
Fecc's interviews: anniversary special

Eigenmann & Veronelli and Stockmeier Group

This is the first part of a series of interviews with four CEOs from member companies, which are celebrating special anniversaries this year. The next two interviews will be included in the December issue of our newsletter.



Fecc interview with Eigenmann & Veronelli: Gabriele Bonomi

Recently appointed as Eigenmann & Veronelli's new CEO, Mr. Bonomi has over 30 years' experience in the chemicals sector.

As your company celebrates an important anniversary and a great achievement, how would you describe the evolution of the chemical distribution sector and which are the new targets for the future?

Eigenmann & Veronelli has been founded in 1910, and during those 110 years of activity the World changed a lot, and the same changed our services to our business partners. In the first decades of the XX century the requests were mainly for base chemicals suitable to start the first pioneering chemical productions. In the years, the Society needed more sophisticated products to meet evolved requirements, at first in technical performances and more recently to answer the need for health and environment safety. Our services developed accordingly, focusing our product portfolio on specialty chemicals and on pre and post sale technical services in order to allow our customers to foster their capability in developing innovative and differentiating products.

The future targets for specialty chemicals distributors are related to our capability to be facilitators in the supply chains of Circular Economy and helping the Sustainability of the chemical productions.

Which are the key challenges your company had to face through the years and how these challenges contributed to the evolution of the sector?

After decades of growth, some important indicators of the Chemical industry have changed over the past few years and the recent financial results have shown decrease for many producers. This slowdown in financial performance will reflect important changes in the chemical distribution industry's sector as well.



Gabriele Bonomi, CEO



Eigenmann & Veronelli SpA

110th Anniversary

"The future targets for specialty chemicals distributors are related to our capability to be facilitators in the supply chains of Circular Economy and helping the Sustainability of the chemical productions".

The pressure on the results from our suppliers' partners is going to be transferred to our companies and this could generate a new season for re-definitions of the chemical distribution channel

Unfortunately the reduced growth in the final demand and the complex geopolitics scenarios are not helping our companies to overcome these legitimate pressures.

Has the relation with your customers/principals changed through the years? How you see this collaboration evolved and which will be the future challenges?

The relationship between producer and distributor has changed more in recent years than the relationship with the final clientele. The consolidation and integrations of activities that took place in the last decade have led producers to raise the level of attention on the distribution channel that has been asked for a greater level of partnership through transparency and sharing of objectives. Today the distributor can not only increase sales but must also share the manufacturer's strategies. The future that I would like to anticipate will be a precise segmentation between similar organizations or producers and distributors who will align themselves totally and who will not.

Do you see innovation and digitalization as key aspects of the chemical distribution sector? In which way?

The digitization of processes and activities is certainly an opportunity that companies in the sector must be able to seize and develop also in the light of the most recent events linked to the pandemic that has shown everyone that a different systemic approach to work is necessary. However, I remain convinced that the distribution sector still has many margins for improvement even in the more traditional areas such as pre and post sales technical support or logistics. Digitization must be at the service of improvement and not be an end in itself.

What other trends are rapidly evolving in the chemical distribution sector in your opinion?

I foresee an evolution in the medium term including a clear separation of the activities linked to the distribution of specialty chemicals from the distribution of commodities.

Recent corporate reorganizations are pushing towards a clear identification of the areas in which one wants to operate and, consequently, of the opportunities that they can offer to partners. Product portfolios have grown a lot because of M&A operations by manufacturers and distributors and this consolidation is leading to decide which horizon to look at.

Sustainability and circular economy are clearly high on the European agenda with the EU Green Deal being a central topic in the European Commission – how do you see chemical distribution contributing to these key aspects?

Distributors will necessarily have to follow the decisions taken on the Green Deal like Producers and Customers do. Fundamental will be the alignment to the sustainability and circular economy chain primarily through the quality services offered but also through the conscious choice of partners to work with. I am convinced that these new-shared principles will lead to a selection of the players present and will reward the most virtuous companies in this sense.

How regulation impacts your business and in which way your business could benefit from regulation in your opinion?

Regulations have always impacted the sector in terms of the greater commitment required of companies to adapt their knowledge to the growing regulatory complexity. Similarly to the previously analyzed aspects of Sustainability and the Green Deal, in this case, too, I believe it is essential to adapt to what is required by the relevant Bodies in order to differentiate by aiming for the excellence of the services offered.

