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When the family travels abroad. Decision-making and practices of international expansion of a Swiss family-business in the XIX century

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This chapter presents the historical account of the international expansion of the Swiss family small-business enterprise (SME) Legler. Originally from the German-speaking and protestant canton of Glarus, the Legler family operated a cotton spinning business since 1730 in the village of Diesbach. Almost a century and a half after the family business reached a tipping point. Constrained by the limits of the few local resources and shortage of labour in their native area, and willing to serve a larger market, Mathias II Legler – the successor of the founder with whom he shared the same name – looked at the recently unified Italian market for an entrepreneurial expansion abroad. Mathias II founded the *J&M Legler filatura e tessitura* in Ponte San Pietro near Bergamo in 1875 (Crepas, 1992; Zamagni, 2021).

The aim of the present chapter is to offer a conceptual explanation of international entrepreneurial decision-making processes in the context of family-owned SMEs. The historical exploration of the international expansion of the Legler business from Switzerland to Italy has the scope to find an answer to the question whether the family-owned SMEs' decision-making and internationalization process differ from that of large corporations (Clercq et al., 2005; Graves and Thomas, 2008), and at the same time, to explore such decision-making and process in a time when trade and foreign direct investment barriers were higher, while most of the literature on international business theory is relevant to the case of large and public enterprises and is largely based on empirical examples from the most recent period of globalization (Fear, 2012). This way, the chapter provides the theory with an empirical exploration of the underrepresented case of a family-owned and small-medium enterprise in the period of the first globalization (1850-1914) that aim to enrich the literature and expand our perspective on the decision-making process and practices of internationalization in a context that the theory considers marginally.

The historical case-study method suits the aim of providing the theory with a greater clarification on the “how” and “why” of international expansion and the conditions that lead to the decision to go abroad in SEMs (Jafari-Sadeghi, 2021). The historical method takes into consideration the human characteristics and psychological aspect of the entrepreneur's decision, the familiar socio-emotional structure and relationship, and the long-term attitude that goes beyond the current generation and shapes the business and family identity (Zellweger et al., 2010, 2019).

This chapter explores first-hand archival resources explored at the *Fondazione Legler* in Brembate di Sopra near Bergamo, Italy. The corporate archive of the Legler enterprise preserves the historical records of the company that ceased operations in 2002. Fondazione Legler stores more than 125 years of business accounts and familiar memories. The documents span from budget fact sheets to personal letters to and from the founding family. Largely unexplored, this archival source has never been used for publication in a language different from Italian, and to a slight extent, German.

The historical analysis of the Legler family case has the aim of contributing to the strategic management and international business literature in several ways. First, it aims at understanding the role of family identity and attitude – shaped by religious beliefs and national culture – in the motivation for international expansion. Second, what are the push and pull factors that orient family-owned SMEs in the choice of a particular country for expansion, and area within the receiving country as well. For example, in this regard, how important is to overcome cultural barriers such as language, religion, and values. Third, the personal/familiar commitments and resources constraints that shape the strategic intention to go abroad, including the perception of risks and opportunities. Fourth, how the family managed the internationalization process, what is the entry-mode strategy, and what are the links with the original home country of the entrepreneurial family (Fear, 2012: 134-136).

Despite the fact that the Italian branch of the Legler family business is not more active and closed down in 2002, the company survived for more than 125 years, a span of time that is considerably long, and it is even more worthy of consideration given its foreigner origin. Whether the international expansion of family-owned SMEs is suitable to provide more longstanding results is a matter of the cognitive implications of the family decision to expand internationally. Given the characteristic of small-medium enterprises and family-owned businesses that favor interpersonal relations, socio-emotional structures, and long-term perspectives over multiple generations, we expect also to find a more sustainable process of decision-making in international entrepreneurship. The historical case of the Legler family serves as a starting point to open this discussion and enrich the theory.

Background

Entrepreneurial Family internationalization

Internationalisation is a complex and risky process, The internationalisation of Small-Medium enterprises (SMEs) is particularly troublesome. SMEs generally have limited resources and flexibility, and are more likely to fail than large enterprises (Fernández & Nieto, 2005; Sadeghi et al., 2018) because of the intense competition in the global markets (Jafari-Sadeghi et al., 2021; Sukumar et al., 2020).

