

Sustainability

Innovation

Business

# *Komodra* Business Group

A Case Study of a Rising Business

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Business Strategy

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# The Team



**Ahmad Ridwan Fauzi**

**Director of Operation**

Oversees relationships with Indonesian partners, conducting calls and monthly site visits to ensure smooth operations



**Federico Porro**

**Director of Strategy**

Based in Italy, testing the 3 lines of ramie products with 3 selected potential customers to understand how they meet the market needs, and what to improve



**Muhamad Ryan Fauzan**

**Director of Technology**

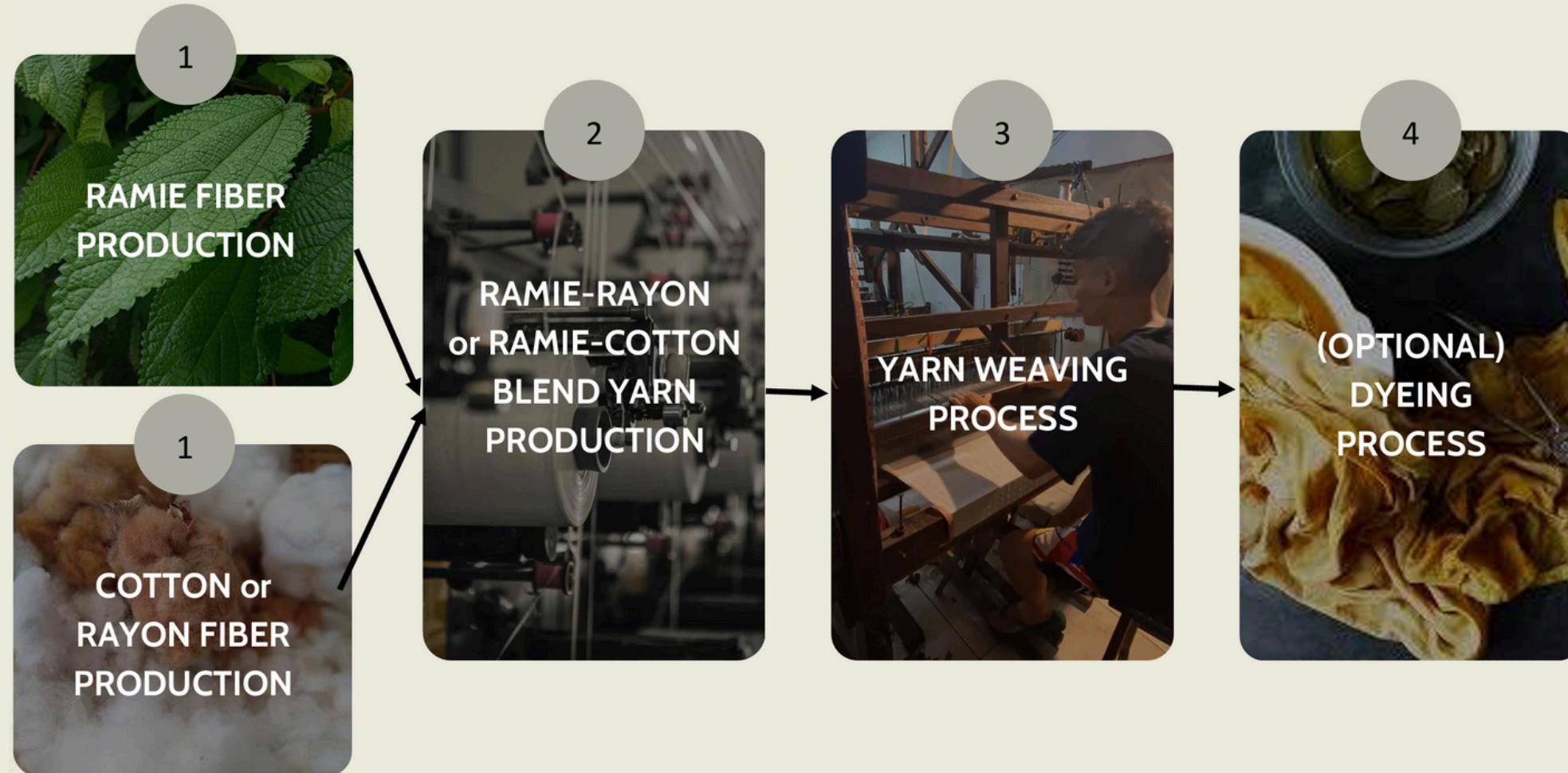
Manages the relations with the Indonesian National Research and Innovation Agency (BRIN RI) where he is following the R&D for a cellulose-based alternative to leather made from bacteria, and dyed with natural colors like turmeric or coffee.



is revolutionizing the global textile industry with cutting-edge, eco-friendly materials derived from naturally occurring cellulose. Their flagship products, including eco-friendly vegan leather made from bacterial cellulose and high-quality ramie fabric.

