

# The power of an ethical philosophy

## A company that is surprising

Guarany have been a long-standing supplier of ours at the Spray People Group. They manufacture manually operated equipment used for the distribution of agrochemicals, seeds and fertilisers. This includes backpack sprayers, granule applicators, powder applicators and the like. Guarany, like all businesses, have competitors that make similar products but the company's unique history, philosophy, leadership and outlook are what sets them apart from other organisations. Interestingly, it is this overall philosophy that drives their innovation and ultimately ends up ensuring they deliver great products that the market needs.

## The power of philosophy

Guarany is a family company that is now in its third generation. The company has been around for nearly 100 years and has grown to be the largest manufacturer of manually operated spraying equipment in Latin America. This success has been driven by an adherence to a strict ethical business philosophy.

At the heart of Guarany's ethos is a respect and care for the natural world. At first glance it may seem odd for a company whose primary business is the sale of equipment for the distribution of agrochemicals and fertilisers to have a green and eco-friendly philosophy as a core tenet of its vision and mission. But a few moments thinking about this apparent contradiction reveals a sound and highly coherent business strategy.



## Very necessary "evils"

It is a simple fact that feeding the 7 billion or so humans on the planet requires the use of pesticides and fertilisers. Even organic or biodynamic farming uses pesticides and fertilisers in large quantities, they are just natural compounds as opposed to inorganic ones. It is also a fact that the use of such substances, even the organic ones, can be harmful to the natural environment. The conclusion from these sobering facts is that we need to use these compounds, otherwise people will starve, but when we do so we should use them as efficiently as possible to minimise harm to the eco-system.

Once these facts are absorbed it starts to become clear why an equipment manufacturer with a strong ecologically focused philosophy might make good business sense. Equipment such as backpack sprayers or granule applicators is, after all, responsible for delivering the correct dose of chemical or fertiliser to where it is needed. If the equipment is designed with accuracy in mind it is immediately obvious as to how it can help reduce wastage and thus environmental damage.

A strong philosophically held belief in their duty to help protect the planet drives product innovations that help growers reduce their environmental impact. This makes excellent business sense as well because it allows Guarany's customers to save money on expensive agrochemicals and fertilisers. Efficient equipment saves growers money. With small producers up to 40% of their production costs can be made up from agrochemicals, seeds and fertilisers. Typically, equipment costs are around 10%. Ensuring the equipment used is optimised to reduce waste can have a big impact on costs. Spending a bit more on quality, well designed, well researched equipment often results in big savings for the producer.

## What drives this philosophy?

Three key factors drive Guarany's business philosophy

### 1- Strong and proud history (a family company)

The fact that Guarany is a third-generation family owned business is key to understanding their business philosophy. The concept of family is very important to Guarany. This family ethos is something that is sadly lacking in the Anglo business world.

A strong sense of family engenders a long-term outlook rather than the short-termism that often plagues Anglo-American businesses. Crass corporatism and the relentless pursuit of short-term profits could not be further from Guarany's outlook and this comes down to that strong sense of family.

Guarany's employees are family and you don't exploit your family; you care for them and work with them for shared mutual gain. This family philosophy can be seen throughout the company from the far higher than average length of service of its employees to the excellent on-site employee services including a subsidised canteen, an arboretum and far higher than average wages and benefits. The Guarany manufacturing campus would not look out of place in Silicon Valley and such dedication to employees really sets it head and shoulders above other companies in Brazil and beyond.

### 2- The Brazilian connection

An important element in any business culture is the host culture of the country in which it operates. Within Brazil there exists a strong environmental movement. Attitudes towards environmental issues in Brazil often are more pro-green than in some developed western countries. A general rule of thumb is that, as GDP per capita rises in a country, environmental concerns of the population also increase. Therefore, we see the strongest green movements in countries like Sweden, Norway and

Western Europe. Brazil, however, bucks this trend and their population is more worried about many key areas of concern such as water pollution, deforestation and single use plastics, than their European counterparts.

