

# Minerva Foods and the Russian Meat Market: Strategies in the Face of New Challenges

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**Abstract.** Following Russia's 2022 invasion of Ukraine, Minerva Foods, a leading South American meat exporter with 20% of global exports flowing to Russia, faced a critical strategic dilemma. Escalating sanctions and disrupted logistics threatened operations established since 2001, while reputational pressures from Western markets intensified. This teaching case examines strategic decision-making under geopolitical uncertainty, focusing on how multinational corporations navigate complex international risks when operating in sanctioned markets. The case puts students in the role of Miguel Santos, the company director who must choose among four strategies: maintaining presence, gradual withdrawal, full disengagement, or aggressive expansion to capture market share from exiting competitors, with each option presenting distinct financial, operational, and reputational trade-offs. The case is designed for undergraduate and graduate business students in strategy, international business, and supply chain management.

**Keywords:** international business, economic sanctions, uncertainties, geopolitics, russia-ukraine war.

**Disclaimer:** Miguel Santos is a fictional character, and along with his dialogues and dilemmas, was created solely for educational purposes. This armchair case study was developed from the authors' experiences in a research project that measured the impact of geopolitical conflicts in third countries. Therefore, although a real company is mentioned, the discussions and viewpoints presented in the case do not necessarily reflect the official position of Minerva Foods, thereby absolving it from any responsibility. Additionally, the authors declare that they have no conflicts of interest and did not receive any financial support for the preparation of this material.

## 1. Introduction

In 2022, Miguel Santos, Director of International Operations at Minerva Foods, faced some dilemmas. As Russia's invasion of Ukraine unleashed a wave of

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geopolitical turmoil, the Russian market – vital for 20% of Minerva’s global exports – was on the brink of collapse due to sanctions and disrupted supply chains. In the middle of that context, Santos reflected:

We knew that the geopolitical situation in the region had been worsening in recent months, but I think everyone was caught by surprise with the invasion in February 2022. Anyone who claims to have had an immediate reaction plan for that was probably lying.

Minerva Foods, one of South America’s leading meat exporters<sup>1</sup>, had maintained a foothold in the Russian market since 2001. The company built a network of local partnerships and navigated the complexities of Russia’s business environment to become an important player in the region. By February 2022, its Moscow office employed a diverse team of 20 people, and its importance could have been seen through Santos words:

Minerva invested hundreds of thousands of dollars and an immense political effort over the past decades in Russia. Turning our backs and abandoning everything was not that simple.

However, the escalating sanctions and political instability disrupted traditional international freight routes and blocked commonly used payment methods, making the continuation of operations increasingly untenable. Economic uncertainty caused by the ongoing conflict also led to volatile demand and consumption patterns, necessitating a strategic reassessment to address the growing challenges, as Santos highlighted:

Suddenly we could no longer unload our shipments or even receive payment for the deliveries that had been made. When the stronger sanctions came into effect, dozens of shipments were already on their way. We questioned our logistics partners about alternatives, but no one knew any.

As days went by, Santos grappled with the question: “Had the time for the Russian project ended?” The best way forward for Minerva Foods was far from clear. Santos could not sleep, as he sought solutions that would secure the company’s future. Russia was very important in terms of export revenues to let go, but the whole world was paying attention and condemning Russia and those partnering with them so continuing business represented a reputational risk. After much thinking and debating with his team, Santos identified some possible alternatives he had to choose from: (i) maintaining a presence in Russia while navigating hurdles, (ii) gradually withdrawing, (iii) completely disengaging from Russia, or, (iv) increasing presence to fill the void left by exiting companies?

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1. World Benchmarking Exporters (2025). Food and Agriculture Benchmark – Minerva. Retrieved from <https://www.worldbenchmarkingalliance.org/publication/food-agriculture/companies/minerva-2/>