Abstract
The multifunctional and multi-located corporations maximize advantages executing spatial diffusion and functional diversification. However, the urge for constant expansion doesn’t exempt from the political-institutional arrangements necessary to create new spaces for the capital sum. Thus, they are organizations that practice a flagrant influence over the production processes in the geographic space. This paper analyses the spatialities of the Algar Group, considering its horizontality and verticality cuttings, as well as its network organization. Therefore, it enters the arena of space strategies, organizational and sociopolitical ones which permeate the emphasized case, the scope of clarifying the capacities of influence, of bargain and the primary power relations. The methodological procedures were based on bibliographic researches, documental ones and on the mapping of the obtained information. The analysis points out, therefore, that the spatialities of the Algar Group are like an amalgam of intrinsic distortions to the territorial division of labor in force in the country.

Keywords: Space, corporation, technical and organizational networks, Algar Group.

Resumo
As corporações multifuncionais e multilocalizadas maximizam vantagens executando difusão espacial e diversificação funcional. No entanto, o ímpeto por constante expansão não prescinde dos acertos político-institucionais necessários à criação de espaço novo aos capitais acumulados. Logo, são organizações que exercem flagrante influência sobre os processos de produção do espaço geográfico. Este trabalho analisa as espacialidades do Grupo Algar, considerando os seus recortes de horizontalidades e de verticalidades, bem como a sua organização em rede. Para tanto, embrenha na arena das estratégias espaciais, organizacionais e sociopolíticas que permeiam o caso em tela, no escopo de clarear as capacidades de influência, de barganha e as precípuas relações
Introduction

The maintenance of the tactics advantages conquered by corporations goes through practices of spatial diffusion and functional diversification, indispensable mechanisms to face the pressures in competition, demand and innovation. Furthermore, the deconcentration of the activities, under the discipline of a management hierarchy, contributes to equalize the negative aspects of the excessive centralization of accumulated sums, creating a new space to reinvesting and accumulation.

In this perspective, the multifunctional and multi-sited corporation can be defined as an organization which maximizes advantages executing spatial and functional diffusion. Consequently, the influence that the corporations exert over the processes of reorganization of the geographic space, the one that doesn’t do without the settlements established on the backstage of the political-institutional scene. It is, according to Santos and Silveira (2011, p. 295), the fulfillment of technical and political orders which endorse the corporative use of the territory, in which the technical objects and the places are hierarchical by “some companies [that] have great possibilities for using the same territorial resources”.

As Corrêa (1991) and Silva (1997; 2003) emphasized, in Brazil, the multi-sited corporations emerged as primary elements of the integration process of the national economy. Among the domestic corporations which have kept close ties with the state performance for the productive and financial connection of the territory, we emphasize the Algar Group. Located in Uberlândia (MG), it has as an operational basis the segments of services/support, tourism/resorts, agrifood and telecommunications/ICT. Through a
geographic reading concerning the relations between corporation and space, this text aims understanding how the multifunctional and multi-sited Algar Group produced its performance space, from aspects inherent to the socio-spatial formation of Triângulo Mineiro and the political-institutional framework which affirmed the Brazilian state about the national territory.

The space-time exam of the events is based on bibliographic research and statistics. Besides the gathering of explaining elements present in journals from last year and from the current moment, the analysis of the sustainability reports available on the Algar Group websites were. We highlight, moreover, Brazil’s Statistics Yearbook (IBGE), the information provided by The National Bank of Economic and Social Development (BNDES), the series of historical data of the National Telecommunications Agency (Anatel) and the publications of sectorial entities, as the Teleco website. The data interpretation and mapping showed the way by which the subspaces were established by exogenous and hierarchical requests, but signified and capitalized by local actors.

Dense, the time cut embraces a period not inferior to nine decades. The periodization effort aims to recognize the local arrangements immanent to the historical geography of the Algar Group, from the existing correspondences between the spatial and dimensions of reality (HAESBAERT, 2015). Thus, the first part aims to understand the importance of technical, political and organizational transformations order which impacted the main urban centers of Triângulo Mineiro, territorial support base of the actions and of a first spatiality of the analyzed object.

The second one rescues the opportunities created within the remodeling of the telecommunications and the agroindustry incorporation of the Brazilian Cerrado, regarding the bonds maintained with the interventionism of an authoritative state and the conglomeration of the ABC Group. The third part notes the scope of the depletion of the Brazilian national-developmentalism and the opening of the intern market to international capitals. The announced changes demanded the organizational restructuring of the corporation, based on functional downsizing practices and the production of networks related to other actors.

The last part task is to clarify the dialectical juxtaposition between the horizontality and verticality of the Algar Group, which support comes from the purpose of creating multiscale technical-organizational networks. Our purpose, therefore, is to give light over the synchrony of concentration-dispersion of the highlighted object, which goes from the increment of the urban prerogatives of the city of Uberlândia to the functional hierarchy of distant subspaces, according to its potentialities and the multidivisional profile of the corporation.

**Time-space synergies of horizontality**

From the local capitals of Uberlândia, the Algar Group show a history of 90 years of operation. Its multidivisional and multi-sited structure displayed, in 2018, a Revenue of R$3 billion, a moment which it admitted a labor contingent of 20 thousand employees.
(ALGAR, 2019). Besides acting in every Brazilian region, it keeps positions in places like Argentina, Chile, Colombia and Mexico.

With an effect, the time-space periodization regarding the functional and space evolution of a great corporation requires the exam of changes that opened new relations and interdependencies to the scale of the place, as an explaining cause-effect factor. From the last decade of the XIX century, Triângulo Mineiro has met technical and organizational transformations which changed past relations and introduced new elements to its social-spatial dynamics. Regarding, thus, the relative density of technical systems of railway networks and the roads, of the production and distribution of electric power and telegraphic services and of communication.