Many SMEs are family owned. While not all the SMEs are family firms, the opposite is also true, family firms can be large enterprises, especially in Europe and Asia, where family firm are the backbone of national economies. Family firms are business organizations in which a family has the ability to influence strategic decisions and the willingness to keep the firm sustainable across generations (Chua et al., 1999). There are multiple factors at play when a family firm decides to

take the risk of starting international operations, and scholars called for the exploration of how, why and under what conditions such decision is made (Jafari-Sadeghi, 2021).

The cognitive factors that drive the decision of family firms to go abroad is an underrated and understudied area of research.

The cognitive dimension of internationalization decision in family firms

Decision-making has been defined as the process of selecting the best or most appropriate alternative amongst all possible options from a classical point of view (Amoozad Mahdiraji et al., 2020). However, nowadays in international enterprises, in virtue of uncertainty, fierce competition, unexpected changes in supply or demand (e.g. as a result of global pandemics), etc. the decision making process has become the most challenging part of operational, managerial and strategic activities, especially for the international entrepreneurs (Jafari-Sadeghi et al., 2021b). In a traditional perspective, decision making is divided into two general categories including single criteria decision making and multi-criteria decision-making, with the last that seems arguably the more suited to explain how people and organisations considered numerous criteria in the decision process.

The theory classified the approaches and methods about decision making on the basis of the level of uncertainty. From this point of view, certain or deterministic decision making methods and uncertain or probabilistic methods are so popular. In the real world, the uncertainty approaches encompassing fuzzy, interval/grey, hesitant fuzzy, intuitionistic fuzzy, interval-valued fuzzy, z-numbers, Pythagorean fuzzy, etc. (Mokhtarzadeh et al., 2020) are more appropriate for entrepreneurs as they deal with many non-deterministic parameters while making their decision.

The decision to expand the business abroad is a complex process. It depends on a range of internal, external, and institutional factors (Dana, Hamilton and Wick, 2009; Dana and Wright, 2009; Sadeghi et al., 2019). The internationalization process of family firms makes the picture even more intricate, as it intertwines economic and emotional perspectives (Gomez-Mejia et al., 2018). For such reason the internationalization of family firms is attracting the interest of scholars that aim to enlarge the theoretical framework of international business strategy, combining economic and non-economic perspectives (Arregle et al., 2021; Debellis et al. 2021; Rondi et al., 2022).

The need for an historical turn in entrepreneurship studies

Understanding and conceptualizing the complexities of decision-making that involves families, business, and internationalization strategies is challenging. Researches must conceptualize decisions of this relevance in terms of a complex circuitry rather than a linear flow. In fact, the processes that lead to decisions involve a multiplicity of linkages and feedback loops. The elements at the basis of an entrepreneurial decision to expand a family business abroad are so a dynamically inter-connected that is pretentious to consider opportunities, risks and discoveries as distinct and separate entities without understanding the deep relational that ties together levels and actors (Urry, 2003).

Given this premise, it is clear that a decision theory that relies on a view of the world where decisions are Bayesian problems of inference where probabilities are distributed among risks and uncertainties is short-sighted. A pragmatist perspective on entrepreneurship considers instead the entrepreneurs' ability to have an impact on the reality, a reality that does not exist before the action of the entrepreneur and therefore is not computable under the Bayesian mechanism (Ehrig and Foss, 2022).

Entrepreneurship study needs and historical turn to disentangled the specificities of decision-making processes as result of entrepreneurial reasoning. Such specificities are emotional, uncertainty, context-dependent and must face unknown unknowns (Sergeeva et al., 2022); because of this non-predictable and non-replicable features, the entrepreneurial process of decision-making is hardly understandable with a pure Bayesian approach. An historical turn can instead help the study of the entrepreneurial decision-making in the search and analysis of new source of data and to consider the data in historical perspective (Klein, 2017). The historical context interacts with the entrepreneurial action, the process and the outcome, and cannot be taken off the picture.

