

SANTHER DISCLOSURE



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## RICARDO BOTELHO, NEW SANTHER CEO, SEES EXECUTION CAPACITY AND LOGISTICS EFFICIENCY AS THE KEYS TO SUCCESS

**T**wo years after the beginning of Plinio Haidar Filho's administration, Santher presents a new executive from the market to preside the company. The executive elected, who took over in February, is Ricardo Botelho, who was previously CEO of Coca-Cola Femsa do Brasil.

With more than 20 years of experience in the consumer goods sector and experience in family-owned businesses, the executive built a solid career, boosting results, restructuring businesses and implementing successful management models. "We expect an intense transition process throughout 2013, so that he can give continuity to the work executed so far and have time to become familiar with our company," said Fabio Haidar, Chairman of the Board, with an eye on a smooth transition and certain that positive results will soon be seen.

In an interview to *O Papel*, the new CEO reveals his own expectations in this new professional challenge. "The invitation to become part of the Santher team attracted me not only because of the company history and prestigious brands, but also the opportunity to be a part of this successful trajectory, which will certainly be the focus of our company looking forward."

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**O Papel** – What was your perception of the pulp and paper sector prior to becoming Santher's CEO?

**Ricardo Botelho** – In spite of not being close with the sector's history, I was able to note right from the start that the pulp market is very similar to the beverage market. The two are extremely competitive, which makes execution capacity and logistics efficiency the keys to success.

**O Papel** – Did you identify anything particular about the paper industry? Did any particular aspect surprise you?

**Botelho** – The fact that it is a capital-intensive industry, strategic vision becomes a critical capacity for the business. In other words, since demand for investments is high, long-term strategic vision is fundamental. It is necessary to envision which markets have more growth potential in order to guide the company's strategic planning process, not only in terms of location but also productive capacity. However, I wouldn't say that this characteristic surprised me. In fact, this is a typical challenge of capital-intensive industries, which I already imagined facing and very much look forward to.

**O Papel** – Personally, what is your motto for assuming responsibilities as a professional at the helm of a company that is so representative of the paper industry?

**Botelho** – To define strategic objectives and have the entire team committed and prepared to achieve them. This concept includes the fact of combining qualified people in functions that are appropriate to their profiles, in order to always be willing to assume risks and exceed goals established. I believe the most important thing is to have everyone on board, rowing in the same direction, towards the strategies set out to be achieved. The combination of prepared people with a singular focus on strategies is a proven success.

**O Papel** – Looking back since starting your term, what goals were outlined and are already being implemented?

**Botelho** – We are advancing quite well, with results in line with projections. These results can be seen in higher sales and operating income. We have been working hard on matters pertaining to operational efficiency. In summary, we have given continuity to the work started out by Plinio two years ago, seeking to accelerate the practical implementation of these actions,

which are already presenting some very positive results. The most important ones are the improvements obtained in profitability and quality of operation. But without a doubt, there still are many opportunities for leveraging the power of our brands.

**O Papel** – Has the current global economic scenario influenced the company's commercial strategies in any way?

**Botelho** – In reality, no. Regardless of uncertainties in the international scenario, domestic consumption in Brazil shall continue being a major business lever over the next few years. Our strategy is basically to have the right product, executed with perfection, for each consumption occasion. A person who goes to the supermarket to make purchases for the month behaves in a different manner when at a pharmacy or convenience store. Therefore, the type of packaging offered should also be different. These are details that lead to variations in the company's portfolio and entire commercial strategy. It is extremely important to have a very well defined and executed strategy for each one of these channels.

**O Papel** – What is your perspective regarding the tissue segment in the short, medium and long-term?

**Botelho** – It's a segment that tends to continue growing and become more and more competitive. Innovation and execution capacity will determine the leaders and the followers. I believe that the capacity to execute a strategy and, consequently, implement a portfolio in the correct manner opens the door for closer ties with consumers. And this is a key issue, in view that today's consumers are much better informed, have access to an increasing number of products and services, and are more demanding. These are certainly characteristics that change today's consumer from what we saw in the past.

**O Papel** – What are the next steps foreseen by the company considering the internal market's current performance?

**Botelho** – Our priority is execution excellence and maximum operating efficiency. We seek operational improvements as a whole, based on a review of all processes, their improvement and a strategic plan that encompasses everything from production until delivery of portfolio to end clients. This defines the operational efficiency we aspire. It is the sum of activities that need to be executed very well day in day out. ■