

ASKED & ANSWERED

RAFFAELE PIARULLI

Eataly North America

INTERVIEW BY CARA EISENPRESS

Eataly operates two enormous food and beverage stores in New York City. Its North American CEO, Raffaele Piarulli, a native of Italy, had to lead the retailer through two types of pivots during the last year and a half. On the one hand, he pushed the stores to increase the number of products in their grocery areas, which stayed open as essential businesses. On the other, he had to shut down all of Eataly's restaurants, which used to account for 60% of the profit, for a long period. But since the beginning of the year, business at the company's Flatiron District location has grown steadily, and its seven other North American stores have also found their way. At last a return to normal seems to be in Piarulli's view.

Businesses are worried about getting items they need, thanks to supply-chain disruptions. How do you deal with that when planning for the coming months?

Our vendors are people that we know. It's a person-to-person relationship. When you know a person, it's human nature to work through problems together, to pick up the phone and try to solve problems. There should always be a mutual benefit in the relationship—not just that the client meets the vendor's demands. Like, our vendor might have an issue where they overorder a Parmigiano

DOSSIER

WHO HE IS CEO, Eataly North America

AGE 34

GREW UP Torino, Italy

RESIDES Upper West Side

EDUCATION Degree in physical engineering, Politecnico di Torino

SUMMER JOB Piarulli started as a cashier at Eataly in Italy, his summer job. Later he helped open the New York store, and after that he knew there was no going back. "The day we opened changed my life," he said.

SIGNS OF TOURISM Eataly's staff will know the tourists are truly back when sales begin to skew from ingredients bought by locals to cook at home back to prepared foods and restaurant meals.

HOLIDAY HOPE Piarulli said his buyers are outdoing themselves for the holidays, with 30% more holiday giftable items than in previous years. The focus will be on panettone, a sweet Italian cake that Eataly has become the U.S. leader in distributing.

wheel and they have too many. We talk and figure out a way to help, like having a Parmigiano week. It's in our interest that the vendor does well because it's in both our interests that we continue to sell Parmigiano.

What steps can other companies take in setting up these kinds of relationships?

A little bit of differentiation. For example,



when we have to select what milk to carry to use to make gelato or cappuccino, we don't use the same everywhere. Because in every city, there is someone near us who is doing an amazing job with their little dairy farm, and we want them to be honored by Eataly. And we won't run out of milk because if one farm has an issue, we can pick up the phone and see if another provider can help.

Your store is known to be mobbed, especially on weekends. How can city businesses find a balance between bringing in crowds and making sure that everyone feels safe?

There is a lot of talk now about to what degree crisis compromises are acceptable, like hotels that shut down their lobbies, entertainment parks that shut down their bus service from the parking lot. From the start we have been trying to go in the opposite direction, not compromise on what we offer to the guest. That way, what they get is positive and doesn't remind them of the crisis.

What lessons did you learn from operating during the pandemic?

Not being able to travel to other Eatalys was hard. But it turned out to be an advantage—being forced to follow how a multitude of different environments were dealing with the same problem gives you a lot of perspective. You try to get the best practices of each example. ■

BUCK ENNIS

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