

A New Element in SQM's Global Strategy

Speculation had been rife of late in the offices of *Fertilizer Focus* about a possible name change for SQM, which has an international leadership position in the production and distribution of business formulae for the markets of Specialty Plant Nutrition, Iodine, Lithium and Industrial Chemicals. This speculation was sparked by new advertising copy from SQM in which the "Q" was absent from the existing SQM logo and the remainder of the text of the advertisement consisted of the rather cryptic message "We took care of the Q to change it forever - Worldwide evolution coming soon!" Could this possibly signal the abandonment of the SQM name? The staff at *Fertilizer Focus* thought that such a change was very unlikely, given the evident success of SQM, which has annual sales totalling around \$800 million in over 100 countries and operates commercial offices in 22 countries.

All became clear early in November when SQM hosted a special event at the *Horti Fair 2004 Exhibition*, held in the RAI Conference Centre in Amsterdam, The Netherlands. The event, attended by 170 guests representing SQM's most important clients, customers, partners and joint ventures around the world, served as the launch of SQM's new corporate identity and *The Element Q*, symbols of alterations in philosophy in recognition of changes in the markets served by the company and in the expectations of SQM's clients.

In addition to being entertained by stunning exhibitions of dancing, guests at the official launch of the new corporate identity and *The Element Q* were addressed by leading SQM Executives Mr. Eugenio Ponce, Senior Commercial Vice President, and Mr. Frank Biot, Specialty Plant Nutrition Commercial Vice President. They explained that SQM had spent the last decade consolidating its leading international position in plant nutrition, building upon its competitive advantages to ensure long-term growth. Having successfully achieved their goals in the sphere of production, the company was now turning its attention to the whole of the distribution chain. SQM no longer wanted to be known merely as a producer or seller of products; in the future, the company wanted to be the closest partner of its clients, providing business solutions through integrated specialty plant nutrition programmes. It was explained that SQM has already begun to evolve towards this goal, re-orientating all



Mr. Eugenio Ponce, Senior Commercial Vice President of SQM, addresses guests at the launch of SQM's new corporate identity and *The Element Q*.

human, technological and natural resources towards a wider vision, towards focusing on the worldwide businesses of its clients. Mr. Ponce and Mr. Biot contended that this refocusing illustrated that SQM is not only committed to supplying top quality products and services; the company is also genuinely interested in promoting the growth of its customers.

With this in mind, SQM was adopting a new business approach, embodied within a new logo "SQM - The Worldwide Business Formula". Mr. Ponce and Mr. Biot went on to explain that, supporting this new logo was a new asset,

called *The Element Q*. This asset summarizes the benefits that SQM's clients expect from the company's international business formulae, namely "Qloseness, Quality, Qommitment, Qrop, Qompromise, Qnowledge, Qreativity, Qare". *The Element Q*, they noted, is SQM's unique warranty seal which, when contained in all of the company's brands, will help all of the company's clients to enjoy accelerated growth. Consequently, they concluded, henceforth SQM would stand for "The Worldwide Business Formula" and the businesses of SQM's clients would be "Powered by Element Q". ■

