ISSUE 01 | JUNE 2012

THE FACES BEHIND THE BRAND

I BELIEVE PEOPLE ARE THE MOST **IMPORTANT ASSET** OF EVERY COMPANY

**Tomas Johansson** 

CEO Dahl Sweden

THE MAKING OF TINOS | PAROS

THE VOICE OF THE FAMILY VON RETTIG

**Markus Lengauer CEO Rettig ICC** 



clever heating solutions



### "Welcome

### **ANOTHER FIRST FROM RETTIG ICC**

I am delighted to welcome you to the very first issue of Clever Magazine. Within these pages you will find stories to inform and inspire you; stories that go beyond the products and straight to the people behind the brands. Whether you work for Purmo, Radson or LVI, work with us as a customer, or are still deciding about joining our growing network, there is something for you right here in Clever Magazine.

In 2011, I told my team to spread the word that we were launching a new magazine, for internal and external audiences. As the news spread, we talked to more and more people within our own organisation, gathering news and opinions, and also talking with customers who wanted to tell their stories to a wider audience. You are holding the result in your hands right now, and I hope that you enjoy reading it as much as my team and I enjoyed putting it together.

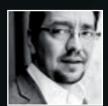
I am confident that this will be the first of many issues of Clever Magazine, and am keen to hear your feedback, or ideas for articles in future issues. Please contact my team on info@purmoradson.com with your thoughts or tips.

Keep it Clever!

### **ELO DHAENE**

Brand Commercial Director Purmo Radson LVI





Tomasz Tarabura Brand Director Purmo Radson LVI

6

A **successful** family company



Berlin (Germany) Märkisches Viertel 17,000 homes

14

A Purmo **project** in Berlin



Klaus Ackermann Managing Director Nibe Germany

16

**Heat pumps** set the benchmark



Martin Hennemuth Marketing Manager Purmo Germany

20

Column: So what do you do?



Frank Gielen Photographer F.G. Photography

24

Creating the perfect picture



Did I ever **tell** you about...

61

Mikko livonen Director R&D Rettig ICC



Quality is our guiding principle

64

André Clainquart Director Clainquart SARL



our Rettig acquires rinciple Hewing

1

rt Hewing High quality L PE-Xc pipes

66



Column: How to be **sustainable** 

67

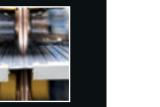
Cyril von Rettig Chairman Rettig Group Ltd



**The Factory**Zonhoven, Belgium

68

Jos Bongers and colleagues about their factory





The Hague (NL) JuBi 7,400 radiators

30

A Radson **project** in The Hague



Willem Verbeke Professor Erasmus University R'dam

38

Keep developing, keep discovering



Markus Lengauer CEO Rettig ICC

44

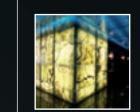
The voice of the von Rettig family



Tomas Johansson CEO Dahl Group

50

Strategic partnerships



Ideo (Romania) A revolutionary business concept

58

gic A Purmo **project** e**rships** in Romania



**About** Rettig

74

Rettig: 200 years of business history and tradition



About the **future** 

84

Jan Mücke Parliamentary State Secretary



The success of **Purmo Poland** 

86

Wojciech Makowski Sales & Marketing Director Poland



A Purmo **project** in Sweden

90

Åsunden | Heda Sweden Radiators + UFH



**Leadership** is in our nature

92

LVI Part of Rettig ICC Established 1922





# How does a family company stay so successful?

Tomasz Tarabura, Brand Director at Purmo Radson LVI, is based in Poland but today he is sitting in a family-run ski hotel in Austria to talk about performance. Over the course of our time, he discusses the impressive sales of 2011; the positive outlook for 2012; some revelations in the product pipeline; and an interesting outlook on Turkish competition. But first, he tells us about his encounter with an effervescent Austrian named Chris Fuchs.



"It was part of the process of getting people to work better together," says Tomasz, "a great initiative in cultural communications from Astrid Tschernitz, our CPO, who observed that sometimes there are tough disputes. Even though it is five years since the brand restructuring, it can be tough working through those disputes to a common understanding. Five years sounds like a lot of time for a constant group of eight people to get to know each other; until you consider the fact they come from all over the world to represent a Finnish company. "At the beginning there were some issues we couldn't even talk about," Tomasz says, "but today we have adapted our individual styles to match the group dynamic, and this is part of growth as a team."

### A CULTURAL PERSPECTIVE

The cultural communication initiative Tomasz mentions is run by a guru who walks the halls of upper management in many top-tier

brands, giving bespoke workshops on the importance of understanding cultural differences within an international company. "Chris Fuchs has worked on every continent, has a clear insight into different cultures and nationalities, and in his decades of experience has gained the ability to see – and share – the way people from a certain country generally think and act," says Tomasz. And indeed everyone we talked to at the Management Team meeting in Austria had the same glowing praise, not just for Chris as a speaker, but for the revelations he brought to the team. Being able to have empathy for someone you're speaking with is a key part of getting a close understanding, which is vital when you're on the management level of a global family company. This theme of close understanding runs through the core of the conversation, and in fact, is adhered to by all of the Management Team. It seems to be something of a family trait. But before we can investigate what makes a good member of the team, Tomasz is explaining why it's such a good company.

Having empathy for someone you're speaking with is a key part of getting a close understanding

"Rettig is one of the most stable and reliable partners in the market. The Rettig family has been in the business for decades, and plans to stay there for many more decades. They have a long term vision, just concentrating on long-term partnerships with our distributors," explains Tomasz. "Central to this is quality, which is why in every market our products are recognised as best quality. As the preferred brand, we also believe that we should give the next customer tier, installers, as well as our indirect customer, the end user, inspiration. Which is why we use marketing materials that inform and inspire."

Tomasz easily resists any urge to feel insulted. Perhaps his workshop with Chris mentioned writers with difficult questions. "Innovation is what we mean, and innovation is what we deliver," he replies. "Many companies in our industry still offer product-oriented marketing. Just a picture of a product, not showing how it could look in an apartment or a house. We show products how they could look in-situ, we help people to use their imagination to create the picture of how their home could look. Thus, we inspire them. When it comes to heat emitters, we have solutions that are applicable to almost every situation," continues Tomasz. "We also supply – and in fact now produce – underfloor heating. So we don't just show a single panel radiator on a wall. Take our brochure and you will see a full range of products and a full range of situations. Inspiration!"

"Look at the figures. They are absolutely positive and particularly in 2011, I think they are beyond impressive. Why? Practically all product groups gave us growth in turnover compared with the

previous year. The last half of 2011 saw an economic downturn across all sectors, yet we bucked the trend in all our groups, increasing our share in many markets, even where we already had a large market share. In one market we are active with branded products and private label business and despite the fact our branded products are more expensive than private labels, their sales increased more than the private labels. This proves, in my eyes, that our marketing concept is indeed working well."

"Predictions for 2012 are that every industry is still going to be working under a big question-mark" says Tomasz. "The uncertainty is high and we see how reactive stock markets can be. But we observe that more and more customers are convinced of our reliability, our ability to supply – from our comprehensive logistics network. With this, as well as some new products which we are bringing into the market, we're expecting to see growth for 2012."

"The good thing for Purmo Radson is that sometimes even when the basic products, from a volume perspective, are on a lower level, the business is compensated by value-added items like decorative radiators. These new product families are growing every year, independent of the volume changes in the lower and middle level products," explains Tomasz. He continues enthusiastically by outlining 2012's shining stars in the product arena. "We are very confident about the future of our fan convector product, the Vido. The Vido provides heating and cooling functio-nality and is perfectly suited to heat pumps. The twin ability to heat and cool is made more impressive when you understand that it does so automatically, independently. Of course, when we developed it there was a process of three-cornered compromise for the





 The Rettig ICC management team in session with Chris Fuchs about cultural differences and behavior (Leogana, Austria)

R&D team to complete; a balance between best output and smallest depth achievable, while keeping it as silent as possible. The final result is extremely positive: an exceptionally quiet and compact unit that has a very competitive output. It has already launched well in some markets, with more to follow."

### ...AND A REVOLUTIONARY CONCEPT OF

"We are also market testing a concept of offering not just heating elements but heating systems - offering whole installations, including the mixing unit, the manifold, pumps, valves, control units and so on," says Tomasz. Traditionally this area is a source of much effort for the installer, who has to calculate, set, define and test many parameters in order to get the right levels for ideal indoor comfort. This new concept should make the installation process much easier and faster. "We will be offering pre-defined units to the installer, a kind of 'smart box' with which he simply connects the heat generator on one side, to the heat emitter on the other. We call it the Plug & Play Installation (PPI), and we're confident enough about it to say that it will indeed offer guaranteed comfort. It also makes the installer's job easier and faster, which of course means he can get more jobs done in a day, and this system we have predefined levels, with predesigned elements. If something goes wrong, it's our responsibility to fix it, not the installer's, so he gets that added reassurance too – a win-win situation for both parties. We've tested this successfully already in the Nordics, and now we're testing it in Germany, a core market."

"This is a pioneering idea. For the first time in Purmo Radson history we are not selling products in repetitive quantities, we are selling a concept. I would go so far as to say a service. It of course opens doors for us to sell additional elements like multilayer pipes, connectors, manifolds, those types of things, which are a clear business opportunity. But the key

difference is that we're selling a heating system, not heating elements," says Tomasz. This sounds somehow like one of those fantastic ideas that is so good it should already exist. "This is indeed the first time that radiators and underfloor combined systems will be handled through a single unit. We will receive concrete market figures at the end of July, but we are very positive about its future."

### GROWING THE DISTRIBUTOR CHANNEL

Tomasz is also keen to talk about a growing trend among distributors, one that has been a talking point for many, and a sore point for some, both within and outside Purmo Radson. Over recent years, some distributors took the understandable decision to look for cheaper suppliers. That led them to Turkey, among other places, where they found products that could almost say they did pretty much the same thing. But there was something clearly missing. "Quality, obviously," says Tomasz, proudly. "The trend has reversed. More and more customers are returning to us, and new customers are knocking on our doors, looking for quality, because that's what their customers want. So, branded products and private labels are both growing from this. And of course, this quality is supported by availability, and the stability of the Rettig family company. It's a combination of all these that appeals. People can expect reliable service, reliable delivery and quality."

When pushed to give figures to support these claims, Tomasz is reluctant at first to release company-sensitive material. "If this sentence gets in to print, then I will have had it cleared by the people who matter," he says, before continuing. "We're talking big numbers, between 100,000 and 400,000 radiators, big volumes, opportunities via existing customers in Western Europe alone, where we already have a large market share. There are further opportunities in Eastern Europe too, where we can increase our market share; the Czech Republic for instance, and Slovakia. In Hungary and Romania too, there is a strong presence of Turkish products, so we have an opportunity there."

If all this sounds like a clear challenge for the competition, Tomasz spells it out even more clearly. "Our products are simply better quality," he says. "And while they may cost more, we have more to offer to customers, starting with the simple message that it's not only about price, it's about value; and that our products have better availability and a broader range. So at the end of the day Purmo Radson is really a natural and positive choice."

### **BUT CAN THE PICTURE REALLY BE SO POSITIVE?**

Amid all these positive signs and glowing predictions, we ask Tomasz if there are any clouds on the horizon, if there is something ahead that threatens the continuing successful performance of the company. "Sales of our products very much depend on demand for new builds and renovations, the markets that define our volumes," he concedes. "If the economy goes further down, the availability of mortgages will decline, reducing the uptake of new builds. Raw materials too, are a key factor. Any dramatic changes in cost will have an impact, and eventually force us to raise prices, which would make the situation difficult. But this is offset by our solid supply chain, with production facilities in different market economies, ensuring our ability always to meet demand with supply. And if it becomes more cost-effective to produce in a particular local economy, then we will increase volume there for however long. It all balances out, and that's part of the solid foundation of this company." And on this foundation there are of course the partners, the distributors, as Tomasz points out. "Very important of course, very important. Purmo Radson distributors are performing well, making good margins, which is satisfying news because it means when they do well, so do we. We have a stable number of distributors in Western Europe, and new partners in the East, such as Richter und Frenzel in the Czech Republic." >>>



For the first time we are not selling products in repetitive quantities, but we are selling a concept





In practically every market we have the reputation of being very friendly, collaborative people

Tomasz, has covered a lot of subjects, but before he sets off to the slopes with the rest of the Management Team for a well-deserved break from strategising, planning, elaborating and concentrating, he is keen not to miss what he considers the most important. "Let's not forget people! There are four pillars of our company in our brand strategy," he says.

"Product Range, Quality, Inspiration and People. In practically every market we have the reputation of being very friendly, collaborative people. Our teams are dedicated to serving customers — distributors, installers and planners — in the best way. We offer technical support, we offer training, and software if needed, all supported by our professional sales people. And they are not only highly trained; they are not only professional; they are also nice people. I hear in many cases from the field, 'I like your sales director, he's a good guy,' and I can't emphasise enough how important this is in business. Our partners like to do business with our people, and in a world where sales people don't always have the best image, it's fantastic to work

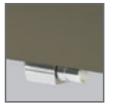
in a company where the sales people are well liked. In fact we have a situation in a certain Eastern company with a customer who is actually changing his supply chain in order to switch to working with us. I asked him why. 'Because I like your people. I like doing business with you.'

This is just one example of the people behind the brand in Purmo Radson. If you talk with some of those involved with this family-owned company, you begin to wonder whether it's to do with the fact that people know who they are working for, and enjoy it more because it is a family, not a group of anonymous shareholders. "I think it has a lot to do with the corporate culture," agrees Tomasz. "We prefer to employ people with positive attitudes, friendly characters, a personality that matches the Rettig corporate culture, which appreciates openness, modesty, trust and fairness." And by the evidence of the day, it's a culture that the Management Team lives by, with results to prove that it works.



### PAROS, the new designer radiator with stylish curves

Tinos and Paros are stunning designer radiators that will further arouse the desire for warmth. These heat sources have been designed to win a special place in the heart of your home. While the Tinos evokes a streamlined cubist design through its straight lines, the soft curves of the Paros give added design value to every interior. The choice is yours! Also available in the new trendy matt natural colours.





stainless steel design valve and towel rail are both optional







### Facts

Märkische Viertel is a major housing development located in the West of Berlin, comprising around 17,000 homes. The satellite town, which was constructed between 1963 and 1974, is home to up to 50,000 residents. Over the past four years, a large number of the buildings have been under renovation. Purmo has supplied approximately 18,400 Compact heaters to the development to date, with an additional 8,500 to follow in 2012.

If all the heaters Purmo has supplied to the Märkisches Viertel were placed end to end, they would cover at least seven kilometres. Of the completed homes, around 3,680 housing units had been fitted with new heaters by the end of 2011, based on an average of five heaters per increase to roughly 5,380 by the end of 2012.

## A major housing changing.

## development goes 'green'

Name: Rettig Germany GmbH Period: 2008-2012 Location: Berlin, Germany Project: Housing renovation

Märkischen Viertel is a massive housing complex in the former West Berlin, built between 1963 and 1974 and covering more than 3 square kilometres. A collaborative project involving around 35 German and international architects, its 17,000 high-rise apartments are today home to 50,000 people. Like many of the structures built at the time, insulation and energy efficiency was not a prime concern for the Märkischen Viertel. As a result, residents have spent years with high energy bills and less-than-optimal comfort. But today, with Purmo's help, all that is

There is a massive renovation project underway - a concerted effort to bring the buildings up to date in terms of energy efficiency and insulation. By the end of 2012, 5,380 homes will benefit from modern insulation, and, at last, modern heating, in the form of Purmo compact heaters. Almost 26,000 heaters will be in place by the end of the year in this ongoing modernisation project, with an average 5 heaters per home.

For the tenants, the renovation is also set to bring considerable financial relief: thanks to the improved insulation, their heating expenses will be significantly reduced – by up to 50 % depending on the building, according to some sources. We are delighted to be part of this project, because it is helping to directly increase the comfort of so many people.



"Nibe is very much like Purmo Radson, in that we are both dynamically growing companies, spreading and strengthening through Europe, with different strategies but still fitting together very well technically. We have around 6,500 people at last count, with €850 million turnover, and have been listed on the Stockholm Stock Exchange since 1997. We are a demanding employer, with hard working people, who are of course rewarded both financially and with the security of working with a company with a solid background and stable future. Our company personality is really determined by our stakeholders – hard work and high targets, driven by the ethics and example of Gerteric Lindquist, Managing Director and Chief Executive Officer."

