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## Ana Maria Igel

Ultrapar

Ultrapar, one of the four biggest conglomerates in Brazil, is proud of its family business background. Now 80 years old, Ultrapar was started by Ernesto Igel, who then passed the business on to his son Pery. Committed to the professionalization of the business and intent on handing control to non-family professionals, Pery was a visionary who realized the importance of hiring outside managers to grow the business. Even now that it has become a huge conglomerate worth billions of dollars, the values and culture left by Pery and his father are still central to Ultrapar's principles.





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former member of the Board,  
Ultrapar

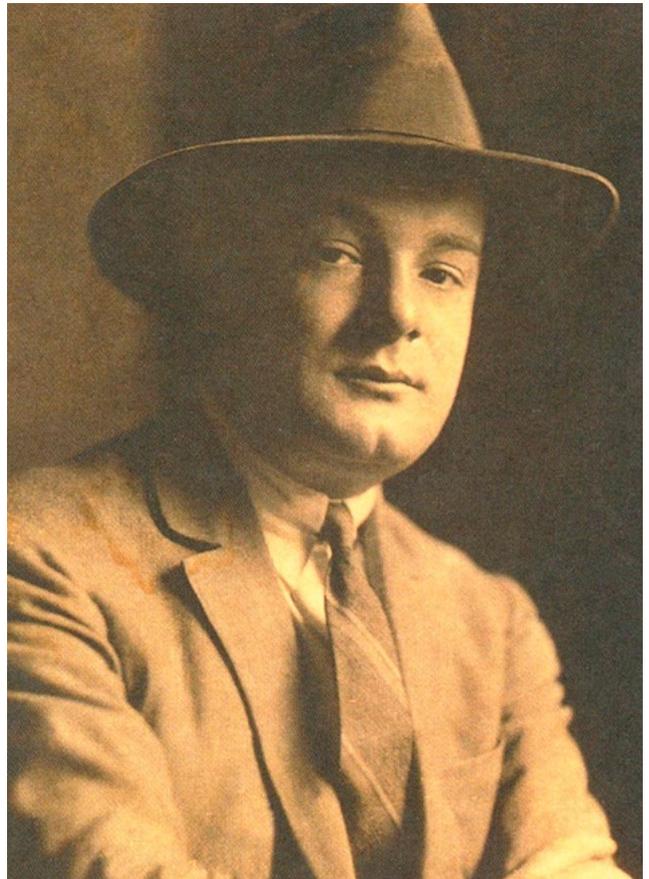
Ultrapar Participações, better known as just Ultrapar, is one of Brazil's biggest companies. Founded in 1937 by Ernesto Igel, among Brazil's greatest entrepreneurs of the 20th century, Ultrapar, through a holding company, is still partly family owned. And, although the family no longer run the business directly, their influence on it remains strong today.

Ultrapar is a company of many parts. Starting out as a small distributor of liquefied petroleum gas in Rio de Janeiro, Ultrapar today operates in five areas: fuel distribution, through a company called Ipiranga; LPG through Ultragas; petrochemicals through Oxiteno; storage liquids through Ultracargo; and pharmaceutical retailing through Extrafarma. In 2015, the entire group had revenues of US\$31 billion and today, it employs more than 15,000 people.

As with many great businesses, the founder's vision in seeing an opportunity – and creating a viable company from it – is very much part of Ultrapar's history. Ernesto, who was born into a business family in Vienna, Austria, immigrated to Brazil after the World War I when he was 26. He set up Empresa Brasileira de Gáz a Domicilio Ltda in 1937 and, a year later, changed its name to Ultragas.

"The very creation of Ultragas was an extremely entrepreneurial initiative," says Ana Maria Igel, Ernesto's daughter-in-law and former board member of Ultrapar. "It began using gas from the Zeppelin airships, which had discontinued their flights. But some of the gas for them remained stored in Rio de Janeiro, and no one knew what to do with it. Ernesto had a good relationship with the Zeppelin company. He then acquired the gas and decided to bottle it to be used for cooking. This was the beginning."