In the analysis of the internationalization of family firms is relevant – and mostly unavoidable – to take into account the role of the context, the historical time and the non-economic factors. In his regards, a methodological approach that relies solely on the quantitative analysis of Bayesian distribution of probabilities is inappropriate (Metsola et al., 2020; Reuber, 2016), as it fails to capture the role of families in family firms decision to expand abroad.

The international expansion of the Legler family in the Italian market

Historical setting

The Leglers had been involved in cotton spinning in their homeland Switzerland since 1730. The origin of the family goes back to the first known progenitor, Kaspar Legler (27 May 1599), a German-speaking Protestant from the canton of Glarus. Kaspar's first known descendants were Joachim (1762-1840) and David Legler (1790-1865), who married Varena Streiff, a weaver. From the two brothers derived the 'David' and 'Joachim' branches of the family, for years to come intertwined in the Legler business story. In 1834 David set up a weaving mill for third parties, first with hand production and later, after mid-century, with looms employed at home, in Diesbach.

Today, the village of Diesbach, in the Glarus canton, is no longer an autonomous town, but part of a larger municipality, first merged to form Luchsingen in 2004, and then into the new municipality of Glarus in 2011. The population in the 1830s did not even number 500 (466 in 1837), which was destined to decline within a few years due to the widespread poverty in the area; one seventh of the village population was forced to emigrate between 1845 and 1848, and amounted to only 419 in 1850. Today, Glarus is the most populated town in the entire canton with almost 9,500 inhabitants.

The small population of Diesbach, largely converted to the Reformed faith since the 16th century, lived mainly of spinning wool from livestock and hemp, cultivated in the area until the 19th century. The Legler family converted the local production to cotton. The son of David and Varena,

Mathias I Legler (1819-1866) founded with his cousin Joachim-Duerst the 'J.M. Legler mechanical weaving mill' in 1856. The mill accounted at its start 200 looms. Joachim, however, died in that same year and his son-in-law Fridolin Hefti-Legler, a wool merchant from Hatzingen, took over. This was the first in a series of Mathias Legler who would take over at the head of the family business, in the custom of repeating the founder's name for the eldest son. In fact, it was another Mathias who succeeded his father, Mathias II (1844-1932), who together with his brother Fridolin (1852-1902), joined the family business in 1864. The growth of the business paired with the addition of four-thousand spindle mill. This initial expansion in the company size was followed by a vertical expansion, aimed at introducing a weaving department for the yarns produced, with the provision of 200 looms to 156 employees, of whom as many as 116 were women, around three quarters of the total (Crepas, 1992).

Pull and push factors

The apparently favourable situation of a business set up in an area accustomed to spinning soon came up against constraints to growth. The physical and social characteristics of the area hampered the further expansion of the business. Diesbach was located on the eastern bank of the Linth River, a watercourse not even 60 kilometres long, which was a tributary of Lake Zurich (after a land reclamation in the early 19th century it is now channelled from Lake Walenstadt to Lake Zurich). The insufficient flow rate of this watercourse limited its use for the production of the energy needed for industrial use, thus limiting further mechanical expansion of spinning and weaving. Nor did it lend itself as a route for communication and commercial transport, as there was no railway connection; it was therefore difficult and costly to dispose of spun and woven products (Deichmann, 1975, 26-27). In addition, the constrain of a reduced labour supply – it still had only 461 inhabitants at the beginning of the 20th century, lower than the population in 1840 – caused wage demands and a reduction in working hours (Crepas, 1992, 482). Moreover, the aftermath of the Franco-Prussian war (July 1870-May 1871) and the introduction of trade tariffs caused the Diesbach's outlet market to become far too narrow. For all these reasons, the whole of Canton Glarus went into crisis, plagued by an 'industrial monoculture' devoted to cotton¹. This of course involved the Legler family of Diesbach. At that juncture, Mathias II decided to look abroad for opportunities. He turned his attention to Italy, which he knew well from his family's long-standing trade relations, for what it offered, a recently unified market, good connections to Switzerland, good opportunities to develop sufficient hydroelectric power, and above all, it was a source of cheap labour.