### **NIBE THE BRAND**

Nibe is a relatively young company, established in Sweden in 1949 by Nils Bernerup, and has three business areas; stoves, electric heaters and Nibe energy systems. These last, mainly heat pumps, are exclusively produced in Sweden, where Nibe is market leader. It also leads in many other North European countries, and is currently in the top 10 in Germany. "We either build new facilities from scratch, as we did in France, or acquire existing facilities, such as in Poland," says Mr. Ackermann. "I'd say we have around 10% organic growth, 10% acquisition, most recently the Schulthess Group AG, which was the largest acquisition in the heat pump sector. Nibe set its target for annual growth of 20%, which we are confident is achievable,

since it is a level we have met consistently in recent years. I would say that we are a friendly but aggressively growing company." Aggressive product development plays a central role in this positioning. Nibe is the accepted leader in heat pump R&D, with 70 development engineers alone focusing on product innovation. "This is of course a sizeable investment and sign of confidence," Mr. Ackermann explains. And that confidence is well-founded, with a history of benchmarks proudly bearing the Nibe name. "We were the first company to produce a heat pump with a CoP above 5, the first to come out with a speed regulated exhaust air heat pump, and a speed regulated ground source heat pump," he continues.

Nibe was also the first to create what every heat pump should have: a user-friendly interface. The most complex tasks of the most complicated heat pump are simplified in such a clear and easy to use way, that when given a demonstration, you could almost believe that it was easy. Of course, the temperature settings are straightforward for the end-user, but the hard data behind it, performance, heat load, and so on – these are also displayed clearly so the installer can quickly and easily measure, check and adjust the settings when needed - via laptop or even remotely if necessary. "The interface was designed by a team of women, whose accomplishment in making complexity so simple is clearly another benchmark for the company," says Mr. Ackermann. >>



### THE RISE OF RENEWABLE ENERGY

environmentally friendly. Recently,
13 nuclear power plants were
decommissioned, with the goal of replacing
their output with renewables. The rest of
Europe is watching the country's progress
very closely, and currently around 18% of
energy in Germany is renewable. For the
growth of heat pumps, this is good news,
as Mr. Ackermann explains, "By law, in new
builds you have to use at least 10 percent
renewable energy. With around 600,000
heating systems installed per year, 9 percent
of those are heat pumps, which are used by
around 23 percent of new builds in the

country." The market split between new builds and renovation is around 70/30. "I think we are past the situation where we have to explain the physical principle of a heat pump," says Mr. Ackermann. "People either understand it or assume they do - there is no real demand from customers for the physics behind it. There is enough confidence in the proof that it works for people not to question that it does: when you switch on a light, you don't have to understand the circuitry or principles of electricity to see that it isn't dark anymore. Similarly, the end user quite understandably just asks 'How much can I save on my energy bills?'

Nibe has to segment its marketing to ensure the benefits are communicated on all levels: for installers, heat pumps provide good margin; for end-users, they provide cost-saving indoor comfort; and for house builders, they are easy to recommend because of their multiple benefits, helping them to sell their houses. But in the coming years, there is a predicted bottleneck as the number of qualified installers remains stable, although demand is set to rise.

"At a rough guess, out of 20 installers, there might be just one who would be a good match to be a heat pump installer - in terms of eagerness to learn - because it does require a certain knowledge to be able to handle heat pump installation," says Mr. Ackermann. "But that knowledge is of course very valuable to the installer, because there is a very attractive margin there. In maybe 4 years there will be certification for installers to be able to install heat pumps, and Nibe is working with the authorities to support the creation of a solid certification programme; it is voluntary today, but it will at some point become mandatory.

### WHY BECOME A HEAT PUMP INSTALLER?

Typically there is an installer who is a forward-thinker, who understands that the future of energy is renewable, and that his business depends on being able to offer that to his customers. There is of course another route in to the heat pump installation world, and that's one of opportunism: being able to offer a

specialist service and a specialist product - compared with traditional heat sources - simply earns him more. So 3 times a year Nibe runs workshops to train installers, and after completing the training, they are certified as an Efficiency Partner, with theoretical and practical training on installation and running of the Nibe product. "We trust them with our confidence to the degree that they can grant an additional 3 years warranty on top of the 2 years we offer on our products," says Mr. Ackerman. "Essentially they can tell end-users 'because my company is certified by Nibe, you get a 5 year warranty instead of 2."

### **NIBE MAKES SENSE**

Nibe does not advertise its heat pumps directly to end-users. "Of course if end users want information we will provide it. But consider this scenario: if we advertise to end-users, and convince them of the

benefits of heat pumps, they don't come to us directly, they go to their installers, and we have no control over the installers' recommendation. So there could be a case where we do a perfectly good job of steering the end-user straight into the arms of the competition. By not advertising to end-users, we remove that risk. But this year Purmo Finland is working with Nibe to promote the benefits of low temperature radiators in conjunction with heat pumps. This mutually-beneficial move is a sound move for both brands, as Gunilla Laiho, Purmo Finland Sales Director pointed out, this suits our target of making professionals aware of the benefits of using modern Purmo radiators together with heat pumps in low temperature systems. Further steps in the process are joint seminars and training for installers and participation in regional trade fairs."



SO WHY USE
HEAT PUMPS
WITH LOW
TEMPERATURE
RADIATORS?

It takes about 2 days to install a heat pump system, at a cost of between €10 000 and €20 000. With an

between €10,000 and €20,000. With an average lifetime of 20 years, the system begins to recoup the initial investment the very moment it's turned on. "With heat pumps you enjoy a 75% energy efficiency; you invest one unit of electric energy, and you gain 3 units of clean thermal energy in return. And these systems operate generally at an optimal level of 35 degrees, making them ideal for low temperature radiators.

"Purmo Radson and Nibe products together can offer end-users the multiple benefits of lower-cost climate control, environmental friendliness, better ventilation, heating and cooling."

"The heat pump, as a heating system with electrical supply, is very much the future. It's not gas, not oil, it's electricity, which we will be able to harvest from wind or photovoltaics - and the heat pump in tandem with low temperature radiators is a sustainable and energy-efficient trend that will eventually be commonplace."



"There is still a misconception that heat pumps and radiators don't work together, but as people learn more, they are finally realising that they are a perfect match. As well as the solid technical match between Nibe and Purmo Radson, there is also a growing sense of co-operation. We are in the same market, on either side of the same heating system, offering multiple benefits to end-users."



## So what do you do to earn a crust?

Whenever a new acquaintance asks me what I do for a living, I can immediately switch to autopilot. That's because the conversation usually develops along the same lines. First, the person exclaims, "Radiators?" Followed by, "I have no idea what kind of radiators are installed in my house." And then, after briefly considering the matter, "Does that mean there are differences between the various types of heating units?"

That's my cue; it's when I explain that there are compact radiators, tubular radiators, vertical radiators, convector radiators; and so on and so forth. At this point, some of my conversation partners lose interest in the subject. That's fine with me; in my off-time, I prefer to talk about something other than work anyway - gardening, for example, or the children, or my most recent holiday.

But sometimes I meet someone who genuinely takes an interest - these are usually people who've recently built or renovated their home. They really start pondering the subject and want to hear more detailed information. That's fine with me, too - after all, I love my profession. Basically, I wait for the point where the person I'm talking to refuses to accept his fate. "Nobody told me that. Besides, I would have spent a couple more euros on a fancier design," they sometimes say. Then I think, "Too bad for the installer and too bad for us."

Nevertheless, I'll loudly tell him that his heating installer's main priority is a functional and energy-efficient heating device and that he would probably consider the design a secondary issue - and quite a new one at that. After all, there was only one type of heater back in the day.

"Well, then you should do something about it - you, as manufacturers." I'll reply that we are doing something about it - he should just open any home design magazine, which regularly include features on radiators and their various designs, colours and surfaces. And it's all thanks to our tireless public relations efforts, I'll tell him. My conversation partner will

Martin Hennemuth

Marketing Manager Purmo Germany

plumber precise instructions on the design of his wash basin and fixtures. He thinks about this for a while and then goes quiet. As for me, I've already long forgotten where I am and that, at this off duty personal event, I would really prefer to talk about something else.

PROUD TO BE PURMO

nod and start wondering why he didn't gather any information on

radiators before building his house. After all, he had also given his

Instead, I begin to contemplate what our next marketing campaign for diversity in radiators might look like. I sometimes drift into a little daydream, trying to imagine how a future conversation might go when someone asks me about my job. Instead of a doubtful, "Radiators?" This man would ask, with a beaming smile, "Oh, was it your company that manufactured those sleek-looking things I bought for my loft the other day?" Once we got that over with, and I nodded with pride, and accepted all the compliments I could take, we would confidently be able to switch to another subject - gardening, the kids, or our holiday plans. Then again, we might just skip the talking altogether and head straight for the buffet...











When things are difficult and business is challenging, it is refreshing to see an entrepreneur in the market that is there to help. Just such an entrepreneurial company is EasyFairs, Europe's leading organiser of time- and cost-effective trade shows. Its goal, making it easy for people and brands to meet and do business in a professional environment.

And, it is really easy, says Joni Grönqvist, LVI Finland Sales Manager. "All exhibitors are entitled to pre-built standard package stands adhering to the EasyFairs concept. LVI Finland and Sweden used this model successfully in the two last trade shows within our field - SÄHKÖ & ELMÄSSA.

"SÄHKÖ is an important meeting point and networking opportunity for the professionals of electrical industry," says Joni. "The event consists of two intensive sales days with the presence of important buyers and decision makers from the industry." Altogether, SÄHKÖ 2011 in Helsinki gathered 6761 visitors during its two days.

Pehr Lindh, LVI Sweden Sales Manager, is also a fan of the EasyFairs way of business. "Most visitors are keen on getting to know about new innovations and new products," he says. "It might not be the biggest fair, but you come close to the customer on these small stands and the visitors show a high level of interest." And as the trade report shows, this compact fair really does give big returns: 92% of the visitors said that they planned to buy one or more products displayed at the show in the near future.

See you at Easy Fair!

### LANGILA & SANBE – TWO NEW DESIGNER RADIATORS FROM LVI

The new standard in electrical designer radiators

LVI, the trusted Rettig ICC brand, has more than 90 years of experience in Clever heating solutions, recently launching the latest additions to its product portfolio. Langila and Sanbe are eye-catching electric designer radiators for the customer who appreciates the ideal combination of form and function. Stylish and elegant, these new designs bring warmth to life, capturing a place in both the homes and hearts of an appreciative audience.

Langila's clean straight lines are ideal for those who favour the strong and simple shapes of the cubist style, while Sanbe brings warmth and comfort to the home with a softer curved design. Both beautiful in their unique approach to innovation, these designer radiators combine radiant and convective heating, adding beauty to any décor and enhancing every indoor climate. Naturally they both meet the strictest standards of quality and performance, and come with a complete 10-year guarantee.



Designer radiators Langila and Sanbe







## Creating the perfect picture

For the brands Purmo Radson LVI we've created a new visual concept. It's a different and distinguished style of photography in which our products are the hero. Most striking is that the radiator is, surprisingly, hanging completely free in the environment instead of in its normal place; on the wall. The first images created within this series were crafted with our new designer radiators Tinos and Paros. Next to beautiful models they played a key role. Photography was masterminded by Frank Gielen, a Belgian photographer who is well known in the advertising and fashion industry because of the imaginative artwork he produces. This time he was working in close cooperation with Skillz, our advertising agency (Eindhoven, Netherlands).

24 | the faces behind the brand | 25



Present at the set to interview Frank Gielen, we were witness to the creation of a new picture for a new campaign for underfloor heating. The same model was used as for the Tinos and Paros campaign, only this time without a visible product. "For this specific campaign we wanted to stay within the concept and decided that instead of the product, our model would float above the floor. Lifted by stratification she's floating and hanging completely free from the floor enjoying the comfortable warmth of underfloor heating," explains

of these pictures four people are working around the female model Helene to get her in the most comfortable position. Frank Gielen continues, "It's of course not possible to create the pictures we've had in our minds and visualised on paper in this setting. To realise what we want, we need different photos – with different angles - to create the perfect picture on the computer Gielen to achieve what he painstakingly sets out to create, but finally he is happy with the results and free to talk about his life as a photographer and his work for Purmo Radson LVI.

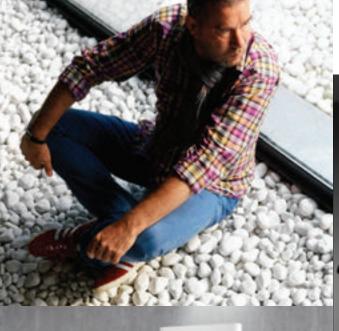
of all understand what a client is searching for. I need to know what they do, what products they make, what drives them and

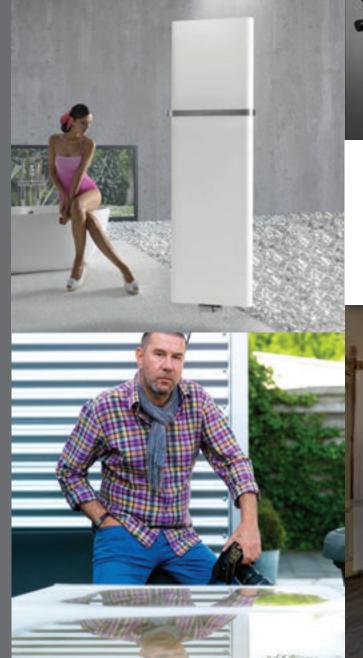
Everything that helps to support their claims and sell their products

they have chosen. All of this helps me to create images that support their claims and help them to sell their products. approach that distinguishes them from "I think it is of great importance that I first others. Fitting the brand and the corporate identity of the company."

> "My career I started in Amsterdam for that creating the perfect picture which people would not forget when they were images which really grabbed your attention and told the story without reading the perfect picture stimulates your imagination and tells a story no copywriter can write. A story you'll never forget. As an assistant working with Charles van Gelder I got all a photographer. Today I still use techniques I learned at his studio in Amsterdam."

"Of course a lot has changed in our industry. We work now with digital cameras with unbelievably precise lenses. With better light equipment and of course the possibility to re-touch and manipulate every image on the computer. Times have changed, but the impact and power of good conceptual pictures hasn't.













### FRANK GIELEN

BORN

FUNCTION - Owner and director of Frank Gielen Photography

### BACKGROUND



"One picture says more than a thousand words. Something I really believe. For Purmo Radson LVI I tried to come up with a visual concept and treatment that really would stand out from the crowd - different from other radiator manufacturers and intriguing; in a sensitive but existing and recognisable environment. I created this concept in close cooperation with the client – Stefan Ramos and Elo Dhaene – and their advertising agency. The results from the first series we made with Tinos and Paros speak for themselves, but more importantly, they were embraced by the people of Purmo Radson LVI."

> Times have changed, but the impact and power of good conceptual pictures hasn't

"My photo studio is in Hasselt, which for Purmo Radson LVI really is around the corner. Funnily enough we'd never met before. Therefore Tinos and Paros really were the first radiators that I saw through the lens of

Watch the full interview with Frank Gielen online. Go to www.clevermagazine.purmo.com/en/01/movie/ or scan this QR code with your smartphone.

my cameras. Next to the new image photography we also came up with a new visual approach for product photography. With different lighting, different camera angles and extreme close ups we created beautiful new product shots. Perhaps you think that I am exaggerating, but it's true. I am really proud - as we in Belgium say 'fier' - of the work I've done for Purmo Radson LVI and I am looking forward to working with them again on new projects." ■







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PROJECT

The standard storeys in the towers will be heated with the use of concrete core activation\* with a temperature range of 50/40°C, which is also connected to a district heating network. An air conditioning system will provide the buildings with fresh air. Concrete core activation offers many benefits, including a comfortable indoor climate and energy savings because of the low temperatures involved. However, there is also a drawback: the system responds slowly to rapid temperature changes. Radson supplied the ultimate solution to this problem.

### PERSONAL TEMPERATURE CONTROL

To be able to heat the rooms quickly, low-temperature radiators on the exterior walls are used to supplement the basic concrete core activation heating. Users can turn on these radiators when the outdoor temperature falls rapidly, for example. In contrast with concrete core activation, the warmth from a radiator is felt quickly. What is more, the users can operate the radiators themselves. People generally find it very important to be able to influence the temperature in their own rooms. Another benefit is that the radiators provide warmth at the places in the building where it is needed most: close to the windows. These zones can become uncomfortable because of cold downdraughts. The combination of basic heating from concrete core activation and individual control through radiators offers users a high level of comfort.

