



■ The Herald’s Italian-speaking Business Editor **WILLIAM TELFORD** discovers some parallels between Pisa and Plymouth

City of learning with lessons for Plymouth

THE Herald’s Business section is gaining an international reputation with the Italian city of Pisa the latest to extend an invitation to see how its economy is growing. Last year, Herald Business explored Leipzig, in eastern Germany, where it found the regional centre, heavily based on manufacturing, had similarities with Plymouth. Now Pisa, famous for its leaning tower, has followed suit, but turned out to be a very different type of city, though, again, with parallels in Plymouth. The Tuscan city relies heavily on tourism, with its leaning tower in the Piazza dei Miracoli world famous. But it is seen as a day-trip destination and is investing heavily on promoting its other attractions in a bid to entice long-stay visitors. The airport, right on the edge of the

city, is seen as hugely important – and to the region too. Manufacturing is not unknown, with scooters and luxury yachts built in the area, but is not the most significant sector – unless you include leather production. Surrounded by beautiful countryside, agriculture generally, particularly food, is hugely important to a city which values food and drink and has kept globalisation at bay, protecting its indigenous, often family-run, independent enterprises. But the most important industry, and the one on which Pisa is pinning future hopes, is education. The city has three universities, a huge student body, some of the most highly educated citizens in Europe, and is looking at cutting-edge research, particularly in medicine and robotics, as the foundation for spin-off companies and patents. It also sees languages, especially English, as key, being the tongue of business, and indeed it was leading language college British School Pisa which invited The Herald to Pisa. During the next few weeks, The Herald Business section will be revealing more about how Pisa is meeting its challenges and growing its economy. Some, such as spinning-off businesses from its successful universities, will be familiar in Plymouth. Others – such as the significance of Pisa’s airport – may have lessons for us. But both are historic cities with much to recommend them to visitors and investors. And both have towers, though, of course, our Smeaton’s Tower doesn’t lean.



Central airport creates jobs and helps business to fly high

PISA is putting much of its economic strength down to its airport – saying it creates thousands of jobs. The Galileo Galilei Airport, named after the famous astronomer who lived in the city, is situated right on the edge of Pisa. And it is credited as having a huge impact on the city’s economy and tourism – and that of the Tuscan region and wider Italy. With the larger city of Florence, just an hour away by car or train, also having an airstrip, both cities have fought moves to close one down. And it is not hard to see why. Pisa’s Camera di Commercio (Chamber of Commerce) said nearly five million passengers came through the airport in 2014, a year-on-year increase of 4.56 per cent. “The airport is very important,” said Paolo Ghezzi, the city’s Vicesindaco, or deputy mayor, with responsibility for

tourism. “For every million passengers it creates about 1,000 jobs in the area. “Tourism is more developed because of the airport, especially because we now have international flights, including to New York. “And the airport is IN the city, five minutes from the centre,” he added. “We are now looking to create a tram connection to link the airport to the centre of Pisa.” Pisa’s airport is widely recognised as having the second best runway system in central Italy, after Fiumicino. Because of this, and its high-quality infrastructure, Pisa has been chosen by many intercontinental airlines as an alternative stop to Rome. It is also the only airport in mid-Italy to connect the region to the European air transport network, flying to key European cities. Fabrizio Quochi, from the Camera’s promotion and internationalisation department, said: “Tourism has grown in

the past 15 years because of the development of Pisa airport as a hub for Ryanair.” He said the low-cost airline’s arrival in Pisa, in 2000, was one of the key moments for the city. Ryanair services come in from London’s Stanstead and its arrival was followed by services from other operators including easyJet, which flies from Bristol. “In 2000 there were no low-cost flights,” Mr Quochi said. “Then there was a boom in passengers flying to Pisa, specifically from the UK where there are now seven airports flying to Pisa. “And growing the airport was important for the area. Pisa’s strategic position is very important, and it is the third largest airport for rental cars after Rome and Milan. “So people fly here, rent a car and visit the region.” Pisa is connected regionally via its motorway linking it to the neighbouring cities of Florence and Livorno.



■ Main picture and far left: the River Arno running through the city of Pisa. ■ Above: that famous leaning tower and the Cathedral of Santa Maria Assunta. ■ Right: William Telford makes the headlines

■ NEXT WEEK: How universities are driving the economy in Pisa

PISA may be famous for its leaning tower but the city’s wealth is based on far more than just tourism, with high-tech manufacturing seen as the future. The city, with a metropolitan population of about 200,000, has a thriving economy which encompasses a range for firms and sectors. Its GVA, at about 10.5million euros, is the second largest in Tuscany, only the larger city of Florence being ahead of it. And there are thriving business sectors across the city and its surrounding area – the Camera di Commercio (Chamber of Commerce) has 52,000 companies in its membership. That’s because all firms in Italy must belong to a chamber, and pay a sort of annual tax to fund it, although it is very inexpensive. The Camera, housed in a large city-centre office block, carries out a range of functions, including administrative and market regulation activities, business studies and analysis, and economic development and promotion. So it is well placed to offer an overview of the economy of the Tuscan city and its surroundings. Although tourism is vital, with two million people visiting the leaning tower last year, and more than 4,000 accommodation and food outlets in the city, there are almost as many businesses involved in agriculture, 7,000 construction firms and 14,000 companies working in retail, wholesale and automotive, many being SMEs. Of the 171,000 working population, about 34,000 are involved in trade, accommodation and food. fighting back and targeting the Brazilian market. And there is other manufacturing too, including the large Piaggio motor scooter factory just outside the city, and also Siemens and Smith International plants. There is also a thriving furniture industry, with much of its produce exported to Russia. The other main employer is education, with the city’s three universities a huge wealth generator. In addition to the cash thousands of students bring to the city, Pisa is developing a reputation for spinning off high-tech companies, particularly in micro-electronics and robotics. “There are a lot of companies in the biomedical and science fields,” said Laura Granata, head of the promotion and enterprise development unit at the Camera. “High-tech can be a good chance for Pisa, but the companies are very small, often a spin-off from the universities. “And they often don’t have the business competency for growth. From time to time we try to support these companies, but it’s not easy. “In general we are supporting services for the internationalisation of companies, training for exports. “Firms have to go abroad but don’t know how to do it. We try to support them.” Nevertheless, exports are impressive with three times as much exported from Pisa to the UK as came the other way, in 2014. And Fabrizio Quochi of the promotion and internationalisation department, stressed: “Employment is growing a lot. The future is very positive because we have the tower and the airport. “The tower is still leaning and the airport has reached five million passengers, in and out.”

Pisa’s is a vibrant economy, but, like the country as a whole, is still recovering from the global economic downturn of the past seven years, termed ‘the crisis’

There are 6,000 manufacturing businesses, of which about a third are involved in another key industry: leather production, responsible for high-quality products for the European fashion industry. “Pisa is a vibrant economy,” said Alberto Susini, in charge of statistics and economic studies at the Camera di Commercio, the Chamber of Commerce. But he explained Pisa, like the country as a whole, is still recovering from the global economic downturn of the past seven years, termed “the crisis” in Italy. And that important leather industry has been affected by cheap competition abroad, notably from Brazil. “The crisis hit Pisa’s many furniture and shoe-making sectors, where we are also in competition with low-wage countries,” said Mr Susini. “Pisa is one of three main places where skins are produced. We specialise in leather for shoes and bags, but there’s now strong competition.” However, the city’s tanners are now



■ The team from Pisa’s Camera di Commercio, clockwise from rear left: Fabrizio Quochi, Alberto Susini, Laura Granata, Tiziana Cocchi