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## **Can Toilet Paper Be Black?**

### **The Portuguese Renova Case Study**

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#### **Summary**

*The New York Times* on May 18th, 2006<sup>1</sup> reported an event at the Double Seven, a nightclub on West 14<sup>th</sup> Street, in New York, where the main subject was something that happened in the toilets: «rolls of black toilet paper». After identifying this new product as «this season must-have», the article developed several questions: «If black is the new black,..., should its influence extend to toilet paper? Can toilet paper make it as an object of design, a touchstone of chic?» This paper is about not only this product, Renova Black, but also its process of creation and, specially, the strategic, functional and operational design management of the company that has created it: Renova, a Portuguese paper tissue company.

**Key Words: Design, Management, Innovation, Strategy, Globalization**

## **Background**

The first reference to Renova<sup>1</sup> brand was in 1818 when David Ardisson used it as a watermark for the first sheet of paper manufactured on the banks of the Almonda River, in central Portugal, where it was created a paper factory. As toilet paper, the first Renova product appeared in 1958. This must be considered, as a matter of fact, the first notorious design marketing and management innovation, preparing the company for the innovative culture that has emerged in the 80's. In 1961, Renova has moved towards the production and sale of tissue products for household and sanitary use and in 1979 made an investment in a second major manufacturing infrastructure. This value-chain strategy is on the basis of the next developments of Renova. There are no innovative cultures without the proper infrastructures although they need the right leadership and organizational structures and performances.<sup>2</sup>

Changing to a joint-stock company, in 1987, Renova arrives at the middle of the 90's to a great process of modernisation, adopting an horizontal structure and a learning organization model<sup>3</sup>, supported by a new and strong transformational leadership<sup>4</sup>.

## **Methodology**

This study was informed by the seminal contribution of Yin<sup>5</sup> to the definition of the case study research<sup>6</sup>, investigating «a contemporary phenomenon within its real-life context»<sup>7</sup>. As a case

study's unit of analysis, Renova, can only be understood in its own background, context and perspective. The launching of the black toilet paper, with its global impact, was not a single move of Renova but a step in a large involvement with innovation and design dimension.

Based on the general design dimension and management theory<sup>8</sup>, our main study's question (*What's the importance of design dimension for a small company from a small country to survive in a global market?*) can only be answered and understood in relation with our main proposition (*An effective design dimension company's strategy is the result of a long and coherent process with multiple components*). That's why the knowledge of Renova's background, context and perspective is so important.

### **The development of a design dimension and innovative strategy**

This company has established itself as a global organization selling unique, exclusive tissue care products, with two factories, 700 workers and posting sales of 120 millions euros in 2006 specially within Portuguese, Spanish, French and central European markets. As a global market, the tissue one is dominated by strong companies as Georgia-Pacific<sup>9</sup> (300 factories all over the world and 50,000 workers) and Kimberly-Clark<sup>10</sup> (factories in 37 countries, and a presence in 150, with 55,000 workers and posting sales of \$16.7 billion dollars in 2006), two giants big enough to destroy any intention to survive unless it can explore a differentiation strategy.

Renova choose this approach and its new beginning was the development of a distinctive positioning, mainly in the sense proposed by Treacy and Wiersema<sup>11</sup>, as a *value discipline*.

«Within its industry, a firm could aspire to be the *product leader*, the *operationally excellent firm*, or the *customer intimate firm*.»<sup>12</sup> This is based in the notion that every market contains a mix of three types of costumers: those who favour the firm that is advancing the technological frontier (product leadership); the customers that want highly reliable performance (operational excellence); and the customers that praise responsiveness in meeting their individual needs (customer intimacy). We can name the Renova positioning strategy as the one of an *innovative firm* for customers that favours the advancement of not only the technological frontier but

conceptual and design frameworks. From a tissue producer and seller, Renova positioned itself in a conceptual way as an organization for taking better care of body, mind and the senses. «See, feel and touch the difference Renova makes.»

In 1997 they have created the image of this new positioning, with concepts of feminine beauty, intimacy, nudity, pleasure and self care (figures 1), always with photos by recognised artistic photographers. Two years later, they extend these concepts to a more sensual approach (figures 2) and in 2002 they use the same approach in a male model (figures 3). The next campaign, 2003, joins a woman and a man, underlining the sensual, natural and funny sexual approach (figures 4). *AmorCausa* (LoveCause), the 2005 campaign, marvellous frescos photographed in the Rocinha *favela* of Rio de Janeiro (figure 5), although remains with nudity, sensuality and affection, introduces a broader concept of humanism and artistic level, preparing Renova for a more global communication, specially with South America and Africa, where the company is preparing a factory located in Angola.

