

The three main allies in Abilio Diniz's trajectory

Entrepreneur counted on three trustworthy men to take GPA to the first place among retailers in the country

Tatiana Vaz, for Exame.com

São Paulo – The ability of entrepreneur Abilio Diniz to manage a business is unquestionable. The entrepreneur saved the company founded by his father from bankruptcy in the 90s, after well crafted strategies, to become the first place in the ranking of Brazilian retail. Behind the scenes, however, the presence of three allies always had a considerable impact on the decisions made by Abilio. Pércio de Souza, Claudio Galeazzi and Enéas Pestana played a crucial role in the trajectory of the entrepreneur and in the growth of Grupo Pão de Açúcar. Understand why.

Pércio de Souza

The banker from Curitiba, Pércio de Souza, founder of investment boutique Estáter, is the principal advisor to the entrepreneur Abilio Diniz on mergers and acquisitions. It is he who was besides Abilio during the purchase of Ponto Frio and during the merger with Casas Bahia – and also the unsuccessful purchase of Carrefour in Brazil.

Abilio met Pércio shortly after the first great financial crisis of the company, in the beginning of the 90s. At the time, Pércio worked as an executive of BBA and was involved in two large leveraging projects of the Diniz family: the issuance of the retailer's stock and the long negotiations that culminated in the association with the French group Casino, in 1999. In this episode, of vital importance for the sustainable growth of the company, Pércio earned the trust of Abilio – and a big business opportunity.

In 2003, Pércio left BBA to found Estáter to advise on large mergers and acquisitions of corporations in Brazil, taking along one of the most desired clients in the country. Since then, the executive helped design practically all major strategic movements by Pão de Açúcar – in addition to other large transactions in different sectors, such as the sale of Ipiranga to Ultra, in 2007.

Claudio Galeazzi

Current partner of BTG bank, Claudio Galeazzi was president of Pão de Açúcar from December 2007 to March 2010 and responsible for setting the company on the right path after yet another crisis. Known for his strong hand on cost cutting in search of profitability, Galeazzi received *carte blanche* from Abilio to deliver on a delicate mission: take the company out of the red, in a scenario ever more competitive with the arrival of Walmart in Brazil, in 2003.

Under his command, the group went through a restructuring that included cost cuts, change in the product mix, and reduction of headcount. As a result of this, the availability of products on shelves started to vary in accordance to the location of the store. The aggressive discounting policy that had

been practiced by the retailer was suspended. At the height of the changes, in 2008, 20 directors and a further 300 employees were laid off. The results appeared during subsequent months. Between January and September 2009, profit grew 162% in relation to the same period in 2008.

Besides improving results, Galeazzi had one last task from Abilio – this one even tougher. He would help in choosing his successor in the presidency, a role previously performed by two other executives without great success.

Enéas Pestana

Current president of Grupo Pão de Açúcar, Enéas Pestana was the fourth executive chosen to occupy the position occupied by Abilio Diniz until 2003. The first two – Augusto Cruz and Cássio Casseb – left abruptly. The exception was the consultant Galeazzi, who arrived at the end of 2007 with a temporary mandate to reorganize the business and find a successor within the group. Extremely cautious, the selection process lasted two years and had active participation from Abilio, including in a stage not least unusual: a visit to Pestana's therapist during the final stretch of the selection process.

The choice of Pestana was made, primarily, for this performance as an executive during the restructuring of the company. Alongside Claudio Galeazzi, he was one of the key responsible people for the recent operational efficiency achieved by the group. "Enéas was the candidate with a profile most similar to Galeazzi's, who put the house in order. His choice was natural", said an executive close to the group during an interview with Revista EXAME at the time of the nomination of Pestana.

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