Such additions gave volume and substance to spatial interactions and to the economy of Triângulo Mineiro, highly influenced by the demands based in São Paulo, which not sufficiency required constant importation of in natura or processed agricultural surplus. Addressed to the thriving market of São Paulo, the produced surplus in several areas of Center-West were merged to Triângulo and then revised, in a way that the main urban centers had a reinforced trading post condition. When the interactions with the dynamic center of the national economy were enlarged by the technical-mericular additions, a local elite emerged from the arising of more complex and urban economic functions. Among the entrepreneurs which pursued rising paybacks, there was Alexandrino Garcia, an immigrant who had arrived from Portugal in 1919, along with his family. In 1930, Alexandrino and his father, José Alves Garcia, opened a small cereal company in Uberlândia, called Alexandrino Garcia & Irmãos (Bothers).

Two decades after the settlement of the first enterprise, the efforts of Alexandrino Garcia and family to diversify its economic activities were substantial. Hence, there was the purchase, in partnership with other entrepreneurs of the city, of Correio de Uberlândia newspaper, in 1940. In that same year, the brothers Agenor and Alexandrino Garcia purchased a gas station located downtown Uberlândia, initiating a gasoline, kerosene, auto parts business and other automotive services.

In 1944, there was the merger between Alexandrino Garcia & Irmãos cereal company and the gas station and Avenida automotive services, which created Irmãos Garcia & Co Ltda. Also in 1944, the new firm incorporated a representation destined to the automobiles commerce, which included in its portfolio cars from General Motors, Buick, Pontiac, besides GMC trucks. In 1949, they included the resale and maintenance of the famous Jeep, Rural and Aero-Willys Overland.

Regarding the diversification of the economic agenda of the highlighted characters, a prominent organizational milestone occurred in November 1950, with the establishment of Garcia S/A Industry and Commerce (Garinco), whose major shareholders were Alexandrino and Agenor Garcia. As described in the opening document (CORREIO DE UBERLÂNDIA, 1950), Garinco had as object the accomplishment of commercial and

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1Regarding the occupation process of the former Sertão da Farinha Podre, which contained the territorial portion located between the rivers Paranaíba and Grande, see Lourenço (2005), Bessa (2007) and the like.
industrial activities provided by law, agglutinating the prominent range of economic functions managed by the Garcia so far.

The genealogy of a first spatial cut of the genesis of the Algar Group doesn’t prescind the analysis of the transformation referring to the socio-spatial formation of Triângulo Mineiro in the first decades of the XX century. Supplied by the local geographic environment, they express the dynamism of the spatial interactions associated to the period which comprehends the establishment of the first enterprise, in 1930, until the middle of the 1950’s, with the announcement of prominent organizational transformations.

Image 1: Simplified layout of the initial spatial interactions of the pioneers of the Algar Group, based on Corrêa (2006).
An integral part of the social-spatial organization of the context in question, the spatial interactions engendered by the original family Garcia’s enterprises indicated a displacement order still a little complex, but it already exceeded the limited solicitations to the regional context. As the model in Image 1 indicates, they were based on face to face contacts, on the financial flux destined to the purchase of the local commercialized products and on the diffusion of the information allowed in the limit of sparse communication conditions. Such interactions evolved, still, rice purchase and selling orders, of the intermediate assets and the commercialized fuels, with fluxes enabled by the truck traffic through roads and railways, in perspective to theoretical considerations of Corrêa (2006).

In the scope of the present analysis, the exam of the announced changes to the social-spatial formation of Triângulo Mineiro as a material condition primary to the “metabolism” of the emerging activities, preceded the delimitation of the micro-economic actions initiated by Alexandrino Garcia and family. However, the insufficiency of the infrastructure installed in the beginning of the XX century foreseen the reversion of the aroused expectations to the economy of Triângulo Mineiro. In the context of the efforts related to the improvement of the technical-reticular systems, there was a deep organizational reordering of the functions revoked by Alexandrino Garcia, who has seen, in the operation and expansion of the telephone networks, an exponential opportunity to enlarge his economic activities.

From Telefônica Teixeirinha to CTBC: the expansion of telephone services located in Uberlândia

Founded in 1922, by Tito Teixeira, Empresa Telefônica Teixeirinha (Teixeirinha Telephone Company) had the issuance of provision of telephone services in Uberlândia, being the organization responsible for the first spatial diffusion of telephone services located in this urban center. Soon, it was present in the neighbor cities Ituiutaba, Monte Alegre, Tupaciguara, Prata and Araguari, besides the municipalities of Goiânia state, Iumbiara and Buriti Alegre. However, such as Dias (2008) has registered, the 1940’s and 1950’s were difficult to the advance of telephone circuits in the country, so the stagnation of the sector impacted the activities of the company.

Due to the dissatisfaction of the users regarding the deficiency of the provided services, the municipal authority dismissed Teixeirinha from the issuance of provision of telephone services in Uberlândia. The Trade, Industrial and Farming Association of Uberlândia (Aciapu)\(^2\), under presidency of Alexandrino Garcia (1953-1955), was responsible for composing the commission that would organize a new firm, from the incorporation of Telefônica Teixeirinha’s estate. So, in the obscure internal moorings to Aciapu, the Telephone Company of Central Brazil (CTBC) was born, formalized on February 15\(^{th}\) 1954. In that moment, the assembly elected Alexandrino Garcia and Elpídio

\(^2\)Current Commerce and Industrial Association of Uberlândia (Aciub).
de Freitas, respectively, president and vice-president of the newly built enterprise. Despite the justification used to Teixeirinha’s deposition, the lethargic beginning of CTBC showed that the new organization neither had conditions to restructure the deficient telephone service in Uberlândia. Besides the resistance of the Municipal Legislative in granting the demanded tariff readjustments, the instable juridical composition of CTBC, demonstrated in the conflicts between Alexandrino and Elpídio, created obstacles to the solution of the problems and demanded a conclusive solution to the conflicting interests.

