

# A Family Company

The story of Giuseppe Perego and his entrepreneurial adventure, on the 100<sup>th</sup> anniversary of his birth.







1910

The road to Lesmo  
at the beginning of  
the twentieth century.



1914

A very young  
Giuseppe Perego.

## From the kitchen garden to America: a homemade business

The kitchen gardens in Brianza not only produce fruits and vegetables, but also businesses. It was in the garden of his father-in-law, Giovanni Zappa, that Giuseppe Perego, in the middle of the 1940s, began to ‘cultivate’ what would become a company known all over the world. The story began in Arcore, near Milano: Giuseppe, the first of ten siblings in a family of tenant farmers from nearby Lesmo (known to most for a curve of the Monza circuit), was a mechanical draftsman at Falck, where his wife Giuseppina, known to everyone as Ines, also worked. Giuseppe and Ines were married on April 7, 1945 (just a few days before the end of the war in Italy). A hard worker, Giuseppe began to develop metal fabrication skills, which he worked on in the evenings and his free time. Then he left his job and struck out on his own.

His first products were hospital beds and movie theater seats. In the meantime, his children arrived: Gianluca in 1946, Paola in 1947, Lucio in 1949, Adriana in 1956, Silvia in 1958 and Michele in 1963. It was the birth of his first children that gave Giuseppe his great inspiration: baby carriages. Peg Perego was officially born in 1949, the same year as his third-born Lucio, who would be the first to enjoy the comfortable transport provided by his dad’s brand.

**Giuseppe’s  
enthusiasm  
spread throughout  
his own and Ines’  
families: everyone  
worked together  
on the project.**

It was not only product ideas to come from the family, but also the first, invaluable staff: Giuseppe's sister, Severina, a talented seamstress, who dedicated herself to fabric coverings, another sister Matilde and, his sister-in-law, Mariuccia were the first administrative staff members. In the meantime, the business grew and bit by bit took over the home of his in-laws, who found themselves as its proud custodians, without having ever made a conscious decision to be so.

In the beginning of the 1960s, the founder of Peg had a major intuition: to expand the product range to toys. Lucio Perego tells us the story: «In 1960, Dad knew that it was time to diversify, and he purchased the equipment for manufacturing plastic pedal cars in a new, specially built Lomagna plant». The raw material (nylon) of the time was, however, very expensive and difficult to work.

It would be necessary to wait for the introduction of a new material Moplen, which was less expensive and much more elastic, invented by the Nobel Prize winner Giulio Natta at Montedison. «Dad's idea», continues Lucio Perego, «was spot-on: he was just a few years early. When the right material finally arrived, sales took off».

The 1960s also saw another of Giuseppe's winning ideas, which remains highly current today: international development. Gianluca recalls: «Dad learned German during the war. I remember that, starting in the 1950s, every Sunday evening Dad would go by train to Munich, and I often drove him to the Milano train station: he was going to Germany to sell his products and would return to Arcore on Monday evenings». The company's first foreign factory opened in Munich in the 1960s, followed in 1965 by the one in Toronto, which still exists today, and in 1968, another one in the United States, in Fort Wayne, Indiana. This was quite an accomplishment, but how did one manage a multinational back then? «Those were pioneering times», explains Gianluca Perego, «when communication was extremely expensive and before making an overseas call you had to think carefully, gather your ideas and be ready to cover everything in one minute.

# 1914

## Giuseppe Perego is born

Giuseppe Perego was born in Lesmo on April 16, 1914. He was the first of ten children in a farming family. After studying to become a qualified technician, he worked at Falck as a mechanical draftsman: it was there that he met Giuseppina Zappa, known to everyone as Ines,

born in Arcore in 1924. They married in 1945 and had six children: Gianluca, Paola, Lucio, Adriana, Silvia and Michele.



From the kitchen garden to America: a homemade business

Dad had one management rule: trust. He went to America without knowing any English. He met possible new partners, who made a good impression on him, and he signed a contract with them. He always said: **“If you spend too much time controlling everyone there is no time left for you to work”**. What he meant was, you cannot dedicate too much time on doing checks and due diligence. It is better to trust whom you are working with, at the cost of being disappointed on occasion. In the long-term, this approach paid off». Lucio confirms: «Dad had great courage and we are still reaping the benefits today. If he had not embarked on that international adventure, we would have suffered much more in later years and the company would not be the one it is today».