The fortune of Ponte San Pietro is all in the response to a newspaper advertisement. By this means, in 1875, Mathias II Legler sounded out the interest of various areas of Italy in search of a suitable water source to support the industrial effort of starting a cotton mill. The municipality of Ponte San Pietro, like others, submitted its candidature. The tenacity of the then mayor Achille Rattini was decisive in making the case for the small town on the banks of the Brembo river. The Brembo lent itself perfectly to the demands of Swiss industrialists. Its water capacity was greater than that

¹ *Storia di una famiglia e di un'azienda: Legler*, manuscript, Legler Historical Archive (Fondazione Legler per la storia economica e sociale di Bergamo, hereafter FSE).

sought, it would have allowed the construction of a dam for exploitation at a reduced cost, and furthermore it had no other uses upstream at the time that could reduce its capacity, neither for productive nor for agricultural purposes, since much of the land that looked towards the entrance of the Brembana valley was unattractive to farming exploitation.

Ponte San Pietro offered other advantages to the expansion of the Legler business. The abundant low-cost labour force, the proximity to Milan, an important commercial marketplace, and the railway connections that allowed easy communication with market outlets and especially with Switzerland: The last played a relevant part in the decision, because of the family intention to keep constant and continuous relations with the parent company in Diesbach. Lastly, a consideration for the population of Bergamo and the Brembana valley, with a reserved and industrious character, somewhere between the mountaineer and the peasant, which was so reminiscent of the attitude of the people of the Swiss mountains. Even though they professed a different faith, almost giving the impression of an innate cultural affinity².

A centuries-old Swiss presence of workers and merchants was well established in and around Bergamo at that time. The Swiss presence can be traced back to the 17th century in Bergamo, in particular entrepreneurs from Zurich. Trade across the Alps between Switzerland and Bergamo dates even earlier, at least in the 15th century, sanctioning a centuries-old custom of mercantile, economic and financial interchange between the area and the Swiss confederation (Moioli, 2018). Starting in the 16th century, the annual St. Alexander's Fair, celebrated in Bergamo at the turn of August and September, offered the square for the sale of raw silk for processing. Swiss merchants in particular helped to make of Bergamo an important centre for the sale of locally processed silk since the mid-18th century (De Luca and Landoni, 2018). Much of this merchandise crossed the Alps via the *via Priula*, the road wanted by the Venetians at the end of the 16th century to connect Bergamo, a possession of the *Serenissima* Republic of Venice, with Morbegno in Valtellina, at the time controlled by the Swiss from the Canton of Grisons, thus avoiding the roads to the Chiavenna and Spluga valleys controlled by Milan. The *via Priula* crosses the Orobian Alps at an altitude of almost 2000 metres at the *San Marco* pass opened by the Venetians in conflict with the Milanese for the control of the main routes of Alpine trade.

Swiss entrepreneurs set up the first cotton textile enterprises in the area of Bergamo around the 1870s (Licini, 2008). Even earlier in the city, where Giovanni and Gian Giacomo Zuppinger from Zurich started the first mechanical spinning mill in the entire region as early as 1828, to which they added a second spinning mill in 1866 in Torre Boldone, at the entrance to the Seriana valley that opens up to the north-east of the city (Gelfi, 1995). It was above all the Seriana valley that welcomed these entrepreneurs experts in the main resource of the first industrial revolution, 'king cotton'. These entrepreneurs were German-speaking entrepreneurial families, attracted by the opportunity to settle near a waterway and supply a new, dynamic market formed at the time of the Unity of Italy in 1861 (Crepas, 1992). First, it was Joachim Zopfi from the canton of Glarus that set up a cotton spinning mill in Ranica, on the Serio river, in 1870; the Walti family from the canton of Aargau established a spinning mill in Cene, in the Seriana valley, in 1875; two years later, the Glaronians Blumer and Luchsinger started a mechanical weaving mill in Nembro and the Spoerrys from Zurich a spinning mill with weaving in nearby Albino. A few years later, in 1883, the Toblers

² *Legler story*, brochure, FSE.

and Widmer established another spinning mill in Cene, and in 1887 the Schochs from Zurich established a weaving mill in Vertova. The Swiss presence in the Seriana valley was such that it made the cotton industry of Bergamo a sort of 'branch' or 'colony' of the canton of Glarus or Zurich (Romano, 1992, 386).