It was necessary, therefore, that one of the parts gave in its participation to the opponent. Held by his former business and resisting to the idea of taking the telecommunication services forward, Alexandrino took over, in 1958, the shareholding control of the company. Composed by the incorporation of the estates and municipal concessions of its predecessor, CTBC gave the Portuguese merchant the status of “telecommunications man”, marking the domain of the activity that represented the economic pillar of the powerful multidivisional corporation posteriorly organized.

Meanwhile, the revision of the facts authorizes us to deduce that neither Alexandrino Garcia’s insight nor the conspiracy which allowed him dominate those sparse telephone circuits explain, themselves, the future performance of the telephone company. The building of Brasília demanded the re-equipment and expansion of the technical macro-systems, reassuring the strategic geographic position of Triângulo Mineiro. Regarding the telecommunications, it treated the interiorization of a micro-waves system with the capability of executing fast inter-urban phone calls, a factor that boosted “the development of the telephony and the diversification of the telecommunication services” (DIAS, 2008, p. 123).

Such possibility motivated diligences of the political-economic leaderships of Triângulo Mineiro, in a way that Uberaba and Uberlândia were included to the connection Rio de Janeiro-Brasília. Due to the expectations created by the state investment, the indifference of great telephone companies to the vast interior of the country, and the political deliberations performed along Rondon Pacheco, CTBC rose over Triângulo Mineiro/Alto Paranaíba, from the end of the 1950’s to the middle of the 1970’s.

According to the considerations of Hagerstrand (1967), it refers to a process of diffusion by contagion, sustained by the conquest of obsolete municipal concessions and

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3 As written by Silva (1993), Hélio Cardoso and Francisco Caparelli, renowned local entrepreneurs and members of Aciapu, took part in the first board of directors of CTBC.
4 The technical macro-systems, according to Santos (2012, p. 178), are those that “promote great Works (dams, highways, airports, telecommunications, etc.) [...] and compose the material foundation of the power networks”.
5 The micro-waves system, according to the Statistical Yearbook of Brazil (1980, p. 584), are those that enable “inter-urban transmission, in high (UHF), through satellite dishes, wireless, occupying a determined number of channels or circuits”.
6 Notorious politician from Uberlândia, Rondon Pacheco exercised successive mandates as federal congressman (1950-1967). Moreover, he acted as Head of Office of Civil House during the government of Costa e Silva (1964-1969), and as governor of Minas Gerais (1971-1975), through a direct indication of the Federal Executive. In a testimony granted to the website Museu da Pessoa (2004), Rondon Pacheco affirms that he signed with his own hands several concessions conquered by CTBC in Minas Gerais.
by merger/acquisition practices of other telephone companies. Besides the municipality of Paranaíba (MS), CTBC reached adjacencies of the central region of Minas Gerais, the south of Minas, and the polarized area by Franca (SP), in the north of São Paulo state, as seen in Image 2. It absorbed, thus, around 270 localities, among municipalities and districts.


However, the creation of Telebrás System (STB), in 1972\(^7\), indicated not only the government monopoly over telecommunications, but the strategic value of this sector to the development of military governments. To CTBC, it meant as the cooling down of the spatial diffusion process as the possibility of rupture of private nature of the corporation managed by the Garcia. Once more, the valuable intervention of Rondon Pacheco, who had an accessible way into military technobureaucracy, allowed, through strangeness between parties, that CTBC was kept as the only telephone company of private capital of the country.

Despite the political lashings that allowed the maintenance of the control of CTBC by the Garcia, the reaffirmed probability of the state taking over it gave some time to the functional diversification process. Therefore, the considerable organization changes

\(^7\)Created by operation of the Law 5,792 on July 11\(^{th}\) 1972, the Telebrás System gathered the state holding Telebrás, Embratel, which was responsible for the long distance call service, and 27 companies-center that operated in the states.
observed in the functional variety of highlighted characters, along the 1970’s and the 1980’s, are noteworthy. The consistency of the effort strategy, nevertheless, has sought to take advantage of the opportunities given by the national-developmentalism of the military government.

**Functional diversification as a patrimonialism strategy: the emergency of the ABC Group**

Due to the insecurity that remained in the telecommunications sector, the tactical commitment of the highlighted entrepreneurs has sought to enjoy opportunities of reinvestment, whether of high or low synergy with former activities. Besides the maintenance of Garinco and Irmãos Garcia services, Gráfica Sabe (1969) stands out, created for editing, printing, publication and selling of announcements in telephone books; Brasil Central Táxi Aéreo (1976), specialized in air taxi services, selling and maintenance of aircrafts; the admission in the tourism sector, hotel business and real state incorporation, with the purchase of part of the touristic complex of Pousada do Rio Quente, located in homonymous district\(^8\), in the South of Goiás state.

Although the exacerbation of the state assertive has decreased the sequence of the spatial diffusion of CTBC, the expansionist project of the military meant, regarding the dark domain of relations guided by power, notorious opportunity to the opening of new functional fronts. Due to such reality, the strategic coherence of the diversification efforts has sought to benefit from the advantages delivered by a way of intervention from the governments, especially regarding distant segments of the agroindustry and the production of electronic and teleinformatics equipment.

The agroindustry incorporation of Cerrados do Brasil Central created a set of centrifugal forces put to appreciation of important entrepreneurs. In Triângulo Mineiro, the vectors of the agroindustry by state intervention\(^9\) transformed the foundation of the regional economy itself, creating new possibilities for the local capitals. In the advancement of agribusiness chains, the actions which conferred volume and technical density to offered regional productive arrangements stand out, as in the case of the processing of pineapple and cattle herd.