### THE LOGISTICS BEHIND JUBI

What makes the JuBi project so special is the logistics during construction. The building is a stone's throw from the central station,

and is surrounded by tall office buildings. Because there is no storage capacity on the building site, materials are delivered on a just-in-time basis. Before they make their deliveries, suppliers receive a building site ticket for a specific date and time, within a fifteen-minute time slot. In this way the delivery of materials was highly organised. In partnership with Radson, wholesaler Technische Unie arranged the just-in-time delivery of around a hundred radiators a week, spread over a period of eighteen months.

### **CLEAN LINES WITH CONCEALED CONNECTING PIPES**

The building was designed by the Prof. Hans Kollhoff architecture firm. They decided to use Radson's 'Integra' model; a slim, compact radiator that can be placed close to the wall, and can also have the control knob fitted on the left or the right. A special feature of the 'Integra' model is its concealed connecting pipes, which are integrated behind the front panel. The lower connecting pipes were specially designed for the JuBi project. The mounting consoles, with acoustic inserts, are hidden behind the radiator. Together with the concealed connecting pipes and neat finishing, this gives the 'Integra' model extremely clean lines.

### HIGH POWER, EVEN AT LOW TEMPERATURES

The 'Integra' model utilises the '2-on-1' principle. A hot water channel with a wider diameter allows space for two welding points for the convector fins on the water supply channel. This means the radiator gives off high power even at low temperatures, so the user can be sure the space is heated quickly. In addition to its clean design and high power output, the Radson 'Integra' radiator is the only radiator in which all components are pre-assembled at the factory. This provides savings for the installer, because the assembly time is shorter and there are lower failure costs. The 'Integra' comes with a ten-year guarantee.

\* Concrete core activation is a heating and cooling system that makes use of the mass of the building. Water pipes are laid in the core of the concrete floor (the concrete core), and these keep the floors/ceilings at a constant temperature. A condition for the use of concrete core activation is that efficient temperature exchange can take place, so suspended or open ceilings are not used. A water temperature regulator can ensure that the system responds to indoor and outdoor temperatures on the various exterior walls.

# Clever combination for energy-saving and comfort Intech, together with Homij Technical Installations, were commissioned to construct all the building installations for the JuBi project. Imtech N.V. is a European technical service provider in the field of electrical engineering, ICT and mechanical engineering, Imtech specialises in combining electrical engineering, mechanical engineering and

ICT (information and communication technology) across the full breadth and depth of the technological spectrum

Imtech is one of the strongest players on the GreenTech ('green' technology and sustainability) market in Europe.

into one integral and multidisciplinary solution. This leads to an ability to integrate and creates added-value.

Approximately 30% of the total revenues are generated by this sector.





Per Rasmussen. Brand Development Manaaer Purmo Radson LVI

Mikko livonen, Director R&D, Research and Technical standards, Rettiq ICC

Maarten Colijn, Co-owner Professional Capital

In modern business, it's not enough to have the most passionate people in the world and the best products on the market. You also need a sales force that's fully equipped with the strongest arguments; and managers who know how to bring out the best in their teams.

Over the following pages we take a look at how Purmo Radson continues to invest heavily across the board when it comes to both training and education. First, we take a look at the role of training, with Mikko livonen and Per Rasmussen on the recent LTR campaign kick-off in Eindhoven. Then we take a trip to Rotterdam's Erasmus University, where training company Professional Capital conducted a masterclass for management.

Professional Sharing & education Communication through training & education Communication through the commun



Early one December morning in the Netherlands at a central Eindhoven hotel, Per Rasmussen joined Mikko livonen, Elo Dhaene and six Purmo Radson sales reps who had travelled from across Europe for a briefing. The aim of the two-day workshop: to kickstart the messaging cascade for the new LTR campaign. For Mikko, the meeting was an opportunity to reinforce the research at the heart of the new LTR campaign. "I was grateful for the chance to speak with the people who will take the 15% claim to our customers" explains Mikko. "We wanted to get feedback from the sales teams, to find out how the campaign was being received in the countries and, importantly, to answer their questions, and iron out any difficulties they might have with the more technical aspects."

This turned out to be an important step in ensuring that correct information was disseminated down through the channel. "We were asked to explain some areas of the campaign in more detail," says Mikko, "so the two day workshop became the first step in a more intensive training. Per Rasmussen, Brand Development Manager, takes up the story. "Mikko was on hand to explain some of the more technical background of the new campaign," says Per, "because when you're talking about calculations, percentages and formulas, it can get pretty complex. I was present to reinforce what I had already learned,

## After the campaign launch ... the training begins



and to develop a way to simplify the message so it could be retained and communicated clearly by the sales force.

"I understand the sales mindset. I know that when you're out in the field, you have

a limited time to communicate the benefits of your product, and it's essential to be able to get the message across as quickly as possible. I also appreciate the technical side of things, and that technical people are comfortable being technical. My role at the training was to develop a kind of communications compromise: something that included both elements."

While exact figures vary from country to country, Purmo Radson invests a significant budget every year in training. "As Brand Development Manager, I know that the key to building our brand is also in developing the people who represent it to the customer," says Per. "So we pay a lot of attention to our 'human capital', to make sure they have the tools to bring the brand message to market as effectively as possible."

### LIGHTS CAMERA ACTIO

The results speak for themselves, and Per is happy to speak about the results of the LTR training. "There is a film of the training," he smiles. "We wrote the script and shot the scenes on the same day — pretty much at the same time, actually. Let's just say it was a very hectic schedule, but I'm happy with the results." The film has been

combined with a range of infographics by training company Mercuri International into an innovative online training suite for sales reps Europe-wide.

"It's a proven effective approach," explains Per. The training takes the sales rep step-by step through all aspects of the LTR campaign, and is split into logical sections for optimal retention. After each section of the training is complete, the reps answer a range of questions about what they have learned. "We have set the bar pretty high," says Per, "because it is essential that our sales teams fully understand the campaign messaging so they can effectively communicate it to customers. For that reason, the training includes this 'test' element reps have to score very high to achieve a pass rate."

There is more than the online LTR training of course. "We also focus on sales techniques and effective, confident communication," says Per.

The Mercuri team has local trainers, hosting workshops in the sales teams' native language, with groups of 12 people in intensive one-day sessions. "The results are remarkable," Per enthuses. "Considering the fact that sales people are already outgoing people, after these sessions we are seeing them become even more energised and super

confident."



"We take training very seriously," explains

Per. "We have to, because this kind of

widespread commitment to our sales teams
is a serious investment in our future. We

### Smart investment in clever heating

plan to maintain our market position, and that means equipping our sales teams with the correct information, the right support, and the kind of confident approach that our customers value and expect from us." Mercuri International is a global sales training organisation with over 50 years' experience. It has already helped more than 15,000 companies improve their sales power. Judith Koekenbier is the company's Managing Director and says, "We are delighted to be able to help Purmo Radson, because there are many familiar issues we're seeing here that we have seen many times before. Working with Per, we have developed a training package that is designed to remove obstacles to effective communication, and ensure that all the campaign messages are clear and confidently embedded."Training began in March, scheduled to run until the end of April, by which time many hundreds of salespeople will have taken part.

Says Per, "From Poland to Benelux, France, Germany, the UK and beyond, we are confident that the entire sales force will benefit from this training, and take the outcomes into the field to share with customers the many benefits of the Purmo Radson product portfolio."



Managing a management masterclass

**Country Sales Managers** had their own intensive training at Rotterdam's **Erasmus University. The** 

two-day course covered a range of topics, including key account management, multi-level selling, networking, and removing obstacles to personal and professional growth. Course content was provided by Prof. Willem Verbeke, who you can read more about on page 38. The workshop was based on his best-selling management books; The Successful Shaping of Key Accounts; I Sell So I Exist; and I Network So I Exist. It was conducted Maarten Colijn, his colleague from Professional Capital. To get an insight into the course, and its effectiveness, Clever Magazine talked to seven country sales managers to get their direct experiences and feedback from their time in Rotterdam.

"I enjoyed and greatly benefited from the program. It gave us time to focus on important parts of our job, to evaluate what works, to improve what doesn't, and also to get coaching on those skills that will help us become better leaders. As a long-term member of Rettig ICC, I am extremely pleased that the company has committed this investment in training despite the difficult economic climate. It shows that they are committed to the long-term success of the business, and it is a sign of personal faith that they believe I am worth investing in. "Training is an essential component of our role as managers, keeping

us on track with trends and helping us maintain sharp focus on our skills. Of course it is important that is balanced with our 'day jobs' of selling radiators and maintaining a sustainable business. Personally, my focus now is to implement what I learned at the training, and to give Rettig a return on their investment in me."

"What I found most useful about the training was the fact that so many colleagues with the same role attended the same course. It meant that as well as absorbing the training material, we could also learn from each other, and take what we learned back to our home markets and implement this new, shared knowledge simultaneously. It is not possible to do that if you attend training by yourself. "I am proud that Rettig invests so much in training; it is one of the best investments to make, I believe. It's good for people's knowledge-base and motivation, and that in turn is good for the company. I do think that once a year is the ideal frequency for training; I believe that as long as a module has several sessions and enough coursework, then the rest of the time should be spent implementing what you have learned."

"It's always good to refresh your knowledge and improve your behavior towards customers, prospects and members of your team. All the techniques, tools and skills we learned at Erasmus University are applicable in our daily work, helping to make us even better leaders. I'm also delighted that Rettig ICC decided to invest the time and money in educating their managers. It is natural that they want to have the best

people for the job, and we are all qualified and experienced managers, but we can always improve by learning the latest techniques and, importantly, by learning from other people's experiences."

"The transmission of knowledge was excellent. It was most useful to compare the theoretical academic solutions with our daily business approach, enabling us to structure our practical work using academic tools. And the insight we gained from each other was also invaluable. Although we work separately in different markets, with different experiences, and often different approaches, we all found that we could learn from each other, sharing and receiving very useful tips with one another. I also witnessed much inter-generational knowledgesharing. Our group consisted of directors and managers with more than 15 years' experience in the industry, as well as new younger the benefit of fresh insight and ideas from the other.

"It was clear from the training that knowledge is dynamic and, in business especially, is never a fixed entity. It is always growing, changing and developing. For Rettig to maintain a leading position in this industry, I strongly believe it has to remain a leader in the education of its people. Personally I believe this could mean making training a process rather than an action, and always provided by leading-edge trainers and academics, focused on inspiring people to do their job even better than they do already."

"I went into this training with the goal of making better progress with our field sales force, and I was not disappointed. My expectations were amply fulfilled, and what I found especially fascinating was the systematic approach we saw, and the way my international colleagues perform and deal with business processes. This type of advanced vocational training is very important, because of the incredible rate at which business knowledge becomes obsolete. In future training I would like to see an increased focus on account planning, and tackling the comfort zones of the sales force. We are already seeing positive results as a direct consequence of this training, with increased customer satisfaction and, in Germany, a significant increase in our sales success rate."

"This was a very important initiative from Rettig ICC in helping us people. So we had the benefit of experience from one side, shared with develop and improve our overall management skills. We learned about account planning, coaching techniques, making a more effective working structure, monitoring the sales organisation and naturally, leadership. The masterclass itself was of course central to the training, but there was also a great sense of team spirit, when we worked in small groups to solve problems. What I found most impressive was that although everyone works in different countries, it became very clear that we are all team players, working hard for the same company: geography was not an issue."





**PROFESSOR WILLEM VERBEKE** 

Keep developing, keep discovering, and take advantage of training

Our world is changing at a whirlwind pace. Information and technical developments are taking place successively at unparalleled speed. So there are two options: either you join in or drop out. Deciding to join in means you will have to engage in continuous personal development, keep taking on challenges and complete additional education and training as necessary. Within this context, Purmo Radson LVI has developed a range of educational and training programmes, including one programme in close consultation with Professional Capital and Erasmus University in Rotterdam.

"I think it is a bizarre world," is Professor Willem Verbeke of Professional Capital's opening remark. He has, together with Maarten Colijn, developed an intensive training programme for the senior management of Purmo Radson LVI that is taught at Erasmus University in Rotterdam. "I think it is a bizarre world because we no longer have a memory. Developments take place at such an incredible speed that we simply do not have the time to store all the information that reaches us. So we respond in a primary and spontaneous way, meaning our limberness is decisive for both our personal and business success. That is not to say, however, that we have to go with every flow, but it does mean we must move in tandem and with optimum flexibility with the events that matter to us. We must anticipate and learn. Every day anew. At least that's the idea."

### **COMMITTED**

"Companies and organisations benefit the most from people who have a high level of social intelligence. They engage with business discussion partners in an alert and understanding fashion. They know better than anyone how important it is to translate what they hear into concrete and pragmatic steps and solutions; steps our discussion partners are seeking. Because they also want to share their knowledge and experience so they can be able to take the next step with us. And they too are faced with the problem that they no longer have time to keep up with the incredible speed of new developments. And we are naturally committed to remaining in the lead! So teamwork is key."

### **NEW OPPORTUNITIES**

Professor Willem Verbeke continues,
"Sales professionals are socially intelligent

by nature. They have street smarts that enable them to establish new connections extremely quickly. They see and recognise opportunities that allow both them and their discussion partners to grow. In our course at Erasmus University we show people from Purmo Radson LVI the opportunities our modern age offers them. We teach them how to adapt in order to subsequently make this work to their advantage, both as human beings and as professionals. A new consciousness, a new mindset that matches our modern age. An age that not only demands speed and creativity, but also entrepreneurial



behaviour. Or in other words:
entrepreneurship. It does not, after all, just
happen, you have to be willing to fight for it.
And it is not about what you want, but
above all what the client wants. If we want
to be successful and distinctive, then we will
place our clients' interests above our own.
Read between the lines and we see that
means we search for implicit needs."

### WE LEARN FROM OUR MISTAKES

"In order to remain successful and distinctive in the longer term, it is imperative for us to share information and knowledge with each other. Mind sharing is in the interest of both the team and the collective and of the company," explains Professor Willem Verbeke. "After all, both the people

and the company have to grow. The company is the ultimate source where all the knowledge comes together, is filtered and once again shared with each other. Sharing knowledge is multiplying knowledge. But learning does involve a process of making mistakes and learning from them. That's just the way it is. People must consequently be given the chance to make mistakes. Mistakes that both they and the company learn from. Because learning is changing and changing is learning. If you want to stay in step with your times, then you have to be open to change. And that means change in the broadest sense of the term. Because if you learn something, something not only changes in your brain, but also in your behaviour. Certain connections become stronger and people not only learn to think differently, but also to act differently."

### **SELF-AWARE AND SELF-CONFIDENT**

"We consequently focus in our training course on, among other things, how and what you can learn and use from others including colleagues, clients and strategic partners. And vice versa: what you can teach others. Where are we headed? Where are we going? What are we going to do there? Questions like these once again teach people to think about the goals of their daily actions. So at the end of the day we primarily help people to regain their self-awareness. Which in practice means they approach the market more selfconfidently and with the required degree of introspection," concludes Professor Willem Verbeke.



## You only learn to get things right by finding out what's wrong

### **Purmo provides information on TGA Expert Forum**

The TGA Expert Forum, held annually in four major German cities, is a leading information exchange platform for production engineers and industry experts. Purmo has been involved in the forum for years, focusing on issues related to indoor climate comfort and the efficient use of heat exchangers. As part of the 'Intelligent Energy Concepts' forum issue, Purmo consultant Manfred Falk, regional sales manager at Rettig Germany, reported in summer 2011 on the latest research results from Germany and Scandinavia. Many engineers in the forum were unaware that low-temperature heating in radiators provides a high degree of thermal comfort. The engineers discussed the research results presented by Purmo with great interest.

The Expert Forum is organised by "tab", a leading trade journal for the German building equipment industry. Purmo will continue to use the TGA Expert Forum in the future as a way to present the brand's expertise and inform the industry on important heating issues.





### Purmo takes the green approach to advertising in Germany



Motorists on Germany's A7 motorway enjoy a curious experience every time they pass a certain field near Kassel. For 53,000 drivers every day, the sight of one of the country's largest and most innovative advertising sites is a welcome part of their long journeys. "PURMO.DE" has been carefully cut into the grass, in a sign 75 metres wide and 65 metres high.

