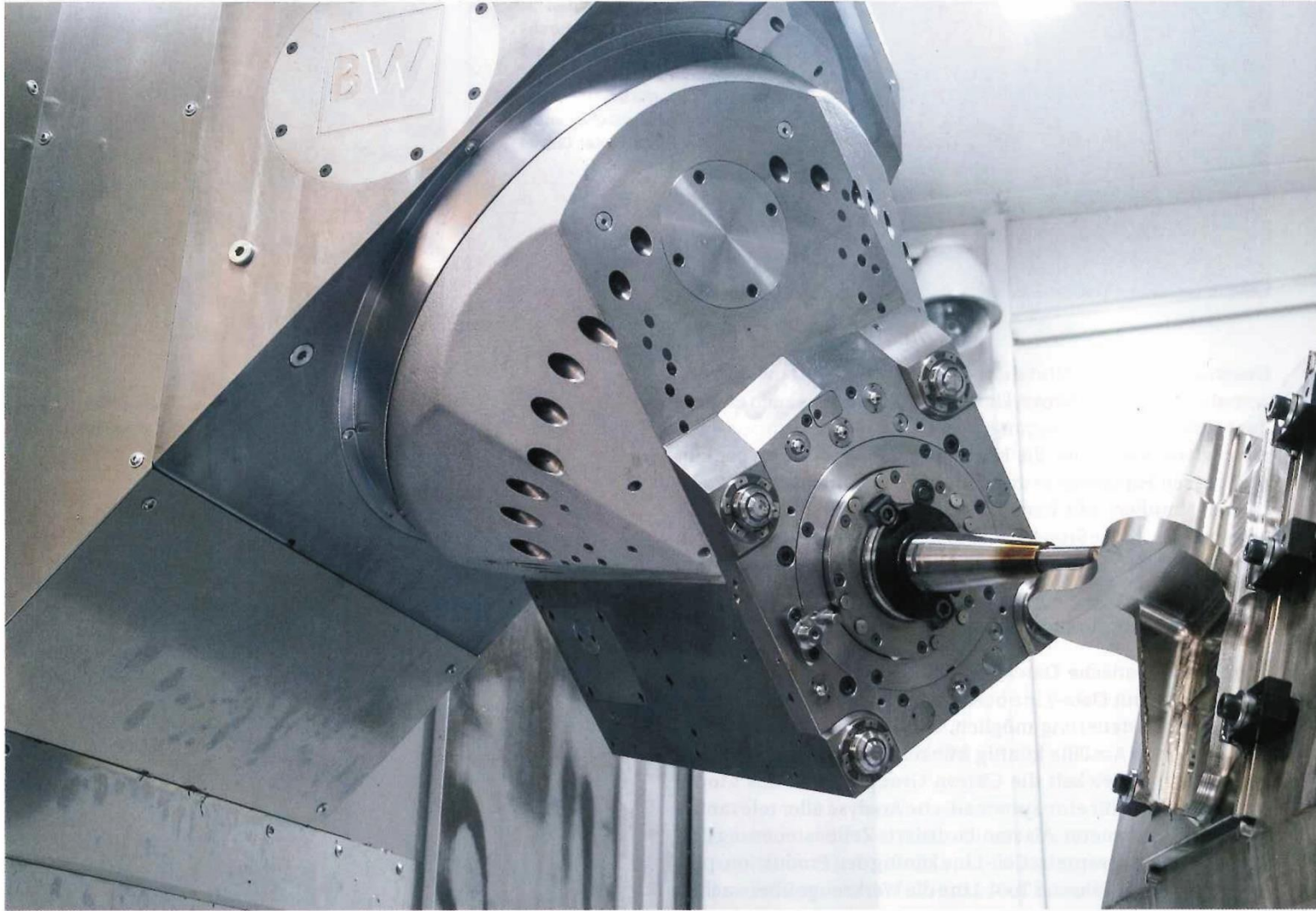




Changing of the Guard

by **Helmut Angeli** If a manager has been at the helm of a company for more than 20 years, it may be quite understandable that the person and the firm merge in the external perception. For Burkhardt+Weber and Andreas Mittermüller, this was probably so – and this has been a good thing. Both have stood for high technical competence, reliability and a good pinch of best German engineering tradition. Now, in Olaf Furtmeier, a new man takes command – and much should remain as it is.

In Andreas Mittermüller, a manager leaves the bridge of Burkhardt+Weber Fertigungssysteme GmbH (BW) who enjoys a high regard not only with customers, but who has earned the reputation of a reliable and open partner throughout the industry. Following his plan to retire at the age of 60, he has passed the management of the company to Olaf Furtmeier ahead of the AMB. But let's take it in order.

There should be not too many business leaders who have witnessed (or had to witness) more changes of ownership at the same company than Andreas Mittermüller. But the reasons were never a desolate economic situation of the company. Initially, there was the retreat of the parent company, Georg Fischer GmbH, which experienced slight difficulties from 1990, followed by the decision to close during the crisis of 1993.

The customer gets from BW not only a high-precision and high-performance machine tool, but also the entire process technology.

Images: Burkhardt+Weber

The Bobenhausen Group emerging as the saviour soon turned out to be a very fragile construct that in no time acquired a veritable group of well-known names from the machine tool industry virtually out of nowhere. As management company and even namesake of the resulting Burkhardt+Weber Holding, in which still Bernhard Steinel, Hermann Kolb, Bohner and Köhne (BoKö), Fritz Werner and SHW were integrated, Andreas Mittermüller had to watch as the two powerhouses,



After more than 20 years at the head of Burkhardt+Weber, Andreas Mittermüller (left) hands over the business management to his successor, Olaf Furtmeier, effective 1st of August.



