

Contents

1	One Hundred Days in Fiat with Carlo De Benedetti (1976)	1
	The Eighth Floor	1
	Agnelli Likes De Benedetti	3
	Clandestine Preparations	8
	Fiat Seen from the Inside	12
	The Passion of Carlo De Benedetti	15
	A Plan for Components Production	17
	Carlo De Benedetti in Crisis	22
	De Benedetti's Inheritance	27
2	New Initiatives and Old Problems (1976–1978)	29
	Why and How I Remained in Fiat	29
	My Early Relations with Cesare Romiti and the “Confidential”	
	Remunerations of the Seventies	30
	The Heritage of Togliattigrad and the Comau Initiative with the	
	“Private Operators”	33
	The Genesis of “Robogate”, a Masterpiece of Italian Engineering	37
	In-house Planning	39
	The Failure of a Rolling Stock Operation and the Origin	
	of the Pendolino Fast Tilting Train	40
	The Failed Rationalization of the Italian Large Electric	
	Machine Industry	42
	The Prehistory of Sorin Biomedica	43
	Cesare Romiti: Good Finance and not Much Industry	44
	The Real Organization Chart	47
	Nicola Tufarelli and the Heritage of Vittorio Valletta	48
	Bruno Beccaria and the Problems of the Industrial Vehicles Sector	52
	Two New Bosses for the Eighties	54
3	The Perilous World of Automobile Components (1979–1982)	57
	Ghidella in Fiat Auto	57
	... and Garuzzo in the Components Sector	59
	Negotiations with Vittorio Ghidella	60
	Corruption in Purchasing	62

The Case of Magneti Marelli and Management Control.	64
The Attractive Spare Parts Business	66
The Defence of the Workers Between the Sixties and the Eighties	68
The Case of Magneti Marelli and the Challenge from Bosch.	70
Autronica.	72
Borletti.	76
Profits Go Up and Debts Go Down.	78
The Easy Finance of Fiat Auto	79
The March of the Forty Thousand.	80
4 A Rather Unattractive Position (1983)	85
The New <i>Direttore Centrale</i>	85
A Feudal Structure.	87
Return to the Eighth Floor.	90
Fiat's Worrying Agricultural Business	91
Ariete and Centauro.	93
Recollections of Enzo Ferrari	97
The Degeneration of Iveco	98
5 The Rescue of Iveco (1984–1985)	101
The Eleventh Month	101
A Management Philosophy	104
Market Credibility	106
Little Engines Grow	108
The First Management Meeting	110
Structural Sub-Optimization	113
The Debts	113
Attitudes	114
The TurboStar	116
The Libyan Talks.	117
The Second Management Meeting	119
6 The Strength of Iveco (1985–1990)	123
Iveco in China	123
The TurboDaily	128
Fiat Auto Fails to Make a Deal with Ford.	130
... but Iveco Does	131
Iveco in India.	136
Iveco in Spain	138
Iveco and the Extinction of European Manufacturers.	145
A New Iveco	146
Five Years and Five Thousand Billion Lire Later	148
How to Judge the Standard Product Range?	150
Seven Years with Iveco: Profits and Market Shares	152

Seven Years of Iveco: The International Experience	154
Ecology and Business	158
7 Ghidella is Kicked Out of Fiat Auto and Garuzzo Conquers	
New Holland (1989–1990).	161
Ghidella is Fired	161
Ghidella's Heir, Romiti	166
A Sector Head Redoubled	167
The Grand Design and New Holland	169
The Sufferings and Transfiguration of New Holland	173
Fiat Versus Ford	175
Quality According to Cesare Romiti	177
Attested Qualities	179
8 The <i>Direzione Generale</i> During the Fiat Auto Crisis (1991–1993)	181
Problems for the Team	181
The Tragedy of the Auto Sector	185
Marques, Models and Networks in Fiat Auto	187
The Melfi Factory and Post-industrial Turin	193
The Renewal of the Fiat Auto Range	196
The Network in Revolt	197
The Inconsistency of Fiat Auto in the Rest of Europe	199
Ambassador Ruggiero and Internationality	201
Fiat's Reputation from Luca Cordero Montezemolo to Cesare Annibaldi	202
The Japanese Threat	208
The Myth of "Alliances" for Fiat Auto	210
The Great War	213
Italy's Competitiveness and Index-linking	219
The Maxi-devaluation of the Lira	223
The Policy of Competitiveness	225
Daring Investments	226
Between Overheads and Restructuring	226
Internal Motivation and Institutional Meetings	229
The Acme of the <i>Direzione Generale</i> at the End of 1992	230
A Sad Beginning to 1993	231
9 The Judicial Issue (1993)	233
The Return of the Fugitive	233
The Iveco Dealers' Rule	234
Day 1: Sunday 28 March 1993: "When It's Your Turn, It's Your Turn" . . .	236
Day 2: Monday 29 March 1993: "I'm Not Going to Prison"	237
Day 3: Tuesday 30 March 1993: Thus Spake Mattioli	238
Day 4: Wednesday 31 March 1993: My New Barrister	239