Sucocitra Sucos e Conservas do Triângulo S/A, founded in 1973, has benefited from the production areas of pineapple in Triângulo Mineiro\(^10\). The inclusion of the beef processing occurred through the association to a slaughterhouses chain from Central

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\(^8\)Emancipated from the municipality of Caldas Novas in 1988, the city of Rio Quente is located in the micoregion of Meia Ponte, which belongs to the mesoregion of the South of Goiás state.

\(^9\)Within the context, Plano Mineiro de Desenvolvimento Econômico e Social – PMDES (1972-1976), Programa de Crédito Integrado e Incorporação dos Cerrados (PCI-BDMG) and Programa de Assentamento Dirigido do Alto Paranába – PADAP (1973), stand out. Within the União, Programa Corredores de Exportação (1972), Programas de Desenvolvimento dos Cerrados (POLOCENTRO) and Cooperação Nipo-Brasileira para Desenvolvimento do Cerrado (PRODECER) and Programa de Integração Nacional (PIN), are noteworthy.

\(^10\)According to the data of Anuário Estatístico do Brasil (1979), Triângulo Mineiro concentrated in 1975, 63% of the state production of pineapple. The municipality of Monte Alegre de Minas, with three farms belonging to Algar Group, was responsible for 62% of the regional production of such fruit. (IBGE, 1979).
Brazil Meats Consortium (CBCC), an organization which gathered the breeders and processing units of cattle herd. Hence, as a result, there was the installation of two slaughterhouses under the administration of the mentioned entrepreneurs: one in Uberlândia and another in Iturama, in the region of Pontal do Triângulo.

The admission in the soy chain happened in 1977, with the purchase of Fujiwara, a grain crushing company which has kept activities in Uberlândia. As a result, Agropercuária do Brasil Central Indústria e Comércio (ABC Inco.) was founded, a company specialized in the cultivation of grain and the production of soybean meal. Consequently, it’s not possible to understand the performance of the highlighted entrepreneurs in the agroindustry sector without the several governmental programs which have instigated the occupation of the Cerrado and of the Amazon.

In Minas Gerais, the soy production increased 290 times, between the years of 1970 and 1985 (IBGE, 1970; 1985). The mesoregions of Triângulo Mineiro/Alto Paranaíba, North-west, Mid-west and South-west of Minas were responsible for 99.7% of all soy harvested in the state in 1985 (IBGE, 1985). However, in the state of Goiás, the 1,157,704 tons of soy produced in 1985 overcame 100 times the amount registered in 1970 (IBGE, 1970; 1985). The south of Goiás, on the other hand, was responsible for 88% of the soy produced in the state in 1985. It became, as the example of the western mesoregions of Minas, a privileged localization to receiving the soy agroindustry.

Besides the initiatives in fruit processing, beef and grain, the incentives of a Plan of National Integration (PIN) encouraged the land exploitation in the municipality of Pacajá (PA), in the end of the 1970’s. Along Transamazônica highway, the Garcia developed the management and exploitation of exportable timber harvesting, the formation of pastures and cattle raising, under the aid of the subsidiaries ABC Agropecuária Brasil Norte S/A., ABC Oliveira and ABC Tropical Madeiras.

In the domain of the changes based on the perception of opportunities, the state policies which pursued the technological autonomy were an essential element to the functional diversification of the Garcia. As exposed in the proposal of the II Plan of National Development (1975-1979), the government incentives tried to execute “avant-garde projects, with their own effort of technological innovation” (BRASIL, 1974, p. 18), through the establishment of market reserves. Thus, the diversification around the avant-garde techno-scientific development passed through several accomplishments, in a context of a flagrant asset defensive due to the implacable inflationary process which characterized the 1980’s.

The enterprises Telettra and Intaltel, located in Rio de Janeiro and Belo Horizonte, were incorporated in 1981 and 1982, respectively. They produced, in association to the CPqD of Telebrás, telephony equipment, as an example the PCN multiplex equipment and the telephones through radio to rural areas. The ABC Telematic

11As showed in the tutorial section enabled by the website of Teleco (2019), telecommunications consulting, the multiplexing allows the transmission of over one signal in the same physical environment, enabling the simultaneous traffic of multiple signals.
was created associated to Honeywell Bull do Brasil, a French multinational of the informatics sector. It gave rise to joint-venture ABC Bull S/A, focused on the production of large-scale computers. Another result from the union between Honeywell Bull and the entrepreneurs from Uberlândia was ABC Computadores, specialized in minicomputers.

Furthermore, a data transmission company (Khun/ABC Dados – Rio de Janeiro-RJ) e a X-Tal, a subsidiary of BNDESPar controlled in 1983, through privatization, were incorporated. Specialized in the management of quartz crystals to the production of optical fiber, X-Tal was transferred from Rio de Janeiro to be installed, not by chance, beside CPqD in Campinas (SP). In technical cooperation with the state research center, it became an exclusive supplier of optical fiber to Telebrás System.

Regarding the opportunities created by the state holding, it’s useful to register the creation, in 1983, of ABC Listel, an association of the ABC Group with the prominent Editora Abril S/A. This joint-venture was established to supply the production demand and distribution of phone books of STB and was present in all regions of the country, exhibiting the contours of a private oligopoly held by state monopoly: in 1988, it occupies 40% of the national market of phone books, valued in US$200 million (JORNAL DO BRASIL, 1988).

The weight of the transformations demanded the establishment of an organizational architecture able to manage the emerging multifunctional and multi-sited pattern. The centered profile and mostly familiar of the administration got new contours in 1982, with the composition of the ABC Group, which trademark is highlighted in Image 3.

Image 3: trademark of the ABC Group, 1982
Source: ALGAR (2019).

