



Lara Botta Guest at Green Business

MODERATOR:

Good morning and welcome all of you to our new episode of *Green Business* podcast today with me, Ramona and Ms. Lara Botta, a Milanese but with international experience.

Lara is the third generation of Italian Entrepreneurs in packaging industry. Their start-up idea was raised briefly by her grandmother in 1947 and has been developed by her following descendants. Today, Lara is Vice President, Business Development and Innovation Manager of Botta Packaging.

Their company has operated in Corrugated Packaging business for over 70 years, received the Ambrogino award by Italian Chamber of Commerce and recently has been honored as the best female's SME by Assolombarda (the Association of Companies operating in Lombardia area). Lara is also the CEO of Instapack.me, listed in the top 100 European Digital Champion by Financial Times.

RAMONA:

Lara was active in the associative sphere of Confindustria (General Confederation of Italian Industry) and ended up as National Vice-president of Young Entrepreneurs till June 2020. Under her vision, their company has focused on Innovative and Ecological packaging solutions recently, which earned them the Italian-wide recognition as the partner of Politecnico di Torino and Sustainable Packaging Experts from COMIECO (National Paper Recycling Consortium). Thanks to the accreditation from Industry's specialists, Botta Packaging has been able to expand their market overseas in all continents.

MODERATOR:

Good morning Lara, Welcome!



LARA BOTTA:

Good morning to you! Thank you for the invitation.

MODERATOR:

Thank you very much for your decision to join us. In the brief introduction, I have mentioned that you are from Milan, but you are also a World's citizen. When and why did you decide to bring your international experience into the family business? Tell us a little bit about your story, we are very curious.

LARA BOTTA:

In fact, it was quite by chance, in the sense that I had already embarked on and started my career in the pharmaceutical sector. I used to work for Roche both in London and Basel, but by the end, there was always an idea of returning home in me. I kept postponing this moment to the right time for coming back to Italy after 10 years abroad.

My dad always asked me: "what do you want to do when you get older?". He wanted to understand my intentions, even though I had already taken a different path. But to me, it's difficult to saying no without even trying. Hence, let's say that the situation began where I was in Italy for work and I decided: "I'll try! So that even when I say no, I could finally say it with a full knowledge of the facts".

I tried and it's a self-aware choice. In fact I took up the first step and I became more passionate than ever about our family business, cardboard and everything in the industry and I'm still here now. All are gainful experience and I don't regret the years spent in a big multinational company. I learned a lot and it was the basis and the foundation, let's say, that guided me how to contribute to my family's business.

RAMONA:

I know that you are also involved at the associative level in a concrete way, so actively that you have been Vice-president of Confindustria's Young Entrepreneurs. However,



the Confindustria realities sometimes seem a bit old in the world which is less a brick-and-mortar but more digital, with innovations that could even make a new idea become obsolete in a very short time.

LARA BOTTA:

In reality, Confindustria is the home of Entrepreneurs, where confrontation is born, ideas are born and Innovation is open. For me, it has been a fundamental basis of incentives that have facilitated the innovations I brought to the company and I am sorry that the old image must be gone.

Actually, not only for me but also for other entrepreneurs, it is an important fulcrum for the birth of new ideas, even new business, which is born from the comparison, from open Innovation, from having access to many entrepreneurs from different sectors who can give you not only ideas, but their experiences. So it is a certain way to keep up with the time, because you should be always up to date on what the market wants and how other companies work, how other sectors work; then where the demand goes, where the supply goes, certainly as a solid base to start from.

RAMONA:

Coming back to Botta Packaging for a moment, I was interested in this question: isn't it difficult to work alongside your father and brother, especially when you have to innovate and develop new ideas?

LARA BOTTA:

So now it all seems like roses and flowers, but in reality, I have encountered an enviable generational changeover.

Dad, our company's President, has always pushed us to take responsibility in the company right from the start. He gave us the opportunity to make mistakes, to do and to try, but always with him by our sides. So I had the dilemmatic problem: he always pushed us, it's an approach, I realize it's rare. I think it was dictated by an awareness of generational changeover theory, from his hope for the company's



future. So, his idea was to be able to implement the things he believed in and dedicate his whole life to his children. I think it is his goal. It's hard, sometimes it can be difficult, because obviously family and professionalism are mixed together when they shouldn't be.

The idea of innovation is a bit part of my attitude; hence, it's such a responsibility that I find quite easy to take it over naturally. We compensate each other a lot as we have different attitudes. So even if there are clashes, the fact is that we are still from the same family and we always find a solution. There are pros and cons, but honestly, I prefer to have people I can trust blindly, with whom I can do business.