After leaving his job at Falck and striking out on his own, Giuseppe Perego founded Peg Perego. The company's first headquarters were in Arcore, at the home of his father-in-law, Giovanni, a railwayman. The company remained there until 1969, when it was moved to its current site, which

underwent various expansions over the years, the most recent in 2002.

**1949**  
Peg Perego arrives on the scene



**1941**  
During the war in Greece.



**1945**  
From Arcore to Lesmo, the road was all uphill.



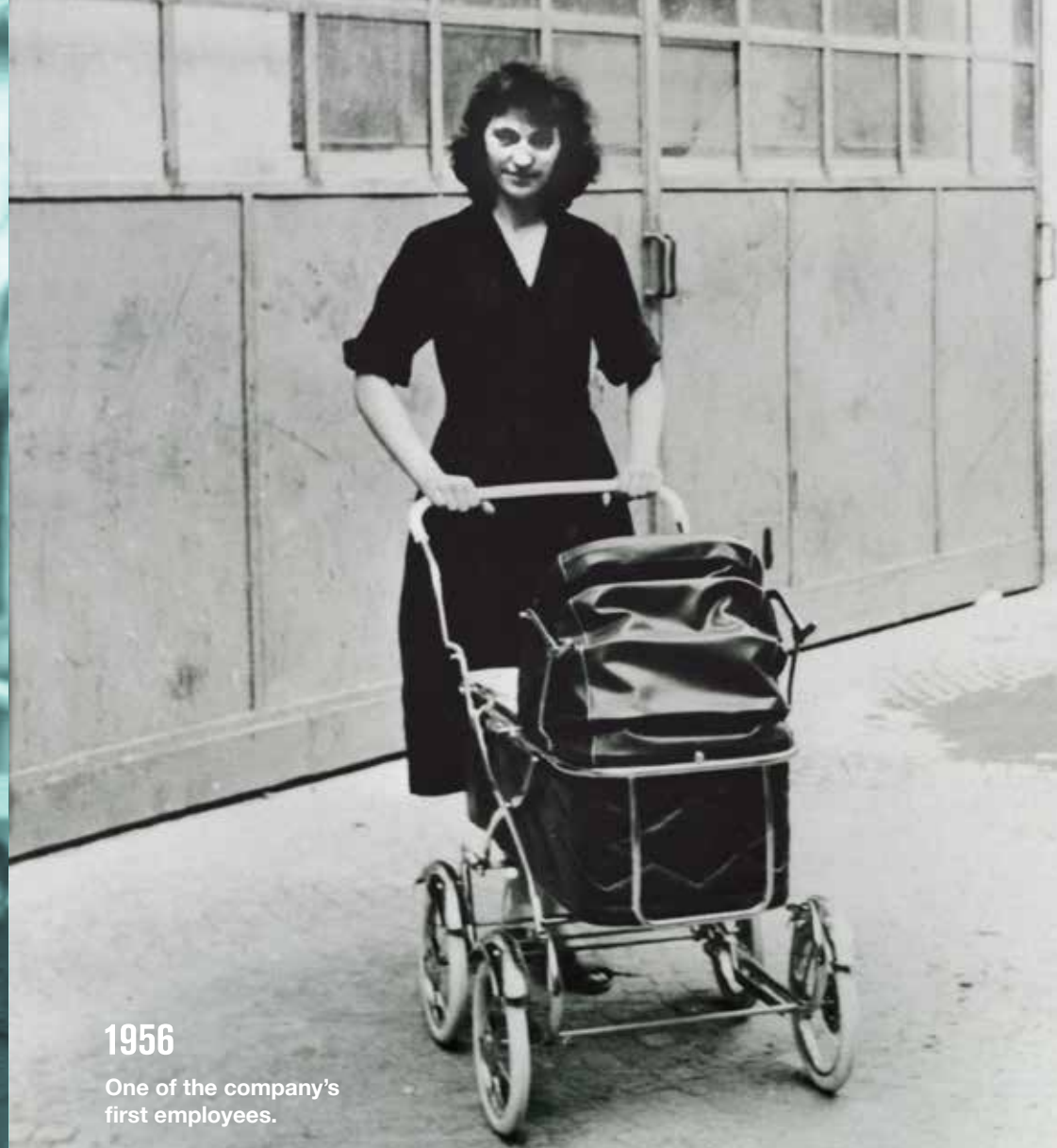
**1949**  
The first baby carriage, built for Lucio.





1964

Giuseppe Perego  
in Venice, with Ines,  
Adriana and Silvia.