The company started its operations with just three trucks and 166 clients. But, through Ernesto's efforts, the company grew rapidly and soon became a household name in gas distribution in Brazil. In 1959, Ernesto named his son Pery Igel as his successor. Pery, Ana Maria's husband, took the business to an altogether bigger place in the fast-moving Brazilian corporate world of the 1960s and 1970s. He moved



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the headquarters to São Paulo and set up new businesses, including the petrochemicals business under the Oxiteno brand and the liquid storage group Ultracargo. He also consolidated the business and sold off subsidiaries such as Ultrapar's fertilizer and industrial engineering businesses in order to focus on areas the company felt were the most profitable.



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In the late 1980s, Ultrapar concluded its process of internal reorganization and strategy definition. Members of the Igel family (left to right) are Joyce, Pery, Ana Maria, Fábio, Ernesto and Marcia.

to list came one year after Pery's death, and not before he had transferred the controlling shares of Ultrapar to his family and senior company executives with the creation of a holding company called Ultra SA.

During his years as leader, Pery was a strong believer in the professionalization of his family's business, as his widow says. "Pery developed the notion that, to achieve permanence, the business had to be professionalized. He believed that everyone should find their own way and not take the company for granted. He used to say: 'The President's chair is not inherited, it's conquered.'" So the third generation pursued their own careers outside of the family business. And since Ana Maria stepped down from the board of directors of Ultrapar around a year and a half ago, no family member has held an executive position at the company.

Along with executives who participate in the stock option plan, the family heirs sit in the holding company, which has a 22% stake in Ultrapar. And despite the family playing no role in the day-to-day management of the business, Ana Maria says the principles of Ernesto and her husband are very much alive at Ultrapar. "The principle of being low profile, of not getting involved where we shouldn't, and of always following the best industry practices – the company is known by these principles, and they are the reason why we have always been successful." Ana Maria adds: "All of the company's practices are aligned with the idea of always having a group of high-level executives and associates who see themselves as a family – which is what we think: we are all family."

## Professional commitment

Pery stepped down as CEO in 1981 and appointed Vice President and non-family member Paulo Cunha as his replacement. In 1999, Ultrapar listed on the stock exchanges of São Paulo and New York, and was the first Brazilian company to be traded on the New York Stock Exchange. The decision



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Ana Maria Igel

### Innovation is fundamental

Innovation and entrepreneurship have always been the driving force of Ultrapar throughout its 80 years of existence. “Innovation is fundamental,” says Ana Maria. “If you do not position yourself in communications as they are today, with all the new techniques and possibilities available, you will fall behind. We are constantly seeking new methods and improvements, whether in gas distribution or whether in liquid storage. The company is always seeking new technologies, especially in IT. The family, as well as the group of executives now running Ultrapar, are fully aware that this is very important for the business.”

Asked what growth means to Ultrapar, Ana Maria is adamant that it is about the customer. “Above all, Ultrapar is a services company. The first thing it seeks to look at is the consumer, not only profit or growth. Growth depends on the ability to deliver what the consumer wants and at a reasonable price. In other words, the idea is always to keep the consumer satisfied, using all possible known and innovative practices, in order to provide a better service.”

Interestingly, Ana Maria calls herself an “in-between” generation within the family business: “I am between the second and the third generation. Because I am not from the second, as I am a widow from the second generation. My children are already represented in the third generation.” Given the systematic outside professionalization of the business since the 1980s, does Ana Maria think any members of the third generation will participate in the business in the future? “God only knows what the new generation thinks! I believe things are changing at a fast pace; innovation is constant. I do not know up to which point this new generation will engage with it. But I believe they will at some point because, if they do not, they will fall behind.”

Whatever happens, the legacy left by the preceding generations will shine a guiding light for how members of future family generations engage with Ultrapar. But whether the next generation choose to play a more active role in the business or not, the values of the family will live on for many years at Ultrapar.

### Ana Maria Igel

Former member of the Board

Company name:	<b>Ultrapar</b>
Generations:	<b>Second and third</b>
Founded:	<b>1937 in Rio de Janeiro, Brazil</b>
Industries:	<b>Oil and gas distribution and storage</b>
Employees (2015):	<b>15,000</b>
Revenue (2015):	<b>US\$31b</b>