The unconventional sign — the only advertising in the area — is a large-than-life reminder of the Purmo brand, ensuring maximum message retention and exposure on a daily basis. And of course it ties in well with the energy-saving and environmental aspects of using radiators too. The link between the Purmo brand and the landscape evokes the prudent use of natural resources — an issue to which the company has always been firmly committed.

### 45 years of craftsmanship and quality

Radson ('Rad' is derived from Radiators and 'son' from Zonhoven) was founded in 1966, so celebrated its 45th birthday in 2011. During this time, the brand has established a leading position in the European heating industry. Every two years, USP Marketing Consultancy carries out independent research which measures name awareness, image and brand strength among installers and consultants in the Dutch installation sector. The most recent study revealed Radson as having the highest brand awareness in the Netherlands, with more than eight out of ten Dutch installers and consultants being familiar with it. 'Trendsetting', 'honest' and 'responsible' were identified as key brand associations. The market sees Radson as a radiator manufacturer with an outstanding price-quality ratio. These results are (we're pleased to say) not surprising, as Radson has always focused on quality and innovation.



Radson is a brand that spans generations and is based on long-term partnerships. We see these as vitally important values which have led to successful brand building. One measure of this success is the fact that Radson broke through the €35 million revenue mark for the first time in the Belgian market in 2011. ■













1977

1994

### A brand on the rise



Few sights attract our imaginative attention in quite the same way as a hot-air balloon floating majestically in the sky. Most of us stop and look up longingly, wondering what it would be like to hitch a ride. Rettig Germany has been getting plenty of exposure via its Purmo hot-air balloon. In particular, at the annual International Balloon Festival in Warstein, Germany. Every year, the Purmo balloon rises into the sky along with hundreds of others, witnessed by up to 200,000 visitors to the 3-day festival.

This festival, officially called the Warstein International Montgolfiade, is named after the Montgolfier brothers who invented the hot-air balloon. It's the largest of its kind in Europe and hosts the leading European ballooning competition. The event provides a unique opportunity for Rettig Germany to get the Purmo brand name seen by a wide audience.



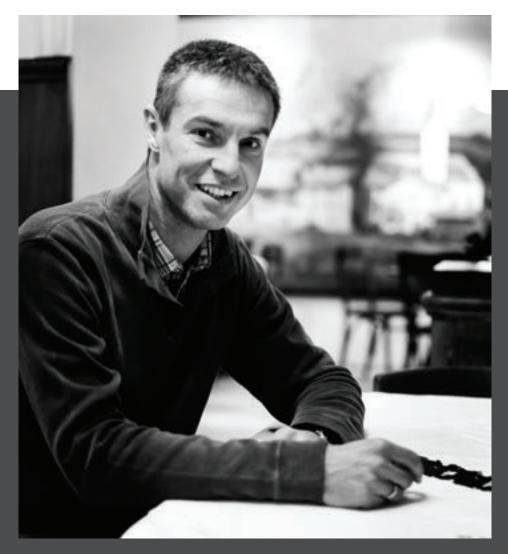


### MARKUS LENGAUER

BORN

FUNCTION - CEO Rettig ICC

### BACKGROUND



"Look at any company today and you will find an organisational chart, a picture of how the company should look, with the CEO at the top deciding how he wants things and everyone beneath doing what they're told," says Markus. "I try to do things differently. I am essentially a multiplier of the Rettig family values – an ambassador for their message, their business, with end-responsibility for their money. The Management Team carry their share of that day-to-day decisions, they do actively stay on responsibility: when they are given the responsibility to do something, they have the freedom to decide, to act, and to return results to this family business. I exert little influence on the way they operate within their function—it's mainly their decisions, their role. My key function is ensuring that

everyone remains focused on delivering results."

All of which could sound like the profile of a typical CEO, until you learn more about the particular role Markus has in the family structure. "Last year I was in Helsinki about 20 times," he says, "keeping the Rettig family up to date with their business. They take an active interest, though they don't influence top of what's going on, and why. And in the other direction, I communicate to the Management Team on behalf of the family: it's easier to think when you're thinking on behalf of people you know. We know how the owners think – do they like to take risks, do they want to try something new? This

influences the entire decision making process of the company – the better you know the owners, the better you can act on

### **RAISING THE PROFILE OF UNDERFLOOR HEATING**

This close understanding led in January to the acquisition of Hewing GmbH, a €50 million pipe manufacturer for underfloor heating. But wasn't this a departure from the core business of panel radiators? "I have to deal with that question daily" says Markus, "and the short answer is a resounding 'no'. To be very clear, when you're talking about heat emitters, radiators and underfloor, it's not a case of 'either/or'. Right now, it's 'both'."

"Rettig ICC has taken a principled stand to focus on heat distribution rather than heat generation. The classic heat exchanger is of course the radiator, with which we have a high market share. But on top of that we also have towel warmers, designer radiators and underfloor. When you compare the market

I try to do things differently. I am essentially a multiplier of the Rettig family values

share of these products with the share of panel radiators, it is substantially lower. So we see a clear opportunity to grow our market for underfloor heating. The issue until now has been one of production: for every product, with the exception of underfloor heating, we had our own production facilities. of what was at the time known as Rettig So the outside world – wholesalers and installers, saw us as producers in these areas, and that perception is an important asset to us. Looking at underfloor, we traditionally only really put together the different parts of a system, sourcing it: we provided the logistics, the calculations, the technical service, marketing and so on. Everything in fact but the product itself. In 2011 the turnover for underfloor heating was €50 million and we decided the time was right to take the strategic decision to take it further. We had two choices: a green-field approach, basically to start production from scratch, or acquisition, and Hewing GmbH was the right fit. So we are in the process of transferring our volumes to this plant, and hope to see our perception in the market change, to one of producer, which tends to have a strong positive impact on credibility."

### A BRIEF LOOK BACKWARDS...

After starting as a technician at Vogel & Noot in 1991, where he stayed for 5 and a half years before leaving as General Manager of one of the divisions, Markus joined global consultancy McKinsey at age 31, honing his management skill-set for a further 3 years. Then came the invitation to return to Vogel & Noot in 1999 as Managing Director of the

heating business, and he later became CEO, as the holding company split and began looking for investors. Fast forward to Rettig and 2002, "...when I became one of about 10 Managing Directors of the various brands at the time. In 2004 I was asked to become CEO Heating Group. And the owners said basically 'now you have the responsibility – what's your plan?' So I had to convince them that the story that they had heard until now was probably not the whole story. That my predecessors had told them simply 'Buy these companies and you will grow, you will be market leader and when you're the biggest, you won't have any problems'."

And here the clarity of the technician and the strategy of the consultant join forces. "They asked me what I thought about that approach. After having around 2 and a half years of experience as part of that group, seeing how it works, I told them they'd gone a long way, spent a lot of money, but now it's time to stop buying businesses and start integrating. I knew from McKinsey that it's easy to make a slide showing synergies and how attractive they look on paper. The reality is often very different, as it was in this case. Finally we agreed to change the structure of the business and apply a 'platform concept'. Rather than 10 different brands, we created two brand umbrellas and >>>



🔺 Markus Lengauer together with his Rettig ICC management team during the MT meeting in Leogang, Austria Front row LR: Werner Hinterberger, Stig Björkqvist, Astrid Tschernitz, Tomasz Tarabura Second row LR: Robert von Rettig, Neil MacPherson, Jos Bongers and Markus Lengauer

 $46 \, \mid \,$  the faces behind the brand  $\,$  CLEVER **CLEVER** the faces behind the brand 47



divided the organisational set-up into front-office (sales and marketing) and back-office (purchasing, production, logistics, and operations). The product design of several panel radiators was changed following the platform idea, a similar approach to that used in the automotive industry.

### ...AND A GREAT LEAP FORWARDS

"At the end of the day, our plan is to be the partner for all heat exchangers for wholesalers and installers," says Markus. "We want to reach the perfect position where wholesalers can get everything they need from one source, so they can then offer installers everything their customers need. Today the installer is not just someone who puts things in and switches them on. Things are more complex than they ever were, and when someone builds a house, they need advice and technical service from specialists. Installers sometimes are not equipped with all the technical background information, and therefore our biggest challenge is to help acquisition, and our new research them in that, providing them with the best information and advice. They are above all craftsmen, hands-on people, but they are also businessmen, and we can help them build their business. So we offer training, facts, technical information and hopefully show them ways to increase their margin, their turnover, their profit."

### **SOLID PROGRESS, STEADY PERFORMANCE**

"What defines us and sets us apart as a company is our predictability, our reliability,"



With a history of over a hundred years of sailing from Baltic and North European ports,
Bore offers a vast experience in shipping and chartering to it's customers.

Markus explains. "Other companies in our industry are struggling financially, while we have a solid financial basis and the commitment from the Rettig family to invest 25 years." in further development, such as the recent department to open later this year. It will be a key investment, detached from R&D and focusing purely on harvesting information, processing knowledge, creating ideas and keeping us at the industry forefront, with support from the academic world, local governments and technological institutes."

And the wider picture, the future for the company as a whole? "Ah, our vision – we don't think in classic 12 month periods," says Markus, with a nod to the paterfamilias in Finland. "Last year Rettig bought two new

ships, and at the naming ceremony, Cyril von Rettig was asked about quarterly results. "For Rettig" said Cyril, "a quarter means

For Rettig, a quarter is 25 years



### TINOS, the new designer radiator with sharp, clean lines

Tinos and Paros: two beautiful designer radiators where design for life meets desire for warmth. They have been designed to win a special place in your interior. With its clean straight lines, Tinos is an expression of minimalist cubist design, while the soft rounded forms of Paros give added designer allure to any space. The choice is yours! Also available in new, fashionable matt natural colours.





Design valve and towel rail (stainless steel) both optional







### TOMAS JOHANSSON

## From preferred supplier to strategic partner: Dahl decides

Among the four key principles within Rettig ICC is a focus on trust and respect. These are the most fundamental elements of our interaction and communication with stakeholders. In the 200 years of Rettig Group's history, the company has used this focus to strengthen bonds with customers, providing mutual growth with world-class products and services. In order to reinforce our reputation for professionalism, fairness and teamwork, we actively foster relationships with customers who share our values, and who can benefit from our approach. One such customer is the Dahl Group, Scandinavia´s number one wholesaler of PH and sanitation products, with almost 260 operating sites in Northern Europe and turnover of approx. €2.6 billion. The company in Sweden recently appointed Rettig ICC as its sole radiator supplier, as part of a new strategic partnership that includes supplying Dahl-branded private-label products. This confident corporate move was the brainchild of Tomas Johansson, Dahl's charismatic CEO. We caught up with Tomas in Stockholm, Sweden, to learn more about the partnership and Dahl's expectations going forward.

### PEOPLE, NOT PRODUCTS, FIRST

"When I joined Dahl in 2004, the company was looking closely at the relationship it had with customers. I have always firmly believed that if you lose sight of your customers' needs, you quickly lose your customers. After more than 15 years in the building industry, I already had a clear understanding of the mind-set of the business; companies don't want suppliers these days, they are looking for partners — people who understand their business, their needs, and their customers. So when I joined Dahl, I made it clear that we had to put people first, not products."

And so, after just 12 months as General Manager for a Dahl subsidiary, Tomas was invited to take the position of CEO of the company's Swedish operations. "I think it was my knowledge of people that led me to this role," says Tomas. "In early 2000, the former management team had centralised most of the company's operations and activities to cut costs and raise profits. On the face of it, from a purely financial standpoint, that seemed

like the right move. But Dahl's business—and our business model—has always been based on two key pillars: local presence, and availability. The management move was needed but was also a direct contradiction of the company's own philosophy, and put distance between us and our customers.

So my first move was to return our company to a decentralised model, to regain the trust we were losing, and reopen the locations that had closed: it felt like a homecoming."

And no homecoming would be complete without family, which for Dahl and its customers, meant creating a dedicated sales force, as Tomas explains. "I value people who value their work, and how they interact with customers. In Sweden the foundation of our success is absolutely our sales team; we have more than 300 people who are highly trained, motivated, well equipped and knowledgeable enough to give detailed advice to customers: they often take a consultancy rather than sales role," says Tomas. This also bears a striking similarity to the Rettig ICC

approach, with a customer-focused sales force whose product knowledge allows them to make the right recommendation every time. The complementary ways of working were a contributory factor to the decision to invite Rettig to become exclusive suppliers to Dahl. >>





### TOMAS JOHANSSON

52 years old

Married, father of three daughters (19, 26, 29) and becoming a grandfather soon

BORN Södertälje - Stockholm (Swede

FUNCTION - CEO Dahl Swede

Part of Saint Gobain Nordics

### BACKGROUND

Tomas Johansson studied Engineering and Market Economy ir Stockholm and started his career in the building industry as a purchaser at a small building construction company where he grew successfully into the role of Sales Manager.

A logical next step was NCC (Nordic Construction Company) from which, after seven years, he went to Gustavsberg, which was acquired by Villeroy & Boch where he became Manager zone 4 with responsibility for all Nordic countries and Eastern Europe.

After a period of seven years, in November 2004, as General Manager he joined Dahl, which was acquired by Saint Gobain earlier that year. In November 2005 – one year later – Tomas Johansson became the CEO of Dahl Sweden

As CEO he's responsible for a total turnover of 9 billion Swedish krona with the companies Dahl (wholesaler PHS), Optimehra, Bevego (ventilation), Conradson (tiles), Kakel Specialisten (tiles), GG Carat (diy plumbing, and heating) and VVS Centrum (Water Heating and Sanitation).

## Closeness is not just about geography



Today there are 62 Dahl centres across
Sweden, staffed by expert teams who echo
Tomas's energetic vision for the future. "On
my first day as CEO I promised myself and my
staff that we would focus on four pillars for
continued growth: availability, reliability,
logistics and expertise. Central to this was of
course staying close to customers, and this
meant more than just having a Dahl centre
nearby. I needed all my staff to be able to see
through customers' eyes, to foresee their
challenges, and to have a solution ready
straight away. So we arranged an intensive
training schedule, where every salesperson

learned how to actively support customers in all their commercial activities."

Changing the way that a sales force operates is never straightforward, especially when it involves more than 300 people, says Tomas. "We're talking about a mind-shift, a fundamental rearrangement of Dahl's corporate DNA," he explains. "The task we faced was not something as simple as adding a new product to a portfolio—behavioural attitudes are notoriously difficult to change." But in order for the company to regain its connection with customers, this is exactly what was needed.

After the internal restructuring, Tomas would turn his attention to the next link in the chain – Dahl's suppliers – but first, the sales team had to understand the need for change.

"The first step in rebuilding our company was to bring employees into the change management process. We shared our ideas, our vision, and waited for their feedback- their ideas. The transparency of the response, the insight and vision that we saw coming back was astonishing. We had laid out a plan to change the way our people were thinking, acting and working, and those same people

were actively joining in, becoming part of the plan, buying in to the change." There followed a period of intensive management, communication and training to introduce and implement the collaborative plan. To support the product promises that the sales force would make to customers from then on, Tomas also authorised a new logistics system, with remarkable results. "We now have a just-in-time delivery approach," he explains, "that guarantees customers get the products that they want precisely when they want, anywhere across Sweden. Today that system has a 99.3 percent success rate." >>>



### **EXPANDING WITH GLOBAL BRANDS**

After the detailed preparation and reconstruction of the company was complete, it was time to find the perfect supplier, which is where Rettig ICC, Purmo Radson and Thermopanel, entered the picture. Dahl's requirements (availability, reliability, logistics and expertise – the company's four pillars) were a natural fit with the Rettig ICC core values, and negotiations would soon begin to bring the two companies closer than ever.

"My reasoning is that for us to continue to deliver what we promise, we should expect the same level of commitment from our suppliers," says Tomas. "One of the first things we did as a company under my direction was to search for new business opportunities for growth, and for our development as a professional brand. We sought and created new customer groups, then implemented new product groups to meet those needs. This involved entering totally new markets like facilities management for housing, attracting new customer groups, and approaching areas that fitted with our existing customer and product

groups; as long as they also conformed to our logistics processes. But everything we went for, we did in a BIG way. That was important. It had to delight the customer, and it had to have the wow factor." As an example, it was in 2006 that for the first time, Swedish customers could walk into a Dahl store and pick up a

Dahl's start with tools towards customers has been a success. It meant that customers

If you lose sight of your customers needs, you lose your customers

> didn't have to go anywhere else: once they walked through the Dahl doors, they could find everything they needed. Which was convenient for them, and rewarding for us." The next step in Tomas's plan was a bold one,

that helped strengthen Dahl, bring benefits to Bosch, and pave the way for a mutual agreement for growth with Rettig ICC. That step? Exclusivity.