The data concerning the Corporation growth are substantial. In 1980, the ABC Group got a net operating income of US$87 million, a moment when the operations employed an expressive labor force, with 3,479 workers. In the end of that decade, the net income of the corporation reached US$339.1 million, with the total of 13,090 employees; an expansion of 290% and 276% respectively. Nevertheless, the general indebtedness increased about 52%, reaching US$40.8 million between 1987-1989, as exposed by Ruiz (1994).
Regarding the space dynamics, the events that endorsed the expansion of operation scales of the ABC Group expose the complexity of a spatial planning which can be represented by two overlapping and complementary spatial cuts. Associated to the regional context, the first cut points out that the reproduction of the necessary conditions to the
development of the activities occurred through a diffusion by contagion, highlighting CTBC’s performance. As Image 4 suggests, the enlargement of the contexts demanded the following administrative mechanisms that discipline a beam of relations increasingly vertical, in perspective to the organizational solidarities described by Santos (2012).

The dynamics of this spatiality represents the tonic of the distinct solutions found by the organizational architecture of the ABC Group aiming its own reproduction. According to the current analysis, it’s possible to suggest that the interface between the events related to the technical-productive integration of the Brazilian territory and the conformation of the multidivisional and multi-sited structure of the ABC Group is by any means remote, though full of dilemmas and tensions. The diversification verified along the 1970’s and 1980’s was able to spread the imperative of the deconcentration and search for balance of the accumulation of capitals to the emerging opportunities, even if in a notorious patrimonial way.

**Functional Downsizing in cooperation networks in a productive restructuration context**

Subject of the efforts directed by the military technocrats, the accomplishment of “Brazil power” necessary to build a diversified economy and spatially connected, which didn’t prescind of the materialization of massive investments in several kinds of networks. However, the fiscal crisis of the Brazilian State and consequently strangulation of its assertive over the territory, demanded macroeconomic changes that redirected the behavior of the actors in the previous development model.

The opening indicators of the national market and the affront by the competition demanded organizational rearrangements to the most prominent domestic corporations, which had started adopting more flexible structures and better adapted ones due to predictions of an economic situation in constant adjustment. The ABC Group hasn’t taken a different path, initiating an expressive restructuration process in 1989\(^{12}\). Multidivisional and multi-sited, the conglomerated of the Garcia family employed, in the mentioned year, about 13,000 workers, a moment in which it showed an income of US$339 million and a debt that had reached US$170 million\(^{13}\).

In this circumstance, the operations related to the mobile business and its parts in Uberlândia (Irmãos Garcia, Garinco, Intermáquinas) and in Cuiabá (Automag) were sold.

\(^{12}\)It’s interesting to emphasize that the Italian businessman Márcio Grossi, who worked at Honeywell Bull do Brasil, was hired specially to implement the mentioned process of functional downsizing. A similar way was emphasized in the thesis sustained by Chandler (1977), of the implementation of a new relationship between property and management, in a way that the intervention of technical managers happens due to the loss of administrations sanctioned by personal or family ties.

The ABC Listel, however, was totally transferred to Editora Abril, at the value of US$40 million\(^{14}\).

In the agrifood sector, the activities of Sucocitra and the slaughterhouses consolidated in association to Consórcio Brasil Central de Carnes\(^{15}\) were closed. The timber harvesting was credited to CIKEL Brasil Verde Madeiras LTDA., through long-term land lease of the 145,000 hectares managed by ABC Agropecuária Norte. In relation to the soy crop, we emphasize, as an external strategy, the bond with the German *trading* Toepfer International, to export bran and grain, from 1992. In the internal market, the established partnerships with Perdigão and Gessy Lever, had as an objective the envase and supply of packaging to refined oil.

In the field of teleinformatics, the associations to the multinationals Gandalf (Canada), Steria (France), Amnet, Bytex and Sprint International (United States)\(^{16}\) stand out. Highly dependent on the deliberations of the Telebrás System, the ABC Teleinformática was a victim, as by the state investment crisis as for the opening of the internal market to imported equipment, becoming highly deficient. Its asset, however, was incorporated by the French multinational Alcatel, a transaction that reached US$15 million\(^{17}\). Hence ABC Computadores, after shares subscription, was internally merged by ABC Dados. However, the definitive ending of the activities regarding informatics components and optical fibers only happened in the end of the 1990’s, with the closing of ABC Bull and X-Tal operations.

As far as the many branches were closed, the complex operation networks of the Group demanded the opening of new controlled ones. The Engeset – Engenharia e Serviços de Telecomunicações S/A, began its activities in 1990, as to subsidize the internal demand as to provide services related to telecommunication networks engineering. On the other hand, COMTEC Companhia de Administração dos Terminais de Centros Comerciais, was created in 1995, as a result of a partnership of the famous Algar Group\(^{18}\) and Andrade Gutierrez construction company, to explore the granting construction and terminals operation of Integrated System of Urban Passengers Transportation (SIT), in Uberlândia.

It’s possible to notice, regarding the functional restructuring, that the practices of the emphasized corporation have tried to establish complementarities with diverse

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\(^{15}\) It doesn’t mean, however, that the ABC Group had abandoned on the whole the vegetables processing and the production of animal protein. Besides the raising of cattle and pig farming with a low body fat percentage, Cleps Cleps Jr. (1998) registered the bond with the North American Dolle Food Company, in 1996, to produce, process and commercialize several kinds of canned fruit and vegetables.


\(^{17}\) 26/05/1990, p. 20 – Enterprises and Market.

\(^{18}\) *Algar* refers to the initials of Alexandrino Garcia, the founder of the business conglomerate of Uberlândia. It objectives to register that the patriarch of the Garcia family stepped aside from business in 988, due to a stroke, dying on October 1993.
companies amid ongoing transformations. The orientation of these synergies offer flexibility to burst cutouts of organizational and territorial orders. Thus, the expectation of rupture of the state exclusivity in the telecommunications segment demanded the fulfillment of new alliances.