This coherent strategic and communication design of Renova is a rigorous component of the product design they have developed since the 90's in a context of profound ecological conscience and practice. Renova was the first company of the Iberian Peninsular, within the tissue sector, to be certified according to the most demanding environmental standards – the ISO 14001.

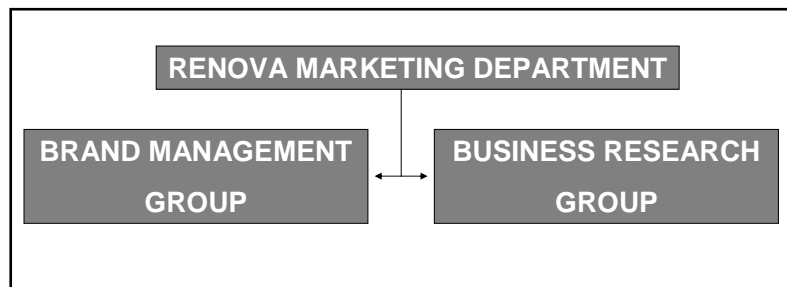
The Renova products were a constant and impressive achievement, most of them pioneers in their field. They have created and developed antibacterian kitchen towels, toilet paper with tiny drops of cream, humid toilet paper, the notorious black toilet paper and several new colours ones. More recently (2007), they presented *Renova Green* (figures 6), a new line of recycled tissue, the first one in the world with the eco-label certification, the European ecological label, for its entire line of production (materials, energy and process).

## The black performance and the whole company

The creation of *Renova Black* is related with an essential aspect about the design management approach in Renova. Like Mozota has said: «As for innovation management, projects in the field of design must be promoted by a “champion”». <sup>13</sup> They can make, Tom Peters *dixit*, all the difference <sup>14</sup>. In Renova, he did. The leadership of the Renova’s innovation process was promoted by its president <sup>15</sup>, a physicist educated in Switzerland, with a consistent humanistic culture, even author of some pieces of interior design used in the firm’s offices. He was the inventor of *Renova Black*, at night in a Las Vegas show, seeing the Cirque du Soleil performers playing with colourful stripes. And why not black toilet paper? The idea was then developed by the company’s departments and its impact has crossed the world (figures 7) as a profound concept of how further can it go the complexity of our relation to functions, forms, materials and colours. Putting toilet paper in fashion shows or selling it next to Mont Blanc products (figure 8) is a radical example of the actual *Experience Design*.

But according to a transformational leadership, design management in Renova is not the result of a single person but of an original framework based, at the functional level, in the marketing department. Gorb has remembered that «it is far easier to determine what design management is, and how is valued, than to lay down rules on how it should be organized, and who should do it» <sup>16</sup>.

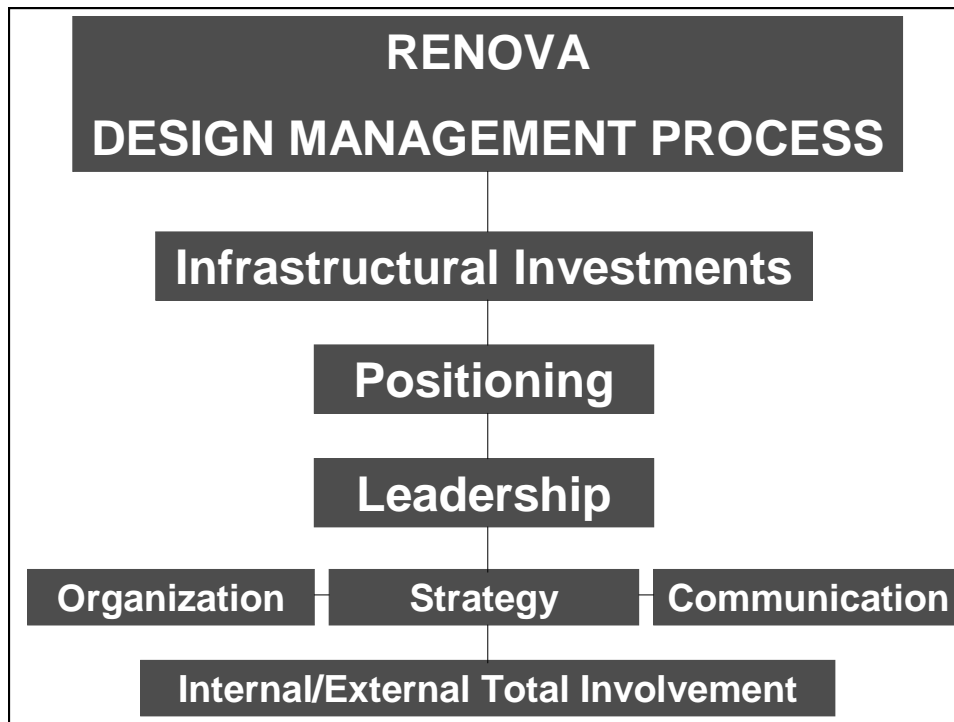
In our case, Renova marketing department is divided into two sections (Table 1): the *brand management group*, conducting the usual intervention in the markets and with the consumers; and the *business research group*, with the permanent task to research, propose and develop new ideas, products, services and actions.