### PIECES FALLING INTO PLACE

"We chose to be a specialist, to remain specialised, and in the last eight years we have learnt and developed a great deal as a company. Our scope as a wholesaler has changed, we have distinguished ourselves in

> the market, and to maintain that position, we work exclusively with strong suppliers – partners like Purmo Radson and Thermopanel."

Dahl had a long-standing relationship with these brands, stretching back many years before Tomas joined the company, which was a solid foundation for the partnership. "My focus is on building and developing existing markets and businesses, as well as seeking new opportunities that can only be captured with the support of

Dahl parent company Saint-Gobain is one of the world's largest companies. With annual turnover exceeding €40 billion, it is involved in a range of markets, with a focus on habitat and construction. Saint-Gobain designs, manufactures and distributes building materials, providing innovative solutions to meet growing demand in emerging economies, for energy efficiency and for environmental protection. In total 190,000 people are employed by Saint Gobain, which has a presence in 64 countries.



dedicated partners. >>

"Only with a strong partnership can you successfully develop markets, and of course certain market positions can't be reached without stretching a brand or a product range, but there are always options," he says, "like a private label. When we sat down at the table with Purmo Radson and Thermopanel, we laid down our challenge. We wanted to develop a specific part of the market that we couldn't serve with our existing programme, but we were certain that we could with an own-brand radiator. And that would only be possible with the co-operation of a strong strategic partner, which, at that time, we didn't have in the heating sector." And that meant a true leap of faith for Dahl. "We chose to change to a single supplier for radiators," says Tomas, "and the choice was clear. The trust we have in Purmo Radson and Thermopanel, the quality of their products and the strength of the company, made it a straightforward decision. The result is a win-win-win situation for the companies involved, and for Dahl customers." Isn't Tomas concerned that exclusivity might limit Dahl's options by focusing on a strategic product like radiators? "Not in the least. The Rettig ICC brands are strong, trustworthy and reliable. What's more, radiators are in constant demand, so we are confident that the partnership we have formed will continue to be a source of mutual growth."

### **GROWTH IN A CRISIS**

Against a growing tide of economic turmoil, Dahl bucked the trend and showed impressive growth while much of the world's businesses floundered. "Look at our results for 2009-10," says Tomas. "2009 was the height of the crisis, and the market in Sweden was down 14 percent. We grew four percent. And in 2010 an additional ten percent."

### PARTNERSHIPS ARE THE KEY TO GROWTH

Partnerships like this are the key to growth, according to Tomas. "I am convinced that the road ahead is about in novative thinking. Creative ideas where building constructors, planners, installers, wholesalers and suppliers really need to work together as one. We have long known that markets emerge rapidly, and advance at a sharp pace, so we need to be able to rely on our partners to dynamically provide this complex market situation with innovative and clever solutions.

Total solutions that provide a perfect match with the required standards, systems, services and logistics, and that above all, mirror the needs of the customer. And that, is what the partnership we have in place with Purmo Radson and Thermopanel will provide.



### Romanian business centre enhanced by ideal indoor climate

lanis Deco Design recently completed the décor for IDEO, a new Centre for Business Support and Development in north east Romania. Part of the brief was to create an atmosphere to bring warmth to the traditionally functional world of business. They chose Purmo for the perfect radiators for their project: the Kos V vertical design radiators, supplied by Inter Conti, long-time partner of Purmo in Romania.

IDEO consists of two buildings with space for more than 40 small and medium sized enterprises, with 10,000 square metres dedicated to their use, as well as training rooms, meeting rooms, a restaurant, coffee shop and kindergarten.

### WHEN DESIGN IS AT THE TOP OF THE LIST

This huge project was founded by Tester Group, and is based in Iaşi, a leading centre of Romanian social, cultural, academic and artistic life. The IDEO buildings' exteriors are based on simple horizontal lines, complemented by massive prisms to reflect the dynamic image of city life. Inside, Ianis Deco Design introduced the unexpected, with eye-catching colours for the business interiors, such as violet, pink, carmine red, chocolate and bronze, emphasized by laminate glass or steel, with accessories in leather or wood.

For project manager Iulian Nicolau, Ianis Deco Design's General Manager, Kos V radiators were a natural choice. With a honed, minimalist appearance coupled with high heat outputs, the Kos V radiators achieve a perfect balance between a flat front panel and closed, curved side covers. Available in many colours, they are an ideal solution for different interiors, including IDEO, where special coloured and inox versions take pride of place.



### **ANOTHER SATISFIED CUSTOMER**

"Please receive our praise and gratitude for your kindness, professionalism and proactive approach in cooperating with lanis Deco Design in this project. I hope that this is one of many successful projects we will complete together in the future," wrote Iulian, in a personal letter of thanks to the Rettiq team in Romania.

"Your company has successfully answered to all challenges that appeared during the construction, contributing directly one of the most important ingredients in the recipe of success." The IDEO concept brings together energy-efficiency and high-end design, in a complex that that is already proving a massive hit for business customers and visitors in the region. As Iulian wrote, "We are much honored by the appreciation already being shown by the direct and indirect beneficiaries of the building, and the lanis team would like to share with you and your amazing team all this affection, thanking you once again for your great support and admirable cooperation."





## Did I ever tell you about the time





In the heating industry there has traditionally been a 'friendly rivalry' between underfloor heating and panel radiators. The polarising effect of the issue once meant that you could only recommend one or the other, rarely both. The fact that Purmo Radson supplied (and now manufactures) both systems was once a source of some amusement and much lively discussion throughout the company. But as accepted wisdom now recommends both systems as the ideal choice, where does this leave the much-heralded 15% campaign, and the ProRadiator research before it? "The science stands," affirms Mikko. "The research is still valid, the proof is still proof," he says. "Radiators are still better at utilising heat gains, and they exhibit smaller heat losses. Over the past 30 years there has been widespread manipulation of consumers, from a marketing standpoint, about the benefits of underfloor heating. Comfort, that was the big push, always highlighting this by contrasting it with negative points about radiators. But now in low energy buildings, the marketing has changed; now they are being pushed in terms of energy efficiency."

The best way to challenge a scientist is to make an unsupported claim. Back in 2008, Mikko and a group of researchers joined forces to investigate some of the claims being made against radiators. The results are well documented in 'Pro Radiator', a fact-based defence that charts two years collecting 140 arguments from the field. To cut a long story short, it finally laid a lot of myths to rest and showed a number of remarkable differences between heat emitters in low-energy

buildings, using low water temperatures. The research recently evolved into the '15% energy saving' campaign "...which

has made things easier for the sales force," says Mikko. "We hear a lot of positive feedback that the research is now easier to grasp, the facts are easier to explain," he says. "Which is of course great news. And for customers who also want to sell underfloor, we of course can offer that too."

gave me a really good practical background, a real perspective on how sales people work, what they need, and how they think. So I have always appreciated that they need clear facts to work, and that was how I could also help. While I was doing this, I was working as a researcher in HUT, teaching HVAC to younger students, and then in 1984 I was invited by the owner of Lämpölinja to join his company in Finland. Soon after this, Rettig ICC acquired the company, and I have been part of the family since then," smiles Mikko.

to the product development side of the heating world, where design meets technology. "Yes, I was involved with integrated valve systems," he says, "and the radiator convection fin, its form and positioning, I have always had a fascination for such design questions."

### **KEY CHOICES STRIKE A REAL CHORD IN LIFE**

His story could have been a lot different though, if Mikko's other early love had blossomed. "Ah yes," he laughs. "The Music

> Academy." This is a small glimpse between the lines of a modest man's technical CV. "I was also going to be a musician," explains Mikko. "Keyboards, heavy rock and Hammond organ, and, naturally, I was in a band and, of course, we were going to be great, like my heroes Uriah Heep and Led Zeppelin. But that was back in the past, when I had hair," he says, "and maybe we weren't really that great anyway. Besides, I'm very happy with the path I took. I have a

great family, two boys, and like every Finnish family we go on ski trails, in Summer we go to our cottage, and I'm also a sailor. And a golfer." It seems there is a lot more to the Director of R&D, Research and Technical Standards than first meets the eye. "Ah, there is much to tell," he smiles, "did I ever tell you about this time I was in a really successful advertising campaign?"

### **SPEAKING THE LANGUAGE OF SALES**

Rettig ICC has a classic front office/back office structure, with a split between sales and marketing on one side and purchasing, production, logistics and operations on the other. Perhaps the only person who operates on both sides simultaneously is Markus Lengauer, CEO. But Mikko livonen has a history with sales that stretches back to the early days in his student career.

"I was 20, in the Helsinki University of Technology," (HUT) explains Mikko, "studying HVAC and mechanical industrial production technology. And I took a summer job in Southwest Finland in a radiator factory, welding radiators the old fashioned way, by hand. At this time I also helped the sales guys, helped them plan heating systems, and that

The story behind the story of the 15% campaign

So how does a technical mind express itself in a world of mass production? "Ah, it fits very well. Of course, when I was young I was in love with engines, taking them to pieces, putting them together, and applying the same logic, the same curiosity to heating elements. This is why I began my study, to find out how these things came into being, and why." The natural progression led Mikko





◀ André Clainquart Founder and company director André Clainquart (SARL) in Orchies (in the north of France)

What do we have in common? When it comes to quality and service, we are both equally demanding

## Quality is our guiding principle

He has many years of experience and has always worked towards the same goal: to guarantee his customers long-term satisfaction. André Clainquart began his working life in a simple corner shop and went on to set up his own company specialising in sales, installation and repair of heating systems, together with renewable energies, plumbing, bathroom appliances and bathroom design. Today, 10 people work alongside him offering top-quality products and services to clients in Orchies and a broad surrounding area.

### THE QUALITY OF THE EQUIPMENT WE SELL MUST BE IMPECCABLE

Our reputation depends on it. Our customers must be able to say that when they turn to Clainquart they receive sound advice, that the equipment we offer is precisely what they need and that its installation is trouble-free. We often get new customers through word of mouth. So our customers have to be happy with the quality

of our products and services if we want to guarantee our long-term future: one happy customer brings in ten new ones! That is why the principal brand of radiators we offer is Radson. We have never had any problems with their products, regardless of which models our customers choose. With Radson we can guarantee them a quality product. And peace of mind, which is as invaluable for our customers as it is for us.



### A WHOLE RANGE OF SOLUTIONS **FOR OUR CUSTOMERS**

We mainly sell our products to private customers. And Radson helps us provide the right answers to their problems. It is a brand with a huge range of products and a variety of different capacities, dimensions and custom-designed finishes. With their range of tubular towel driers, Compact, Vertical, Delta, Integra, Kos and Faro radiators and the new Tinos and Paros models, the perfect solution can always be found - one which marries impeccable quality with affordable prices.

### **RELIABILITY GUARANTEED**

We are constantly striving to promote our products and services and to move what we offer upmarket. That's why our company is located in a retail area directly overlooking our showroom. It is a magnificent showcase for our products. Current highlights are the new Radson Tinos and Paros radiators which are superbly displayed. The showroom allows customers to actually see and touch different models of radiator rather than just look at pictures of them in a catalogue. We also organise open days every year. And on these days, in addition to posters in our showroom, we promote

the Radson brand in our advertising. Its excellent reputation cannot but reflect well on ourselves.

### **INNOVATION IS A CONSTANT GOAL**

This year, Radson created Tinos and Paros, stylish designer radiators. There have also been additions to some ranges, such as Kos and Faro, now available in 1m50. Our sales are currently rather higher in the Kos range, which is in line with current trends: people are more concerned about the appearance of their homes. By embracing developments in the Radson brand, we have been able to meet our customers' needs more fully and guarantee our own growth.

### **RADSON GIVES US SOMETHING**

We participate in Radson's loyalty programme. By earning points, we win prizes. These can range from a baseball cap to a polo shirt, a plasma screen or a mobile phone. Whenever we sell a Radson radiator, we collect a certain number of points. And, at the end of the year, we can ask for the gifts we want. As company director, that means that I can say thank you to the people who work for me because Radson thanks me for working with them. It also allows me to

give greater responsibility to my installers: participation in the programme means they have to recover the label with the radiator's barcode, and that serves as a good way to make them remember what they installed.

### **OUALITY IS KEY, AS IS SERVICE**

Radson's range is widely stocked by our wholesalers, which is an advantage. And when it comes to requests for specific sizes and colours, Radson is very quick to respond. That is especially important when we have to carry out installation work within given deadlines. It is essential for us to work closely with partners who are able to meet our demands and our customers' expectations.

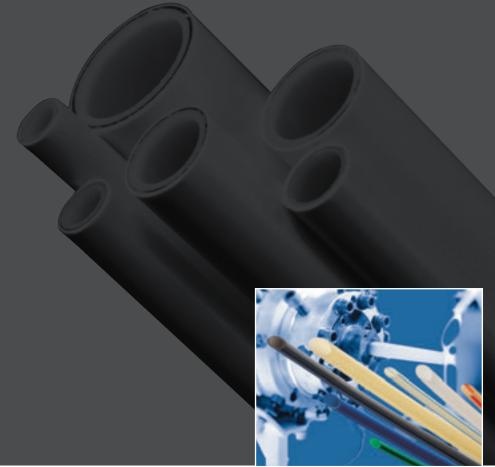
### WHAT ABOUT THE FUTURE?

We work in close collaboration with the brand representative in the north of France, Matthias Lemaire, who personally provides us with presentations of new products. Radson is a brand which provides a service to us, which supports us. If we encounter any problems, we seek the solution together. Impeccable quality, excellent service, a huge range of products and affordable prices... Our only wish is that nothing ever changes.



## acquires Hewing

Rettig has signed a share purchase agreement with Uponor, the owner of Hewing GmbH, Ochtrup, Germany. As a consequence, Rettig will become 100% owner of Hewing, a producer of high quality PE-Xc pipes.



Hewing GmbH was founded in 1974 in Ochtrup, Germany, where it produces high quality PE-Xc pipes and multilayer pipes for surface heating, radiator connections and potable hot water systems. Since Uponor's acquisition of Hewing GmbH in 1988, an innovative quality improvement process has taken place.

In 2011, Hewing registered a turnover of around €50 million. The average number of employees is 230. Hewing is one of the leading manufacturers for PE-Xc pipes and MT-multilayer pipes and is also known for its state-of-the-art in-house laboratory and test facility centre.

All products are OEM products and produced for system suppliers such as Comap, Oventrop, Pipe Life and others. After integration into the group, Rettig ICC intends to keep the mainly independent structures of Hewing and plans to transfer its currently externally produced volumes for pipes to Hewing. Hewing, with its expertise and its experienced employees, fits perfectly into the future strategy of Rettig ICC. It will enable Rettig ICC to grow from a sole supplier of UFHsystems to an innovative producer, extending its offering for high quality UFH solution systems for all markets.



### How sustainable do you have to be to call your business sustainable?

Today, it's more important than ever to sustain a balance between energy use and efficient development. My personal view is that achieving and maintaining this balance is an opportunity to change our world by changing our way of thinking. Because change is the basis for all long-term plans: being able to adapt is essential for profitable growth. That's why Rettig Group has launched a new and dedicated drive towards more sustainable development across our business. A drive which urges and inspires company members in every role to do more with less.

Our company operates in industries that use many different forms of energy. We need oil, gas, diesel and electricity to operate our businesses and production facilities. If we are able to reduce our energy requirements we reduce our burden on the environment, do more with less, and in turn contribute to a better world. For this reason, our search for better technological solutions has become a determined quest and an integral part of the way we do business now and in the future.

As a result, we can already share some encouraging examples of sustainable behaviour, such as our new low-energy consumption ships Bore Sea and Bore Song, and our new kiln investments in Nordkalk. And I am particularly proud of our new Rettig ICC products that are produced using fewer raw materials and, even better, offer more energy-efficient heat performance. 3 plants in Hungary and Poland now use state-of-the-art energy-efficient methods to produce our radiators. In addition to these more streamlined production processes, we have reduced energy use as a result of innovation in design, thanks to the work of a multifunctional team comprising R&D, Operations, Sales & Marketing and our production plants.

