

An Ever-Growing Network

After 27 years of running the business, Branko Roglič is helping Orbico Group realise its vision of becoming the number-one distributor in Europe.

Images by Zvonimir Ferina

Branko Roglič, owner and President of Orbico Group, is a true entrepreneur who understands the value of creating a foothold within the market and then using that position to grow and diversify. As owner of the leading distributor in central and Eastern Europe, Branko has expanded Orbico Group's operations into 17 countries. Most recently, the organisation has made significant acquisitions in Poland. This continuing growth of Orbico Group means the company is a serious contender for becoming the number-one distributor in Europe.

Before the renowned success of Orbico, Branko was an electronics engineer and graduated from the University of Split. "After university, I worked for a company called Industria for Radio, Electronics, and Telecommunications [IRET], a company that no longer exists today. The company produced radio stations for the army and we were exporting them to the

Egyptians. While working for IRET, I had excellent contact with VARTA, which produces accumulators and batteries in Germany. When I ended my employment with IRET, I started to work as a VARTA representative in former Yugoslavia.

"After a few years of working there, they also gave me the Bulgarian market. In 1987, I had a partner and we set up the first Orbico company in Glarus, Switzerland. The name of the company means Roglič Branko and Company. From there we established business between Germany, Switzerland, Slovenia in former Yugoslavia, and Bulgaria. As I saw that communism would soon fall apart, in 1990 I opened the second Orbico in Slovenia. In Slovenia I started the distribution of VARTA batteries and perfumes of Ellen Betrix, at that time a famous German producer of perfumes and creams.

"Then Procter & Gamble, one of the largest worldwide companies, bought my partner Ellen Betrix. As such, I became a distributor for P&G without any special

engagement. I began the distribution of P&G products such as Ariel, Pampers, Head & Shoulders, Blend-a-Med, and some of their other brands. In the beginning, I was a very good distributor because I saw what it means to build a partnership with such a respectable and recognised company; for three years Orbico was one of the best distributors of P&G worldwide.

"P&G then came to me and asked if I could take over a company in Croatia. After 90 days, I had engaged my sons and co-workers. In the meantime, my sons finished university and we started to take over the business in Croatia. That was a very big step for a relatively small company because we took over a business that was about 70 million deutschmarks at the time, which was very significant for Orbico. At the same time, we started distribution in Bosnia-Herzegovina for P&G. Also, we worked very professionally and, as always, I tried to be the lowest cost provider.

"Procter & Gamble then asked if I could go to Bulgaria because they >



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- Branko Roglić

Herzegovina, Montenegro, and Hungary. For the past four years we have been distributing Max Factor in Germany and Austria and are looking to expand with a new range of products. At this moment, we are operating in 17 countries with 3,200 employees; our turnover this year will be roughly €1.07 billion with partners such as Procter & Gamble, Philip Morris, Shell, SC Johnson, Mattel, and some other smaller brands and cosmetics.”

With a professional background that has covered a host of different countries, Branko has learned the nuances of numerous markets, which has helped facilitate the trans-European expansion of Orbico Group. “I should explain that every country has a different market with various cultures and different religions, so you must be relatively adaptive to all these changes and always up to date. My career is significant because I have built friendships in many

countries. Now I have very good friends in all of the countries we operate in and I am establishing connections in each of those countries.”

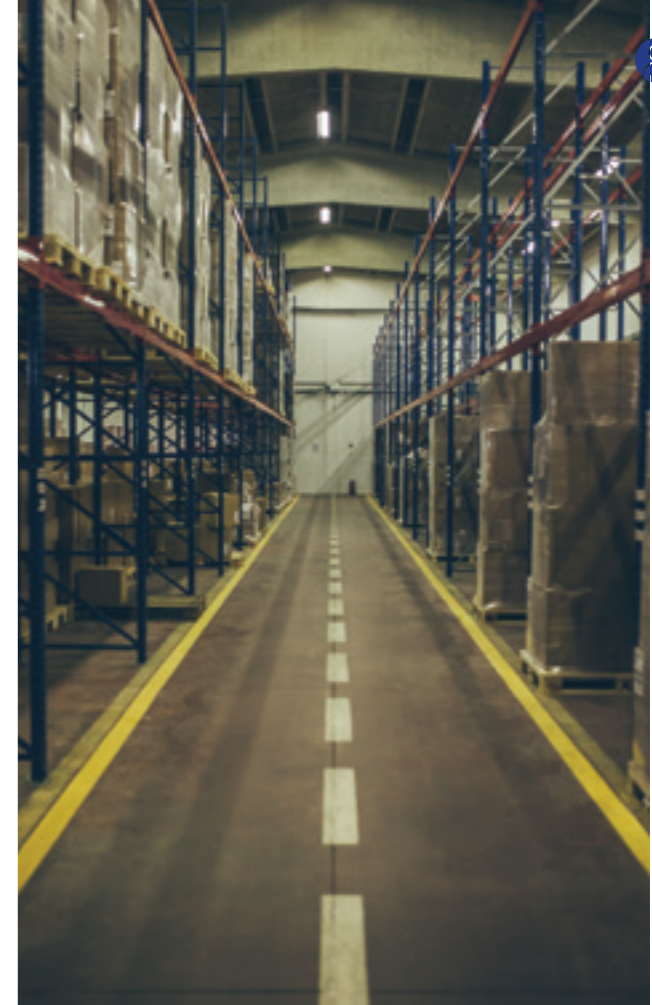
While Branko has gained a wide variety of experiences throughout his career, he notes the importance of the lessons drawn from his time with the German company VARTA. “VARTA is one of the biggest producers of batteries. I had a lot of friends in VARTA and one of them was Dr Schneider, who was president of VARTA for many years. He came to me in Split during the holidays and we became friends. From Dr Schneider I learned a lot about professionalism. I find that it is very important to be professional, to respond to the requirements of the market and to fulfil the requirements from your partners—this is what I learned from VARTA.”