The contours of the privatization movement of Telebrás System were more evident with the promulgation of the Law No. 9,295/1995, that determined the bidding of the grants from ten areas which composed Band B of the mobile telephony. Band A, on the other hand, was composed by corporation laws created by STB, due to the mentioned normative. After the establishment of the trading floor, the Algar Telecom Leste (ATL) consortium, formed by the Algar Group, Queiroz Galvão and the South-Korean multinational Korea Mobile, has gotten the right of exploring the relevant area 3, which embraced the states of Rio de Janeiro and Espírito Santo. Furthermore, the corporation from Uberlândia ensured a great deal of shares from Tess operator, hence the purchase of the esteemed area 2, corresponding to the interior of São Paulo state.

While Law No. 9,472 of July 16th 1997 (LGT) had created the National Agency of Telecommunications – Anatel and had determined the new guidelines of the segment, the Decree No. 2,527 of April 2nd 1998 constituted the General Plan of Concessions (PGO) of fixed telephony, as demonstrated in Table 1. In agreement to its former localizations, the municipalities network which composed CTBC’s acting area was maintained, condensing the sectors 3, 22 and 25 and 33, respectively from the regions I, II and II from the PGO, thus represented in Table 1.

Table 1. regions of the General Plan of Concessions (PGO), 1998.

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<th>REGION</th>
<th>GEOGRAPHIC AREA CORRESPONDING TO THE TERRITORIES</th>
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<tr>
<td>II</td>
<td>the Federal District and the states of Rio Grande do Sul, Santa Catarina, Paraná, Mato Grosso do Sul, Mato Grosso, Goiás, Tocantins, Rondônia and Acre.</td>
</tr>
<tr>
<td>III</td>
<td>the state of São Paulo.</td>
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<tr>
<td>IV</td>
<td>the whole national territory</td>
</tr>
</tbody>
</table>


However, the associations which marked the advance of the Algar Group due to the asset of STB pressured the corporation finances, undermining its capability of withstanding new agreements. Once more, the functional restructuration was decisive to the rebalancing of the multidivisional building of the Group. With that in mind, a part of

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19Concerning the advances of cellphone telephony in Brazil, CTBC’s pioneerism in enabling this service in interior parts of the national territory is noteworthy. Before even cellphones were available in metropolis as São Paulo and Belo Horizonte, the Algar Group company enabled 2,800 terminals to the main centers of its coverage area: while Uberlândia received 1,200 accesses, Uberaba and Franca received 800 each, to the considerable cost of US$3,00 per line (JORNAL DO COMMERcio, 1992).
Tess was sold to Telecom Americas (current Claro), by the amount of US$238 million (LADEIRA, 2016). While the shareholding control of ATL decreased to become a minority and disappear in 200220.

As these bonds were settled, the continuous organization transformations announced an important diversification along the converging solutions in information and communication technology (ICT). From the emerging opportunities, in the city of Uberlândia, of Algar Call Center Service (ACS), in 1998, to the development of activities related to telemarketing. In 2005, ACS inaugurated a contact center unit in Campinas (SP), to expand the service capability over areas in need of such services.

The investments in multimedia communication (data, voice and image) shaped the corporation solutions in transmission and data processing, based on optic fiber networks that the Group build in the area covered by CTBC. Most importantly, spatial practices of the ICT segment refer to the arrangement of a city-key networking functionally hierarchical, in perspective to the appointments of Chandler (1962) and Hymer (1978).

The reason why is because of the efficiency of great corporations, as Santos wrote (1994, p.144), “it comes from its presence in strategic places in the total space, chosen points by themselves, which exert their actions over other points or zones, directly or through other firms”.

Concerning agrifood field, the onset strategies within the decade 1995-2005 pursued the incorporation of the added value to the product, the acquisition of economies of scale referred to the edification of their own storing network21 and the establishment of complementarities with other organizations. As far as the silos network privileged the grain producing areas, the industrial operations of ABC Inco. used the local advantages of the agroindustrial center of Uberlândia, as of the logistics differentials enabled. This local arrangement favored the leadership position of the agribusiness of the Algar Group in Minas Gerais circuit of soy value chain.

Furthermore, the dynamic of the functions and services/support can be seen as a detailed addendum of the concentrations of tertiary activities in Uberlândia, which keep a close relation to the population supplies and demands and exert the notorious impact over the regional urban network. The solicitations of this center supplied the air taxi operations, from COMTEC and Space Vigilância, a company specialized in patrimonial security services. The latter, however, followed the spatial diffusion of the agrifood and telecommunications /ICT segments.

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21 In the beginning of the 2000’s, ABC Inco.’s storage network had silos in the cities of Triângulo Mineiro Araguari, Coromandel, Capinópolis and Sacramento. More distant ones, the structures of Paracatu (MG), Edéia (GO) and Alto Araguaia (MT), accompanied the grain producing areas.
The spatial and organization dimensions of the Algar Group, in the first half of the 2000’s, refer to a corporation structured by networks increasingly dense and capitalized. The dynamic associated to telecommunications/ICT, to the agroindustrial business and the services/support activities translate the drawing of a complex spatiality, thus portrayed in Image 5.


The advances, setbacks and spatial selectivity practices had tried to assign maximum effectiveness to its own reproduction. An immanent aspect of the social-spatial dynamics of the Brazilian territory, the geography of the Algar Group reminds us of the current contours examination. In the movement which grants the maximum understanding of the verticality, the networks that organized this corporation seek, henceforth, the internationalization.