> **Cyril von Rettig** Chairman, Rettig Group Ltd

Now, instead of a single piece of steel at the rear of the radiator, two convector strips perform the same function, using less material and energy to produce the same result.

At the end of the day, tomorrow starts with new ideas. Ideas that make you stronger and more competitive while being more responsible than ever before. Implementing these takes commitment, without which there can never be effective change. At Rettig, we continue to explore our way of working, to identify new potential and add more value for our businesses. Central to this exploration are innovation, health, safety and the environment. And because this is a privately owned business, we can achieve all this with patience and long-term vision, setting a strong example of responsible operations and sustainable profitability.











1966

1975

1989

### ZONHOVEN, BELGIUM

In 1966, the first Radson radiators come off the assembly line in Zonhoven

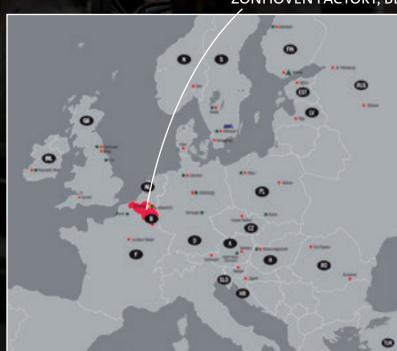
In 1975, the R75 type comes off the assembly line. A brand new radiator with fins on the cold water channel shaped like an 'M' achieves +50% heat output over the basic type

Introduction of the revolutionary Super 2 radiator.
A so-called '2-on-1' principal on the hot water
channel (2 A sheets) achieves +30% heat output
over the R75

Launch of the S3 Radiator. The '2-on-1' principal on the hot water channel (A+B sheets) with deeper profile fins and increased convection surface area +9% heat output

1990 Radson joins the Finnish Rettig Group

ZONHOVEN FACTORY, BE



Rettig ICC manufactures radiators in fifteen production facilities, located in eleven different countries. In each issue of Clever we highlight one of these factories. In this one, we turn the spotlight on the factory in Zonhoven, Belgium, the home of Radson.



68 the faces behind the brand **CLEVER** 

▶ Jos Bongers, COO Rettig ICC

"Each year a total of about 1.1 million radiators find their way from our factory in Zonhoven to customers in 33 different countries," Jos explains. "At the moment we have nearly 300 highly motivated experts working in our factory who are responsible on a daily basis for the production of about five to seven thousand radiators — depending on the type being produced. To accomplish that here in Zonhoven we have three modern, well-equipped and fully automated production lines."

# MORE THAN 10 HECTARES AS A BUFFER ZONE

"In 1966, Radson produced its first radiators in Zonhoven. Of course, much has changed since then. Over the years the factory – in part due to the merger in 1990 with the Finnish Rettig ICC Group – has grown enormously. And it has also been modernised, of course. The grounds of the Belgian production unit cover approximately 75,000 m², of which nearly 40,000 m² have been built-up. Since the factory is located near a nature conservation area, Rettig ICC has set up more than 10 hectares of its property as a buffer zone," a visibly proud Jos tells us.

## **SUPER 2**

"Zonhoven is the home of Radson. This is where it all began and where it is still happening," Jos continues. "In 1986, for example, the first revolutionary 'Super 2' radiators came off the assembly line in Zonhoven. A product that signified an enormous step forward for Radson as a brand. Especially when it comes to the competition, because with this new principle Radson totally redefined the heating industry. The so-called '2-on-1' principal, where two convector fins operate on each hot water channel, improved the heat output by more than 30%."



## **INCREASED PROFITABILITY**

"What applies to every factory is that we not only invest in innovation and quality, but also in the environment. In the last fifteen years we invested more than 50 million euros in the expansion and modernisation of the factory in Zonhoven, applying the BAT principle. In addition a total of over seven million euros were invested in water and air purification, noise control and heat recuperation. Measures that not only make this factory extremely sustainable, but that have amply surpassed our expectations and even increased the factory's profitability. That is quite extraordinary," Jos says with a smile.

# SUSTAINABILITY HAS BEEN ON OUR AGENDA FOR QUITE SOME TIME

"Particularly our investments in processes that reduce the use of raw materials and energy to a minimum are pure profit makers. For us as well as the environment. Sustainability is a topic that has been on our agenda for quite some time. So it may come as no surprise that at the end of 2003 we were one of the first manufacturers in the region to receive the coveted ISO 14001 environmental certificate."

## **WAREHOUSE**

"To offer our customers a fast delivery, we always have nearly 100,000 radiators in stock in Zonhoven. From here we export radiators to 33 countries. That means we also go beyond European borders. Of course, that has consequences for the logistics. That is why we have built a warehouse of approximately 15,000 m<sup>2</sup> next to the factory. To be able to manage the production, the supply and all necessary transport, we also required a well-oiled logistics department in Zonhoven. Next to our high-quality production of radiators, that is perhaps one of our most important USPs," Jos concludes before taking us to the factory.

Radiators and Zonhoven:
Rad&Zon is the birth of Radson

In the factory we have the opportunity to talk to the people on the floor. Because what is it that makes this Rettig ICC factory in Zonhoven, Belgium, so special? This factory that today still is the physical and spiritual home of the Radson brand.

# CONTENTED PEOPLE, RELIABLE PRODUCTION

We met people like Kris Maes, who has been with the company for 25 years. "I work on the welding line," says Kris. "Basically I make sure that everything is put together properly. I enjoy what I do, and it pays well, so what's not to like?" One of the themes that we hear throughout the visit is something that Kris and all his colleagues mention. "The atmosphere – the people here are great to work with, and that makes a real difference," says Kris.

Mechanic Jan Dewitte agrees. "The interaction between everyone here is fantastic," he says. "That's one of the reasons I wanted to work here in the beginning, back when I started more than 20 years ago. I had applied for 7 different jobs in the region, and as soon as I had the chance to see the Radson site, I made the decision that this was the place I wanted to work."

As one of Rettig's 15 production units spread over 11 countries, Zonhoven is a Belgian business with an international outlook and a local team that brings passion through the doors of this facility. It's no coincidence that Radson is known for reliable products. The people who work here are a solid, close-knit community of colleagues, with many people learning the job from their fathers before them. "It began life as a family company," explains Jan, "a lot of people from the same families worked here. So you find almost a family tradition here, a family atmosphere, which is why it's so good to work here." >>>



#### **∢** Kurt Vansnick

To be successful as a company you must communicate. I think that in our case our management and our production people work excellently together. We really are a team

Ludo Welkenhuysen ➤ Even after 12 years I still love my job at this factory



# Every da challeng interesti

#### Stefan Martens

Every day is different. And that make it worthwhile. Next to that I love the fact that our management gives us the necessary responsibility to create the best possible product



#### Marco Schoofs

It's really important that we see and recognise small errors early in our production. That's my task. Knowing that, you'll understand that I've a responsible job within our team. But without the others I would not enjoy my job so much

#### David Bernaers

I have one of the finest jobs in the world



#### **∢** Eddy Thijs

I started here when I was 19 years old In the past 25 years I got the chance to climb to the position of supervisor of the warehouse. Where else is this possible?

#### ◆ Ronny Vandebosch

I've seen the factory expand and grov
Working here already 37 years, I thin
I can say that we have built one of the



#### Ben Mastroianni

Our team is made up of 4 peop During the day we change shift ev two hours, which means I hav different jobs. Something th

#### Kris Maes

We have an unbelievably ood atmosphere that makes work a pleasure



70 | the faces behind the brand | CLEVER | the faces behind the brand | 71

This family welcome is extended even to those people relatively new to the job, like project engineer Johan Tielens. "When I started here three years ago, I really felt right at home," says Johan. "We have a great way of staying connected here in Zonhoven. Every month we have a factory outing – go-karting, skiing, anything where we can all get together. It's a fantastic way of seeing other sides of people, not just the 'work mode', and it means that we are basically all friends, family – not just colleagues. "This investment in people has certainly paid off for the Zonhoven site. The combination of pleasant atmosphere, good pay, job security and opportunities for internal variation and progression means that many workers see Zonhoven as a lifelong employer. Ronny Indeherberg is a 'springer' – a man whose job it is to have a lot of different jobs, working where he's needed most.

"I like the variety," explains Ronny. "Doing maybe five different jobs a week means I get to see all the sides of production, from start to finish, and I love being involved in all the parts that make up the production process." For Ronny and his colleagues, there is also the added benefit of the internal promotion and job development philosophy at the site. "When a job comes up, we are all invited to apply if we want to," says Ronny. "Good thing is, even if you don't already know how to perform the job,

you get training. So you can always find something here that suits you, and you get the support you need to do it properly. It's a really great sign that the company trusts us, this encouragement and training." Incredibly low staff turnover is a sign that this trust is reciprocated, with people tending to stick with the company once they join.

# KEEPING ZONHOVEN AT THE FOREFRONT OF TECHNOLOGY

As well as its investment in people, Zonhoven's investment in its facilities is another major contributor to Radson's ongoing success. "We continuously invest in our factory facilities. The recent introduction of an ultra-modern high-yield welding line, the ability to build new radiator sizes and an automatic gluing process are just a few examples of how this factory has progressed over the years. Many new models and innovations have come out of here since 1966 and more will do so as the product range continues to modify and diversify," Jos explains while we're walking back to his office.

"Radson's ability to evolve alongside the heating market's changing demands will keep it at the forefront for a long time to come. Its loyal team are integral to this.

Just as families build on their heritage by embracing new opportunities as each generation grows, Zonhoven's longevity is made possible by the bonds it has with its people and their willingness to support progress," adds Jos.







# The Rettig story

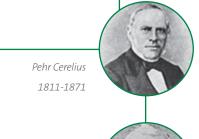
# a brief history of long-term growth

Today Rettig Group comprises 3 distinct business areas: Bore (shipping), Nordkalk (limestone-based products), and the familiar Rettig Indoor Comfort. To those unfamiliar with the origins of this family company, it began in 1776 when Steffen Cerillius Rettig took a position in the recently founded tobacco factory in Ringklöping, Denmark, after completing his apprenticeship in Hamburg.



Start of Rettia as a tobacco factory 1770 Start of the first tobacco factory in Gävle, Sweden, by Pehr Christian Rettig 1809 Brothers Pehr Cerelius and Robert Rettig started a tobacco factory 1845 Establishment of Bore Steamship Company 1897 The first vessel, Bore I, started to operate 1898 Hans von Rettig became the major stockholder of Bore Steamship Company 1926 Start of Rettig's involvement in the heating industry 1953 Acquisition of Purmo 1970 First sales company established in Hannover, Germany 1974 Opening of a completely new radiator factory in Jakobstad, Finland 1976 Change of the company name to Oy Rettig Ab 1983 The Rettig Group acquired the factory Dia-Norm in Germany and Dia-Norm

Teoranta in Ireland



Fredric von Rettig

1843-1914

Robert Rettig 1818-1886





Steffen remained in Ringklöping until 1793 when he moved to Sweden to head operations in Carlskrona Tobaks Fabrique. His son Pehr Christian Rettig would follow his father into the tobacco industry by establishing P.C. Rettig & Co. in Gävle,

Sweden. Pehr Christian's own son Pehr Cerelius also founded a tobacco factory, in Turku, Finland and after his death in 1871, his brother Robert, who now owned the factory in Gävle, took the helm until 1886 when his son Frederic inherited the family business.

Parallel to his tobacco interests, Frederic had begun to develop a flourishing shipping business, with a central role in establishing the Bore Steamship Company in 1897. His plan was to enable year-round travel between Turku and Stockholm, and the advent of steam power made it possible to build more powerful and stronger ships that could withstand the rigours of travel through waterways crusted with ice. In 1898 Bore I, the line's first steam ship, took to the water, and the fleet continued to grow when Hans von Rettig took majority ownership in 1926, and the company grew to become Finland's leading passenger and liner operator. Today, Bore has 18 vessels, shared between the charter and industrial shipping concerns.

# FROM TOBACCO AND SHIPS TO BEVERAGES, SWEETS AND BEYOND

Over the years, the Rettig family has diversified its interests, branching into the confectionery, beverage and real estate businesses. Its focused attention, however, would turn in 1970



to a small Finnish town called Jakobstad. Here, in 1953, three entrepreneurs had set up business in a village called Purmo Tuote, which would later grow to include a small radiator manufacturing factory. Rettig acquired this factory in 1970, thus beginning the modern chapter of the Rettig story. In 1974 a sales office was opened in Hanover, Germany, to handle the high volume of exports to the country, and in 1976, a new factory was opened in Jakobstad. In the 1980s, the Jakobstad factory started to sell more of its quality radiators in Finland, and Rettig became the leading radiator manufacturer in the Nordic countries after the acquisition of the Finnish Lämpölinja Oy in Kokemäki in 1983 and the Kymi-Strömberg radiator factory in Heinola in 1986. Business continued to grow and Rettig strengthened its position as one of the leading players in the radiator business by acquiring the West German radiator factory Dia-Norm in Vienenburg and its associated company Dia-Norm Teoranta in Bunbeg, Ireland in 1989. Further acquisitions have since brought Rettig ICC to its leading market position in the heating industry, as you can see from the timeline here, or online at www.rettig.fi.

Rettig Group diversified further in 2010 with the 2010 acquisition of Nordkalk, which mines limestone for industry, agriculture and environmental care and had a 2011 turnover of more than €369 million.

Today Rettig Group is a major global company, with operations that stretch across the world.

What sets it apart is its continued commitment to and care for customers and employees, and the family tradition that still plays a major role, some 200 years since the company began. After all these years, the Rettig Group remains dedicated to its founding pillars of product range, quality, inspiration and people.



74 the faces behind the brand CLEVER the faces behind the brand 75

1989



# Radson at the trade fairs

February and March are traditionally busy months for trade fairs.

These events provide ideal opportunities for companies such as

Radson to come into direct contact with many customers and

(potential) business associates within a time span of just a few days.

As a leading manufacturer of radiators and underfloor heating, Radson naturally has a strong presence at all the main trade fairs: VSK-Utrecht, Interclima-Paris and Batibouw-Brussels. While VSK and Interclima are only held once every two years, Batibouw is, in contrast an annual event consisting of two professional days followed by no less than eight consumer days.

With more than 150m² of stand space, Radson holds a prominent position at these shows. Using our Low Temperature Heating campaign as our central promotion theme, our brand message fits perfectly into the current trend for sustainable and energy-efficient heating solutions.

# **REVEALED IN 2012**

Trade fairs always represent excellent opportunities for Radson to introduce exciting innovations. The following new products were presented to the public during the most recent shows:

- Tinos/Paros-EL: electric version of the design radiator which was launched in late 2011
- Apia-M: towel warmer with a double pipe configuration
- Muna, Elato, Flores: towel warmers with Turbo function
- Vido: convector for both heating and cooling
- Underfloor heating thermostat with touchscreen (and colour screen)

## **LOOKING AFTER OUR CUSTOMERS**

An attention-grabbing promotion for installers at the VSK trade fair was a brand new Radson Volkswagen Caddy which was given away

as the grand prize in a raffle at our stand. And true to tradition, the Radson Party was once again a very successful event where customers were invited to wind down and relax after the trade fair.

#### **GETTING THE MOST OUT OF OUR BOOTH**

New products, a motivated and enthusiastic sales team and a stylish stand are key to successful trade fair participation. A trade fair stand acts as a living business card and must correspond in every way with the company's image. To ensure ours represents us in the best way possible, Purmo Radson LVI has a long-term working relationship with stand builder i.xpo, a company located in the German town of Kaarst near Düsseldorf. Because a good trade fair stand requires substantial investment, we use the same one for all events attended by Purmo Radson LVI. This results in smart deployment of people and resources while ensuring uniformity of our business communications at all European trade fairs.

Our current successful concept will continue to be used for the remainder of 2012. We will, however, introduce a completely new stand from 2013. So be sure to stop by and check us out!





# Radson, a strong brand

Independent market research conducted by USP Marketing
Consultancy in 2009 shows that Radson is the best-known brand
name in the Dutch installation sector. This comes as no surprise in
the brand's home country of Belgium, where Radson has been a
household name for decades.

Radson has achieved this position through hard work and dedication. Building and maintaining confidence in the brand, combined with a well-considered marketing mix, are vital factors behind this success. Investment in the future is continually made through advertising campaigns, smart marketing promotions and sport sponsorship.

