

# Successfully abroad

REGO HERLITZIUS IS A WELL-KNOWN AND INDISPENSABLE FIGURE IN THE GERMAN CUTTING AND STIRRING MACHINES MARKET. GENERAL MANAGER **ANDREAS THEMANN** EXPLAINS TO BAKING+BISCUIT INTERNATIONAL WHAT THE INTERNATIONAL SITUATION LOOKS LIKE



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Andreas Themann, General Manager of Rego Herlitzius

**+ bbi:** In 2014 Rego Herlitzius will develop a new machine that combines a planetary mixer with a beating and stirring machine. Can you describe it in more detail?

**+ Themann:** Planetary mixers have an automatic bowl clamp, beating machines normally do not. They operate manually. We want to bring out a classical beating and stirring machine in which the bowl is clamped in position automatically, as is usual on planetary machines, and the eccentric adjustment is also carried out automatically by an electric motor via a program step. The target group are existing and future customers who place great value on a reproducible result of mixing. Such results are ensured by the program-controlled process steps. Furthermore, this solution is helpful for persons with a hearing impairment, who often rub the whisk against the bowl edge when using a manual eccentric adjustment, and cannot hear it. An electronic eccentric adjustment can extend through a limited angle, so contacts with the bowl edge no longer occur.

**+ bbi:** This unique combination will be presented at the Internorga in March 2014. Does that mean it is designed for the German market?

**+ Themann:** Also, but not exclusively. We will market this machine worldwide. It remains to be seen whether this machine solution will be accepted in the market. Many bakers value a machine that is simple and easy to operate manually, whereas abroad there is a very much greater demand for a machine that functions automatically. We have actual potential customers abroad who would buy three-figure numbers of the machines.

**+ bbi:** At the same time, Rego Herlitzius is a German company formed twelve years ago by a merger of the two long-established businesses RMT Rego Maschinentechnologie and Herlitzius Schneidetechnologie. So Rego Herlitzius has been well-known in Germany for more than a decade as a result of its combined knowledge. What is the position with your ambitions abroad?

**+ Themann:** Of course we have something to show there, even though I must agree with you that we are considerably better known in our home market. Since the start of Rego Herlitzius we have operated with our trading and service partners established worldwide, and have succeeded in establishing ourselves well in the European market, in Asia and in Russia and the Baltic states. The proportion exported is growing continuously. We are very satisfied with this development, and we also see it as confirmation of our marketing strategy. Of course our aim remains the further strengthening of market shares abroad.

**+ bbi:** Expressed in figures: what does your situation abroad look like?

**+ Themann:** Rego Herlitzius achieved a turnover of EUR 9.2m in 2012. About 50–60 % of this comes from abroad, and some countries are a long way from being fully exploited. The variety of types of bread in Germany is unique, and the range of bread and confectionery products on offer abroad is very variable. This is why planetary mixing and kneading machines as well as beating and stirring machines are easier to sell internationally than are for example bread slicing machines. However, we detect growing interest even here, i.e. we are a long way from reaching the end of our opportunities with slicing machines.

**+ bbi:** Which of your business areas are particularly strong abroad? And how can we visualize your marketing structure in general?

**+ Themann:** In the first place one must be aware that we depend on three mainstays: hand-operated machines for bakery businesses, the semi-industrial branch for larger

production capacities, and the industrial business area. The artisan branch consists of beating and planetary machines and bread slicing machines in a very wide variety of machine categories, e.g. frame-blade, sickle or circular knife machines. We also offer customers individually customized solutions. The next division supplies semi-industrial businesses, i.e. store chains, with slicing machines with a continuous bread input of approx. 2,000–2,500 loaves/h, circular knife machines and manual packing. Finally our industrial division builds machines that produce and run continuously in multi-shift daily operation, i.e. continuous strip bread plants with bread lengths of up to 3 m, as well as fully automatic slicing machines that feed in, sterilize, slice, portion and dispense. These three areas complement one another splendidly and smooth out any fluctuations.

**+ bbi:** Does that mean there are no typical country-specific peculiarities?

**+ Themann:** There certainly are, because the various markets do not call for the same product spectrum. For example stirring, kneading and beating machines have already been on the market in Asia for a long time, whereas slicing is rather a new trend. Soft breads, wheat breads and toast have also been known there for many years. The German bread culture with its darker, heavier breads is rather new. However, in Japan for example it is evident that there is a distinct development towards grappling with local recipes. We will direct our activities towards this.

**+ bbi:** What does that look like in practical terms?

**+ Themann:** We will cooperate even more intensively with our distribution partners and will utilize their local expertise to exploit these potential opportunities, and will also show an even stronger presence at international trade fairs. Last but not least we want to use the print media and will also explore the possibility of web-based sales and accompanying online advertising.

**+ bbi:** Your only production site is Haan in Germany, where approx. 40 employees work. On the other hand you have agencies in Russia, China, Korea and Japan, as well as in European countries such as Poland, Finland and Sweden, Italy, Austria, Switzerland or the Benelux countries, who look after your interests autonomously. What benefit do you gain from agencies, and where is there further potential for improvement to establish Rego Herlitzius to a greater extent abroad?

**+ Themann:** In our opinion success is impossible without marketing support in the various countries and their closeness to the customers, unless we organize ourselves independently in the countries in an appropriate country-specific way. We favor the distribution structure with marketing and service partners in in the respective country language. In most cases for the very advice-intensive industrial solutions we make an appearance on the spot together with our distribution partners, and then we also offer customer-specific options. For this we look at the conditions on the spot and what a joint solution might look like, which is rather expensive but we regard it as very important.



**++ figure 2**

The proven concept of Rego Herlitzius' stirring machine SM 60 is the platform on which the new combined planetary and stirring machine will be developed

**+ bbi:** Do you see any trends in your sector of the industry? Are the European countries similar in this respect?

**+ Themann:** I consider two trends to be especially important: the first is bake-off for the self-service shelves in supermarkets. A large, widespread demand exists here. The supermarket chains also transfer their concepts abroad, even though this is not always 100 % adopted. Bread slicing machines for the self-service area could be expanded by adding combined slicing and packing solutions, which means the end customer takes his/her sliced bread out of the machine directly in a bag. This offers some advantages. This area is growing throughout Europe – we will be guided by our customers' demands and will see how far the requirements applying to the machines change. It will become apparent which machine designs will be accepted in the market and where the journey takes us. Secondly, the large area of hygiene is still highly topical. At Rego Herlitzius we notice that the demand for infrared sterilization has increased. In addition to the hygienic aspect, this technology also extends the minimum shelf life date and reduces the rate of returns of loaves, which naturally benefits the aim of reducing wastage. By the further development of our industrial slicing machines we have also succeeded in reducing the end crusts, i.e. the amount of waste. These topics have similar importance overall and for all countries.

**+ bbi:** And to return again briefly to the planetary machines, are there any innovations for our readers here as well?

**+ Themann:** In addition to the SM stirring and beating machine with an automatically adjustable tool that I have already mentioned, we will develop a planetary machine to use thermo-bowls, which allows mixtures to be heated appropriately in the bowl.

**+ bbi:** Mr. Themann, thank you for the interview. +++