



A Family Passion

With a focus on innovation and strong values, Dürr Dental has been working and collaborating with dentists and medical professionals for more than 70 years.

Images courtesy of Dürr Dental AG

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Dürr Dental has been setting standards in the dental medicine sector for more than seven decades, working with trusted partners and medical professionals to provide the best technology and care to patients around the world.

Martin Dürrstein, CEO of Dürr Dental AG, which is located in Bietigheim-Bissingen in Germany, is the third generation to lead this successful family business. He recently spoke to *The CEO Magazine* about the company's heritage, its global market-leading position, and its plans for growth.

The CEO Magazine: With roots dating back to 1941, how has the strong family background of Dürr Dental played a part in ensuring its success?

Martin: We've been a family business from day one. The two

brothers, Karl and Wilhelm Dürr, founded the company, and I think one of our core values, which the company has always had, is a high-quality dialogue. You have to have strong communication when two family members own half and the other family members own the other half.

This core, long-term value of the company for good-quality discussions around what is the right way forward and the right step to take is part of our culture and DNA. We don't pay much attention to hierarchies or who is telling whom what to do. It's more an open discussion and the better argument wins.

This has been one of the core values of the company from the beginning. Another core value of Dürr Dental is that from day one the founders always saw a need for social responsibility. It was always part of their Christian beliefs that they always had a desire to help.

In the beginning, we were mainly a machine shop for metal. Then, step by step through different crossovers and connections with dentists, we became more and more attracted to this business and we saw the potential to improve their day-to-day lives.

How have the culture and values of Dürr Dental been shaped by this background?

I am part of the third generation at Dürr Dental today. My father was the managing director before me and there was the other family tree as well. The family business has always had a long-term vision and goal for stability. We would rather choose the safer way, instead of putting everything in one court, and just have close targets as the top priority. There's always a difference between family businesses and stock-market companies in what you focus on and what the top priority is.

As a family business, you normally don't pull all the money you earn out of the company so you'd prefer to keep the money in the business and make sure that it is doing well. The business comes first.

Though we did spend quite a good amount of money on research and development. For example, we >

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spend 7 per cent of our turnover on R&D, and 15 per cent of our 1,000 employees are dedicated to that future. I think that has always been a focus that we've really wanted to drive.

Dürr Dental is a premium brand. We are not the cheap guy on the market so we have to deliver what our customer expects. We want to invest in technology. We want to move ahead. We want to be the first mover. We are not the follower or the 'me-too' guys. Therefore, you always need a higher level of investment and you have a higher risk. This has been very successful in the past and I think this is what will bring us into the future.

As CEO for the past 11 years, what would you say have been the most significant milestones for Dürr Dental?

Looking back even further, there are basically two x-ray categories. There are intraoral x-rays, the smaller ones, and then there are

the panorama x-rays, which are the bigger ones. A decade ago it was absolutely normal that all of the x-rays were taken with the old approach of photography. Going back 40 years, the dental office had to develop the x-ray film by hand so they put it into the developer, into the fixer, into water, and then they hung it up for drying. That was all done by hand.

The quality of the image relied on the process and the time they spent on each step. If you leave it longer in the developer you get a slightly different image. We came out with a machine for wet film developing and we've been very successful with that. As a result, we've occupied this market in dental medicine and been the number-one global player, by far, for that technology. As with other technologies, the wet film was eclipsed by digital x-ray systems. We got a jump on these new digital x-ray technologies and we're still one of the leaders in dental

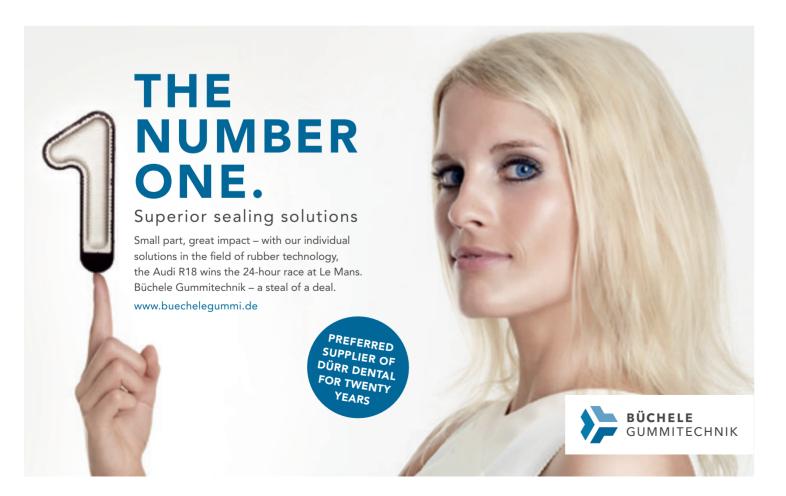
medicine with the phosphor/image plate technology.

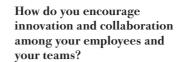
Today, there are two ways to create an intraoral digital x-ray image. There is a sensor with a cable, which is a little bulky and not very comfortable for the patient. Or you can use a forceful image plate and this is smaller, softer, and more flexible. You take the x-ray on the image plate and run it through a scanner that scans the image and then you have a full digital x-ray with a much higher comfort level for the patient.

As of today with that technology, we are again market leaders. I would say that with this recent jump of technology, which needed a completely different skill set, it was a challenge for us. You could either lose the business by nature, by technology, or you are able to overcome and create the next technology. If you look at today's market, we are basically the number-one company for intraoral digital x-ray using the image plates.

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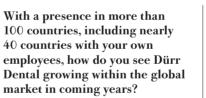
Since two brothers started this company, we've always had higher levels of dialogue. There wasn't just one decision-maker; there was always the opportunity to discuss and re-think what would be the right step. I think this culture has been in the company for many, many years—for decades really—and I think it's the same culture that we have today. As CEO, I encourage people to step up, raise their voice, and if you see something, say something.

This is a culture we've had in the past and I treasure it and try to keep it for the future. I need people who tell me what they really think and I don't need people who just tell me what they think I want to hear. It's not good for the company and it's not good for me either.

As I mentioned, we dedicate 7 per cent of our turnover and 15 per cent of our people to R&D. We give people the opportunity to do what they believe. We have a good connection to universities. We have good connections with doctors so there are many ways for our people to see into the future. Often, it's not that we invent a new technology—it's that technologies that we invent get applied to the medical field, just because of quantities and the size of the market.

How do you work with your suppliers and your strategic partners to reach this high quality of design and innovation?

I think a smart thing to do is to integrate your vendors at an early stage. You have to have a partnership with them so that they can help you to design it correctly. Don't just design something and let them build it—get them on board early, hear what they have to say, and figure out how this could benefit the whole concept in itself. We have a real focus on collaboration.



Right now, almost 80 per cent of Dürr Dental Group's turnover is already outside of Germany. We have a high export percentage, but I do see the best years are ahead of us. I think there are huge markets in the Asian area and Latin America. There is a lot of international business out there.

People in developing countries have a great need for health care and once their level of comfort, life expectancy, financial situation, and other factors start rising then they really care. They care for their health and there's a lot of potential there for the future.



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For me, the long-term goal is to stay where we are right now. Dürr Dental builds everything in Germany. We source on a global basis, of course, but production of Dürr Dental products is in Germany. In the short and long term, I don't see the need to change that. If you want to maintain your top quality and if you want to be known as a premium brand then you need to deliver what the customer expects. •