**Horizontality, verticality and the “spatial adjustment” of the network corporation**

Before reflecting on a thorough analysis of the geographic dimension of the main fronts of the Algar Group in a recent period of time, it’s necessary to punctuate some changes in the management structure of the corporation. The different segments have
adopted the trademark, before exclusive, to designate the umbrella *holdings’, as demonstrated in Image 6.

![Image 6](image-url)  

In the multidivisional exposed architecture, the designations Instituto Algar and Unialgar point out the initiatives in social projects and the professional training intrinsic to the conglomerate. The IT/telecommunications sector was managed by Algar Telecom, which gathered the CTBC operations (telephony, TV and fixed internet, cellphone telephony and solutions in data transmission). On the other hand, Algar Tech reunited ACS’s activities (*contact-center*) and Engeset’s (network engineering). The agribusiness chains were denominated Algar Agro (ABC Inco., ABC A&P, ABC Norte), while the services sector accumulated the renamed Algar Aviation (air taxi, maintenance and aircrafts trade) and Algar Segurança (Space). By the nature of its shareholding structure, Comtec and Rio Quente Resorts kept their original names.

Concerning the spatial dynamics, the synchrony of concentration-dispersion of the Algar Group is emphasized through the juxtaposition of its horizontal contours and verticality, thus supported by techno-organizational multiscale networks. Considering the locational density of the assets, the agrifood and telecommunications/ICT segments have kept relevant correspondence space conferred by Triângulo Mineiro, the horizontality contour of the corporation.

Beyond this contiguity, what concerns the expansive movement of verticality, the spatial practices which subsidized the diffusion of the referred sectors, confirmed the geography of the Algar Group as a detailed aspect of the territorial division of labor forged in Brazil. In the emphasized case, as a peculiar multidivisional architecture as the recent
dynamics of the spatial diffusion of the main segments of the Group validate the trivial argument.

In the second half of the 2000’s, the structures from Algar Agro were destined to the usufruct of the locational advantages instituted in the agricultural *front* of MATOPIBA\(^{22}\), when there were the installations of structures aiming the crushing and bottling of soybean oil in the city of Porto Franco (MA). The advance of the grain cultivation and the availability of primary material, the facilities of extern insertion from North-South railway, from Porto de Itaqui (MA) and the opening of Northeast’s market to oils and soybean meal produced in Porto Franco, justified the allocation of the resources in the mentioned subspace. Furthermore, the increase of the operations in MATOPIBA required the edification of a network of twelve silos, installed in the states of Maranhão, Piauí, Tocantins and Pará (ALGAR AGRO, 2014)\(^{23}\).

Regarding the registered advancement, the agrifood arm of the Algar Group was substantially reorganized in 2018. The industrial units were sold (Uberlândia and Porto Franco), the warehousing of the structures and the ABC trademark to the North American multinational ADM. According to information from journals of wide distribution, the representative Luiz Alexandre Garcia\(^{24}\) justified that the decrease in agro-industrial operations occurred due to the valorization of other segments of the conglomerate, specially the telecommunications/ICT services\(^{25}\) (ESTADÃO, 2018).

On the other hand, the spatial planning of Algar Telecom/Tech is related to the functional aspects (nature of services and their demand) and the spatial practices which attach the horizontal concentration area to the recent spatial diffusion process. Due to the 87 municipalities which compose the contour of primary concessions, the company’s tried to, besides improving the technical-reticular apparatus, enable solutions integrated to retail clients, as an example of the packages that incorporate telephone and internet (fixed and mobile) and TV on demand. Besides adding value to the portfolio, these measures seek to resist the competition created by huge companies that operate in the Brazilian telecommunications market. In 2019, Algar Telecom had 1,278,000 clients in mobile telephony, 708,000 in fixed telephony, 569,000 in fixed internet and 68,000 in TV on demand (ALGAR TELECOM, 2019).

\(^{22}\) According to the contour proposed by Miranda et. al. (2014), the region of MATOPIBA is composed by 337 municipalities of Maranhão, Tocantins, Piauí and West of Bahia, extending itself for about 73 million hectares. It’s important to register the importance of the incentives directed by phases II (from 1985) and III (from 1995) from PROCEDER, to the agro industrial modernization of Cerrado areas of the states which compose the emphasized spatial contour.

\(^{23}\) In 2014, Algar Agro had a network with 32 warehouses (ALGAR AGRO, 2014). Among those, 16 were owned by the company the other ones were leased, therefore the published reports aren’t related to the warehouses leased/owned.

\(^{24}\) Luiz Alexandre is Alexandrino Garcia’s grandson and Luiz Alexandre Garcia’s son.

\(^{25}\) It’s important to emphasize that Algar Agro accumulated net losses of R$98 million and R$59 million in 2014 and 2016, respectively (ALGAR AGRO, 2016). Moreover, the plantations, cattle raising and fattening, were focused on a new subsidiary, Algar Farming.
Reaching the universalization goals of Fixed Switched Telephone Services (STFC) established by Anatel, Algar Telecom received, in 2003, the permission to expand its telephony services and fixed internet, to beyond its original area. Henceforth, the spatial diffusion process consists of the edification of an optical fiber network, which purpose is to enable convergent BPO\(^{26}\) solutions, contact center (customer service, telemarketing, sells and charges), data center and multimedia (cloud data traffic, voice and images), via its own backbone\(^{27}\).

Due to the sophisticated nature of the mentioned services, the extension of this structure was spread to more dynamic areas of regions as Southwest, Mid-West, South and, more recently, Northeast. Besides Uberlândia, head city of the operations, Belo Horizonte, Campinas and São Paulo are the most prominent ties of the backbone that, in 2018, had 50,000 km and reached 583 Brazilian municipalities (ALGAR TELECOM, 2018; ANATEL, 2019).