How has the chemical distribution sector been impacted by the COVID-19 pandemic and which consequences/challenges do you see coming in the next ten years?

Covid has suddenly confronted the whole of humanity with something unexpected that anyone has had to relate to. All people, companies and markets have found a new challenge that no training course or previous personal experience has been able to prepare to face. History teaches us that when these things happen, a selection process is triggered that sees only those who are organized and open to change survive and then flourish. The Chemical Distribution sector is no different from other industries in that aspect.

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Fecc interview with the STOCKMEIER GROUP: Peter Stockmeier

Peter Stockmeier works for the STOCKMEIER Group since March 1991. As managing partner, he is currently responsible for the M & A business area and is also in charge of the investments.

As your company celebrates an important anniversary and a great achievement, how would you describe the evolution of the chemical distribution sector and which are the new targets for the future?

I have now been working in chemical distribution for 30 years and have witnessed how the business has evolved from local to global. We continue to see a consolidation of the European market and want to play an active role in this process.

Digitisation will also challenge us in the future and we look forward to the challenges that awaits us.

Which are the key challenges your company had to face through the years and how these challenges contributed to the evolution of the sector?

Our origins lie in a regionally active chemical trading company with family structures. Today we see ourselves as one of the leading chemical distributors in Europe and producer of cleaning agents, adhesives, paper and textile auxiliaries as well as flavours for the food industry.

Has the relation with your customers/principals changed through the years? How you see this collaboration evolved and which will be the future challenges?

In the past, our suppliers had their own distribution structures to serve smaller customers. Nowadays a distributor is the extended arm of the principals.



Peter Stockmeier, Owner and managing director



To celebrate this special anniversary, the Stockmeier Group has published the company chronicle. In this publication you can read about the full story of the company starting from its beginnings in the 1920s. You can access it [here](#).

"Digitisation will also challenge us in the future and we look forward to the challenges that awaits us."

We see the need among our principals to be able to market as large quantities as possible across the board and at the same time keep the complexity for our partners to a minimum. Excellent customer care by well-trained personnel is the basic prerequisite for success and acceptance.

Do you see innovation and digitalization as key aspects of the chemical distribution sector? In which way?

We see both topics as key issues for the future. Digitalisation will have a strong influence on the world of trade and will probably not stop at chemical distribution. Digitisation in internal operating processes has long been a matter of course and is constantly being developed.

The term innovation speaks for itself. Those who do not constantly question themselves and revise their processes will lose touch.

What other trends are rapidly evolving in the chemical distribution sector in your opinion?

In addition to the pure distribution business, we see ourselves on the way to becoming a contract manufacturer, producing increasingly complex formulations for our customers. In sales, increasing specialisation is taking place in order to be able to support the customer optimally in his challenges.

Sustainability and circular economy are clearly high on the European agenda with the EU Green Deal being a central topic in the European Commission – how do you see chemical distribution contributing to these key aspects?

We have been taking these issues very seriously for a long time and see a great responsibility there on the part of the distributors.

Our customers and suppliers naturally also challenge us with these issues and a standard has developed which must be observed.

"Those who do not constantly question themselves and revise their processes will lose touch."

How regulation impacts your business and in which way your business could benefit from regulation in your opinion?

There are countless regulations and laws that make life difficult for us. To go into more detail at this point would go beyond the scope of this report.

The safe handling of chemicals has been a matter close to our hearts for decades. We have accompanied Reach or the Biocides Regulation from the very beginning and now see advantages in the marketing of the corresponding products in the fact that our respective experts have intensively dealt with the laws.

How has the chemical distribution sector been impacted by the COVID-19 pandemic and which consequences/challenges do you see coming in the next ten years?

When the pandemic came to Europe, we were all very concerned about whether we would keep our businesses running. At Stockmeier, we have communicated closely with the workforce about the rules of conduct and we have come through these strange times very well so far. We have seen declining sales from our customers, such as those in the automotive industry, but sales of disinfectants have been quite successful.

I cannot say where the journey will take us in the long term, and I hope that a vaccine will soon be found that will lead us back to normal living conditions.