The reasons for this atypical environmental concern profile are obvious. Brazil has the largest area of tropical forest of any country in the world. The biodiversity and huge areas of rain forest are a source of national pride for many in Brazil and quite rightly so. The national concern for natural wonders like the Amazon has a large influence on Guarany's philosophy.

This is particularly interesting as they are involved in supplying equipment to the agriculture sector, which is often seen as an enemy of the environment, particularly on issues like deforestation. Guarany seek to do their bit for the environment by supplying excellent equipment which reduces wasteful chemical and fertiliser usage. What at first might seem like an odd pairing of green ethics and an agricultural supplier, is in fact entirely logical and coherent. In addition, they plant a tree for every employee and visitor to their headquarters in their arboretum to offset carbon emissions.

### 3- Strong Leadership

The final vital factor in Guarany's unique outlook comes from their visionary leader. Just as Guarany is not your typical company, their CEO, Alida Bellandi, is not your typical successful businesswoman. She graduated originally in chemistry but also holds degrees in art history, Italian literature, English literature and French language & literature. Her global outlook combined with a good understanding of the science means that environmental concerns have been a passion of hers for decades.

Under her leadership the environment has become a core part of Guarany's business ethos. It is seen throughout the company from product development to the working environment to a wide variety of internal and external initiatives designed to help educate and spread the word of responsible, ethical business practices.

One example that helped spread the green message to their business partners was a competition to celebrate their 90th year of business in 2013. Open to all suppliers and customers, each company needed to submit their entries on how their own businesses were putting into practice sustainable practices. My own company, The Spray People Group, won this competition with our "Office in the Clouds" proposal and this demonstration of a shared ethos really strengthened the bond between our companies. Shared values are important to Alida as they are to me. Guarany's family ethos also appeals to me as we have built our company on forging strong relationships with our employees.

## What does all this mean?

### Product innovations

The philosophy of Guarany translates directly to product innovation. With a core focus on helping growers achieve efficient applications of agrochemicals many product innovations have been made by Guarany over the years. The most important element in this process is the genuine spirit of collaboration and curiosity with their customers. Guarany want to help their customers be more ecologically conscious and so are driven to develop products that realise that vision.

Four examples of this are:

### 1- Liquid Dosing systems

These dosing valves can be fitted to any backpack or compression sprayer. The calibratable chamber means a precise dose of liquid can be delivered with each press of the trigger. This reduced over spraying and under spraying. Over spraying obviously leads to unnecessary waste but, what it often not appreciated, so does under spraying. If a pest/disease problem, persist due to a sub optimal treatment the plants will need to be resprayed. The overall usage of chemical will be more than if the correct dose was delivered in the first place.



### 2- Granule dosing systems

The application of granulated product is often done by hand. This is inaccurate and leads to waste. So, Guarany developed a backpack granule applicator which can be adjusted to deliver between 8 and 250 grams of product with each trigger pull. This gives a consistent application and so reduces waster.



### 3- Sub soil systems

Sometimes granulated or liquid products are best delivered under the soil. This can help absorption by the plants or can target pests and disease that are in the soil more easily. Applying the treatment to the surface will be wasteful so Guarany have developed soil injector systems for both liquid and granulated products. Again, this reduces wasteful application and improves efficiency.

### 4- Sugarcane plastics

The concerns over petroleum-based plastics use are considerable and well documented. For this reason, Guarany have developed a range of "green" plastics made from sugarcane. These are an option to replace the standard plastic tanks on their sprayers for environmentally conscious customers.

## Conclusions

Guarany are an unusual company in many ways. They have the grown to be the largest manufacturer in Latin America in their sector. This demonstrates clearly that highly ethical and responsible businesses can also be highly successful. We at the Spray People Group, share Guarany's core ethical values and it is this shared set of values that excites us about our future dealings.

Currently we are working to bring their products to the European market. Often, we in Europe like to pat ourselves on the back and think that it is we that lead the way then environmentally and socially responsible business practices. We sometimes dismiss companies from the emerging economies as being "not quite there yet" on these matters. European businesses often think it is they who much teach their suppliers in the developing economies about green issues. Guarany bursts that smug Eurocentric bubble; it is clear that it is they who can teach us.