1956

One of the company's  
first employees.

The early versions of the logo.

1949



1956



1962



1965



1954

Parasol and bag.







1956

Peg invented a baby carriage that could go up and down stairs. At left among the onlookers are Gianluca and Paola Perego.

## Sales and Acquisitions: the company goes back to the family

The 1970s were marked by the success of the umbrella-style collapsible baby stroller, the innovative Bye Bye model. «Dad was directly involved in product creation. On Sunday evenings», recalls Lucio Perego, «I remember him at home in his armchair. He would pull out a Pigna notebook and start drawing freehand. Over the next few days, he would discuss his ideas with his collaborators. He was a hard worker and extremely creative». The new decade was a difficult period for Italy. The energy crisis and the austerity plan interrupted a seemingly inexhaustible cycle of economic growth begun after the war. The fall of 1969 brought political and social tensions. In 1971, Giuseppe decided to sell 50% of Peg to Credit Suisse. «It was a painful decision», says Michele, «but necessary for facing those years with less anxiety: having a big bank as a partner guaranteed access to credit and stability, ensuring survival. Not least, a 50% ownership of a company is

1960

The game  
begins

In the beginning of the 1960s, Giuseppe Perego knew that it was time to diversify the company's product range. He decided to focus on toys, in particular pedal cars, so he bought the equipment for making nylon products. The decisive moment for this new product line, still one

of Peg Perego's strengths today, came with the introduction of Moplen: less costly, lighter and more durable than nylon, invented by the Nobel Prize winner Giulio Natta.

## Sales and Acquisitions: the company goes back to the family

something seldom done: if the partners disagree, you risk paralysis. Dad was as always trusting and all went well». Shortly after selling 50% of the company, Giuseppe Perego asked Lucio to move to the United States, to reassure the company's new financial partner, guaranteeing the family's direct involvement in the management of the delicate American side of the business. «He said to me: if you get married, you can go to the United States with your wife. And so we did, and we stayed in Fort Wayne for ten years. You could say that he made my marriage proposal», Lucio jokes.

Selling part of the company gave a little breathing room to Peg Perego and its founder, who decided to reinvest a portion of the capital in two ventures which he hoped would be in synergy with the company's business and were connected to business friends: the first, Lombarda Tubi (steel tubes), and the other, Cartonbox (cardboard packaging). These two investments, however,

did not yield the expected results. Instead, they put Peg's stability at risk. Therefore, Giuseppe Perego decided to pull out of both within a few years. The production of steel tubes was sold to the steel entrepreneur Steno Marcegaglia, a friend to whom Giuseppe Perego was forever grateful, while the cardboard manufacturing company was sold at a later date. «The lesson? **“We need to concentrate on what we do well, and always strive to do it better”**». One of Dad's lessons that still drives us today», concludes Lucio Perego.

In the early 1980s, Giuseppe fell ill. His illness did not, however, stop him: he continued to work enthusiastically and to make major decisions. The most important, and most anticipated of these was made in 1983: in that year, understanding that his life was coming to an end, Giuseppe Perego decided to buy back the 50% of Peg Perego that was sold to Credit Suisse in 1971, and in 1984 he sold the manufacturing company in the United States to finance

### 1965

#### The American dream

After opening the factory in Munich and meeting with a few potential Canadian partners, in 1965 Peg Perego landed in North America: first in Canada, then in the United States. The US factory was opened in Fort Wayne, Indiana. It was later sold in 1984, just before Giuseppe Perego's death. In the years that

followed, Peg Perego's international expansion continued and today the company exports to 90 countries all over the world.

### 1971

#### The sale to Credit Suisse

The post-1968 tensions, energy crisis and austerity plan all worried Giuseppe Perego, who, in order to give the company a little breathing room, decided to sell 50% of Peg Perego to Credit Suisse. Part of revenue was reinvested in shares in Lombarda Tubi, which produced steel tubes, and in Cartonbox,

which manufactured cardboard packaging. At the same time, Lucio Perego moved to the United States, and remained there for ten years, until Giuseppe fell ill.



## Sales and Acquisitions: the company goes back to the family

the buy-back. «At that time», explains Gianluca, «it was not an economically advantageous decision. It was the worst moment for a reacquisition, since the company had reached a high market value. But Dad did not want to leave without placing the company completely back in our family's hands. Therefore, despite the unfavorable timing, he said: **“even if it seems difficult when something ought to be done, you do it”**, and closed the deal. The relationship with Credit Suisse was always very positive for both parties, and marked by mutual trust. In those years, the Swiss bank had invested in a number of Italian businesses, but I think Peg was their best investment». As part of the transaction, Peg Perego took over a company owned by the Swiss bank, Ampatoys of San Donà di Piave, in Veneto: factory that remains one of Peg Perego's strengths today.