Sport sponsorship provides many opportunities to team up with customers and business associates and experience top sport in positive, inspiring environments. It also presents excellent opportunities for generating additional media exposure through live television reports, articles in newspapers and coverage in sports magazines, etc.

These benefits led Radson to join forces in late 2011 with its customer Jinstal, a Dutch consulting firm, to venture onto the ice as sponsor of the Radson Jinstal marathon skating team. Jinstal had already been active in the sport of ice skating for many years, but wanted to enable its skating team to attain higher levels of professionalism. In their search for a large co-sponsor, as a good client they naturally called upon Radson. The team has now achieved fantastic results and gained a permanent place among the top rankings.

Radson has also been active on a smaller scale in the sport of tennis since early 2011. The brand serves as sponsor to the ELTV-Eindhoven Tennis Club's Men's Premier League team. The team were Dutch champions in both 2006 and 2007 and they currently include former professional players Paul Haarhuis and Jacco Eltingh. Radson's sponsorship of the ELTV tennis team has resulted in Paul Haarhuis providing regular educational tennis clinics and exciting teambuilding presentations for Radson's employees, customers and business associates.

76 the faces behind the brand CLEVER the faces behind the brand CLEVER





















# How to turn energy into efficiency

Professor Dr. Christer Harrysson is a well known researcher who lectures on Energy Techniques at the Örebro University in Sweden. He has conducted extensive research into the energy consumption of different energy systems, sources and emitters.

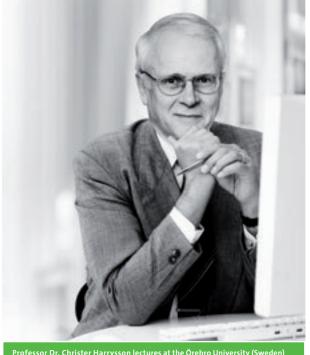
Research is one of the most important tools for increasing knowledge and obtaining a clear, independent insight into the functions of different heating distribution systems. It also makes it possible to rank the performances of a variety of solutions. In my research, I studied the energy used by 130 houses in Kristianstad, Sweden over a one-year period. Their electricity, hot water and heating system energy consumption were all closely monitored. All the houses were built between mid-1980s and 1990, and were grouped in six distinct areas, with variations in construction, ventilation and heating systems. The results were convincing. We recorded differences of up to to 25% in energy use between the different technical solutions in use.

My main objective was to determine the difference between energy efficiency of different types of heating systems

and the thermal comfort these systems offer. We compared the recorded results of underfloor heating and radiators, and conducted interviews with residents. We found that homes heated with radiators used a lot less energy. In total – including the energy for the heating system, hot water and household electricity – the average energy consumption measured was 115 kWh/m<sup>2</sup>. This was in comparison to the average use of energy of 134 kWh/ m<sup>2</sup> in homes with underfloor heating. In short, our data shows radiators to be 15-25% more efficient than underfloor heating. Measurement data also shows that the 15% difference correlates with houses that have underfloor heating with 200mm ESP insulation beneath the concrete floor tiles.

# **CONCLUSION**

The most important and significant finding of this study is that designers,



Professor Dr. Christer Harrysson lectures at the Örebro University (Sweden) and is Director of Bygg & Energiteteknik AB

suppliers and installers need to apply their skills and provide residents with clear and transparent information. In addition to that, we found the level of comfort to be as important as the calculated energy performance and consumption of new, but also renovated buildings. This is something that should be taken into account not only by project planners and constructors, but also by the owners and facility managers of new buildings.

**Note:** Houses in the study are directly comparable with the buildings insulated according to the German EnEV 2009 regulations.

A complete summary of the research conducted by Professor Harrysson can be found at www.purmo.co.uk/clever

# Gasservice Venlo (NL) proud winner of the Radson VW Caddy



Mr and Mrs Peeters of the installation company Gasservice in Venlo are now the proud owners of the new Radson Volkswagen Caddy. They were hailed as winners during the VSK trade fair which was held in Utrecht in February.

Just as we did during the HVAC trade fair in Brussels in November 2011, Radson thought it would be a good idea to launch the so-called Caddy campaign, this time for Radson's Dutch customers. Around a thousand people received the trade fair newspaper 'Hot Issue' by direct mail together with a magnet shaped like the new designer radiator Tinos. With this magnet they could go to the Radson stand and check if they had the winning code by placing the magnet on a working Paros radiator. The trade fair campaign was a huge success and attracted hundreds of curious people to the stand. But the winners were not announced until the very end of the trade fair. It did not take long to find out who the winner was.

## PROUD OWNERS

Gasservice Venlo started in 1993 and have grown into a well-known and respected installation company in the Venlo area. In 1998, they expanded by adding a electric engineering department managed by Pieter Peeters. Since early 2008, all their activities have been concentrated around their new premises on the Guliksebaan in Venlo. Gasservice Venlo handles the complete installation, service and maintenance of gas, water and electrical installations in both private homes and companies. They hold quality and customer satisfaction in high regard. "We are thrilled with this prize," says Mrs Peeters. "We have been a loyal customer of Radson for years. So it was easy for us to find our way here; after all, we come here regularly. But this is the first time we have taken home such a lovely gift!" she says, and laughs. Radson wishes them all the best and plenty of driving pleasure with their new vehicle!



78 the faces behind the brand **CLEVER CLEVER** the faces behind the brand | 79



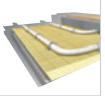
# Ultimate indoor heating comfort

Radson underfloor heating systems can fill a room with a unique comfortable warmth. When paired with Radson radiators, they give you the ultimate in indoor heating comfort, combining a cosy underfoot sensation with a uniform temperature.

The benefits of Radson underfloor heating go far beyond the consistent, reliable and comfortable sensation of year-round warmth. As well as invisible and silent operation, Radson underfloor heating systems require little or no maintenance once installed. And all our systems are designed to be easy to install, with the minimum of time and fuss.

There is a wide selection of underfloor heating systems on the market, but only one company gives you the added reassurance of decades of experience and expertise.







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RADSON III clever heating solutions



# The warmth of generosity: giving to the needy in Romania

Charles Dickens once wrote "charity begins at home", and for the Purmo team in Romania, that means helping the people in the local community where they can. "Our involvement in social well-being is one of our major objectives and priorities," says Tunde Sandor, Managing Director of Rettig SRL, Sales & Marketing Director of Purmo in Romania.

The most recent beneficiary of this Purmo goodwill was the Holy Trinity Dudesti Church in Bucharest, where a complete underfloor and radiator heating system was installed for the benefit of worshippers. "We don't want to say how much it cost," says Tunde. "What is important for us is that the team gave up their time; transporting and installing the system themselves, for the benefit of the local community – not to gain customers."

And this wasn't the first time Romanian communities have gained from the behind-the-scenes modesty of the Purmo team. In 2011 alone, the team donated radiators for the Architects' Chamber of Romania, the Greek-Catholic Church in Iclod, the Sfintii Martiri Brancoveni Church in Cluj-Napoca, and around 100 radiators for nursing homes in the Moldavian region. "Purmo products are created to improve the quality of the interior climate," concludes Tunde. "We are above all a business, of course, but we always focus our attention on people and their general comfort. Purmo is not only quality and durability, for us, Purmo is most of all caring."

# A year of Purmo Clever campaigns in Romania

Every year in Romania, Purmo works with its long-term partners to develop campaigns to support planners, installers and consumers. This kept us particularly busy in 2011, starting with specialised events like the Construct Expo-Romtherm Exhibition, the third national conference of building energy, and Renexpo South-Eastern Europe. In May we organised a factory trip to Rybnik, Poland for Romanian planners, showing them the benefits of the region's most modern production line. They were impressed with the full range of our heat-emitter collections. Throughout the year, Purmo ran a number of special promotions for installers, also in collaboration with our major partners in Romania, as well as some exclusive campaigns for wholesalers' sales teams across the network. Together, these Clever marketing activities helped deliver a welcome boost in sales volumes and figures, which easily surpassed the projected figures for 2011, and the sales results for 2010. The Purmo team in Romania is proud to report that professionalism, quality and innovation have once more kept us in fine shape in a turbulent market.

# **UZ Ghent**

#### **K7 REHABILITATION CENTRE**

When the Universitair Ziekenhuis (University Hospital) in Ghent embarked on a major renovation project, it had as its twin objectives the goals of modernisation and, specifically overall energy reduction. The latter is indispensable for UZ Ghent, with a vast complex covering an area of no less than 300,000 m². Since the start of the project, several buildings of the UZ domain – which comprises 40 buildings in total – have already been completely renovated and updated to comply with current energy policies. One of these buildings is the 'K7' rehabilitation centre. For this ecological project UZ Ghent selected Radson as its heating partner.

The K7 rehabilitation centre covers 12,000 m²; quite an area to heat. So the purpose of this renovation was to equip the rehabilitation centre with energy-efficient heating installations. For this reason, UZ Ghent decided to work together with waste processing company Ivago, which incinerates the waste of the city of Ghent on a daily basis at high temperatures. The incineration process releases steam which is recuperated by UZ Ghent as a heating source for the rehabilitation centre. In this way, 65% of the complex is heated with "green steam". Only in the winter months is natural gas used to supply extra heat.

In order to arrive at this solution, research bureau De Klerck first undertook an extensive investigation. They ultimately recommended that UZ Ghent should choose this heating system, in combination with radiators. For the rehabilitation centre they selected Radson's Integra radiators. The choice of different types of radiators was determined by the function and purpose of each block. The deciding factor for each was the health or vulnerability of the residents. In other blocks such as K1 and K2, which were completed in 2010 and



which house more vulnerable patients, they selected hygienic models without fins. The thermostatically controlled taps in the common rooms of the rehabilitation centre are deactivated everywhere so that the temperature can be regulated centrally. This is not the case in the patients' rooms or small studios. During the realisation of the project the needs and wishes of the patients were taken into account. People who are convalescing in the centre often stay for long periods of time, so it was decided that they should be able to regulate the temperature in their personal space. This gives patients valuable self determination of both the climate and the level of comfort in their own rooms.

The total energy costs of UZ Ghent, consisting of natural gas, electricity, water and recently also steam, amount to €6 million a year. Since switching to heat production via green steam, in combination with Radson radiators, UZ Ghent has succeeded in reducing its total energy costs by €1 million a year (16%). ■



Commissioned by: UZ Ghent
 Research bureau: De Clerck
 General contractor: Algemene Bouw Maes NV
 Installation company: Cegelec
 Project responsibility UZ Ghent: Veerle de Smet (Energy coordinator government buildings), Geert De Waele
 (Managing official UZ)

82 | the faces behind the brand | CLEVER the faces behind the brand | 83





# JAN MÜCKE 38 years old

FUNCTION - Parliamentary State Secretary

# BACKGROUND

Jan Mücke studied at the 43rd Polytechnic High School in Dresden-Kaditz. Later on he studied law at the Technical University of Dresden. He started his political career in 1991 when he joined the Saxony branch of Young Liberals. A few years later he became deputy Chairman of the Dresden

district, a branch of the Young Liberals. From 1996 until 2009 Jan Mücke was a city councillor in Dresden. During this period he also became Leader of the FDP group at Dresden City Council, Federal Treasurer of the Young Liberals and a member of the Federal Executive Committee. Since 2005 he has been a member of the German Bundestag as Chief Whip of the FDP parliamentary party. In 2009 Jan became Parliamentary State Secretary at the Federal Ministry of Transport, Building and Urban Development.

# FOR EFFICIENT HEATING, HOMES REQUIRE BOTH INSULATION AND MODERN HEATING TECHNOLOGY. IF A HOME OWNER ONLY HAD ONE CHOICE. WHICH **SHOULD THEY CHOOSE?**

Well both measures are fundamentally important of course. Ideally any work to improve the energy efficiency of a building's shell should be done at the same time as work to increase the energy efficiency of the heating system. The final choice is with the home owner, but they should take advantage of advice from a building energy consultant before deciding.

# THE COST OF IMPLEMENTING BOTH INSULATION AND **NEW HEATING TECHNOLOGIES CAN OFTEN EXCEED** €100,000. HOW CAN PEOPLE AFFORD THE COST?

In the long run, the cost of investment in insulation, windows or a new heating system pays for itself through significantly lower heating costs. In addition, there are usually grants or programmes that can help with the cost. For instance, in Germany there is an effective subsidy programme that provides real financial support for energy-efficient construction and refurbishment. The KfW CO2 building restoration programme promotes all measures that increase energy efficiency while reducing CO2 emissions, including energyefficient heating systems. For new-builds or refurbishments, the cost of insulating the outer walls, roof, cellar, windows and outer doors are a large portion of the insulation investment. If the resulting measurements of energy efficiency are 30% better than the EnEV 2009 new-build, they are said to meet KfW Energy Efficiency House 70 values. By reaching this standard, the building qualifies for further subsidies for any renewable energies it uses. The programme also promotes further market subsidies for the use of renewable energies.

# WHAT TYPE OF HEATING SYSTEM SHOULD HOME **OWNERS CHOOSE?**

Choosing a heating system depends on a number of factors, including the actual situation of the building, the location and the surface area that needs to be heated. But from an energy-efficiency standpoint, you must always first consider the building's shell. Compare densely populated residential areas with rural areas, for instance. The choice of heating system from one area to the other will often vary widely. But with any new heating system, people should always insist that renewable energies can also be used.

# MANY HEATING CONTRACTORS COMPLAIN ABOUT A CONFUSING MARKET WITH OVERLY-COMPLEX SYSTEMS. WOULD YOU RECOMMEND A CONSULTANT ENGINEER FOR A MODERN HEATING RENOVATION?

As a rule, every heating contractor should be able to offer advice without assistance. It is important that they remain up-to-date with developments in equipment and trends in the market, and take advantage of the many opportunities available to do this. For instance, in the last few years our Chambers of Trade and the trade associations



here in Germany have invested a great deal in the training and development of their member companies. And manufacturers are doing what they can to encourage knowledge transfer, which helps equip installers with both practical and theoretical know-how. So, to answer the question, no,

I would not recommend a consultant engineer: skilled tradesmen should already be in a position to competently advise on the refurbishment of a heating system. I should also add though, before home owners embark on any energy renovation work, they should first take advice and support from an expert energy adviser. In Germany, people can apply for a grant from BAFA (Federal Office of Economics and Export Control), and choose from the extensive list of experts at www.energie-effizienz-experten.de. These people are especially capable of advising on 'on-site consultation' by BAFA as well as planning and monitoring the construction of KfW Energy-Efficient houses 40 and 55.

# WE ALL UNDERSTAND THE PRINCIPLES OF HEAT TRANSMISSION IN HOMES. WHY DO YOU THINK MANY PLANNERS STILL RULE OUT HEAT PUMPS WITHOUT **UNDERFLOOR HEATING SYSTEMS IN PRE-WWII RESIDENTIAL BUILDINGS?**

Take Germany as an example here: every fourth heating system in new homes was fitted with a heat pump in 2011, proving that the heat pump is accepted by the market and is routinely used. But the efficiency and cost-effectiveness of the whole heat pump system depends on a number of factors. First, the system temperature, and second, the choice of heat emitter, i.e. radiators or underfloor. If the whole heat pump system cannot be operated efficiently because of building regulation constraints in an existing building, then incorporating a heat pump makes no sense.

# POLYSTYRENE IS AN EFFECTIVE INSULATOR, BUT WHAT DO YOU SAY TO CONCERNS THAT IT CAN RUIN THE **FACADES OF EUROPEAN INNER CITIES?**

Refurbishments involve a great deal of factors, and require the personal involvement of the building owner, municipal bodies, as well as technical and financial support. And an integrated refurbishment of an existing building must first meet design requirements, and not 'stand out' in a detrimental way; this consideration is over and above the energy-related requirements. An overall project of this type is only deemed a success if the energyrelated refurbishment takes on a creative quality within the existing building structure; it is the role of the architect to ensure that this justifies both the effort and the cost.





Wojciech Makowski is something of a Polish paradox: simultaneously a shrewd businessman and a famously generous, friendly character. Always on the alert to see who he can help, Wojciech has managed to surround himself with people who, in plain terms, love him. Clever Magazine travelled to Warsaw to meet the man who introduced panel radiators to Poland, distributed Italian furniture, and in one chapter of his life employed 70 people in a company producing blue jeans from imported Brazilian fabric.

