

# Resilient businesses

Strategies to face the health emergency

## **EIGENMANN & VERONELLI GROUP**

Ludovico Balbo | President

Also thanks to the fact that we have an office in Wuhan, at Eigenmann & Veronelli we had the sensitivity to understand quite early that the Covid-19 emergency was a serious matter and needed to be taken seriously. In February, well before the authorities decreed the provisions which tightly followed one another, we had set up a dedicated committee and immediately applied organisational best practices both in the offices and in production. We enabled all our office staff to work from home, even those who were not equipped with company laptops, letting a minimal task force come to the office to oversee those areas, such as logistics, where we still can't do without paper. In the production departments, we managed to organise shifts for common areas such as the canteen and changing rooms, in order to keep the distance. Luckily - given that we produce chemicals - the production and warehouse staff were already perfectly used to wearing personal protection devices such as masks, gloves and glasses. We have never shut down the production nor the offices. Despite a sharp turnover drop for some industrial sectors forced to stop in April and still struggling to resume business at significant rates, we haven't used temporary layoffs. We have only established a few days of extraordinary closure of the commercial department, to start lowering the accumulated leave, which was overall significant. We already had a digital project in the process of being defined and, of course, it is now even more necessary to pursue it in a decisive and significant manner.

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**How did your company face the emergency caused by the pandemic, in terms of production and organisation?**

Eigenmann & Veronelli is active in the distribution and production of chemical specialities, which we sell in all manufacturing sectors on the territory. Thanks to the growing demand for pharmaceuticals, food, feed and detergents we were able to compensate for the collapse of the request coming from industrial sectors forced to stop their activities in April, or already in crisis since the end of 2019, such as the automotive sector. Our production is mainly aimed at providing, as subcontractors, some of the greatest chemistry brands in the world, which is why in April and May our plants showed excellent utilisation rates. We have not postponed any investment, nor we plan to do it. On the contrary, we are evaluating new ones.

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**What were the main effects you have registered and which functions and company sectors were most involved?**

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**How have your foreign relations changed, in terms of both market dynamics and relationships with the supply chains (branches, customers, suppliers)?**

After some first obstacles in logistics, especially in international trade, we currently have no particular delays or problems, perhaps also thanks to the reduced volumes of general activity. We have not changed anything in our supply chains nor our commercial propensity towards foreign markets, either with our retail branches in Spain, Russia and Turkey or through our agents and distributors network covering all the other markets.

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**Will the organisational model put in place for the emergency be replicable beyond the crisis?**

The current organisation of Eigenmann & Veronelli is technically sustainable. It is giving surprisingly good results, especially thanks to the goodwill, flexibility and dedication that our collaborators have shown in these months. Of course, we do not think that the company can dematerialise forever, for this reason since 18 May we have scheduled a partial return to our offices, based on rigid shifts that allow the right supervision of the activities, but at the same time a reduced total presence of people in the buildings, in order to guarantee the maximum safety of our collaborators. It is still to be understood how to meet the needs of our collaborators who have school-aged or pre-school children, combining their time at work with the commitment to help their children in school activities. We hope that the institutions will soon adopt clear rules for attending school structures, to get organised accordingly.

Furthermore, we are collaborating with the Sacco Hospital to offer our collaborators an epidemiological screening on the spread of Covid-19 within the company. So far, we have not had any cases of infected people or their families. However, we still believe it is useful and essential to use all means to continue to be immune from the infection within the Eigenmann & Veronelli group.

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**Thinking about the future, do you think it will be possible to recover any lost ground in this period and in what time horizon?**

It is hard to predict at the moment. The uncertainty is still very high. It will reasonably take all of 2021 to get back to activity levels comparable to the pre-pandemic situation in general. Then there will always be considerable uncertainty for the automotive sector, which is in turmoil but has not yet taken a defined path as technology and therefore as materials it will need.

Eigenmann & Veronelli has never closed neither the commercial nor the production departments. This was possible thanks to the rapid reorganisation for the safety of our sites and to the extraordinary adaptability and attachment to the company demonstrated by all the collaborators - both those who have never stopped coming to work, according to the new provisions, and those who were available to integral smart-working even using their own devices. What we need are clear and effective policies to support consumer demand, both in monetary and recovery terms, with precise rules suitable for a more normal life, which would reflect in a relaunch of demand, at the moment very low in several sectors.

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**What does your  
company need today  
to start again?**