



SPECIAL EDITION



WIDE FORMAT: ROWE.

The Best *of* German *Mittelstand*

THE WORLD MARKET LEADERS

*Edited by
Florian Langenscheidt
and Bernd Venohr*

Publishers' Preface

DR. FLORIAN LANGENSCHIEDT
PROF. DR. BERND VENOHR



Ladies and Gentlemen,

The economic and political stability of Germany in the aftermath of the global financial crisis has led to a renewed interest in the country and its economic model. Alongside the big and world-famous German companies, there is also a group of small and medium-sized companies which provide a large number of jobs and are extremely productive. They are known in Germany as the Mittelstand. The term Mittelstand is used as a statistical category to classify all small and medium-sized enterprises with annual revenues up to 50 million Euros and a maximum of 499 employees. Using this classification, more than 99 per cent of German businesses fall into the “Mittelstand” category. They range from small, innovative software companies to globally operating mechanical engineering firms right through to old artisan businesses. But the term “Mittelstand” is often used to include much larger companies too if they are run in the same spirit. Many larger and mostly family-owned companies claim to be part of the Mittelstand, based on the Mittelstand’s positive connotations such as nimbleness, flexibility, innovativeness, customer focus, social responsibility, a family-like corporate culture, and long-term policies. Owners of these companies make business decisions largely on their own – and assume the risks and liability. Ludwig Erhard, the former Economics Minister who crafted the post-war (West) Germany “economic miracle” (Wirtschaftswunder), warned not to reduce the Mittelstand term to a mere quantitative and revenue-based classification but instead emphasised more qualitative characteristics that embody the Mittelstand, as it is “... much more of an ethos and a fundamental disposition of how one acts and behaves in society” (Erhard, 1956). The economic importance of this sector is unique worldwide; the German word Mittelstand has therefore been taken up into various local languages because there is no exact equivalent for it. Even variations of this term are used in other languages, such as “Brittlestand” in England and “McMittelstand” for Scotland’s middle-market companies.

In this volume we want to focus on those Mittelstand companies which have become global market leaders, holding one of the top three industry positions in their respective market segment. Most of these medium-sized companies are still private and family owned, and although they are likely to be unknown to the general public, they are well known and deeply respected in their industries.

Deutsche Standards EDITIONEN published the first book on German world market leaders in 2005. In 2011 the publishing house produced “Lexicon of German World Market Leaders”, which has become a standard reference book. A second enlarged edition of this encyclopaedia was published in 2015. All of these previous publications were published exclusively in German. Numerous requests from all around the world have now led us to publish an English edition, covering a smaller group of companies. The selected 100 Mittelstand firms presented here are representative of some of

the best and most successful Mittelstand firms among a broader array of Germany’s world-class firms dominating global markets.

The companies included in this book represent a broad spectre of industries and have their home base mostly in small towns spread throughout Germany. They are mostly family-owned and united by a common set of values and management practices. These management practices are described and analysed in an overview article, which is also part of this book. Readers will gain deep insights into the German Mittelstand landscape, which is unique in the world in its broadness and depth.

The aim of this publication is also to put the spotlight on these outstanding medium-sized companies which have risen to become the “crème de la crème” in their market segment globally – not least to provide new models and orientation for the worldwide debate on a sustainable global economy.

Since 2013, in cooperation with the German Ministry of Foreign Affairs, many books of Deutsche Standards EDITIONEN have been distributed to the 226 German diplomatic missions and embassies, serving as useful sources of information for anyone interested in Germany and its economic system.

A large part of this edition is being distributed globally and made available to institutions such as the German foreign chambers of commerce, Goethe Institutes and, again, to German embassies and diplomatic missions. We are delighted that this publication will be officially released at this year’s Business Forum of the German Ambassadors Conference in Berlin on 25 August 2015. We would like to thank the organisers of this conference, along with our partners ADP and Land der Ideen (Land of Ideas).

Dr. Florian Langenscheidt



Prof. Dr. Bernd Venohr



ROWE

1955

Hightech from Germany sold throughout the world: ROWE develops and produces its innovative solutions for wide format document processing exclusively in Germany and exports them to 90 countries. With an equity ratio of 88 per cent, this medium-sized company continuously invests – independent of banks – in the field of research & development.

Medium-sized German companies are often impressive success stories that don't only make headlines in their own country. If there was a ranking, ROTH + WEBER GmbH (ROWE) – one of the world's leading manufacturers of wide format color scanners, LED printing and folding systems as well as software for professional document workflow – would certainly occupy one of the leading positions. As early as 1963, just eight years after ROWE was founded, the company, with its headquarters in Niederdreisbach between Cologne and Frankfurt, was already exporting to 60 countries – including key markets such as the USA, the Middle East and Asia. This rapid growth was and still is based on four pillars: innovation, absolute customer orientation, development and production based on the modular principle as well as the high degree of reliability of its products.

Internationally renowned and leading companies, such as those from the automotive, energy and engineering industries, as well as reprography service providers and public administrations rely on the high quality of ROWE products. Users appreciate the intuitive operation and the ease with which the products manufactured exclusively in Germany support their daily operations. In the meantime, ROWE exports to 90 countries around the globe. This corresponds to an export ratio of around 66 per cent with an upward trend. Products are distributed worldwide through its own sales force as well as through authorised distributors and dealers. One focal point of the quality strategy of ROWE is a comprehensive, closely meshed support through service engineers trained and qualified at the in-house

training centre. The modular design of ROWE products also ensures optimum availability of consumables and spare parts.