MODERATOR:

A few months ago, I heard that a study on consumer perception of packaging was published and 67% of those surveyed considered paper to be the best option in terms of sustainability and recyclability. You are the person in charge of innovation in the company; so I wonder, with all of your new sustainable packaging solutions, do you believe that sustainable packaging can actually change consumer's choice of purchase?

LARA BOTTA:

It does. Absolutely yes, there are several studies that prove it and that is why we focus on patented paper-based products. We know that this is what customer wants in the end, these notions are so obvious to us in this industry, but they have not yet reached all the stakeholders. So it is up to us to try to disseminate statistics to help brands to emerge and not lose market share because if this is what consumer till the end wants, we have to equip ourselves.

Packaging, however, has always been underestimated and considered just as a normal commodity, so we considered the price and had to protect little more, but it used to be all basic. Nowadays, with the advent of e-commerce and this wave of sustainability emerging from end consumers, packaging has a much more important value than before from both points of view: communicating to the customer and following the messages the brand wants to say in its values.



So large companies that do sustainability reporting often talk about sustainability, but they don't always see packaging as a fundamental part of sustainability, which is seen by the end customer now. They used to go from warehouse to warehouse only; now they get directly into the hands of the consumer so the importance of packaging is more and more important.

MODERATOR:

They are very much in agreement that everyone talks about sustainability but somehow sustainability has to be concrete, it has to be visible. In this regard I read that you have made collaboration with Esselunga to replace bubble wrap with corrugated cardboard. Then afterward, this same product, as I understood, has also been taken overseas already. Could you go into a little more detail about the partnership and the product?

LARA BOTTA:

Of course, it is a long-lasting partnership with Esselunga, but with our more specialized experience on sustainable packaging, it has become more and more in line with their mission as well. So, it is about finding more and more innovative eco-friendly products for their packaging. We solved such problems for Esselunga, but not only so.

They raised a brief starting from a problem and we have to solve this problem such as: "I have a packaging that is not very sustainable and not very appreciated by the public. How can you do it?"

And from there starts are the ingenuity that comes from a lot of study, a lot of research. And the idea is to put pieces of puzzles together to find and devise, let's say, an ideal packaging for that situation and a solution that can fit both our customer and the final consumer; obviously without neglecting the protection of the packaging and all the other factors that must remain. Also the cost must remain in the range so it's not easy.

But it's the fun part, even do, because having this specialty, let's say that knowing so much, then you have more pieces of the puzzle that you can fit. This (effort), I think,



is recognized; that's why we are contacted by customers from all continents to try to solve their problems.

To us, it is an acknowledgement that makes us obviously proud in the case of Esselunga. The problem was that they used to use rather bubble wrap for their home delivery envelopes if the orders are bottles and eggs to give them extra protection inside their shopping bags. And they wanted to change.

We did a lot of tests, it is a project that lasted at least a year until we found the ideal solution that was the padded envelope instead of bubble wrap, which are the classic envelope you see around. But with corrugated paper we modified a bit and calibrated for their needs.

As long as we could see our efforts in all the online orders delivered home with the envelopes that we made for Esselunga, it is a recognition because normally, the packaging does not always get to the end customer and we do not always see our result around like this. The fact that Esselunga is a very important brand, very well-known in Italy, to know that so many of our friends and people is receiving our envelope is obviously somewhat our pride.

RAMONA:

Listen Lara, Botta Packaging has been a family company for three generations and in short, as we have well understood, combining tradition and innovation. In general, it's never easy, as far as research and development is concerned, efficiency and energy reserves are certainly elements that can improve the performance and functionality of packaging. I know that you have developed a proprietary algorithm toward environmental friendliness, do you want to tell us about it?

LARA BOTTA:

Yes, very willingly, it is called Pallet Calculator and it is a pallet optimizer that helps it easier to put the boxes in the most sufficient way and optimize the space on pallet.

So, what does this mean for your pallet? I do it as an important economic resource, to avoid wasting space on pallets and then in the warehouse, the warehouse maintenance costs, and then also for transportation - if you not only have more cost on one



aspects (of logistics) but above that, of course you have the consequent on more transportation, more of which could cause more pollution. So, the idea is to see to sustainability as a whole, then try to give a service, which, we remember, is a complex algorithm but easy to use for free on our website. The idea is that everyone can make use of it for their shipments, their storage and therefore it facilitates them. But, by making it easier for them, we obviously do something good to the environment, so our target is to try to be helpful in more ways, not just only by our Eco-Packaging products, but also by going through the logistics procedure. Maybe there are some other software on which you could do a lot of simulations, but most of them are paid-on-service. In Italy, there wasn't a free one yet and we thought: why not? Then let's try to give this service for free.

RAMONA:

Let's keep talking about innovation, tell us how the Instapack.me project was born, of which you are founder and CEO.

