

The man who must drive Ferrari forward

INTERVIEW

Coveted by many but owned by few, a Ferrari sounds like music to most. **Ruth Sullivan** talks to the man charged with maintaining an image

LUCA Cordero Di Montezemolo, aristocratic chairman of Italy's sportscar manufacturer Ferrari, has first-hand experience of how the legendary brand performs, not only on a balance sheet but also on a race track.

He joined Ferrari when he was 25 years old, as assistant and later team manager to Enzo Ferrari, the company's founder who started to build road cars in 1947 to keep his racing team afloat. "Ferrari was born as a racing team before it became a carmaker," says its suave 46-year-old chairman. Ferrari's design philosophy is outstanding because it produces cars that look and perform like Formula One models.

Spotted by Enzo Ferrari when he gave a talk on a popular Rome radio show in defence of motor racing, Luca Di Montezemolo, a keen rally driver at the time, was asked to join Ferrari. He quickly became team manager and brought Ferrari world championship success in Formula One in 1975 and 1977 with Niki Lauda.

Following a series of roles outside Ferrari, which have included chief executive officer of Fiat's editorial enterprises and director general of the World Cup tournament

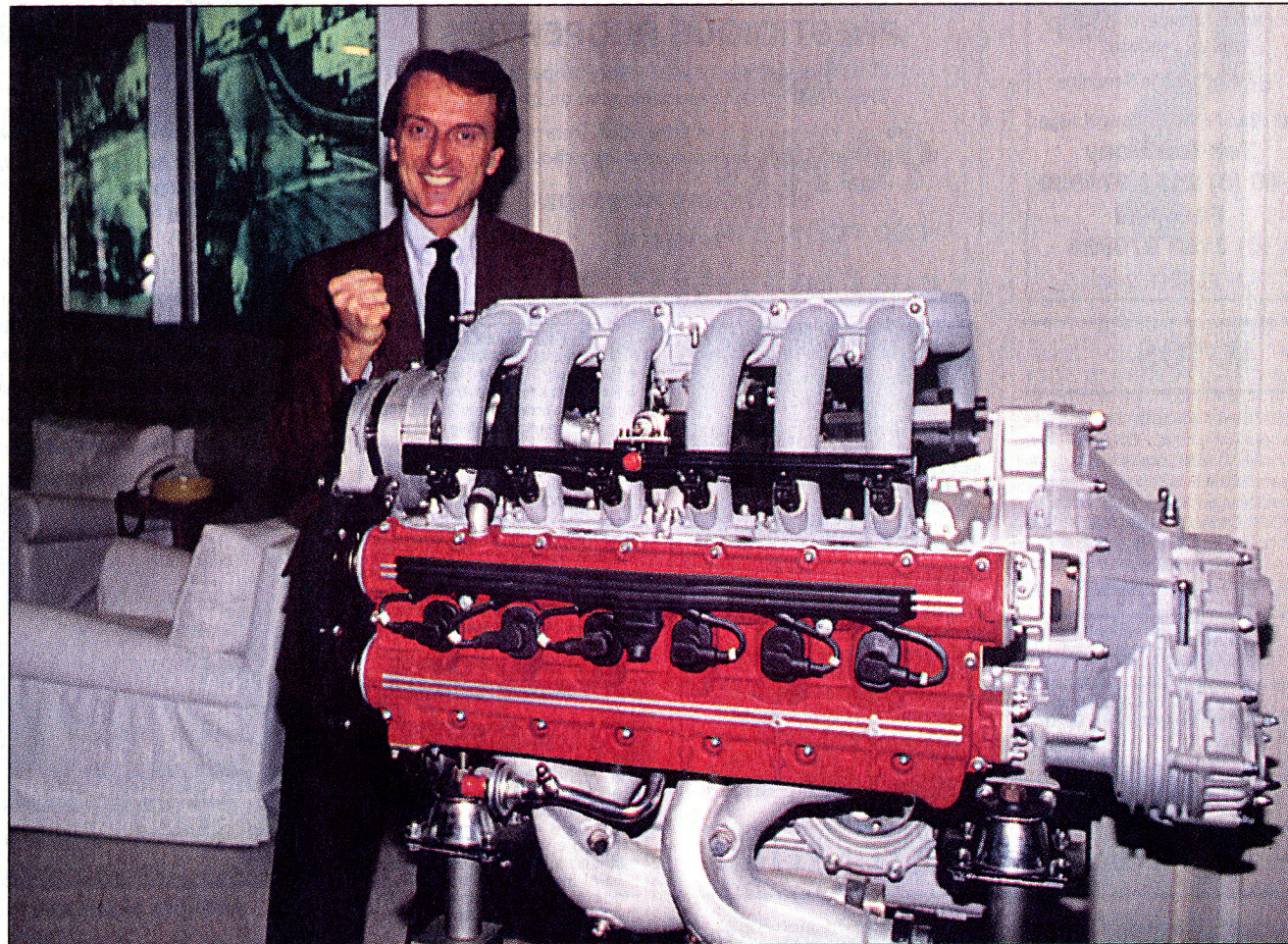
in Italy in 1970, Di Montezemolo returned to Ferrari in 1991. After the death of the founder in 1988 and several changes of chief executive officer, it was clear that the company needed a dynamic person with fingertip Ferrari knowledge at its helm.