After having “put all things in order”, Giuseppe died in 1984 at the age of 70.

Peg Perego designed its first stroller with an umbrella-style folding mechanism, a product that became a symbol of the company and that ensured major sales volumes for at least ten years. Bye Bye was a highly practical model: it closed up just like an umbrella, was compact and was very easy to transport.

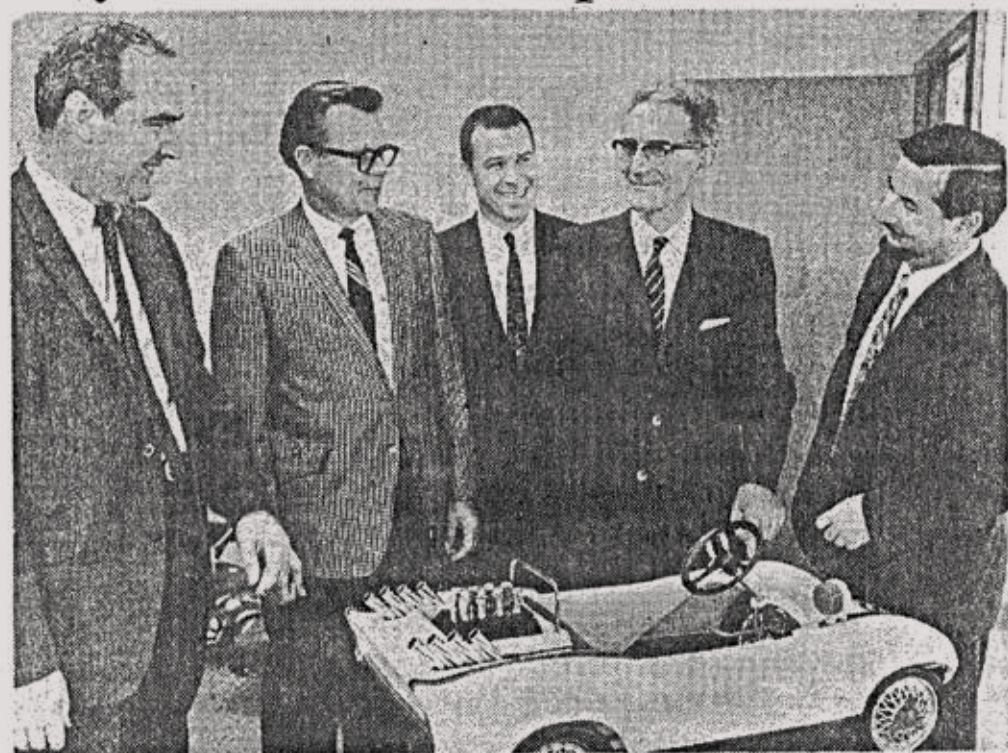
As with most Peg products, Giuseppe Perego worked directly on its design: he liked to sketch out early ideas in his notebooks before sharing them with his collaborators.

## 1975

### Success under the umbrella

FORT WAYNE, INDIANA, 46802, FRIDAY, JULY 26, 1968

## Toy Maker Sees Rapid Expansions



**TOY MANUFACTURE BEGINS** — Production at Fort Wayne's newest industry got started Thursday as Pines of America, Inc., opened its new half-million-dollar plant for the manufacture of plastic pedal autos for children in Industrial Park. Participating in ceremonies were, left to right: Norman Meyers, the company's secretary-treasurer and general manager here; Fred Silkworth, president of Silkworth Construction Co., Inc., general contractor for the building; Lyman Samuel, executive of the Fort Wayne Chamber of Commerce Industrial Development Department; G. Perego, Milan, Italy, chairman of the board of Pines, and Dr. G. A. duBot, Milan, Italy, company vice-president.

## 1968

An American newspaper article about the company's projects for development in the United States.



## 1968

An advertising photo taken in Milan.





**1965**

Michele's birthday.  
Naturally, the highchair  
is by Peg Perego.

# bye bye

passsegino pieghevole  
con schienale e sedile rigidi,  
con schienale reclinabile  
a 3 posizioni



**1968**

Peg Perego appears on TV,  
with its baby walker, baby  
carriage and Infaseat,  
on the show Girotondo.