It is relevant for the matter of this study to wonder what attracted so many Swiss entrepreneurs – very often of the Protestant faith and even more often German-speaking – to northern Italy and in particular to the surrounding of Bergamo. View through the lens of international trade theory, one can assume that it was the protectionist measures introduced in the new Italian state that caused Swiss companies operating in the textile industry to relocate in order to overcome tariff barriers. However, this explanation seems unconvincing, since the protectionist tariffs introduced in 1878 – when in any case the first Swiss activities had already started, so to speak, 'ahead of time' – were in fact only moderate, and the more thoughtful restrictions only started from 1887, when the migration of Swiss entrepreneurs had come to an end. Other lenses can therefore better observe the phenomenon in progress in those years. The perspective of the entrepreneur – albeit blurred by a shifting prism of constantly overlapping images, given the elusive figure of this protagonist of economic history – brings into sharper focus the interweaving of different levels of analysis, the social, financial and cultural. Other factors at work in attracting the Swiss entrepreneur to Bergamo stand out to this eye. It could be said that it was precisely the absence of local entrepreneurship that created that vacuum capable of attracting foreign enterprise. To the conditions in the area favourable to industrialisation, it was precisely the entrepreneur that was lacking. Low wages, market opportunities, available energy, and only after these also protectionist tariff conditions naturally paved the way for industry. It was not even the absence of capital that precluded industrial development. Indeed, the Swiss who came to Bergamo did not bring large amounts of capital of their own from their Swiss homeland, but in the absence of this, they demonstrated an excellent ability to raise the necessary capital from bank loans, both from Swiss and Italian institutions. This attitude and the ability to draw loans from banks constituted the real competitive advantage of Swiss entrepreneurs over the few local entrepreneurs, who were anchored to the meagre dimension of self-financing. The success of the Swiss entrepreneurs in the area of Bergamo was not the consequence of a greater disposal of finance, but in their ability to act entrepreneurially, overcoming the limits of self-financing with the access to bank loans, that is, the attitude to take risks. It was this entrepreneurial attitude that moved across borders.

The expansion abroad

Following the examples of the Swiss entrepreneurs that moved in Italy around the same time, Mathias Legler purchased the land on the banks of the Brembo on 22 September 1875. The location just above the railway crossing the river at Ponte San Pietro. On 11 October of the same year, the 'J&M Legler cotton spinning and weaving company' started operations in Ponte San Pietro, a limited partnership owned two-thirds by Legler and the remaining third by Jakob Becker-Hefti as a financing partner, contributing with 200,000 francs³. The company agreement stipulated that the net

³ J&M Legler (1875): *Gesellschaftsvertrag Grundung einer B woll Spinnerai & Weberai in Pontesanpietro provinz Bergamo – Italien*, 11 October 1875, Diesbach, Archivio storico Legler, *Contratti*. FES.

profit was to be left at the company's disposal, and the shareholders were forbidden to 'take more from the company than was strictly necessary for the normal course of family life'⁴. The Legler company started the planning of the dam on the river.

The Legler family built the factories in 1876 with the help of Swiss technicians, which used materials from German and Great Britain. The intention was to be the first in Italy to take advantage of a foreigner mature technology and to exploit the large numbers of the unified Italian market, so as to be 'last in Europe but first in Italy' (Crepas, 1992, 483). Thus the Legler cotton mill in Ponte San Pietro began. A business history that lasted over a century and survived crises, wars and generational changes several times. A history that pivoted around the Legler family and its members. A dimension, that of the family, which goes far beyond the boundaries of the company and includes a legacy of culture and affection, the company's authentic sentimental heritage. The words noted by founder Mathias Legler as he departed Diesbach for Ponte San Pietro are well suited to this beginning.

'Remembering this journey, I seem to see my mother's happy face again. As I was leaving the house, she saw, on the corridor wall, a spider of the kind called a lucky charm. She immediately drew from it favourable auspices for our undertaking'⁵.

Familial ties and generations

In 1877, the factory in Ponte San Pietro started the production of only unbleached yarn. The Legler company purchased the raw cotton used for spinning from the parent company in Diesbach, proof of the strict ties within the family group. In fact, Mathias II was destined to return to the original location as early as 1887, once he had gained experience and started up the Italian factory. During his ten years in Ponte San Pietro, Matteo Legler was responsible for the vertical expansion of the company, adding a small dyeing department in 1883 and a bleaching department in 1887.

