

By Thais Santi
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IP'S NEW CEO AND HIS PLANS FOR THE FUTURE

The world's leading producer of printing and writing paper and packaging, International Paper (IP), announced in January its new CEO for Brazil. A company employee since the age of 14, when he joined IP as a courier, the now CEO, **Rodrigo Davoli**, occupied until recently the position of commercial director and had already been appointed vice president of the Printing and Writing Paper business for Latin America during his career at IP.

But he wasn't the first in the family to work at IP. "My father worked for the company for 35 years until retiring," says a proud Davoli, pointing out that employees who demonstrate interest and accept challenges are highly valued at IP. "So, from the very beginning of my career, I never refused challenges and would begin to plan my next steps from the moment I assumed more responsibilities."

As CEO of International Paper (IP) in Brazil, Davoli says that the company is prepared to contribute to the global results of the US-based company. In an exclusive interview, the executive talks about the pulp and paper market, his plans for managing the business and its human resources, as well as personal and professional goals for the next five years, in addition to reflecting on competition in Brazil's printing and writing paper market and what he thinks about e-papers and e-books.

O Papel - When and how did you start your career in the pulp and paper sector, and what made you pursue a career in this industry?

Rodrigo Davoli - My first job was already at International Paper (IP) Brazil, at the age of 14, when I joined the company as courier at the Mogi-Guaçu-SP unit, and I have been here for 24 years. I've worked in the financial, commercial and strategy areas and this possibility of working in different business departments is very exciting for me.

At IP, the professional who demonstrates interest and accepts challenges is highly valued. My father worked 35 years for the IP and retired here. So, since the very beginning of my career, I never refused challenges and planned my next steps once I took on new responsibilities.

When looking at my career trajectory, I see that every three years I had the opportunity to do different things in the company. This diversity of knowledge I acquired was excellent for my background and became a solid foundation of experience in finance, strategy and sales. It's what allowed me to become responsible for IP's operations in Brazil today.

O Papel - What have been the biggest challenges you faced in your career? How did you overcome them?

Davoli - Since IP offers dynamic careers and opportunities, I had several challenging experiences, including to head international projects, having spent one year at IP's headquarters in Brussels working in the commercial area.

But I would say that my biggest challenge was the company's plant expansion in Três Lagoas (MS), where we increased our size 1.5x. We invested in exchanging assets with the competition, we assumed responsibility for the production of paper and doubled our capacity from one year to the next. Later on, we implemented the new machine project, which gave us another 200 thousand tons/year, complementing our current production capacity of 1 million tons/year of printing and writing paper in Brazil.

To overcome challenges, whether big or small, you need more than just opportunity. You need to be humble enough to learn, especially from people who have been in the business longer, and be curious to accept challenges and be committed to deliver results.

O Papel - What are your management guidelines in heading International Paper do Brasil, as well as your personal and professional goals for the next five years?

Davoli - My role as CEO is to help International Paper maintain its global leadership position in the production of pulp, printing and writing paper and packaging. It is necessary to continue offering value in the long-term to all our stakeholders, establishing competitive positions in markets we do business, with safe and efficient manufacturing operations and using sustainable sources of fiber. We need to work closer with our customers in order to understand their needs.

In terms of people management, one of my challenges is to ensure that IP professionals have, under my leadership, the same opportunities I had: development and challenging opportunities.

I wish to continue developing together with company and contribute even more to IP's business worldwide. Just like the company, I also believe that business success is directly related to the talent and engagement of our professionals.

O Papel - What is your current analysis of the paper market and its segments in Brazil, particularly printing and writing paper? Would you say that IP's operating results in Brazil are in line with the company's other global operations?

Davoli - We believe that paper demand will remain stable and expect to see an improvement in economic landscape, and in several drivers of the economy, so International Paper's profitability can improve in Brazil and worldwide. In 2016, IP registered a global net income of US\$ 904 million, and the Brazilian unit currently represents

7% of the global business. Brazil and Latin America will continue being our strategic priority through our assets in the country, therefore, I believe in the region and its growth potential.

O Papel - International Paper supplies pulp and fluff pulp to the market. Does the company intend to increase production and sales, following the trend of other Brazilian companies?

Davoli - International Paper is always on the look out for market opportunities. We recently acquired fluff pulp assets and technology and, with this, became the biggest producer of this type of pulp worldwide. Our business is to produce products that people depend on every day using sustainable fibers. Therefore, we will always seek the best markets and opportunities for our products.

O Papel - What is it like to compete in a market with almost no competitors, as is the case of printing and writing paper produced domestically, but with a large volume of imported paper?

Davoli - In any competitive scenario, companies that invest in the quality of their products, management and financial health will be at an advantage. International Paper has been in the market for over 100 years and, in addition to longevity, it has a solid financial, corporate and governance foundation, leaving it prepared to face various market scenarios.

We also always keep up with market trends to develop the best there is in paper for domestic and commercial use, as well as utilize research and development to generate innovation and optimize productive and operational processes, which provide customers the best and most advanced practices in the market.

Nowadays, markets are connected globally and, therefore, having excellence in product quality, brand reputation and a solid customer base is a competitive advantage in any market condition.

O Papel - As one of the top producers of printing and writing paper, how does International Paper envision the future – and eventually invest – in relation to the advancement of e-paper and e-books?

Davoli - Studies show that paper consumption is related, among other things, to investments in education, higher income and quality of life. In developing nations, paper consumption continues growing, precisely given the increase in income and educational level. However, in developed regions, consumption has in fact dropped or remained stagnant.

Consumers must make choices based on the analysis of how products are made: lifecycle, disposal, consumption of nonrenewable materials and total environmental impact. What needs to be taken into account is not whether we should utilize more electronic means or paper, but rather which combination of these two types of media will have a lower total impact on the environment. ■

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EXECUTIVE PROFILE

Full name: Rodrigo Davoli

A hobby: Running

Main personal achievement: Becoming CEO of the company where I started my career

Something you'd still like to learn: Many things, one of which is to speak Italian.

Main lesson learned in corporate management: Success resides in truly developing people and being humble to learn from others.

The future of the sector will be.... Inevitable. We have technology, fiber, qualified people and a country that will awaken to consumption.

