

Outdoor products and equipment company

Cudell OS invests in differentiation and external markets

Subtitle of Gustavo Cudell's photo: Gustavo Cudell, CEO of Cudell – Outdoor Solutions, S.A., says authorities don't always respond swiftly to companies' needs.

The Cudell – Outdoor Solutions (Cudell OS) has been undergoing a series of transformations. The main objective inherent to its strategy is differentiation and innovation, in a quite competitive market. For now, the company aims to ensure consolidation in the domestic and PALOP (Portuguese Speaking African Countries) markets, and afterwards extend to Spain. Gustavo Cudell, CEO, explained to "Vida Económica" how the company positions itself in the market and its main guiding principles, on a long term perspective. Last year the turnover reached nine million euros, and it currently has 40 employees.

The Cudell OS business consists of marketing of landscape irrigation, swimming-pools, water handling, agricultural irrigation and pumps. It results from the separation of the "outdoor solutions" business (technical solutions for the outside) from the other activities of the Cudell group, Centro VR – Serviços de Gestão (convenience shopping centre at the Entrepreneurial Area of Porto), Impuls Imobilia (Real Estate) and Accordis – Management Services. In the other hand, Cudell – Engenharia e Serviços was sold to the German company Hansa-Flex in 2016. Within this context, they decided to take on a different approach for the different markets.

"It's a differentiation strategy, which means finding, implementing and executing differentiation and transforming it into hard to replicate competitive advantages, thus guaranteeing business sustainability and profitability. With our own brands BLUEZONE Pool (BZP) and BLUEZONE Water (BZW) we have the responsibility to gain market and achieve differentiation from the international brands present in the market." Gustavo Cudell acknowledges that Cudell OS is nowadays a diversified company, without dispersing itself, profitable and with possibility to grow. Generally speaking, innovation has risks and, therefore, requires creativity and resilience, representing a clear bet on mid and long term growth. It is important to proceed with caution and well-defined strategies. For now (between 2019 and 2021), Cudell OS wants to grow in Portugal and in the Portuguese-speaking African countries (PALOP). Its next destination will be Spain. "We want to consolidate our presence in the installation segment and increase our share in the distribution of our business areas. For the swimming-pools, the goal is to be part of the 100 largest swimming-pool builders in the country by 2020", says Gustavo Cudell.

Projects pipeline

There are already projects defined for the upcoming years. At Cudell OS, digital transformation is one of the priority projects. In addition, the layout and the communication of the seven stores network will be updated for the pilot model of the Porto store, within three years. The current logistic centre at Maia will also be transferred to a new 2.500m² and technologically more evolved location, “in order to improve the customer delivery service” in 2019. Another objective is to increase the notoriety of its own brands in the market, “through innovative products with distinctive characteristics and added-value for the professional”, ensures the entrepreneur.

Gustavo Cudell admits there are some difficulties. First of all the tax burden which, besides being high in nominal terms, undergoes constant changes which translate into a strong instability. In addition there's a demand of high quantity and complexity concerning reporting obligations. On the other hand, there's competition in the five business areas in which the company operates. “However, the positioning of Cudell OS is unique, as we are the only company which offers simultaneously, to its customers, solutions in the five business areas. Our sales format – with stores - is also differentiating.”

It's also not easy to start and develop new projects. Public entities don't always provide an adequate response and in due time. For example. The construction work of the new headquarters and of the new Porto store is awaiting, for several years (2 years), connection to the public sewage network, although all licences were timely paid.