The internationalization process of Algar Telecom/Tech comes from its branches located in places like Argentina, Chile, Colombia and Mexico, the remote service delivery in several countries of South and Central Americas, and the participation in the consortium which has built Monet cable\(^{28}\), that connects the coast cities of Praia Grande (SP) and Fortaleza (CE) to Florida (USA), as Image 7 shows. Actually, the emergency of this constellation of vertical points hasn’t considered merging and acquisitions strategies of analogous companies, the issuance of debentures in the stock market and the agreement of loans along with funding agencies, specially BNDES\(^{29}\).

As the production of agricultural commodities as the expansion of ICT operations required the improvement of urban functions in the head city of the conglomerate. The “payback” of the multi-sited Algar Group over Uberlândia is an example of which the hegemonic characters give meaning to a place according to its particular demands. In this case, the efforts for favoring the city of qualifications and convenient synergies to its own functioning are associated to the recent endeavors of real state incorporation, which gave rise to the planning of Granja Marileusa neighborhood. The latter one, was built through the urbanizations of a periurban stock belonging to the Group itself, thus organized to supply the demands as for housing as for a business “innovation district”, aiming to maximize the local learning networks and the circular effects of the agglomeration.

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\(^{26}\)Business Process Outsourcing (BPO), is referred to the outsourcing of processes which use, with intensity, the support of information technology.

\(^{27}\)As Marcelo Nota has written, the backbones are support networks composed by “cables of optical fibers installed by telecommunication companies and the like, which are extended by millions of kilometers – characterizing its global state” (MOTTA, 2012, p. 23).

\(^{28}\)Ended in 2017, Monet cable was built in a partnership with the multinationals Google (USA), Antel (Uruguay) and Angola Cables (Angola). Its 11,000 km of underwater optical fibers reduce the expenses of associated corporations with the lease of international internet connections.

\(^{29}\)Between 2005 and 2019, the telecommunications/ICT segment of the Algar Group required 48 not automatic direct/indirect operations along with BNDES. When summed, the values of such operations overcome R$550 million (BNDES, 2019).
Furthermore, the entry of the Algar Group in the venture capital\textsuperscript{30} market is noteworthy. From 2016, the opened innovation programs promoted by the subsidiary Algar Ventures accelerated, particularly, startups\textsuperscript{31} specialized in renewable energy, in precision agriculture and ICT. Located in cities where the Group has a considerable

\textsuperscript{30}As Carvalho et al (2005) has written, the initiatives in venture capital consist of a high risk financial instrument, as an example of the acceleration mechanisms of startups executed by great corporations. Most cases, the accelerated endeavors are associated to a functional variety of investors.

\textsuperscript{31}Generally, the term startup is related to new and small companies, usually characterized by the compilation of professionals seeking business and associations that operate in sectors of dynamic and uncertain activities.
presence, the selected initiatives have a strong connection to the multidivisional architecture of the great corporation, an ambitious pachyderm of the competences enabled along.

Indeed, the complementary networks facilitate the access of the Algar Group to learning methods, not rare, situated beyond its organizational boundaries.

Such dynamics allows us to suggest two levels of spatial interactions. The first one, associated to local and regional contexts, is characterized by the proximity of the contacts that are in a short distance, along the horizontality structured by the attraction of the externality of the Group itself. Such connections obey, concerning the organic contacts which characterized the former regional production, to organizational solidarities as fast as they are precise. A second level contains the wide and discontinuous contour of a hierarchical verticality according to the opportunities and places that offer the functional variety of the corporation.

The concentration-dispersion mechanism is clarified, as though as the importance of technical networks to the fulfillment of multiscale actions. In the architecture of the social-spatial practices of the Algar Group, it’s possible to notice that the “spatial adjustment” (Harvey, 2013) happens in a synchronic way, reaching as the need of creation of a new space as the demand for introducing a variety of complementarities located along the management centers of the territory. As Harvey once wrote (2005, p.51), the geographic expansion and the geographic concentration “are both considered products of the same effort to create new opportunities to capital accumulation”.

**Final Considerations**

An effort of synthesis leads us to consider the spatial order of the Algar Group from four complementary spatiality. The first one evidences the social-spatial changes in Triângulo Mineiro in the first decades of the XX century as the main condition to the emergency of the Group. The limited beginning refers to the development of activities nurtured by the offers of the local geographic environment, however contingent by external demands to the region.

The significant functional diversification in the 1970’s and 1980’s led the second spatiality, widely encouraged by incentives of the national Brazilian developmentalism. Thus, the emergency of a discontinuous spatiality, based on tied knots by organizational solidarities typical of verticality. The virtual setback of the state protagonism along the 1990’s demanded a restructuring of the objects and actions of the Algar Group, which pursued the insertion in complementary networks. The third spatiality, therefore, was market by an intensification of the selective character of the spatial diffusion practices combined with strategic points of the national territory.

Deflagrated along the 2000’s, the fourth spatiality persists until present time. It configures the maturity of a corporation that organizes itself organizationally and spatially in network. Simultaneously, the geographic concentration and spatial diffusion strategies, expressed in juxtaposition between horizontality and verticality, shoe the concentration-
dispersion process associated to the amplified capital accumulation. The sum of this spatiality indicates the way by which the complementarity network of the Algar Group plans and reproduces the distortions of the territorial labor division in Brazil, the recent basis of the internationalization process.

The characterization of the events which inhabit the space-time trajectory of the Algar Group helps us understand the creative impetus, the persistence, the misunderstandings, the dissimulations and the indispensable political-institutional interactions which permeated in the process. Assuring, in short, the prominence of the political aspect, the bargaining power and the imperative which tries to make up for the alleged losses, even if it can mean the pulverization of the costs and the perpetuation of inefficient inventive. Actually, the strength by which the organizations shape the institutions in their own benefit is a basic element to represent the spatial order of the multifunctional and multi-sited corporations.

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Received for publication June 2020
Approved for publication August 2020