Komodra's vision is to create a greener future with sustainable materials as superior alternatives to harmful traditional options.

# THE SUPPLY CHAIN



The supply chain relies on the connection of many partners, in particular in Indonesia:

- 1) FARMERS
- 2) MANUFACTURERS
- 3) LOGISTIC COMPANIES

- 1) the suppliers that harvest the ramie to be sure of the natural and sustainable agricultural process are used
- 2) the manufacturers of ramie slivers / yarns / fabrics to customize the products according to the requests of the clients in Italy
- 3) the logistic companies to move the product within Indonesia and from Indonesia to Italy.

# *Key Partner: Central Java*

One of the main partners of the company in Central Java from which they source the ramie fiber, since it provides us with the material to create slivers, yarns and fabrics.



## *strategies*

- Leverage the owner's interest in entering new markets, particularly Italy, through Komodra Business Group.
- Secure a reliable supply of ramie fibers from the company despite its existing client base.
- Utilize their technical expertise to address specific customer inquiries in Italy, providing an advantage for newcomers to the industry.

## *goals*

- Align with the partner on sustainability practices, such as no pesticides and bio-degumming.
- Leverage these sustainable practices to enhance our product storytelling.
- Utilize these practices to attract and engage potential customers.

## *decision making*

- Collaborative dialogue with supportive partner.
- No issues encountered so far in the collaboration.
- Partner has more influence in this initial phase, likely maintaining their business approach.

## *challenges*

- Risk of the Central Java not selling higher volumes of ramie fibers to Komodra in the future.
- Need to secure additional suppliers to mitigate the risk of a potential shortage.
- Current satisfaction with the collaboration, despite the potential for future supply issues.

# Managing Decision Variables

*What product to sell?*

Fibre, Yarn, Fabric

*Additional suppliers?*

Indonesia, China, Other Eastern Asian

*Cost efficiency?*

Village of Artisans

*Sustainability standards?*

The direction and purpose driven aim of the company and basis for raising awareness

*Pricing?*

The trading company's secret

*Diversification/markets?*

The vision gears the present, Italy & Indonesia

<b>Other Vegetable Textile Fibres</b>	
<b>Product Description</b>	<b>Conventional Rate of Duty</b>
Flax, raw or retted	0%
Flax, broken, scutched, hackled or otherwise processed, but not spun	0%
Flax tow and waste	0%
True hemp, raw or retted	0%
Jute and other textile bast fibres, raw or retted	0%
Flax yarn, single, not put up for retail sale	Measuring 833,3 decitex or more (not exceeding 12 metric number) 4%
Flax yarn, single, put up for retail sale	5%
Flax yarn, multiple or cabled	Not put up for retail sale 4% Put up for retail sale 5%

# Exogenous variables

*Beyond direct control*

*Market Demand*

*Regulation/economics*

*Technology*

*Competition*

*Partner Dynamics*

# Win-Win Scenario

Decision Variable	Komodra's choice	Central Java's Choice	Mutual Benefit
Local Sourcing	1 (prioritised)	1 (aligned)	Shared sustainability focus
Supplier Training	1 (prioritised)	1 (aligned)	Long term skill development
Cost reduction	0 (not prioritized)	0 (not prioritized)	Focus on sustainability instead
Production Volume Maintenance	1 (maintained)	1 (maintained)	Stable Market Supply
Technology Upgrades	0 (delayed)	0 (delayed)	Focus shifted to training

KOMODRA

		KOMODRA	
		Invests	Does not Invest
JAVA	Invests	(1,1)	(0,1)
	Does not Invest	(1,0)	(0,0)

A better look -

Investment in new machinery for  
100% ramie fabric production

# Opportunity of the hour: Circular Economy Integration

## 1. Closed Loop Production

Implement a take-back program where offcuts and unsold fabrics are repurposed into new products like accessories or upcycled garments.



