

RUMARA AND ITS FAMILY LEGACY¹

I always speak with immense pride when asked about the origins of the Miroglio family. I share our story so that people can understand that, today, thanks to God, we are in a much better situation. We now know our entire history, from the humble beginnings when we had very few resources. Some people inherit everything; others may not, or they might not know how to manage what they have. Then there are those who, through family unity, achieve success. This is our story. Our family has always remained united in work, vocation, and effort. Today, my children—Catalina, Aquiles, and Antonella—continue the family legacy."^{2,3}

— Gustavo Miroglio, founder of RUMARA

On a quiet morning of May 15, 2024, Gustavo Miroglio, owner and CEO of the Argentine family business RUMARA, was reviewing plans with his daughter Catalina, who had recently joined the company's management. They were finalizing the launch of the production and commercialization of organic soybean oil and its byproduct, expeller⁴, derived from soybeans.⁵

Under the umbrella of OilGreen, a company fully owned by RUMARA, the Miroglio family was processing forty tons of soybeans per day at that time, using energy generated by 412 solar panels. By the end of 2024, they aimed to double their production capacity, with a future goal of reaching 250 tons daily."

¹ This is a Case study from the Research Division of San Telmo Business School, Spain. Prepared by Professor Isauro López Polo of San Telmo Business School and Mr. Alejandro Erb, for use in class, and not as an illustration of the proper or improper management of a given situation.

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² https://www.clarin.com/rural/historia-miroglio-pinta-evolucion-agro-argentino_0_JQkqTLf3B.html, accessed in February 2024

³ <https://agroempresario.com/publicacion/44684/los-miroglio-una-familia-que-lidera-el-avance-del-agro-argentino/>

⁴ Soybean expeller is the residue left after oil is extracted through the pressing process. It serves as a highly nutritious feed for poultry, pigs, and cattle, offering a rich source of protein that is high in lysine, an essential amino acid.

⁵ It is the legume that provides the most protein, with a composition of amino acids that makes it complete and comparable to animal protein. Its protein content surpasses that of beef, chicken, or pork, and is three times higher than that of eggs. It is a rich source of protein, carbohydrates, dietary fiber, calcium, iron, potassium, magnesium, phosphorus, zinc, and vitamins A, B1, B2, B6, and E. It can be transformed into various products such as tofu, milk, butter, oil, sauce, miso, flour, pasta, jam, soy nuts, sprouts, and even soy meat—a popular meat substitute, especially for vegans and vegetarians.

Given this level of activity, their soybean consumption would be three times greater than the number of soybeans produced by the group. Additionally, many more photovoltaic panels would be needed, as the energy consumed by the factory would be equivalent to that required by the entire municipality of San Andrés de Giles⁶. This expansion would also allow the initial workforce of twenty-five people to grow tenfold.

To ensure the project's success, the commercial development of OilGreen was urgently needed. Europe, North America, China, and the Middle East were identified as key markets for organic soybean oil.

HISTORY OF THE FAMILY BUSINESS AND RUMARA

The Miroglio family's history and their business are rooted in San Andrés de Giles, dating back to 1930. Juan Miroglio, Gustavo Miroglio's grandfather (see family tree in Annex 1), was a farmer who tended a small plot of land by himself. In contrast, José Rubiero, Gustavo's other grandfather, also from modest conditions, engaged in two activities: he cultivated a plot of land with eucalyptus trees and some animals in the morning, and served as the treasurer of Banco Provincia de Buenos Aires in the afternoon.⁷

Rubens Miroglio, Gustavo Miroglio's father, graduated as an agronomist engineer from the Agronomy School of the University of Buenos Aires in 1955 after much effort and sacrifice. He initially ran an institute for minors in Luján while maintaining the family home in San Andrés and farming a small two-hectare plot. In 1969, Rubens resigned from the institute's directorship due to the difficulty of balancing this role with his family life. He then became an appraiser for Banco Provincia and a teacher at the San Andrés school.

In addition, Hugo Rizzo Patrón, a poultry businessman from Moreno and a father grateful for Rubén's work with his son at the institute, proposed a partnership to run a farm with two thousand chickens. Rubén accepted the offer, and the entire family worked on the farm while juggling their daily responsibilities, including studying, teaching, working in the fields, appraising, and managing the household. Shortly thereafter, the Miroglio family built their own farm, which expanded significantly to produce three and a half million chickens annually by 1987. While Adrián pursued engineering studies, Gustavo managed and worked in the family business.

From 1984 onwards, the Miroglio family expanded into agriculture by acquiring small farms and cultivating four thousand hectares of corn, wheat, rapeseed, and soybeans. In

⁶ "San Andrés de Giles is an Argentine town located in the northern part of Buenos Aires Province, along the banks of the San Andrés de Giles stream. It is situated 108 km from the center of the City of Buenos Aires. The town's origins date back to 1793, when Father Vicente Piñero, the vicar priest of San Antonio de Areco, ordered the construction of a modest oratory on land donated by Francisco de Suero y Giles. On December 16, 1937, San Andrés de Giles was officially declared a city. Its population grew from 7,546 inhabitants in 1960 to 16,243 in 2010.

⁷ Banco Provincia: Argentine bank with a long tradition. <https://www.bancoprovincia.com.ar/home/>

1990, they incorporated the family business under the name RUMARA⁸ to facilitate the generational transition from the second to the third generation.

Agricultural production grew alongside poultry farming, and by 2024, they managed nine thousand hectares of land, either owned or leased. However, 2001 was a challenging year for Argentina due to the economic crisis. During this period, the company that purchased RUMARA's grain and supplied feed for the poultry farms went bankrupt and ceased operations. Gustavo commented:

“It was a horrible, horrible, horrible experience. But thanks to our family’s strength, we faced it head-on and started over on our own. We never managed to recover the money owed to us by that company—it was a significant loss. We were abruptly informed that the factory had shut down. As a result, we had to begin producing our own chicken feed. We also started organizing a large grain storage warehouse. From that point on, we became fully independent in our production. We decided to work on our own, no longer in partnership or working for anyone else. This shift allowed us to grow in agriculture; although we didn’t expand further, we have successfully maintained our production.”

After navigating numerous economic fluctuations and their impacts on the business, the Miroglio brothers decided in 2017 to safeguard family interests, peace, and their heritage as the fourth generation began to get involved. They restructured the company into four separate entities and redistributed them among family members. Adrian took sole ownership of the poultry operations and continued to manage them. Meanwhile, Gustavo became the sole owner of the agricultural and feed production sectors, overseeing them exclusively. Both brothers agreed that the feed mill would provide the farms with all necessary feed, using a transfer price formula based on objectively fixed on parameters outside the family's influence. Gustavo recalled:

“We always make our business decisions with a strong focus on family values and with the support of the family members. In 2017, my brother and I decided to protect the family’s interests, which was a pivotal moment in our history. We understood that failing to make timely decisions, even difficult ones, could jeopardize everything we had built with so much effort. With our parents no longer alive, it was up to us to ensure the continuation of the family legacy. After restructuring, we were able to operate with greater freedom and began incorporating more technology into our work. We started investing in sophisticated and novel equipment; for example, a state-of-the-art German combine and other machinery for specific applications.”

In 2020, the COVID-19 pandemic, which severely impacted Argentina as it did the rest of the world, did not deter Catalina Miroglio from completing her business administration

⁸ The name was created in honor of Gustavo Miroglio's ancestors by combining the first syllables of their names: his father Rubens ('RU'), his mother Marta ('MA'), and his aunt Raquel ('RA'), who have all guided the family.