BW and SHW, slid into an inevitable bankruptcy of the Group despite black figures in 2001.

Farewell to the US market

When the Riello Group stepped in, everything seemed to be resolved, because the new owners had the reputation of prosperous and vital entrepreneurs. A bitter pill had to be swallowed, though: As Mandelli, another machine tool manufacturer, was part of the Riello Group's portfolio, the world market, that is the U.S. and China, were divided up. Mandelli was to serve the U.S. market for BW, while the Reutlingen firm, traditionally strong in China, should cover the Chinese market. A stillborn idea. Burkhardt+Weber's products are not machines out of the box, but solutions tailored to the customers' needs.

Andreas Mittermüller:

"The departure from passenger car manufacturing has been very good for us."

And, the sales team of the Reutlingen firm is aligned exactly towards this customer orientation. So no real help could be expected for Mandelli in Asia. In 2012, Riello finally sold BW to the largest Latin American machinery manufacturer, Indústrias Romi S.A. in Brazil. Andreas Mittermüller comments: "We hadn't been present on the American market anymore for 12 years, a fact that we have been trying to compensate for since our affiliation with Romi."

Differences are in the upper performance range

Nevertheless, one of the most important decisions for the positive development of Burkhardt+Weber fell in the time of belonging to the Riello Group. Andreas Mittermüller:

"Until 2001, an important share of revenue was generated from business with transfer lines for the automotive industry. We completely abandoned this line of business at that time, eliminating our dependency from the automotive industry. The departure from passenger car manufacturing has been very good for us. We have thoroughly redesigned the series and aligned them to the requirements of the commercial vehicle and large diesel areas, which enabled us to very quickly substitute the loss of the automotive industry." And, as the future would show, this was a very positive decision for the development of the company.

Focus on titanium structural parts

However, says the outgoing Managing Director, perhaps he should have pushed yet another step in this respect: "At that time, I was afraid of entering the aerospace sector, because the risk of depending on only a few but very large companies seemed too great. A decision which my successor will have to revise. And for this, Mr Furtmeier has defined primarily the supply of titanium structural parts as the future market focus." But more on that later.

What are the strengths of BW machines today? Andreas Mittermüller: "Five axes is something that everyone can do today. It's the top performance range where you have to make a difference. This means not milling with small tools over a long period, but using the right tools to remove a considerably larger amount of stock. This requires machines that provide appropriate stiffness and power density. We earn our money with economic and high-precision machining of demanding materials."

In the high-precision industry, the machines "Made in Reutlingen" have a reputation of being absolute top products.

Managing director must cover all areas of expertise

What he means can be understood, for example, by considering the performance figures of the 'small' (i.e. pallet size 630) BW centres: "Our smaller machines are simply too expensive for universal applications, which is understandable at 52 kW and 1,450 Nm (both S1). That type of machine is required only by someone who is working with materials such as Duplex, Super Duplex or Inconel." And: "We generally deliver to our customers not only a high-precision and high-performance machine, but provide them the entire process technology, such as fixtures, tools, and automation."

Despite the recognised high performance of Burkhardt+Weber machine tools, he leaves his successor, Olaf Furtmeier, quite a demanding 'heritage'. That can already be seen from the requirements for this position. Andreas Mittermüller: "In a company of our size, it is necessary that a sole managing director not only covers the technical and commercial areas competently but is also a proven sales specialist. For us, it is quite normal that the managing director is sitting with us at the negotiating table for larger contracts."

In this respect, Olaf Furtmeier is the ideal successor. Trained industrial mechanic, followed by mechanical engineering studies, then quotation designer, key account manager, deputy sales head (all at Hüller Hille or Cross Hüller). From there to Licon (sales director), and in the same position back to MAG. So somebody who is quite familiar with the technology and the market.



This is how he outlines his responsibilities: "Burkhardt+Weber is an absolutely healthy company, and this is also, and practically mainly, attributed to the reputable business practices of my predecessor. This has placed us in a position where we don't have to accept every condition; we don't want to and will not sell ourselves under value. At the same time, as already mentioned, we will become more involved in new technology areas – for example aerospace – and selected regions."

More than just a replacement for jig boring machines

In which regions? "Because of our history with the U.S., we envisage a very promising add-on. Especially if the oil and gas market improves again, we expect good opportunities there. Supported by our parent company, we should also benefit from a possible economic improvement in Brazil, and we have a superb take-off base in Iran, because a large number of our machines are still running there, which has earned us an excellent reputation in terms of quality. In addition, we have identified a lot of potential for growth in our established markets. For example, any company where jig boring machines are still in operation can use our modern machining centres without loss of precision. They are not only significantly more productive, but also provide much more flexibility."

"... process-oriented engineering company."

However, Olaf Furtmeier does not want to expand at all costs, because: "The question is, how broadly do I want to and can I position myself. It is not enough, after all, to deliver a machine somewhere – I also need to provide a service there that meets our standards. This is a difficult balancing act for a medium-sized company. That is why we will continue to focus on selected countries and markets in the future."

This statement that could also be attributed to Andreas Mittermüller, because: "My primary goal was always to put the company in a position that allows us to survive economic recessions or weak periods relatively well. We see ourselves as a niche manufacturer, and this mission is our priority before seeking larger growth opportunities. We are independent from banks, self-financed, have a top rating with credit institutions – and: We are actually a process-oriented engineering company with machine tool manufacturing attached." And this shall remain so.

Olaf Furtmeier:

**"... concentrate
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