"Ferrari now has a face again, as it did in the days of Enzo Ferrari," observes a Ferrari spokesman.

Di Montezemolo is intent on taking the company to all-round success. "My priority goal is making a profit because I can only finance the Formula One side through car sales," he says, pragmatically. "I have to think of the shirt before the tie."

He points out that despite last year being "the worst in the car industry for 20 years", he still managed to steer the company to a profitable turnover and invest 30 per cent of the revenue in research and development. First half figures for 1993 are between 450 billion lire and L500bn (\$265 million to \$295m), with an annual production of 2,450 cars.

For this year he has set his sights on winning the Formula One World Championship and recovering Ferrari's former racing glory, as well as increasing profits. All hopes



Engine room: Di Montezemolo is determined to maintain Ferrari's reputation on the road and restore its fortunes on the racetrack

are pinned on this year's 412TI, which is currently undergoing track testing in Barcelona in preparation for the world championship opener in Sao Paulo, Brazil at the end of this month. Di Montezemolo has brought in a strong international team with French team manager

Jean Todt, and French and Austrian driver and co-driver Jean Alesi and Gerhard Berger. The last time Ferrari won the World Championship was 1983 but has had to live in the shadow of McLaren and Williams since then.

Ferrari's energetic chairman points out that it is

essential to look ahead to another new car and to avant-garde technology.

Unlike many car manufacturers, Ferrari launches a model every year. The road model for this year, which hasn't got a name yet and is designed by top designer Pininfarina, will be "Ferrari's

new myth and the first road car in the world to be so closely related to Formula One in engine, material and design", says Di Montezemolo. "It is designed to hit the heights," he adds.

A trusted friend of Fiat chairman, Giovanni Agnelli, Di Montezemolo describes

the relationship between the two companies since his arrival as "one of autonomy, especially on the production side".

As Enzo Ferrari became older he had looked for a partner to continue the company that he had set up. Although Ford courted Ferrari, the company founder preferred an Italian partner and Fiat stepped in with a 50 per cent share in 1979, which was increased to a 90 per cent stake after Ferrari's death.

The remaining ten per cent of shares is held by Enzo's son Piero, who entered the company briefly, as a race manager.

What sustains the continuing fascination for Ferrari and the most famous of its cars, the Testa Rossa?

"When we build a car we think of three things: performance, design and emotion," says Di Montezemolo.

One of the biggest attractions is the mix between high-tech design and hand-crafted detail, together with the fact that Ferrari is one of the few manufacturers to make all parts of its cars, from the engine to the chassis. According to a recent Ferrari survey, these are characteristics appreciated by nationalities as diverse as the British, Japanese and Germans.

Opera star and Ferrari owner Placido Domingo says: "When I hear the sound of a Ferrari engine it is better than listening to the best baritone."

Other famous clients and collectors include actors

Sylvester Stallone and Sharon Stone and Prince Bernhard of the Netherlands.

Di Montezemolo passionately describes last year's new road model, the 456GT, "as the fastest two plus two in the world with 450 horsepower".

Designed by Pininfarina, it has sold 250 models since its launch in September at L330m each. No more than 500 models will be produced a year. Their classic looks, soft curves and even softer natural leather interior make them a performance road car to covet.

"Nothing is repeated in the design and structure. Everything is new, which is one of the keys to our success," he says.

Ferrari's two most important markets are the US and Germany, where 600 and 500 models were sold respectively last year.

There is also strong interest from Switzerland and Japan, and a lively collectors' market in the UK. Ferrari has also just opened a sales point in Peking.

"I never want to produce more than 3,000 cars each year because we want to keep our exclusivity," says Di Montezemolo.

Apart from Ferrari cars sounding as sweet music to many collectors' ears, they have also become *objets d'art*.

Last November a three-month exhibition opened in New York's Museum of Modern Art, displaying three of the most famous Ferrari cars, the 166MM, the F40 and the F1.

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