Born in 1947 in post-war Warsaw, as a child, Wojciech Makowski played in the rubble of the destroyed city, 80% of whose buildings had been levelled by bombing. As he grew up, he would join his friends on secret trips to the rooftops, where they would gaze across the horizons of a country rebuilding itself under the watchful eye of the soviet regime. As a youth, Wojciech was interested in planes, later studying at Warsaw University of Technology's faculty of Power and Aeronautical Engineering. And though he would not go on to become a pilot, he did invest his working life in becoming a captain of industry. As a result, he contributed to the comfort of thousands of Poles and built a number of successful businesses, helping his country's economy and impressing a lot of people along the way. A man who plainly values honesty, Wojciech openly talks about any subject that is raised, and only hesitates when we touch upon the reason for our visit: his imminent retirement.

# THE START OF A NEW CHAPTER

"Yes, I will retire at the end of this year," he explains, matter-of-factly. "To be honest, I don't know how I suddenly got to this age," and the grin that flashes across Wojciech's face is in turns cheerful and nostalgic. "I don't know what the future will bring, or what a psychologist might say about my

approach to retirement. But I'm looking forward to letting someone else have a chance at being in charge of the best company in Warsaw," he says, "giving the younger people their time in the spotlight."

The spotlight that Wojciech Makowski refers to is today known as Purmo Polska, but began life because a Warsaw graduate with an MSc decided that refrigeration was not in his future. "It was 1972, I had just completed my studies and spent half a year in the refrigeration industry, before rejoining the Institute of Technology," he says. "I was responsible for the development of new technologies in the heating business. It's more or less the same as refrigeration of course, the principles of heat transmission are the same, only the directions are different. I was there for 11 years, working with some external companies, primarily from Sweden, including the radiator manufacturer Fellingsbro Verkstäder, and Wirsbo." With his team, Wojciech created several projects and installed a number of modern heating installations, a task made more challenging by the economic standstill that Poland was undergoing as an eastern-bloc country. "The situation was difficult, and it just got harder to earn a living," explains Wojciech, before he begins the story of his life as an entrepreneur. >>>

**CLEVER** the faces behind the brand | 87





**BLUE JEANS** 

"I started my own business in 1982, making blue jeans and jackets, importing the fabric from Brazil," he says. "This was a very interesting time for me. I learned a lot about organisation, finance and bookkeeping, and at one point I was employing 70 people. At the same time, I was importing and selling Italian furniture, a very enjoyable period of my life. But there was increasing competition from the east, from China, and in 1989 the company closed."

For some people that might mark an ending, but not for Wojciech. It was 1989, a time of real political transformation and transition in Poland. The socialist government until this time provided subsidized energy, which

made heating very cheap, and as a result, people paid little attention to their heating use, making little effort to conserve energy. "There were no thermostatic valves, no need for them," says Wojciech. "If people wanted to change the temperature, they just opened the window – it was very primitive. I reasoned that if the cost of heating went up, because the subsidies would disappear, then everyone would have to start caring about their energy use. And I saw a clear opportunity. It was time to go back to my first expertise, back to heating." The challenge ahead was huge: in a country dominated by cast iron radiators, with heavy iron pipes and leaking plumbing, only 4% of households used panel radiators "It was very primitive, and the opportunity

was there. So I set up the company TKM systems in 1990 with two partners, and we

# THE END OF SUBSIDISED ENERGY AND THE CONVERSATION ABOUT **CONSERVATION**

"Our goal was to change the old fashioned installations for new modern installations. As well as radiators, we imported copper and plastic pipes, from Italy, Finland and Sweden, using the contacts I had made through the Institute." The ever-important thermostats from Danfoss and Heimaier were imported from Germany and Denmark. "Remember that we were talking about nothing less than a national, cultural shift in mindset," emphasises Wojciech. "It was a very tough process in the beginning. We had to show that there was no corrosion in panel radiators, as there was in the past, with open and leaky installations. Thankfully, installers very quickly realised they no longer had to carry heavy cast iron radiators and iron pipes. We made presentations to them, showing that they could take 200 metres of pipes that only weigh only 20kg. At the time, they had to take straight iron pipes, very heavy, and cut them, thread them, a lot of work. And a radiator weighed around 70 or 80 kilos, in comparison to 30 with a panel

"I remember after a particular presentation, an installer came to me and said. 'I am going now to sell my iron stock, all of it. I will now only work with panel radiators'. That was a very proud day." There was another interesting aspect of the technology shift at work. During the casting process for iron radiators, the inside of the radiator is left with a fine coating of sandy grit that cannot be completely flushed out. When thermostatic valves were introduced, it was

found that these grains could become trapped in the smaller valve, blocking it, making it impossible to use thermostatic controls on the old radiators. This further challenged the traditional method of heating. And in another stroke of good fortune for Wojciech, the government had recently brought in a subsidy for modern heating installations, as a reward for saving

"So I had become a normal merchant, and in the first year was very successful, very good profit. In the meantime in 1989 Rettig had acquired one of my suppliers, Fellingsbro Verkstäder in Sweden, so I soon had an offer to sell Purmo Radson radiators from Finland Eventually I got a very interesting offer from Rettig and so in 1992 I sold the business and remained on as MD of the company, Rettig Polska." And so the work continued, expanding into Poland and bringing panel radiators to a growing audience.

# **SOWING THE SEEDS FOR ECONOMIC GROWTH**

"Essentially we were the pioneers," says Wojciech. "And remember too that in the old days, there had been no private wholesalers, only government-controlled. This had changed overnight in 1990 - we were one of the first. Of course there were other people who wanted to become secondary merchants, to supply our products to customers. But the problem was that they didn't have any money. So I had an idea. We

created a line of credit, where customers could take maybe a trailer of radiators, 500 or 1,000 and pay us after 90 days, so they could start their own small business in this way. This started with maybe one or two merchant suppliers and quickly grew to 22 across Poland. This helped them of course to grow, so gradually they were able to reduce the payback time, and eventually they began to pay up-front for the products they wanted. Many of those same suppliers are still operating today, and we have a strong bond of loyalty there, a very good relationship because they were also pioneers, boosting the economy.

Around this time, in co-operation with the Rettig management team in Finland, we bought the Rybnik radiator factory, a decisive move in the development of the Polish market. Today, the Rybnik factory is the most modern in Europe, producing radiators for distribution throughout Europe and Asia.

"There was another moment - a real tipping point, around 1993, when sales really took off. There is a road in Warsaw with terraced houses on both sides. One side of the road, one complete terrace, was equipped with traditional heating systems. On the other side of the road, directly opposite, we installed a modern equivalent: panel radiators, condensing boilers, and so on. After a year, the people in the new houses had energy bills 50% less than their neighbours across

the road. There is really no better advertising than proof. And by 1995 we were selling half



a million radiators a year, increasing in 1999 to 900,000."

#### AND RETIREMENT?

"I am grateful to have a lot of friends, and after the political transformation of 1989, 23 years later, it has been wonderful to watch this change, to be part of the change. And thankfully, by the time I opened my company, the changes had already started, the atmosphere was different, possibilities were there at last.

"When I retire, I will pursue my hobbies," he says, "sports - I like biking, swimming and sailing in the lakes, skiing in Winter in Austria and Italy. But I like to read a lot, especially ancient history and archaeology, travel, and I collect old photographs, especially of Poland. Warsaw in particular."



1992 - 2012

I got a very interesting offer from Rettig and so in 1992 I sold the business and remained on as MD of the company

88 the faces behind the brand **CLEVER** 



Purmo is the only brand in Sweden that offers both radiators and underfloor heating systems. This has made life a lot easier for builders and installers in the region, who can at last enjoy a single-source supply. "But our aim is not AB, one of the leading installers in the region. With the to be the number one brand in underfloor heating," says Jan Ekwall, Sales & Marketing Director Nordic Region. "It's not about competition. It's about offering underfloor heating as a part of a total product portfolio within clever heating solutions," he explains.

Purmo launched its underfloor heating system in 2010 in Sweden, but has been active in the business for decades in Central Europe. For Jörgen Persson, responsible for Purmo Thermopanel sales in Sweden, the ability to provide combined heating is a real winner

with customers. "We are now enjoying rapid growth," he says, "and have already completed some successful projects in the field of combined heating, along with Stångå Rörservice decorative, flat-fronted radiators and different kinds of towel warmers from Purmo, it is easy to find a solution for any family or owner."

Stångå Rörservice AB is delighted with the twin supply of underfloor and radiators, as company owner Jerry Wiström explains. "Right now we are finalising 19 new one-family houses in Heda and 29 detached houses in Åsunden, Linköping. In both cases underfloor heating is installed on the ground floor, with radiators on the first."

# **SMOOTH PROCESSES, SEAMLESS INSTALLATION**

This solution optimises end-user comfort; the ground floor often has a large entrance hall and, in Sweden, a larger bathroom with sauna. These spaces benefit from a heating solution that dries the floor. "Also, the kitchen and living room, with large window surfaces, are normally located on the ground floor, which makes them suitable for a hidden heating solution," says Mr Wiström. All 30 installers in Stångå Rörservice AB are well educated and certified, and the company fully complies with requirements for quality, environment and safe water installation. "This, in combination with high-quality products from the suppliers we have chosen, ensures a safe and smooth working process, from installation to handover to the end-user," says Mr Wiström.

# **Project information:**

# Åsunden (Ullstämma)

Linköping, 29 detached houses

72 sqm underfloor heating per house on the ground floor and radiators on the 1st floor

# Heda 7:4 (Ljungsbro)

Linköping, 19 one-family houses.

Under floorheating on the ground floor and radiators on the 1st floor, without a pump



LVI, part of Rettig ICC, is one of Europe's leading manufacturers of energy efficient electric heating. LVI was originally established as Lidköpings Värmeledningsindustri in 1922, and has since then grown into a leading international company with an active presence in Norway, Sweden, Finland and France, and export operations around the globe.



We spend most of our time inside our house. No wonder we give our interior much care and attention. Clearly, we want our home to be a safe and comfortable place to stay. LVI understands that radiators are more than just a heating device. Our electrical radiators not only radiate a natural warmth, they are also nice to look at. Designed on the basic principle that a radiator should fit your interior and not the other way around, all our radiators are designed with an eye for aesthetics and detail. LVI was established in 1922 and is Sweden's leading manufacturer in the sector. The company has been at the forefront of our industry for almost a century and has used this experience and know-how to develop a vast range of heating solutions - many of them oil-filled - that offer the very best form of heat, remarkable style, unsurpassed comfort and boundless choice.

Our electric radiators are produced according to the strictest environmental requirements and are extensively tried and tested in houses, holiday cottages and blocks of flats, as well as in public buildings and institutions. LVI offers a wide range of electric heating solutions employing advanced technology. The vegetable oil that conducts the heat in many of our radiators

is the result of 35 years of research and development. The oil has a special, patented composition, and can withstand extreme temperatures without its properties being impaired. In addition to that, the vegetable oil ensures an even and comfortable heat thanks to its excellent heat-retaining properties. Thanks to precise thermostats and temperature reduction programmes, you can make real energy savings. The technology used in LVI's radiators is founded on the principle of heat conduction which entails heating up a liquid that circulates within a closed system. The actual element is comprised of two layers of high-quality Swedish steel. These are joined together through machine welding, resulting in a product with no welds or joins.

# **CREATE A COMFORTABLE INDOOR CLIMATE**

Because they emit a comfortable and natural warmth, LVI radiators are able to operate at low surface temperatures. This brings many advantages. First, the radiator is never too hot to touch, which is especially useful when young children are around. Secondly, the circulation of dust is reduced, which is good news for families with allergies. And thirdly, because of the low surface temperature, dust on the

radiator doesn't burn, which means no unpleasant odours. It all adds up to a more comfortable indoor climate.

# **CLASSIC DESIGN WITH A CONTEMPORARY TOUCH**

With its discrete horizontal design, the Yali is a subtle addition to every interior. Completed by a stylish top grill and side covers to hide the inside of the radiator the Yali is a timeless panel radiator. This elegant flat fronted radiator provides a comfortable, natural radiant warmth thanks to the use of environmentally friendly vegetable oil. Yali has two established versions. The Yali F: with a smooth flat front and Yali PF: with a flat front with profiled lines.

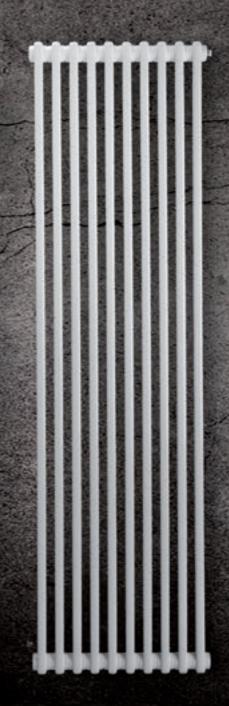
The new Yali GV is the latest vertical addition to the existing and well-known horizontal Yali range. The vertical Yali GV is the perfect solution in case of limited or narrow available wall space, or if you wish to leave wall space free for other furniture. It is equipped with a digital electronic wall-mounted thermostat. The wireless thermostat is programmable for 6 set positions (comfort, temperature reduction, stop, freeze protection, automatic). Only one single remote control is needed to adjust one or more LVI radiators located in the same room.

# Family portrait

Different types of radiators





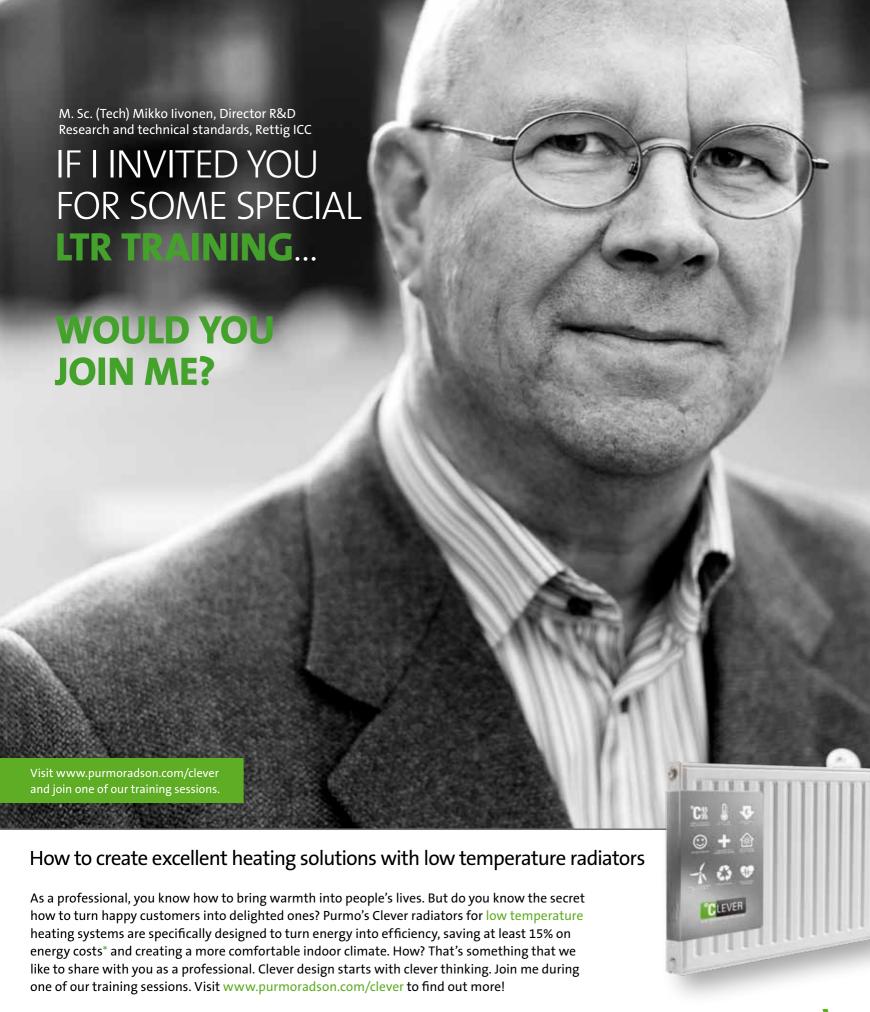


Product	Banga
Brand	Purmo Radson
Туре	1537x600
Colour	RAL 9016

Product	los M
Brand	Purmo Radson
Туре	1742x600
Colour	RAL 9016

Product	Delta V
Brand	Purmo Radson
Туре	1800x500
Colour	RAL 9016







\* Compared to other common heat emitters and based on scientific research done in close cooperation with Technical Universities of Helsinki, Brussels and Dresden (2009-2011).

