



Strategic Tale 7.3

(On innovation as a source of competitive advantage)

Fig bread, friendly bread

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Lucius and Titus grew up together in one of ancient Rome's most notorious districts: the Subura. It was a rough, chaotic place—diverse, poor, loud—where hunger constantly reared its ugly head and imagination was the only escape. In the maze of narrow, grimy streets, Lucius—like many boys his age—hero worshipped the gladiators that fought in the Colosseum. That massive building, which he had never visited but could see from the roof of his modest home at the edge of the neighbourhood, occupied all his thoughts. Lucius would close his eyes, and his plebeian soul would savour the promise of the glory, honour, and wealth he imagined could be his if he became the greatest of them all.

Titus, an orphan, survived on what little he could scrounge on the streets. Unlike Lucius, he was realistic and not dazzled by the lure of fame or fortune; in his lawless neighbourhood, hunger had long since been transformed into starvation. Yet he, too, carried a dream: to become a baker. A baker? What child in ancient Rome ever dreamed of becoming one? Well, Titus did.

At that time, Romans mostly ate porridge, not bread, but word had reached the Subura that elsewhere in the world—among Greeks, Egyptians, Jews—there were people called “bakers” who produced bread in great quantities using mills and ovens. Titus had never tasted bread, nor did he fully understand what it meant to be a “baker”, but he sensed it was important, perhaps even a path to privilege and a chance to become someone in Roman society. The day came when he left his home and family, determined to learn everything he could about bread. He endured many hardships before learning what wheat was and discovering the need to store it in tall granaries open to the north and east winds, protected from the damp and vermin. He learned to build a small hand-powered mill. And with that, his new life began.

Meanwhile, Lucius trained hard to become a gladiator at the modest local school he could barely afford. There, anyone with courage and a hunger for gold was welcome. Lucius didn't hesitate, devoting the best years of his life to the school and the arena. When Titus returned to Rome some years later to open his bakery, he found a worn, broken Lucius—like so many veteran gladiators—as he had lost an eye and a leg in his final fight, and his time in the Colosseum had long been over. Nevertheless, Titus still saw in him a





spark of the determination he'd known in their youth, so he taught Lucius everything he had learned about the art of breadmaking and took him on as his apprentice, never imagining that this kindness would one day drive them apart.

Bread gradually became a staple in the diet both in and beyond the Subura, gaining popularity among Romans who were just discovering it. Before long, Titus's bakery was too small; he expanded it and even opened a second outlet in the centre of Rome.

He was proud of what he had achieved, but also uneasy. He was no longer the only baker in the city. Others had copied him, and bread was no longer a novelty. Some even sold it more cheaply—bread that wasn't as good as his, but it was similar and in high demand. What upset him most was that Lucius, his childhood friend, had become his fiercest competitor. He had to do something.

Titus gave it a great deal of thought. He tried new recipes, changed the ingredients, altered proportions, used shorter or longer baking times, a larger oven. Nothing worked as he hoped. Meanwhile, Lucius grew increasingly richer, and Titus's customers drifted away. One day, while walking in the countryside, Titus passed a beehive and thought: what if I add honey to the bread?

It was a gamble, but honey sweetened the loaf and gave it a softer texture that made it irresistible. Titus began selling his honey bread at a slightly higher price, but even so his customers began to return. They praised its flavour and came back for more. The popularity of his new bread quickly spread throughout the city, and he had to hire more workers to meet the growing demand. His success did not go unnoticed, and when Lucius discovered the secret ingredient he decided to produce his own honey bread, once again undercutting Titus's price. Lucius again thought he could lure the customers away from his former friend and teacher. And he was right.

But Titus refused to give up. He realised that he again needed to create something truly new—something that neither Lucius nor anyone else could copy, and so he experimented with flours, yeasts, nuts, spices, and other ingredients. After many attempts, he found the perfect, though complex, blend: a bread made with figs, raisins, hazelnuts, oil, and a drop of wine. The loaf had a delicious aroma and a unique flavour that made it different. Titus called it the "friendly bread"—and sold it as an exclusive specialty in his bakery.

Friendly bread was an overwhelming success. Customers loved its taste and originality. Titus's reputation spread across Rome. Lucius, by contrast—out of ideas and unable to replicate the recipe—continued selling his honey bread, now neither new nor appealing. His mood soured as quickly as his customers' patience for his outdated, though admittedly cheap, loaves. In time, he was forced to close his bakery. He lost his bread—and his friend.

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