



Alumni Spotlight

Carlos Piana

Class of 2001
Head of Procurement
Universal Sweet Industries
Guayaquil, Ecuador



by Cristina Mansfield

The Alumni Spotlight focuses on MAB alumni and is written by Cristina Mansfield, a 2004 graduate.

Agribusiness entrepreneur

Carlos Piana is a quintessential entrepreneur, always returning to his interest in agribusiness.

In the early 1980s, he and his father produced rice and soybeans. When he enrolled in the MAB in 1999, they were exporting mangoes from Ecuador. They contemplated constructing a processing plant for acerola, the vitamin C “super fruit,” for export to Brazil and Japan. At the time, the shrimp export industry was booming and a shrimp businessman expressed interest in financing Carlos’ acerola plant. However, a series of adverse events stopped their plans short: the shrimp monoculture was wiped out by the “mancha blanca” (white stain) viral disease, agriculture was devastated by the el Niño phenomenon of 1997-’98, and half of the banks of Ecuador failed the following year. Carlos eventually sold the factory and looked for opportunities outside the sector.

On a trip to the U.S., he bought the exclusive Ecuador franchise rights for Novus Windshield Repair and Replacement. The company franchises automated windshield repair and replacement equipment that allows franchisees to offer full windshield services (polishing, repair, and replacement). The business caught his eye because as a consumer he felt defrauded by the quality of service available in the Ecuador. After acquiring the franchise rights, he went to Chile for orientation, trained his staff, and set up shop.

The wake-up call came when Carlos realized that used car dealers – those

most likely to demand his services – where not interested in investing in the more expensive protective glass used by Novus. Although Carlos also imported Allied windshields, car dealers were more likely to buy supplies on the black market in “exploding” glass that had emerged, notwithstanding the dangers this presented to drivers and passengers. Nevertheless, the Novus business was successful, and Carlos sold franchises in two cities...until he realized that at least one of the franchisees was not using the standard resin when installing windshields that gives Novus its value. He cancelled one franchise, and when a business colleague expressed interest in Novus, Carlos sold his rights and got out.

By the time he put Novus behind him in 2006, Carlos was already working for Universal Sweet Industries (USI), where he is now Head of Procurement. Entrepreneur Isabel Noboa de Loor used her inheritance from plantation baron father Luis Noboa to build an empire of her own. Today, she is President of Nobis, a consortium of companies that includes real estate, commercial, and agribusiness enterprises including USI. When one of Ecuador’s leading confectionery companies, La Universal established in 1889, went bankrupt, Nestle bought up some of the brands. But the factory where Carlos works



The Piana Family: Left to right: Roxana, Annamaria, Carlos, Grazia, Rafael, Roxana, Carlos, and Domenica.

today stood empty until USI bought the remaining assets six years after the bankruptcy.

“I am not sure why, but Nestle did not buy some of the much-loved brands and USI eventually acquired them. Today, we compete with Nestle,” he said (www.launiversal.com).

Carlos started at USI working in cocoa procurement. This is a complex area that

requires knowledge of bean production and processing as well as familiarity with the world cocoa market and factors affecting demand, supply and prices. However, Carlos was already familiar with the industry, which proved to be

useful. USI spends \$6 million annually on cacao. Although USI started with multiple producers, they now have a network of three to four producers that can provide the quality, volume, and price USI needs to remain competitive.

Carlos was also responsible for exports. Since La Universal is a historic brand, many of the three million Ecuadorians living on the East Coast of the U.S.



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remember it with fondness. USI is now exporting the revived brands to the U.S., in particular to New York, Brooklyn, and Miami, as well as to Venezuela, Colombia, Peru, and Spain.

Three years ago new management at USI decided to focus on local sales. Carlos was asked to take charge of all procurement, including glucose, maize, monostearate glycerol, and packaging materials. This represented a big step for him as he had never negotiated procurement agreements

for a full year. For 2011-2012 Carlos was able to negotiate a price of \$2.50/kilo for peanuts. Before he was in a position to negotiate annual contracts, it was not possible to get a price below \$3.00/kilo. The plant buys a lot of liquid glucose and hopes to negotiate with Cargill or

ADM in the future. "Having the annual contract is important. Before we could never get regular supplies."

Along the road, Carlos was also given responsibility for SAP – the information system that links procurement, production and sale of products within a company. As a result, Carlos became familiar with all functions within the company. He also implemented an enterprise resource planning system and just finished implementing ISO 9001:2008. He has also been working



ISO 9001 is a quality management system. Independent third parties provide certification that a company or production facility has appropriate systems. For example, that they have records training back products and raw materials to their source; that there is a system for feedback from customers; and that new products are appropriately tested.

on OSHA's occupational health and safety guidelines for USI.

Asked what lessons he has learned since the MAB program, Carlos

says that the main one has been how different your position is depending on where you are in the supply chain. Having negotiating power allows to you to look for synergies and reach interesting agreements.

"I could not have learned it on my own. This kind of negotiating power allows us to set up mutually beneficial arrangements, not just to get the best terms for ourselves."

At some point, Carlos will want to start his own business again. For now, he feels fortunate to have an interesting and relevant position in Ecuador because the political situation continues to hamper development. "The company is doing well and we expect to become even more profitable next year."

He and his wife Roxana, who teaches grade school, have six children – four girls and two boys ranging from 18 to 4 years of age. They live in Guayaquil, Ecuador. "Everyone is in school, and doing well."

Calendar of Events

March 18-23

Campus Session

April 3

Deadline to have name appear in commencement program

April 16

AGEC 710, Comparative Food and Agriculture Systems begins

April 27

Final electronic copy of thesis due to graduate school to be spring grad

May 1-3

American Meat Institute Show in Dallas

May 11

K-State spring commencement

June 26-28

Institute of Food Technologists Expo in Las Vegas

August 1-13

MAB Trip to France, Italy and Switzerland

August 10

Final electronic copy of thesis due to graduate school to be a summer graduate

in the NEWS...

Brandon Laws, class of 2012, and his wife welcomed baby Carter Michael Laws on November 8th. Carter weighed 6 lbs 6 oz.

Nate Smith, class of 2011, and his family welcomed Aiden Kendrick Smith to the family on December 27th. Nate also accepted a new position as Territory Finance Manager for John Deere in KS and MO.

Sosthenes Mwansa, class of 2013, has accepted the Senior Credit Officer position with Vision Fund Zambia.

Audra Weber, class of 2012, is moving to Thibodaux, LA where she accepted a position as the Factory Order Fulfillment Manager within John Deere Company.

Ben Smith, class of 2011, welcomed a new baby boy to the world. Liam Gene Smith was born December 13, 2011.

Clair Doan, class of 2009, and family welcomed a new baby on Monday, February 6th. Sophia Elizabeth Sadie Doan weighed 6lbs 9oz and was 20.5 inches long.

Charles Loubersac d'Hotel, class of 2012, and his wife, Marie, had a baby boy, Paul, on November 1st of last year.

Martin Mwansa, class of 2013, and his wife have a new baby girl named Joyce. He now also works as a Provincial Marketing Coordinator for the Luapula region under the Food Reserve Agency.

Michelle Evosovich Adams, class of 2006, is now employed as Production Planner for Pacific Nutritional, Inc. in Vancouver, WA.

Meng Tee, class of 2009, and his wife had a new baby, Jonah on September 29th. He also started a new position within the agriculture industry as a Horticulture Consultant.

Alison Rosenblum, class of 2004, moved within Coffee Bean International and is now the Director of Strategic Account Development.

Leah Suellentrop, class of 2002, had a baby, Betty May Suellentrop, on July 2, 2011.