**Table 1**

This investment in human capital and this mixing of marketing-innovation-design is an important weapon of the firm, infusing design and innovation in the organizational system. But we cannot isolate those tasks in a special unit without involving all the company in these goals. Doing so, Renova has introduced, in 2007, a whole system of involvement in research, development and innovation, the SGIDI (Sistema de Gestão da Investigação, Desenvolvimento e Inovação – Management of Research, Development and Innovation System)<sup>17</sup>, a Portuguese certification, based in the Oslo Manual (3<sup>rd</sup> edition, 2005) and in the Kline and Rosenberg model for the knowledge economy. According to SGIDI, the company has established an intranet and dynamic procedures to assure the total interaction of all the company's bodies and also interfacing with the several external fields,

Nowadays all the Renova experience (Table 2) represents a very articulated process of an increasing adoption of design and innovation management with substantial and improving results, even for a small firm in this global and very competitive world. «We may not reach Valhalla, but let us at least never cease to strive towards it.»<sup>18</sup>



**Table 2**

**Declaration of the author**

**As an academic researcher I attest that I have no relationships/affiliations with the company that I mention in this paper and that it will not bias or otherwise influence my involvement in the educational activity and in my research work.**

## Notes:

1. In Web at [http://www.renovaonline.net/you\\_iuk.html](http://www.renovaonline.net/you_iuk.html)
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5. Yin, R. K. (2003), *Case Study Research: Design and Methods* (Thousand Oaks, Cal.: Sage).
6. Platt, J. (1992), «“Case Study” in American Methodological Thought», *Current Sociology*, 40, pp. 17-48.
7. Yin, R. K. (2003), p. 13.
8. From Fair, Oakley, Hannon, Gorb or Lorenz to the most recent authors.
9. In the Web at [www.gp.com](http://www.gp.com)
10. In the Web at [www.kimberly-clark.com](http://www.kimberly-clark.com)
11. Treacy, M. and Fred Wiersema (1994), *The Disciplines of Market Leaders* (Reading, MA: Addison-Wesley).
12. Kotler, P. (2003), *A Framework for Marketing Management* (Upper Saddle River, NJ: Prentice Hall, Pearson Education, p. 203; ed. original, 2001).
13. Mozota, Brigitte Borja de (2003), *Design Management. Using Design to Build Brand Value and Corporate Innovation* (New York: Allworth Press, p. 67).
14. Peters, T (1989), «The Design Challenge», *Design Management Journal*, Fall, vol. 1, n° 1, pp. 8-13.
15. Paulo Pereira da Silva (1961) is graduated in Physics Engineering by the Lausanne Federal University and has received in 2006 the Manager of the Year Award from the Spanish *Club de Dirigentes de la Industria* (Industry Leaders Club).
16. Gorb, P (1990), *Design Management, Papers from the London Business School* (London: Architecture Design and Technology Press, p. 7).
17. SGIDI was established in 2007 by the Instituto Português da Qualidade (Portuguese Institut for Quality, [www.ipq.pt](http://www.ipq.pt)), according to the norms NP 4456, NP 4457, NP 4458 and NP 4461. The SGIDI at Renova was certificated by the Bureau Veritas Certification (BVC).
18. Sir Ralph Halpern, «Design for Profit», in Gorb (1990), p. 184.



Figure 1  
 Advertisements in France, with photos by Jean-François Jonvelle (1997)



Figure 2  
 Advertisements in Spain, with photos by Peter Lindberg (1999)



Figures 3

Advertisements in Europe, with photos by Pedro Claudio (2002)



Figures 4

Advertisements in Europe, with photos by François Rousseau (2003)



Figure 5

Advertisements in Europe, with photos by François Rousseau (2005)





Figure 8

Renova display in Dusseldorf