**1975**

Bye Bye was the  
first stroller with  
an umbrella-style  
closing mechanism.

è un passeggino **PEG**





1970s

Giuseppe Perego  
with his wife, Ines.



1990

Ines Perego at the  
inauguration of the  
San Donà factory.

## Looking toward the future with an eye on the past

Since his death in 1984, the lessons and example set by Giuseppe Perego have been a constant guide for his children, who take his teachings as their inheritance. His first-born, Gianluca, and Lucio took the helm of Peg Perego, sharing tasks and responsibilities. «From the beginning», explains Lucio, «we have tried to apply all that he taught us, at work and in our private lives. Dad was a humble person; he never put himself on display. In addition to his work, which he was passionate about and kept him very busy, as soon as he could he dedicated himself to his family, spending lots of time with us. He was always present, but also very serious. A few months ago, we found a letter from Mom that described him as courageous and optimistic but also constantly worried. He never pulled back, but he always felt the weight of responsibility. If I had to describe him in just a few words, I would say that he was always

1983

The company  
comes back  
home

The company's two new ventures did not turn out well: Giuseppe Perego decided to act quickly, selling Lombarda Tubi to Steno Marcegaglia, with the sale of Cartonbox taking place at a later time. Not long after, he fell ill. He then decided to buy back the 50% of the company sold

to Credit Suisse and to sell the factory in the United States.

optimistic, eternally preoccupied».

His children's approach to work is still the one that Giuseppe taught them by example. First, get to the office early in the morning. **“And arrive well-rested, ready to work effectively”**, explains Michele. Then, **“get involved and do things”**.

«He would get angry», Lucio and Gianluca recall, «when he heard someone saying “we need to get someone to...”. He would say: **“If you delegate everything, what will be there for you to do?”**. That is why his children have always been present in the company. This has allowed to establish a direct relationship with their employees, who are a major resource and some of whom have been working for the company for more than 50 years.

And the future? Of the four historic companies of the Arcore area, Gilera, Falck, Molteni and Peg, the Perego family business is today the most vital and looks with optimism at the years to come, with the third generation having already joined the company. «The future», states Lucio Perego, without hesitation, «will require lots of effort and lots of work. That is what Dad taught us, and it is what I hope to pass on in turn».

Italy remains the company's main market and is where most of the production continues to be done: «It is a difficult choice, which brings competitiveness problems, but it makes us very proud». The biggest challenge is the company's presence abroad: the United States, which remain a fundamental market and where a new manufacturing unit was opened in 1990 in Fort Wayne, and Brazil, a major emerging market where Peg Perego acquired the

1984

Giuseppe Perego  
passes away

Giuseppe Perego continued to work full-time even in the last months of his life. He continued to make important decisions and was able to achieve all of the goals that he had set for himself, for the good of the company and his family. He died in 1984 at the age of 70.

The company reins were picked up by his sons, Gianluca and Lucio, who were later joined by Michele, the youngest.

2001

Italy and Brazil,  
a winning  
combination

In 2001, the purchase of the Brazilian company (founded by an Italian) Burigotto was finalized: under the leadership of Michele Perego, it became a market leader in the large South American country. Previously, in 1990, the company launched again production in the

United States, with a new factory once more in Fort Wayne, Indiana. The company also increased its market shares in Eastern European countries, especially Russia, and began establishing itself on the Asian markets.



Looking toward the future with an eye on the past

business Burigotto in 2001, which, under Michele’s leadership, has become a market leader. It took enormous effort, but, **“even if it seems difficult when something ought to be done you do it”**, as their father Giuseppe taught them.



April 16, 2014 marked the 100th anniversary of the birth of Giuseppe Perego. The company decided to commemorate its founder with a sculptural work designed by the artist Francesco Cento and made at the Laboratorio Ceramiche San Giorgio

di Albissola. This art work comprises many terracotta tiles on a wooden base and it is now installed at the company headquarters.

2014  
One hundred years to remember



2001  
The Giuseppe Perego daycare center opened in Arcore. In memory of Ines, who recently passed away, it will become Giuseppe e Ines Perego daycare center.





«It is important  
to place trust  
in others».

«If you spend your  
life controlling,  
you are not working».

«We need to  
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what we do well,  
and always strive  
to do it better».

«Even if it seems  
difficult, when  
something ought to  
be done, you do it».

Giuseppe Perego