Day 5: Thursday 1 April 1993: Di Pietro Wants the Generals	240
Day 6: Friday 2 April 1993: “Now I Have to Go”	241
Day 10: Tuesday 6 April 1993: Exile in London	242
Day 11: Wednesday 7 April 1993: The “Financial Times”	242
Day 12: Thursday 8 April 1993: Preconceived Ideas	245
Day 13: Friday 9 April 1993: A Check	246
Day 15: Sunday 11 April 1993: A Word of Advice.	247
Day 16: Monday 12 April 1993: Berkeley Square	247
Day 17: Tuesday 13 April 1993: Spontaneous Testimony	248
Days 18, 19, and 20: Wednesday 14, Thursday 15, and Friday 16 April 1993: Should I Stay in London?	249
Day 21: Saturday 17 April 1993: The Turning Point	249
Day 22: Sunday 18 April 1993	251
Day 24: Tuesday 20 April 1993	251
Day 25: Wednesday 21 April 1993: Romiti Before the Judges.	251
Day 26: Thursday 22 April 1993.	253
Day 28: Saturday 24 April 1993	253
Day 30: Monday 26 April 1993: The Safe Conduct	253
Day 31: Tuesday 27 April: Countermanded	254
Day 33: Thursday 29 April 1993: The Questioning	255
Eighteen Days Later	257
Apology for My Behaviour.	258
Collective Awareness and Managerial Responsibilities	259
The Improper Use of Prison	261
Fiat’s Attitude Towards Its Men	263
10 The Restoration of Cesare Romiti (1993–1994).	265
A Team for Umberto	265
Enter Mediobanca	270
The Change in Cesare Romiti	272
A Rigged Consultancy	273
Fiat Auto between Restructuring and Development	276
Little by Little the Accounts Improve	282
... and Romiti “Takes the Company in Hand” Once More.	283
Renault Blocked	284
What to Do	287
Old Dirigenti... Out!	290
Intimacy with Gianni Agnelli	292
New Legal Problems for Romiti	293
11 Good Outcomes from the <i>Direzione Generale</i> (1994–1995)	295
The Results Arrive.	295
The Figures of Success	295
Fiat Auto’s Range is Renewed	300
The Triumph of New Holland.	303

Projects for the Future	304
The Last Contribution for Iveco	305
Towards “The Rest of the World”	306
The Manufacturers’ Association	309
A Pilgrim for Fiat	314
Which Objectives?	316
12 The Days of the Final Confrontation (1995–1996)	319
The Family Shareholders	319
A Life Decision	321
Giovanni Alberto Agnelli	325
The Final Talks	332
In Defence of My Reputation	335
The Talks Get Tough	336
The Goodbyes	337
Surprise!	338
An Encounter in Davos	343
Negotiations are Deadlocked	344
The International Herald Tribune	347
The Conclusion of the Talks	350
29 February 1996	351
Everything as Before	351
13 Epilogue	353
An Extraordinary Experience	353
A Question and Suggestions for an Answer	355
Another Question Without an Answer	357
14 Documents	359
Document 1: The Structure of the Fiat Components Sector in 1976	359
Document 2: Outline of Iveco’s First Management Meeting of 1 March 1985: The Achievements of the Preceding Months	363
An Ideological Premise	363
Savings on Purchasing	364
Earnings on Sales	365
Military Contracts in Italy	365
Other Short-Term Initiatives	366
Staff Cuts	366
The Break-Even Point	367
Document 3: Outline of Iveco’s First Management Meeting on 1 March 1985: Structural Plans for the Future	368
Vehicles and Engines	368
Automation	369
The Factories	370
The Suppliers’ Contract	371

The Sales Structure	373
Spare Parts	374
The Problem of Nationalities	375
Document 4: Seven Years in Iveco (1984–1990): The Figures.	378
Trends in Demand for Lorries in Europe	378
Trends in European Market Shares	378
Sales Trends	380
The Economic Results	380
Financial Position.	381
Human Resources.	381
Document 5: The New Holland Initiative in 1990–1991	382
Document 6: Letter from G. Garuzzo to C. Romiti of 13 February 1991 Regarding Trends in Italian Costs	384
Cost of Clerical Staff and Workers.	384
Document 7: Policy for Structural Competitiveness.	388
Document 8: The Institutional Meetings of 1990, 1991 and 1992	390
Document 9: Note from G. Garuzzo to C. Romiti of 14 November 1991 to Defend the Work of P. Cantarella in Fiat Auto from the Criticisms Made by U. Agnelli	393
Document 10: A Letter from G. Garuzzo to G. Agnelli, U. Agnelli and C. Romiti of 15 July 1993 on Fiat's Role in the Italian and International Panorama.	395
Document 11: Letter from G. Garuzzo to P. Cantarella with Copy f.a.o. C. Romiti of 23 November 1993 on the Need to Undertake a Structural Revision of Fiat Auto.	397
Document 12: Letter to the Lawyers Concerning the Statement Made to the Turin Magistrates, Requested by Fiat Regarding Negotiations for Garuzzo's Exit	401
Document 13: A Proposal for a Hall of Fame of the Products, Technologies and Complex, Advanced and Courageous Factories, to the Glory of Italy, Its Engineers, Entrepreneurs and Workers.	402
Glossary	405
Index.	407

Fiat

The Secrets of an Epoch

Garuzzo, G.

2014, XXIV, 415 p. 39 illus., Softcover

ISBN: 978-3-319-04782-9