## 2. Recycling Partnerships

Partner with recycling facilities to transform fabric scraps into new fibers for production.



## 3. Decision Matrix Collab

Apply a win-win decision matrix for investment in circular production technologies, ensuring both Komodra and its partners benefit from shared risks and returns (e.g., co-investing in ramie recycling facilities).

# Enhancing Value Proposition Through Strategic Partnerships

By integrating trusted suppliers, skilled artisans, efficient logistics, and localized operations, Komodra delivers unmatched value through sustainability, craftsmanship, and seamless customer experiences.

## Key Areas of Impact:

### 1. Sustainable Sourcing

- Trusted Ramie Suppliers
  - Organic and bio-degummed ramie ensures sustainability and quality.
  - Supports environmental and social goals.

### 3. Efficient Logistics

- Logistics Partners
  - Streamlined shipping between Indonesia and Italy.
  - Predictable CIF pricing model for smooth and reliable delivery.

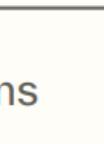
### 2. Expertise & Artisanship

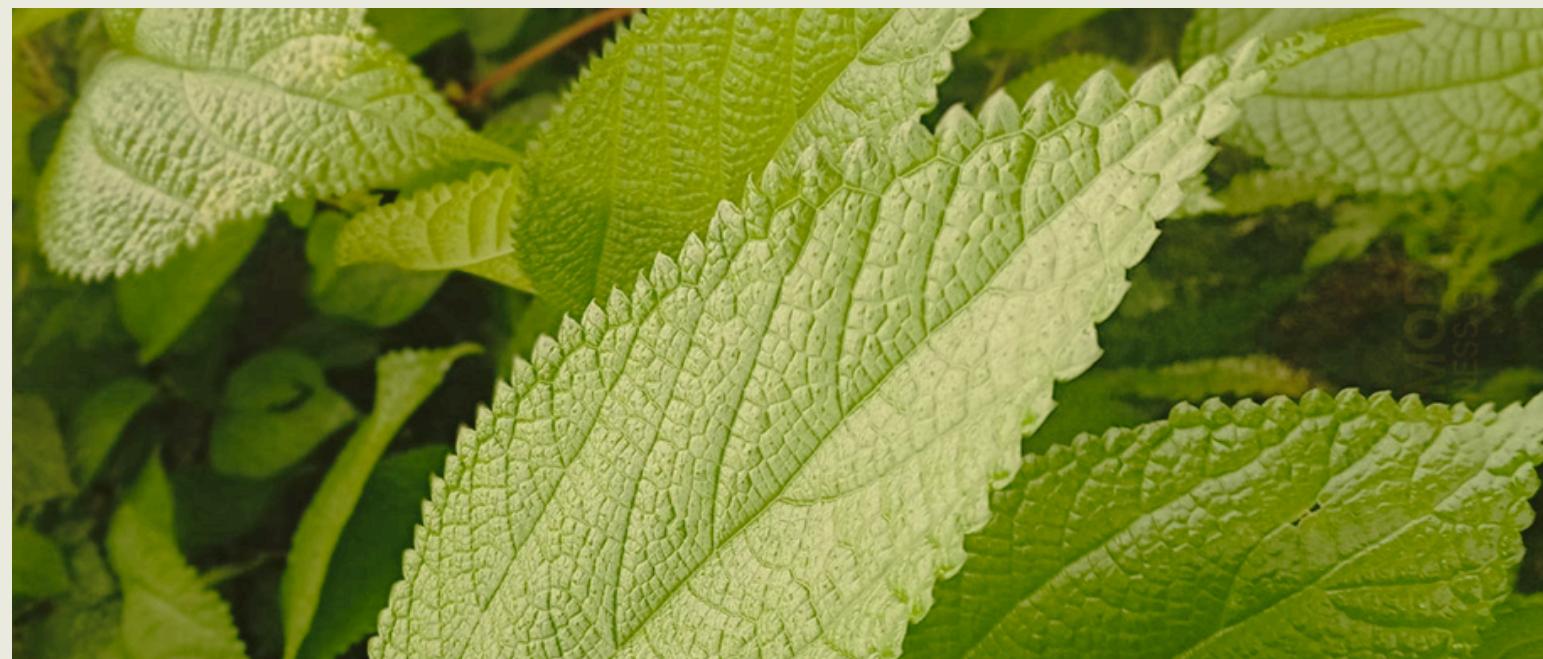
- Yarn Manufacturers & Skilled Artisans
  - Collaborations in Indonesia preserve traditional weaving techniques.
  - Deliver superior, hand-crafted fabrics with cultural heritage.

