

Eataly targets listing as US expansion gathers pace

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Eataly, the Italian food emporium, plans to list shares on the Milan stock exchange as early as next year as it ramps up its US expansion.

A mix of high-end supermarket, restaurant and food theme park where customers can see mozzarella being made, Eataly is on target to raise revenue by a quarter this year, according to Andrea Guerra, its executive chairman.

Speaking after returning from the opening of its first store on the US west coast in Los Angeles, Mr Guerra said Eataly was set to post sales of €470m in 2017, up from €380m a year earlier. Earnings before interest, tax, depreciation and amortisation are expected to be about €22m this year.

US sales almost doubled in a year after Eataly increased its stores from two to five in the country, he said. It has two in New York, and one each in Chicago, LA and Boston.

“We think we can continue to open stores for the next 10 years. We are really scratching the surface. We think we can have a store in every world capital,” said Mr Guerra, formerly chief executive of eyewear maker Luxottica.

He estimated Eataly would reach annual sales of €1bn-€1.5bn in the “short to midterm”. Mr Guerra did not provide net profit forecasts. Eataly made a net loss in 2016.

Eataly was founded by white goods entrepreneur Oscar Farinetti, who still owns most of the company. Mr Guerra owns a stake of less than 5 per cent. Tamburi, a Milan-based family office-turned-private equity investor, bought a fifth of Eataly for €100m in 2014.

The next move would be to bring in new capital over the next 12 to 18 months “and the obvious road is an IPO”, Mr Guerra said.

In the next 24 months, Eataly has plans to open sites in Las Vegas, San Francisco, Stockholm, Paris, Toronto, Verona and, in 2020, London. It last month opened a 100,000 sq m food “theme park” outside Bologna.

Mr Guerra describes Eataly as a “food experience”.

Bain analysts have classed luxury food experiences as one of the fastest growing segments in personal luxury goods.

