

**Technogym** [+ Add to myFT](#)

# Technogym founder: fit for purpose

## Nerio Alessandri brought Italian design acumen to working up a sweat with fitness equipment



*Health is wealth: Employers encouraging staff to keep fit is the next area of growth, says founder Nerio Alessandri*



APRIL 19, 2016 by: **Rachel Sanderson**

You first see [Technogym](#)'s motorway-side headquarters speeding along the road towards the Italian beach resort of Rimini. Undulating curves on the roof look like a sinuous running track racing toward the sea.

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Inside the [Antonio Citterio](#)-designed building, home to one of the world's largest sellers of high-end gym equipment by sales, there is no let-up in the sense of motion. Wall-to-wall gym machines — bikes, ellipticals, treadmills — whirr, as they are tested by staff on the factory floor, or used by employees during their breaks in the vast on-site gym.

Even in the offices people do not sit still. There are no chairs. Large black balls take their place. Written on the doors of a single

lift: "Take the stairs. Burn calories." Someone admits that in this workplace it is not worth your career to be seen not taking the stairs. Everyone is trim and smiling.

This is the vision of Nerio Alessandri, who founded Technogym here in his home town of Cesena in the Italian province of Romagna in 1983. Humans are "born to move", he argues. An autobiography-cum-self-help guide published two years ago opens with the mantra on which Mr Alessandri has built a global fitness business that had revenues of just over €500m last year. Its machines are in top-flight hotels, gyms and homes: "Our ancestors walked 30k a day, nowadays we walk less than 1k daily on average."

Mr Alessandri is lean, looks younger than his 55 years and moves nonstop. Seated, he rocks forward; standing, he paces about. Showing off an exercise bike, he decides it looks better in another position so, wearing blazer and formal trousers, he picks it up and lifts it. "Physical exercise is incredibly powerful. It is too late looking for a cure in the 20 days before you die, you need to have started preventing [the illness] 20 years before," he says.

Technogym has been the exclusive supplier to the past four summer Olympics and will be again for [Rio this summer](#).

Still, the Technogym vision is “fitness as pleasure”. In founding the company, Mr Alessandri took the 1980s US fitness craze and added Italian design, with a dash of dolce vita. This is fitness equipment that doubles up as haute interior decor. Mr Alessandri also invokes a newly fashionable term for working up a sweat, Technogym-style: “wellness”.

“Fitness is only hedonistic while wellness is an emotional approach. It is design, glamour, allure, coolness. It becomes fashion and aspirational,” he says.

Indeed, Mr Alessandri considers he is competing with makers of luxury goods. [Technogym’s MyRun home treadmill](#), which retails at well over £2,000 in the UK, for example, is “aspirational like a Chanel handbag”, he says. “But it is aspirational for your health and wellbeing. That is why it needs to be trendy, cool and not punishment.”

Fitness as fashion is having a moment. Hashtags #fitspo — fitness inspiration — and #eatclean — eating healthily — have spread across Instagram, with people taking selfies while working out and photographing their food.

Initially, Mr Alessandri wanted to be a fashion designer and wrote to Giorgio Armani, Italy’s king of pret-a-porter, in the early 1980s seeking a job. Mr Armani never wrote back. It was Mr Alessandri’s “sliding doors moment”; he found fitness equipment instead.

In 1983 he built his first machine — the Hack Squat — in a small garage. Today, alongside Mr Alessandri’s sleek Citterio-designed machines, it looks like torture equipment. But he sold it to a local gym near Rimini, then at the frontline of Italy’s body-beautiful beach scene, and never looked back. For the first publicity photos, his wife Stefania Migani dressed up like Jane Fonda in the 1980s *The Workout* era.

And like Mr Armani, who helped revolutionise women’s wardrobes and working lives by creating the soft-shouldered suit, Mr Alessandri’s Technogym is not just about design: there is technical innovation too. This makes him an outlier in Italy, where laggardly productivity is often blamed on companies skimping on R&D investment.

# €512m

Revenues in 2015, with €87m of ebitda, up from revenues of €412m in 2013 and €37m of ebitda

Technogym launched the industry's first software system to help people training in the gym in 1996 and the first gym machine with a built-in TV system in 2002. This year it will launch Running Music, an interactive treadmill that detects the runner's tread to create a personalised music soundtrack.

Overall, it has 240 international patents plus more than 100 design patents.

Still, Mr Alessandri's longer-term vision appears more intrusive, arguably closer to Big Brother: an Orwellian ecosystem where logging into the Technogym app will feed all the [data on your fitness](#) and training regime to your health club, personal trainer, insurer, doctor, hospital and even employer.

Isn't that terrifying? No, he says. "The vital point is that to obtain a result you need to have programmed physical exercise. If you want to tone up, or to treat diabetes, depression or obesity you can't just go for a walk, you need exercise as medicine. You need personalised training."

Mr Alessandri says the biggest growth opportunity for Technogym is corporate customers tapping into a trend among businesses to encourage employees to keep fit — both to limit the cost of sick leave and because of growing evidence that it helps productivity.

He cites the ancient Roman mantra "mens sana in corpore sano" or "healthy mind, healthy body". "We need to return to a human-centric approach," he says, after too much focus for too long on technology.

How much momentum his idea has will be tested in the coming weeks, when Mr Alessandri plans to list up to 30 per cent of the business on the stock market in Milan.



The reasons are threefold. Its private equity backer Arle Capital Partners, which owns 40 per cent, wants an exit. Mr Alessandri, who with his brother owns 60 per cent of the company, wants to improve governance, and he argues that getting fit for the rigour of the stock market will help do that. Funds raised will be used for expansion.

Technogym is shortly to open its first standalone flagship store in a three-storey palazzo in central Milan, just around the corner from the fashion capital's grid of luxury shopping streets.

Its revenues in 2015 were €512m, with €87m of earnings before interest tax, depreciation and amortisation. That is up from revenues of €412m in 2013 and €37m of ebitda.

“Health is wealth,” he observes, as a parting shot. In Mr Alessandri's case, it rings particularly true.

#### **Regrets, deals and the best mentor**

**First breakthrough:** “We were the first to create exercise equipment with a built-in TV. We were then the first to add internet connectivity, which enabled us to provide digital content on our products.”

**Best deal:** “Becoming a supplier of the British Army. Today, the UK is our number-one market in the world.”

**Biggest regret:** “Choosing the wrong person in a key position. The biggest mistake for a CEO is not finding the right person for the right place.”

**Best mentor:** “Vittorio Giaroli, founder of consultancy Value Partners in Milan, who helped me transform my entrepreneurial vision into a strategic plan.”