In the last decade of the 19th century and in the first years of the new century, the Legler family made investments aimed at the community development. In 1894, the company built an iron bridge in addition to the one existing. In 1899, the first houses for workers and a Swiss School for the then large Swiss population of Ponte San Pietro. In 1901, the Legler family gave a fundamental contribution to twelve employees of the cotton mill for the start-up of the Cooperative Society, which purchase foodstuffs and basic necessities to be resold to the public at fixed prices lower than the market⁶.

The 20th century opened under the banner of business growth. It was already at that time a completely different business than that of its origins. Having integrated all phases of the production cycle, Legler gradually but decisively shifted from the production of low-quality yarns centred on low-value moleskins and calico to the high-end of production (Crepas, 1992). As early as 1903, a

4 *Storia di una famiglia e di un'azienda: Legler*, manuscript, FES.

5 Legler, *Pubblicazione per il 75° anniversario*, FES. Translation of the autor.

6 *Cooperativa Legler*, REA: 1744 Bg, (1901-), Centro per la cultura d'impresa: censimento descrittivo degli archivi d'impresa della Lombardia in LombardiaBeniCulturali, <http://www.lombardiabeniculturali.it/archivi/soggetti-produttori/ente/MIDB001B04/>

Mako spinning department for combed and bright cottons, suitable for linen, was installed, and from 1904 a third hydroelectric power station came into operation. By this time, the company was completely in the hands of the Legler family, having liquidated the partner Hefti as per contract at the end of the previous century. In addition to this corporate reorganisation, the Bergamo branch was also financially independent of the Glarus parent company, having set aside sufficient profit shares to be able to provide for its own development.

In 1902, Mathias III (Legler-Schaeppi) and three years later his cousin Riccardo (Legler-Tschudi) joined the company. In 1906 the company changed its name to 'Legler & C', and employed 1,600 workers: 485 men (30%), 795 women (almost 50%) and 320 children between the ages of 12 and 15 (20%) in charge of 32,000 spindles and 1,200 looms. In addition to the cooperative and the workers' village, all employees had an old-age and sickness fund and accident insurance (Zamagni, 2021)⁷.

The third Mathias pushed for the vertical integration of production, in the conviction that the finished product cycle was Legler's real strength, a necessary condition to remain profitable and prosper in the Italian market. In fact, Legler no longer sold cotton yarn at that time, due to the plummeting prices of the product. Instead, it expanded into even higher levels of production. In 1912, it introduced Velvet production, with the use of 37,000 spindles and a thousand looms (Crepas, 1992).

Legler overcame the first serious crisis in the industry in the same time of the vertical integration of production. The financial crisis of 1907 caused a credit crunch that threatened all the industrial sectors. Legler overcame this economic downturn better than others thanks to its own characteristics and its good management practices. It was in part the company's growth at the turn of the century that ensured Legler's faster recovery and even bucked the trend of the entire Italian cotton sector. The investments had in fact been made in times of favourable economic conditions, when profits had been largely reinvested in the company. This way, the credit overexposure was minimal in the absence of any short-term speculative approach. Lastly, the Legler company built trust and loyalty with a base of reliable clients that supported the production's demand (Crepas, 1992, 511).

Legler's strength was not only financial and commercial. The technology employed at Legler combined the strength of the integral product cycle mentioned above with the price containment achieved by the high productivity of the machines, confirming the strategy of high investment to achieve the integral continuous cycle. Legler's real strength, however, lies in the family and its way of doing business, so different from the Italian paradigm (Zamagni, 2021).

The Legler family was able to tackle even a serious crisis like the one in 1907 with strength and effectiveness by virtue of a 'rigid division of labour and an unwavering defence of concord and substantial collegiality in decision-making' among the family members in management positions. This 'rigid division' was at the same time kept in balance by a relationship in which 'there was no separation between the sphere of affection and that of business relations' between the family members operating in the same company or between the two joined realities of Ponte San Pietro and the original Diesbach. A business solidarity that thus went beyond simple business obligations and corporate responsibility, meticulously observed in distinguishing between the accounts of the

⁷ See chapter 1: M Landoni, 'La Legler prima di Fredy', pp. 15-31.

company and the family, without any "confusion between the management of private assets and those of the company' (Crepas, 1992, 512).

