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Eight sentenced in Bio-On bankruptcy

The first-instance trial for the collapse of the Italy-based bioplastics producer, once valued at €1.5 billion on the stock market, has concluded.

November 25, 2024 15:47

Five years after the company's closure and two years of hearings, the Bologna Court in Italy has issued its verdict in the first-instance trial concerning the bankruptcy of Bio-On, the company founded by Marco Astorri and Guy Cicognani to produce polyhydroxyalkanoates (PHA)-based bioplastics.
The trial ended with eight convictions and one acquittal for charges including fraudulent bankruptcy, misappropriation, and attempted abusive credit recourse.

The main defendants, Astorri and Cicognani, were both sentenced to 5 years and 2 months—significantly less than the ten years requested by the prosecution. Other convictions include former general manager and shareholder Vittorio Folla (4 years and 4 months), former chairman of the board of auditors Gianfranco Capodaglio (3 years and 8 months), and former board member Gianni Lorenzoni (4 years).
Sentences of 3 years and 6 months were handed down to auditor Gianni Bendandi and board of auditors' members Vittorio Agostini and Giuseppe Magni.
Pasquale Buonpensiere, the financial director, was acquitted. A tenth defendant, Ernst & Young auditor Alberto Rosa, had already negotiated a sentence of 1 year and 6 months.

Marco Astorri, co-founder of Bio-On, commented outside the court: "I attended every hearing of this trial, and despite the first-instance outcome, I remain fully confident in the final result and the judges' work. Bio-On was an exceptionally valuable industry, not only for Italy but for the planet. It was destroyed by a speculative attack compounded by judicial action that, instead of investigating financial pirates, targeted our company's leadership."
Astorri claims Bio-On's collapse resulted from a "combination of greed and shortsightedness" and confirmed plans to appeal to achieve a full acquittal in the higher courts.

The Italy-based company collapsed at the end of 2019 after reaching a stock market valuation of nearly €1.5 billion. Investigations into the management began following the publication of a report by the U.S.-based hedge fund Quintessential Capital Management (QCM).