

### 1. Company ID

Company Name:	NaturaPura Ibérica, SA
Activity Sector:	Textile
Core Business / Main Activities:	Naturally coloured cotton products
City/Country:	Braga /Portugal
Year of Foundation:	1999
Number of Company Sites (2004):	1
Website (if available):	<a href="http://www.naturapura.pt">www.naturapura.pt</a> (also in English)
Number of Employees (2004):	Full Time: 7; Part Time: 1; Women: 7; Men: 1
Annual Turnover in 2004 (€):	480.000 (forecast 2005: 800.000)

### 2. Responsible Business Practices – Main Topics

Broad Area(s) of CSR Good Practices:	<input type="checkbox"/> Business Ethics <input type="checkbox"/> Workplace <input checked="" type="checkbox"/> Environment <input checked="" type="checkbox"/> Marketplace <input type="checkbox"/> Community
CSR Issue(s):	<input checked="" type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Sustainable production <input checked="" type="checkbox"/> Consumer safety
Main Drivers to be Responsible:	<ul style="list-style-type: none"> <li>▪ Market differentiation</li> <li>▪ Brand positioning: “the pure ecological brand”</li> <li>▪ Customer trust</li> </ul>
Some Examples of CSR Initiatives in the Broad Area(s) Identified:	<ul style="list-style-type: none"> <li>▪ Support to UN and local governments’ strategy of replacing traditional coca plantations by biological cotton in the Andes region and the Amazonas plateau</li> <li>▪ Biological cotton products certified with European eco-label</li> <li>▪ Assistance to its suppliers in implementing environmentally friendly production processes</li> </ul>
Are the Good Practices integrated into a broader Business Strategy? Yes/No? How?	The company strategy is from the beginning based on the building of a niche market of customers that are environmentally sensitive and value high quality, comfort and hypoallergenic characteristics of biological cotton.
Business Benefits:	<ul style="list-style-type: none"> <li>▪ Product differentiation</li> <li>▪ Focus in a growing market niche</li> <li>▪ Increased loyalty of socially and environmentally driven customers</li> </ul>
Stakeholders/Beneficiary Groups addressed by the CSR Good Practices:	<ul style="list-style-type: none"> <li>▪ South American farmers</li> <li>▪ Customers</li> <li>▪ Neighbours</li> </ul>
Benefits for Society/Stakeholders:	<ul style="list-style-type: none"> <li>▪ Biodiversity of cotton species</li> <li>▪ Community in general</li> </ul>
To Whom and How did the Company Communicate their Actions:	<ul style="list-style-type: none"> <li>▪ Web site</li> <li>▪ Trade fairs</li> <li>▪ Seminars</li> <li>▪ Company brochure and product catalogs</li> <li>▪ Merchandising and packaging</li> <li>▪ Environmental education programs in the local schools</li> </ul>
Awards / Certifications / Marks of Honour:	<ul style="list-style-type: none"> <li>▪ European Eco Label Certificate (PT 16/’01)</li> </ul>
Difficulties Found in the Good Practices Implementation:	<ul style="list-style-type: none"> <li>▪ Complexity and duration of the certification process (first in the field in Portugal)</li> <li>▪ Identification and training of industrial partners / suppliers</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Tuning of the manufacturing process</li> </ul>
Sources of Further Information:	-

### 3. Responsible Business Practices – Description

NaturaPura, “the pure ecological brand”, is a small but fast growing company, with a business strategy based on high quality 100 % natural products, sold at premium prices in selected stores in some of the most demanding World markets. The company is growing fast and supporting environmental and social causes at the same time.

NaturaPura Ibérica, SA is a spin off of a traditional Portuguese medium sized textile company. Mr. Ressurreição, the founder, a textile engineer and entrepreneur, visited the Andes in the late nineties and was surprised to see naturally coloured cotton plantations. As much as he knew, the green and brown varieties of cotton had very low market value and were facing extinction. He heard of a local program, supported by the UN, which aimed to save this endangered species, promoting the replacement of the traditional coca plantations by biological cotton. As a textile engineer, Mr. Ressurreição was well aware of the unique properties of biological cotton – produced without pesticides – and thought about producing a new range of high quality, extra soft and hypoallergenic products.

It required some research effort, but Mr. Ressurreição faced it as a good defy and decided to place an order for the first experiments.

During the process, Mr. Ressurreição thought it would be convenient to launch a new brand and started to work on an image strongly connected with the characteristics of the product and so NaturaPura was born and became an independent company in 1999.

Meanwhile, he became aware of the European Eco Label initiative and decided to apply for the distinction, which he obtained after two years of efforts and a difficult process, because it was the first one in the textile industry in Portugal.

The tuning of the manufacturing process proved to be long and costly, but eventually ended up in a completely new product line which was launched in 2002.

NaturaPura buys its raw material directly from the producers and assures that all the transformation process is completed in a natural way, without the use of pesticides or colorants. Different colours are obtained using the appropriate mix of naturally coloured cotton and the whole process must be closely monitored.

It wasn't easy to find local manufacturers willing to work with this kind of different material and so, in the beginning, NaturaPura had to assist them strongly in the tuning of their machinery. They are now more used to it, but are still subject to periodic auditing in order to ensure the purity of the final product.

Contact with NaturaPura team reveals their passion for the company. They know they are working for a different company and are happy to share their experiences with visitors. Life working balance is taken seriously: timetables are flexible, as long as the work is done.

NaturaPura's doors are opened to the local community in many different ways:

- Making the training room available to the initiatives, meetings and training sessions of local institutions.
- Supporting environmental organizations and local environmental education initiatives.
- Supporting cultural initiatives and regional development organizations.
- Presenting their business case in various workshops and seminars related to innovation, sustainability, CSR and environment.

### 4. Training Exploitation

#### A). Additional Relevant Information concerning the Exploitation of this Study Case in Training Situations (relevance criteria: broad area(s) of CSR good practices)

NaturaPura's main interest as a case study lies in the fact that environmental awareness, combined with appropriate technical skills gave birth to a completely new business concept. Company image is strongly supported by the European Eco Label recognition, a powerful tool for differentiation.

This case can be used as an example of CSR practices for both Marketplace or Environment, but we suggest trainers to use it as an example of business synergy between the two.

#### B) Pedagogical Suggestions concerning the Exploitation of this Study Case in Training Situations (relevance criteria: broad area(s) of CSR good practices)

##### 1) Topics for discussion:

- Possible words that might be associated with a brand like NaturaPura
- Importance of biodiversity in the sustainability of the planet Earth
- Biological agriculture *versus* heavy use of pesticides
- Positive impact in both the local and global community induced by replacing coca by cotton
- Interest of company involvement in local environmental education

2) **European Eco Label:** visit the Website <http://www.eco-label.com/> and explain the concept to the participants. You may also use the definition included in the project's CSR Glossary.

3) Globalisation is leading to a heavy crisis in the European traditional textile sector. Lots of neighbour companies are experiencing difficulties or exiting the market. NaturaPura invested a lot in R&D, Eco Label recognition, brand building and corporate image. The increase in the sales figures approaches 100 % growth for the third year in a row, but the company is only now reaching the break even point. Invite participants to comment on **the value of the company and compare it to the one of a traditional textile business.**

4) NaturaPura started selling in corner shops, opened its first exclusive shop in November 2004 and a second shop one year later. The company is preparing to franchise the concept. Discuss with the participants the main aspects of a balanced **relationship between a master franchise and its franchisees.** (If available, use an example of franchise agreement)