The family attitude to business management exported by the Swiss Legler was thus different from that typical of many Italian family businesses, where the overlap between company and personal assets was often tilted in favour of the latter, and the practice of retaining profits in good times weakened businesses during cyclical market downturns. This is also why, as we have seen so far, Legler has brilliantly overcome the problem of family succession. A style of family management that separates the Swiss Legler's family business management from the many Italian companies, textile or otherwise, which founds the reason for its difference in characteristics inherent to family customs before economic cultures; a distance best understood by anthropological categories before economic and even cultural ones. The ability to manage the company with 'analytical knowledge of the state and trends of the business' and at the same time to keep the top management cohesive and united by a reciprocal relationship of family affection, made Legler a 'case against the weak entrepreneurial model, still so widespread in Italy at the beginning of the century, of an industry intent on taking advantage of short-term economic benefits but in fact lacking a long-term plan' (Zamagni, 2021).

Discussion and conclusion

The chapter depicted the complex array of multiple criteria that guided the decision of the Legler family to expand abroad in the second half of the 19th century. We can consider some of them as clearly economic-driven, other are cultural-related, and some are connected to a familial dimension. All of them together formed the entrepreneurial decision of the family, a decision that comprised analytical interpretation with emotional intuition.

The first criteria is certainly economical and pertains to the opportunity to access to a larger market. The decision is situated in a specific time, the years that followed the Unity of Italy and opened a large national market. There were also push factors that took part in the decision; in fact, the market of origin of the family reached a tipping point, and the exhaustion of the labour market and the limits of the infrastructures, both for energy provision and connection to commercial routes, cause the family to consider alternative location. The co-existence of push and pull factors attracted the family to Italy.

The choice to expand abroad in Italy was driven by rational arguments and economic criteria. The choice of the location followed a mix of economic, cultural, and institutional criteria. Haven said about the peculiarities of Ponte San Pietro for what matters energy production, railways, and labour force, the willingness of the local authorities gave a further push to the final decision. The institutional setting proved favourable, and even more the perception of the local communities. The Legler family acknowledged an affinity with the style of working and living of the people in the valleys around Bergamo, a similarity with the protestant ethics of work belonging to the Swiss family. This affinity of attitudes is more in the family perspective than in an objective understanding of the community, from one side, and it furtherly dismantles the largely popular as well as discredited belief of the protestant prominence for work.

Lastly, the familiar dimension that surrounded the decision played maybe an ancillary role in the decision process, but proved to be fundamental for the sustainability of the decision through time. The will to keep close contact with the parent company in Diesbach fitted well with the proximity of Bergamo with Switzerland. Equally, the interaction of the family and the family-business with the local communities built strong relational-ties that helped the company to navigate through the difficult times that regularly afflicted the business. Not least, familiar traditions and symbols are not irrelevant. The ‘luckly spider’ has nothing rational, still is a vehicle for sharing meaning among family members, so to reinforce connections and build trust in the process.

The ability of putting down roots abroad and maintaining a close relation with the main family branch at home correspond to the balance of power within the family-business. Here, the success of the Legler expansion abroad and the sustainability of the decision is in the healthy relations between family prerogatives and business strategy. The two dimensions are rarely in conflicts, more often sustain each-other. The family has clear in mind that profits are for the continuation and improvements of the business, yet this rigid separation between ownership and operation is tempered by familial ties and trust. The family works to sustain the company and the family members together, in solidarity with the different branches, and in time through generations.

The historical analysis of the entrepreneurial decision making process of the Legler family-business concerning the international expansion shows that multiple criteria are at play. The criteria differ for their origin and outcome. While some are rational i.e. driven by analytical reasoning and economic values, others are purely emotional, others mix subjectivity and objectivity. The familiar criteria are relevant in the process of decision making, and effective for confirming the decision and sustaining the process. Sustainable decision-making in international entrepreneurship may come from this elusive perceptions that fill the process with meaning for the members of the family.

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