G-Lab: EcoFlora

**From its initial launch in 2000** as a course offering to provide a classroom experience as well as an international internship in emerging markets, more than 1,400 students from MIT Sloan’s G-Lab have worked with 299 companies in 50 countries located in Africa, Asia, and South America.

This year in Latin America and Asia alone, says Lehrich, G-Lab had 37 teams and 60 companies vying for them, a figure that “suggests something about the power of the word of mouth from the students, the companies, and the proxy organizations that refer companies to us.”

What may be most appealing, according to John Hennessy, SM ’70, the former president of Credit Suisse First Boston, is both the philosophy that drives the program and the experience it offers to the student team as well as the host firms and organizations involved.

“It is exactly for those reasons and others that G-Lab this year sent its first team of students to Medellín, Colombia, to work with EcoFlora, a firm that develops bioinputs for the agricultural, food, cosmetic, personal care, household, and pet industries and that seeks to expand its growing business into the U.S. market.”

“This is the first time we’re working outside of Bogotá, and EcoFlora is doing interesting work in biostatecides,” says Lehrich, who notes that the majority of G-Lab projects are based in software or hardware companies. “To work with a company that produces something...”
used on the land is relatively unusual for us. People ask me if we have industry restrictions and I say no, there’s no industry cap, but any of our firms are successful in their niche market and are looking to grow internationally.”

That is exactly what EcoFlora seeks to do, and the student team was charged with developing an expansion strategy for the burgeoning, 35-person company with customers in Colombia, Costa Rica, Ecuador, and Peru. As the team discovered, the time is ripe for growth in biopesticides, namely pesticides derived from natural materials with worldwide revenues anticipated to reach $1 billion in 2010, representing only 2 percent of the overall pesticide market.

What sets EcoFlora apart, according to Senior Lecturer Christine Kelly, is one of their formulas “that is more concentrated than those of competitors while still being environmentally friendly. It even works well on relatively fragile agriculture, such as cut flowers.”

From a broader perspective, says Lehrich, G-Labs such as this “are changing how companies manage themselves, how companies grow, and how companies expand their employee base, and thus change the employment in their local areas.”

“The managers and the employees of these companies have done wonderful things,” says Lehrich. “They’ve had G-Lab teams, and they credit G-Lab with some of their success. These are companies making a difference in their local economies and that is more (of an experience) than what business students normally have…. If you want to have impact, you have to do something; and if you want to do something and do it right, you don’t necessarily know what the impact will be. You have to be willing to take on that kind of risk.”

Clearly, the host companies are also willing to take on the risk, and Lehrich notes that more than 20 percent of the companies working with G-Lab teams are “repeat customers,” a significant number that does not include the high number of referrals received as well.

“G-Lab teaches students how to help the companies within these developing countries to be successful,” says Hennessy. “It’s very rewarding to be involved with these programs and to see real people helping to solve real problems. It makes you feel good.”