### 4. Localized Presence

- Cultural & Logistical Bridge
  - Teams in Indonesia and Italy ensure quality control and relationship-building.
  - Local offices and warehouses enable personalized service and quick responses to customer needs.



<h3>Key Partnerships</h3>  <ul style="list-style-type: none"> <li>• ramie fiber supplier</li> <li>• yarn manufacturers</li> <li>• artisans- weave the fabrics</li> <li>• logistic companies within Indonesia &amp; shipping companies to deliver the goods to Italy</li> <li>• Indonesian National Research and Innovation Agency (BRIN RI) for R&amp;D</li> </ul>	<h3>Key Activities</h3>  <ul style="list-style-type: none"> <li>• sourcing the ramie fiber</li> <li>• delivering ramie fiber to yarn manufacturers</li> <li>• yarn delivered to village where 60 skilled artisans make the fabric</li> <li>• ship goods to Italy</li> <li>• marketing &amp; sales in Italy</li> <li>• customer care</li> <li>• R&amp;D for new sustainable products</li> </ul>	<h3>Value Propositions</h3>  <ul style="list-style-type: none"> <li>• natural and organic bio-degummed ramie,</li> <li>• fabrics made by artisans</li> <li>• quality products</li> <li>• environmental &amp; social sustainability</li> </ul>	<h3>Customer Relationships</h3>  <ul style="list-style-type: none"> <li>• a person in Italy and a person in Indonesia to speak and meet with farmers</li> <li>• customization options about the percentage of ramie and other fibers (e.g. cotton) in the yarns and fabrics,</li> <li>• free educational contents.</li> </ul>	<h3>Customer Segments</h3>  <ul style="list-style-type: none"> <li>• SME that produce in Italy, the yarns from the ramie slivers from Indonesia or the fabrics from the ramie yarns from Indonesia</li> <li>• big fashion groups in Italy interested in the ramie fabrics made in Indonesia by skilled artisans.</li> </ul>
	<h3>Key Resources</h3>  <ul style="list-style-type: none"> <li>• quality and natural materials competent scientific staff (Muhamad, one of the co-founders is a material engineer)</li> <li>• physical presence both in Indonesia (Ahmad and Muhamad), including an office with warehouse, and Italy (Federico)</li> <li>• CRM culture</li> <li>• laboratories and funds of the Indonesian National Research and Innovation Agency (BRIN RI) for the R&amp;D activities.</li> </ul>		<h3>Channels</h3>  <ul style="list-style-type: none"> <li>• shipping from Indonesia, CIF price.</li> </ul>	
<h3>Cost Structure</h3> <ul style="list-style-type: none"> <li>• cost of the materials from suppliers (ramie fibers, ramie slivers, yarns, fabrics),</li> <li>• logistic / shipping costs,</li> <li>• rent of the office / warehouse,</li> <li>• marketing costs (website, samples to show to potential customers, etc.)</li> </ul>		<h3>Revenue Streams</h3>  <ul style="list-style-type: none"> <li>direct sales (no intermediaries' costs)</li> </ul>		



# Sustainability



## LOCALLY SOURCED

Their ramie is cultivated in a 75 hectares in Central Java, not a deforested land, and it is bio-degummed in place to create the fiber.

## CUSTOMIZATION OPTIONS

Collaboration with several companies in Java that can spin ramie fiber into yarn blended with local rayon or local cotton in various percentages.

## COMMUNITY DEVELOPMENT

The yarns are delivered to a local village, where skilled artisans weave the yarn into the final fabric, generating an income to 60 households.

### key interest



Bio-degummed  
Biodegradable



Low  
Water



Zero  
Pesticides

# OUR IDEAS

## Using social media to tell their story

Komodra has so much material to tell a story and gain attention and customers because of it. From its founders to its artisans, Komodra has the potential to be a pioneer business in sustainable textile.

## Getting Sustainable Certifications

Having certified partners and business will increase Komodra's credibility and potentially increase consumer sales.

Some certifications could be:

**LEED, ISO 14001, or B Corp**

## Going green inside out

implementing cutting-edge technological innovations such as water-saving dye technologies, biodegradable finishes, and digital fabric simulations to minimize resource waste and reduce the environmental footprint of its production processes.

