldwide beverage represented by a strong brand that nowadays not only offers its iconic product but also proposes special complimentary services, providing in this way a whole different experience to its consumers.

Furthering the relationship between trade secrets and business' competitive advantage, as stated by the scholar and economist Michael Porter, a competitive advantage derives from the aggregated value that a company offers to its customers, rendering the firm profitable and sustainable while achieving a leading position within an industry. Porter explains

that to achieve a steady competitive advantage, a company might pursue one of these three strategies: cost leadership, differentiation, and focus.

Through the cost leadership strategy, a company seeks to offer the lowest prices among its sector. For example, economies of scale encourage consumers to choose a product or service based on the best price. By following a differentiation strategy instead, the company attempts to distinguish itself by covering specific needs that consumers consider essential. For instance, in the mobile technology sector, iPhone by Apple offers its operative system iOS, while most competitors include the Android system developed by Google. Finally, the focus strategy is when the company selects within its industry a target group of customers with specific needs and personalizes its offer to attend that audience only. To this end, the company has two sub-alternatives: pursue a cost focus by seeking a price-advantage within its target audience, or follow a differentiation focus by seeking to distinguish itself always within the selected audience. (Porter & Advantage, 1985, p. 1-3)

Deepening Porter's theory, in order to achieve truly sustainable competitive advantage, a company must introduce a significant innovation into the industry. This innovation can be technological (like a new automated machine) or non-technological (like a recipe or a formula) granting the company an exclusive advantage over its competitors. However, to transform this benefit into a long-lasting advantage, the firm must be able to prevent the imitation of the innovative product or service.

Transferring these concepts to the Campari case is fundamental to highlight that the enormous success achieved by the company was possible thanks to Campari's trade secret, which not only ensured to the company almost-everlasting protection for its exclusive (non-technological) innovation but also guaranteed a perdurable competitive advantage in the beverages sector.

Furthering this statement, the company developed its competitive advantage by targeting a differentiation strategy aimed at distinguishing their special drink from other competitors' products. As described in the previous sections, Campari's popularity expanded enormously thanks to Davide Campari's progressive ideas. The outcome of collaborating with renowned artists for the creation of TV commercials, labels, posters, calendars, and even glass bottles was the artistic embracement of the product going beyond mere advertising. Furthermore, according to National Geographic (2015), Campari's intense red-color itself is a vital advertisement resource that, combined with artistic production, has had an essential impact on the consumers' minds. This differentiation approach consolidated the image of Campari as a unique drink that represents a classy lifestyle.

Consequently, in the light of the overwhelming success achieved by Campari, the company decided to pursue a focus differentiation strategy by introducing to the market complementary services which seek to enhance this unique popular drink at a global level as a way of enjoying life and what is more, to make the world perceive Campari as part of their lifestyle.

These efforts to consolidate Campari at the international level follows the present trends of a globalized economy where internationalization is essential for companies, notwithstanding their actual success in national markets. From this perspective, the doctrine states that the internationalization of a company is a gradual commitment of the enterprise not only with new markets but also with new potential consumers. Therefore, the company is urged to develop dynamic capacities to compete in current and future trading environments. (Arnoldo, 2009, p. 18-25)

According to Pedrero (2014), such dynamic capacities comprise the company's competitive advantages, which in synergy with a steady internationalization plan and the adequate strategies, might minimize risks and maximize the benefits of being present in new markets. In such a manner

and concordantly with Porter's competitive strategies, Pedrero exposes that a company can internationalize its products by pursuing a differentiation approach by offering an added value to the offer already present in the target market. Alternatively, by following a focused approach in which the company proposes its products to a specific segment with little competition. (p. 9-14)

In this regard and under both strategies, the Campari Group has a substantial competitive advantage in the global market of alcoholic beverages, since the aperitif tradition (and consequently aperitif liquors) were born in Italy and developed the country before their expansion towards new territories. Therefore, these new markets where Campari was already present in the 60s, the perfect open land for the company to introduce and embrace its unique beverage. Since 1995, once Campari turned into a multinational company and started to enlarge its brand portfolio, most of its competitors' products started to become part of the Campari Group. As a result, nowadays, the Campari Group not only offers to the global markets its iconic red-liquor but also proposes other popular drinks like Aperol, Cinzano, Crodino, Biancosarti, and Mondoro Vermouth, covering in this way the vast demand in the aperitif culture that has increased in recent years.

In conclusion, Campari's success is the result of an efficient synergy of factors, where its trade secret is the core of the enterprise's success along with innovative strategies like artistic advertising, product innovation, efficient brand positioning and the recent incorporation of complementary services, aimed to enhance the uniqueness of the iconic secret formula. In other words, Campari is an outstanding example of how trade secrets transformed an old artisanal story into a contemporary international success.

CONCLUSIONS

As the main conclusions, it can be stated that:

A trade secret is any information that, due to its confidential nature, produces an economic benefit to its holder, by offering an aggregated value that renders a product different from the others.

Trade secret's broad scope of protection is a very appreciated feature among companies looking forward to protecting their valuable know-how or information. Some examples of trade secrets include recipes, databases, algorithms, and even patents under development.

From a legislative perspective, the primary legal document for the protection of trade secrets is the TRIPS Agreement, which establishes international standards for safeguarding undisclosed information. As a consequence, many regional and national legal frameworks like the European Union or Italy, have not only adopted these premises, but they have enacted further provisions for the protection of trade secrets within their territory.

The aperitif tradition started in Italy in the 1700s, and it consisted of having a soft alcoholic drink before the meals to awaken the appetite. Within this background, in 1860, Gaspare Campari created a unique liquor out of a secret blend of herbs and fruits called *Bitter all' Uso d'Holanda*. Later, as the liquor became famous, its name changed for Campari in honor of its creator's surname.

Although Campari's special recipe was created by Gaspare Campari, it was his son Davide the person that transformed an artisanal drink into a world-class product that nowadays is distributed in more than 190 countries. Davide's innovative strategies marked a revolution within the beverages industry of his time. Moreover, he followed a competitive differentiation strategy aimed to convert Campari into a one-of-a-kind drink. Such an approach is reflected in the artistic embracement of the product through the creation of unique

advertisement pieces that are considered genuine artworks. This close relation of Campari with the world of art is one of the main features that converted the brand into a symbol of a classy and refined lifestyle in Italy and especially in Milan.

Although Campari was already commercialized in more than 80 countries during the 60s, the company fostered its international presence by including an external-growth approach into its expansion plan. Nowadays, after this turning point, the Campari Group is one of the 6th significant players in the spirits and beverages sector.

After 150 years of history, the secret recipe of Campari is still a mystery. The company has adopted a strict security policy for the protection of its more valuable intangible asset. Some of the measures include identity protection for the persons that know the secret and participate in the preparation of Campari, encryption of the secret ingredients, and storing the recipe in a safe vault.

The Campari case is an outstanding example of how trade secrets converted an old artisanal story into a contemporary international success. Campari's overwhelming success is the result of an efficient synergy of factors, where a trade secret is the core of the enterprise's success along with innovative strategies aimed to enhance the uniqueness of an iconic Italian drink with more than 150 years of history.

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Received: 09/04/2020

Approved: 12/06/2020

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