For more than 60 years, the premium brand name ROWE has been synonymous with quality and innovation "Made in Germany". As a leading manufacturer of complete solutions for wide format document processing, the company develops and produces all printing systems, colour scanners and folding systems in-house. Through constant research and numerous pioneering patents, ROWE enjoys a prominent position around the globe. ROWE solutions are used wherever people work with wide format documents. The product portfolio ranges from printing systems with integrated controllers to colour scanners, folding and cutting systems right up to the appropriate software solutions for professional document workflow.

Thanks to its 60 years of experience in this field, ROWE knows the challenging requirements of users down to the last detail. Maximum reliability and compatibility of individual products are of prime importance. Therefore, ROWE focuses completely on in-house development and production. Products that are compatible and can be seamlessly integrated into individual IT environments are the result of this in-depth expertise. Business partners know that the company principle "WIDE FORMAT: ROWE" is not just on paper, but is put into practice day after day.

A milestone in the success story of the company is an online folder with automatic tab applicator introduced in 1975, now a benchmark

Quality Control



The ROWE brand has been synonymous with premium quality worldwide for over 60 years.

Chronology

- 1955** Foundation of ROTH + WEBER
- 1963** ROWE exports to 60 countries worldwide
- 1995** Construction of the new office building with research and development centre
- 2000** Generation change in the management: Johannes Roth takes over from Kurt Roth
- 2014** With the new scanner series ROWE Scan 450i and 650i with scan widths from 24" to 60" ROWE has the most comprehensive scanner program in the market
- 2014** Opening of a new logistics centre
- 2015** Extension of business premises



CEO Gerhard Bäcker (centre) in China – one of the core markets of the globally operating company

in the industry. When production of digital LED wide format printers with integrated controller started in 1996, this medium-sized company again attracted attention in the industry and amongst its customers as this was the world's first cutting-edge network printer. In 2006, ROWE revolutionised workflow through a patented input assistant for optimal paper roll changes in wide format printers. No less impressive was the 2011 market launch of patented stitching for large format scanners, which allows error-free scanning. Two innovations of 2014 also underline the leading position of the company: the new ROWE ecoPrint – the first wide format printer with full HD user interface – and the ROWE APP CENTER, a uniform software platform with in-house developed apps. A year later saw the first patented modular folding system which can be upgraded from offline to online at any time.

Since its foundation in 1955, it is not only highest quality standards that characterise the strategy of ROWE. Just as important is the strict focus on research and development, which also includes wide-ranging cooperation with external research institutes. The latest example of continuous investment in R&D is the construction of a second test centre as an additional driver for innovation within the company. With an equity ratio of 88 per cent, the targeted investments from cash flow in future-oriented technologies are on an extremely stable foundation – further documenting independence from corporate groups and banks. Knowing this, ROWE has every reason to be optimistic about the future. The specialist in wide format is already well established in the future market of digitisation

in which technologies are being developed that allow companies to network international projects and to make information within the company available worldwide. A striking example of this is the ROWE Scan Cloud technology which enables user documents that are required by internationally operating teams to be transferred directly to the cloud.

As with all other applications, it is always a matter of automating processes and increasing their efficiency. ROWE itself also relies fully on digitisation and has already implemented "Industry 4.0" in its own production. 60 years after the company was founded, there is no doubt that further success stories from ROWE will follow.



Johannes Roth (l.) has been Managing Partner since 2000; Gerhard Bäcker supports him as Managing Director.

Facts and *Figures*

INDUSTRY

IT industry

PRODUCTS

wide format LED printing systems, colour scanners, folding systems and software for professional document workflow

MARKET POSITION

one of the world's leading manufacturers, exports to 90 countries

MANAGEMENT

mixed management

PRODUCTION LOCATIONS

exclusively in Germany

EXPORT RATIO

approx. 66%

FOUNDED

1955 by Kurt Roth and Paul Weber



The ROWE ecoPrint is the first wide format printer with a full HD user interface.

ROTH + WEBER GmbH
Betzdorfer Straße
57520 Niederdreisbach
Germany
t +49 2743 9217-0
www.rowe.de

SUPPORTED BY



Germany
Land of Ideas



Germany's stability in the financial turmoil of recent years has coined a new word in the dictionary of global perception: "The German Mittelstand (SMEs)". It means that German industry has proven to be a reliable partner and bastion of calm in view of the myriad challenges facing the world. This is due especially to the companies which have grown into "world market leaders" through business acumen, innovative power and a global market presence. Most of these are SMEs owned by families which are rather unknown to the general public. Often these companies are highly specialised technology leaders only familiar to industry insiders. It is a great distinction to be a world market leader. However, this distinction also comes with the challenge to maintain this standard. The companies take on this challenge with long-term strategies, they rely on proximity to customers and the quality of their products, and they take care of their employees.

For the first time, Deutsche Standards EDITIONEN is now presenting one hundred select German enterprises, which claim to be world market leaders, to its international readership in English. The choice is representative of successful, responsible entrepreneurship and enables an exclusive insight into the German corporate landscape, the width and depth of which is unique in the world. The goal of this book is to put the SMEs which have been able to assert themselves as "the best of the best" in their market segment in the world market into the international spotlight. By doing so, it also intends to contribute new models and orientation to the discussion of a sustainable world economy.

DEUTSCHE
STANDARDS

