



BSR Conference 2010
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New Places, New Products: Sustainability and Emerging Markets

Breakout Session Summary
Wednesday, November 3, 2010 | 10:15 a.m.-12:30 p.m.

Speakers

- » **Fernando Bolaños Valle**, Chairman and CEO, AgroAmérica
- » **Tracy Mader**, Head, Product Marketing for Corn & Soybeans, NAFTA, Syngenta Seeds Inc.
- » **Minna Pajala-Hammar**, Head of Corporate Responsibility, TeliaSonera
- » **Farid Baddache**, Director, Europe, BSR (moderator)

Highlights

- » Global companies must consider local practices, politics, religion, customs, and geography when developing policies and corporate responsibility strategies. If this is done well, global companies will not only succeed in these new markets, but will also enable their customers to succeed.
- » To ensure that policies and practices meet the expectations of local stakeholders, companies must develop and implement these policies through robust collaboration, discussion, and mutual understanding.
- » Local stakeholders' enormous wealth of intelligence is often overlooked; companies need to more intimately involve and empower them from the product and policy development stage.

Memorable Quotes

"The sustainability challenges we have to address and create solutions for also have to make business sense."—Fernando Bolaños Valle, AgroAmérica

"How technologies move and how values shift can impact consumers and business models. Once you identify [these trends], you can begin to determine how to optimize these trends for your business objectives."—Tracy Mader, Syngenta Seeds Inc.

Overview

Baddache kicked off the session by posing three central questions to the audience:

1. How does a company successfully incorporate a global perspective when entering a new market?
2. What does a well-planned market entry strategy look like?
3. What factors must be considered in the decision-making process to enter a new market?

With a focus on emerging markets, Baddache challenged companies to think about how global policies and corporate responsibility strategies must take into consideration local practices, politics, religion, customs, and geography. If this is done well, global companies will make the most of efforts to incorporate their products and services into new markets.



Pajala-Hammar wanted Swedish telecommunications provider TeliaSonera to apply its global principles in all countries in which it operates. The company, formed in a 2002 merger and providing services to more than 150 million customers in 20 markets, takes into account local cultures, traditions, and business needs. It bases its corporate responsibility mission on the premise that access to the internet and telecommunications is not free and equal across the world, and the fundamental goal of addressing this societal disparity will provide growth opportunities for TeliaSonera and for its customers. The challenge to realizing this vision is that companies like TeliaSonera must improve their ability to align global principles and sustainability goals with the local business, cultural, and political environments.

In a similar vein, Bolaños Valle discussed the challenge of executing AgroAmérica’s global operations in different regions and markets. The family-owned agricultural company of about 8,000 employees has a mission to become a world-class company with high ethical standards, and has named social responsibility as one of its pillars of success. One way AgroAmérica works toward higher standards is by increasing efforts to educate and empower its local workforce to address sustainability challenges in their daily responsibilities.

Next, Mader discussed the challenge of producing food for an increasingly hungry planet, citing the prediction that by 2050 the world will have as many as 9 billion inhabitants. Syngenta, with more than 25,000 employees in over 90 countries, is dedicated to the idea of bringing “plant potential to life.” From providing solutions for crop protection to growing more food with less water, land, and carbon, Mader says his company can help the world meet these food challenges. Doing so, however, will require a sharper focus on identifying the key stakeholders to help Syngenta understand the needs of local markets, where the biggest sustainability impacts can be realized.

After the panelists provided their perspectives, session participants convened in smaller group discussions to brainstorm ways to better incorporate global policies, operations, and practices in new places. One group focused on how to incorporate global policies into local management practices. Suggestions included making sure expectations of policies are made clear, gaining management endorsement and employee involvement, addressing cultural and language barriers, and training with the local context in mind.

The other group focused on how global companies can be competitive in local markets, saying that local stakeholders should be more involved and empowered in the process of product and policy development because they have an enormous wealth of local intelligence. A lot of innovation, the group said, comes from the local level.

In all, this session provided examples of how companies are entering new and emerging markets and discussed the factors they must consider in the context of increasing sustainability challenges. Essentially, companies must improve their understanding of local cultures and needs, increase trust and connectivity at the local levels through greater collaboration, and not underestimate technology’s power to create a ripe environment for “co-innovation.”

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