LARA BOTTA:

Gladly, Instapack.me was born because at the time we were not very digital so we decided to look at this possibility, this road, but we did not want to be trivial. (Before,) we didn't want to do something different. The idea of producing the boxes and putting them in stock and waiting for someone to buy them was already there. It was nothing new, so after brainstorming, research and various discussions we came across a technology that was unknown to me, called IPA and we started thinking about a business model that could work with the packaging box.

The idea was to be able to provide packaging boxes, and not only those that we have produced and put in stock, but those that could be available anytime in Italy. So we put them all together in a single portal because often when people are looking for the box, if the same old way is remained, when they might need a few pieces, they want it ideal for the contents or to have different sizes valid for all, you should have a stock like full San Siro stadium.



So it is not very efficient, we reiterate the fact that space is a cost, it is a waste and we try to optimize it as much as possible and so we created this portal using a technology that we did not invent. It was already there, but it was there in other sectors, so in Packaging nobody had thought about it yet.

Thanks to this, to this idea, we ended up in a study, as the case study of Assolombarda on Platform Economy, because we are, actually, an example of Platform Economy. We didn't think we wanted to become a Platform Economy, but from inside, we found ourselves doing this, carrying on this idea. Obviously we didn't stop there, another thing in this study, obviously there are case studies about Botta Packaging that represent, let's say, an SME case study. But there are also big names that we all recognize as Amazon delivery, Airbnb... that are the giants of Platform Economy instead. So even just putting a small foot, for us, it is a still our pride, of course.

We didn't stop with the boxes ready in stock, the platform continues to evolve and now we also have the ability to create new boxes in flat cardboard and put on the graphics design, all online. This is to avoid waste because there are no minimum quantities, maybe in a traditional production, you need a minimum order of 10000 pieces, while you only need 1000; then you have to make 10,000 and then throw rest away. In this case you don't need no waste for accessory systems, such as printing systems, die-cutting systems, so the idea is to bring people online and give them a service that doesn't exist yet today but, we think, may be the future.

It streamlines processes and makes everything much simpler and thanks to this, to this innovation, as you said before, we have become one of the Financial Times' top 100 European Digital Champions, which is not exactly trivial. And among other things in this European list there were only 11 Italian companies including Enel Gucci, so in short, even up to there makes us so proud.

MODERATOR:

There is another thing that impressed me a lot, is that you often talk about Frugal Innovation applied to Italian SMEs.



LARA BOTTA:

Yes, a theme that I am particularly passionate about, Frugal Innovation can be defined as "do more with less" as doing more with less (resources). It's born in developing countries, where solutions can't be particularly technological or based on infrastructure that are absent there, so you have to be a bit ingenious, so lateral thinking is necessary, it's a way to solve problems and I think it's a *forma mentis* that the more you do it, the more you think this way, the more you say you're trained, the better you do.

We used this concept and we tried to put it back into an SME, like Botta Packaging can be. It is often thought that innovation needs huge amounts of money, so only big companies can do it. Then we only keep doing what we have always done because we are good at it. It's a way of thinking that I don't particularly get along with. So this "doing more with less" doesn't mean just being able to bring innovation without having a big budget to do it and obviously you have to work hard to do it, without maybe having Super Top consultants to go and ask from, without maybe having Human Resources staff of some kind.

So many SMEs have the same, the same limits, we have the same obstacles at least to innovation and this way of thinking, in my opinion, can also be raised within small and medium Italian companies. In this case, as we have done, we have made use of contacts with many universities and therefore many students, who believe a lot in diversity and Open Innovation. Therefore, contacting with students, who in reality had nothing to do with the corrugated paperboard packaging sector, means that, obviously, a brainstorming could expand to the improbable, because you have no limits, no preconceptions about the sector, about the subject. So I find it particularly stimulating and I'm convinced that it's a way to bring innovation and novelty to companies that, especially when they mature, are struggling to move forward. So I'm very convinced it's something I read a lot here. I like it a lot.

RAMONA:

To conclude, how would you summarize the purpose of Botta Packaging?



LARA BOTTA:

We want to try to facilitate, not just only give a product, but help our customer's purpose. So the idea is about sustainability, the idea is about environmental impact, we facilitate our customers to achieve that goal. So our purpose is also to do it well, because by doing this, turning our work from the simple packaging box to a broader purpose on sustainability as well; obviously we give an extra value to what we do and not just for us. The great thing is that you also do it for the environment, for others, for customers, for brands.

MODERATOR:

Lara, thank you so much for being here with us today, it was really a pleasure chatting with you, discovering what you are doing with Botta Packaging, your path to sustainability innovation which is indeed very interesting.

LARA BOTTA:

Thank you, I hope it doesn't end here and the idea will continue.

MODERATOR:

Thank you very much Lara from me and Ramona, see you soon.

RAMONA:

Bye Lara.

LARA BOTTA:

Thanks to all.