Orbico Group maintains a rather flat structure, ensuring everyone

from the top managers to those on the frontline understand the goals and vision of the organisation. “During my life, I have never seen someone making money by fighting with their own workers. I found that I must put people—managers and workers—in the first position. I have a special relationship with managers and I ask them to have the same relationship with our workers.

“As a result of these relationships, I have found that satisfied management and satisfied workers are successful and make for satisfied owners. During my life, I want to be frank with my managers; therefore, I ask them to work hard and professionally, but I fulfil their requirements. The same goes for managers and workers. I will repeat: satisfied manager, satisfied worker, satisfied owner.”

As Orbico Group has expanded into new countries, the company has had to establish its values within the new companies it acquires. >



had a distributor who was not paying on time. I opened a company in Sofia around 1998–1999 and took over the business from the previous distributor. After that, the next country was Moldova as P&G had a similar problem there, so I established a company in Chişinău; a comparable situation

occurred in Hungary. Two years ago we started a discussion about the Polish market. From 1 July we took over 70 per cent of Navo to become the distributor in Poland. At the same time, in the cosmetics business we distribute P&G and some other principals in Slovenia, Croatia, Bosnia-

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“Sometimes we have to make big changes in the new company. Sometimes they are not so big, but there must always be changes. Every company has its own character and the character of Orbico is team work and hard work.”

“First off, you have to put in experienced managers with the Orbico character that can demonstrate those values to the new people in the new company.”

One key focus for Branko and Orbico Group is continual growth, both in geography and offering. “I know we have to grow; we have to grow in the new countries and take over the new companies. I am sure that over the next five years we will expand with new brands and new countries.”

“As we have a wide network, every day some new producer asks for distribution in one or more countries. Many European producers are not selling in all of our 17 countries. They come to us

“We have to be the lowest cost from the warehouse of our principals to all shelves on the market. That is the policy of Orbico, and we will grow this philosophy in other countries and with other producers.”

- Branko Roglić



because they know we are a good distributor. Producers know we work with low margins and we don't have huge profits; however, we always have profit and we are satisfied with a low but constant profit. We have to be the lowest cost from the warehouse of our principals to all shelves on the market. That is the policy of Orbico, and we will grow this

philosophy in other countries and with other producers.”

While the growth of Orbico Group has helped the company establish its international market position, this has not come without challenges. “Our big expansion was the biggest challenge because you must know that I build our growth and future from our profits, not from loans.



I know that if you take loans, you have to turn the money back; if you expand with your profits then you have a greater turnover and do not have to face the problems of giving money back to the bank.

“I have never been blocked from any of my principals and I have never been late with payments to banks. I make sure that I am always correct with payment obligations to my partners. We have 2,000 cars in the company. I am 70 years old, but I still drive myself.”

Branko sees a bright future ahead for Orbico Group as the company continues to gain traction and a stellar reputation across the numerous countries it operates in. “As I said before, I would like to be for Procter & Gamble, Johnson, Philip Morris, Kellogg's, Mattel, and Shell the lowest cost from their warehouses to all shelves in the countries I am covering. That is the main philosophy because today there is a global crisis, and during this crisis, you have to have the lowest cost for producers because they have to finance the development of products, finance the production, energy, people, technology, and so on. As such, they must have distribution at the lowest cost to ensure profitability.

“I think that my philosophy is good and I will proceed with it because if you have a good team, you do not change the team, so I should go with the same philosophy with my managers. At the moment, I have 100 managers; each of them could be a very good GM of any company. With these people and with this team I can go further and in the future, over the next two or three years, I should reach €1.5 billion in turnover.”



About Orbico Group

Orbico Group is the leading distributor for a large number of quality, globally known brands. The range includes beauty-care products, food, technical and electrical appliances, pharmaceuticals, toys, textiles, and motor-oil products. Such an extensive and diversified range of brands and products in Orbico's portfolio demands high flexibility, openness to constant change, a flexible organisation, and investing in people development and brands.

Orbico's aim is to generate sustainable business growth and to create added value for its business partners and for brands in its portfolio. The company's customers are all renowned market participants ranging from large multinational and local retail chains to wholesale stores, drugstores, pharmacies, independent local traders, B2B entrepreneurs, and specialised sales channels. With its optimal mix of product offering, services, flexibility, and local expertise, Orbico is a partner of choice to best meet the needs of business partners.

With a team of passionate professional experts, Orbico offers complete and comprehensive business solutions for sales, logistics services, marketing, and brand management. In its business and actions, the company is driven by its vision to be the leading distributor in Europe and its mission to provide sales, brand management, and logistic services of top quality to its business partners; increase market shares of its brands within the categories in each market; establish long-term, quality relationships with its business partners; and to create the environment which inspires excellence in all that Orbico Group does.

Kellogg's®

“We are proud to have formed a great partnership with Branko Roglić and his team. As one of our biggest distributor partners, Orbico will continue to play a key role in helping us to deliver our ambitious growth for the Central and Eastern Europe region.”
Amr Farghal, Regional Vice President, Kellogg, Mediterranean, Middle East and Africa