

The **WHOLE** Package

A company with more than 140 years of experience, Greiner Group is reinventing plastic packaging and focusing on sustainability.

Images by Robert Maybach, Hermann Wakolbinger

Founded in 1868, the Greiner Group started as a cork producer in Germany, before moving into plastic and foam production in the twentieth century. Now specialising in different business areas in the plastics industry, Greiner is still a family-owned company more than 140 years later. In 2009, the company appointed its first CEO from outside the Greiner family: Axel Kühner. Axel spoke to *The CEO Magazine* about the challenges he has faced as CEO, Greiner's focus on sustainability, and what the future holds for the company.

The CEO Magazine: What is your professional background and how has it shaped your leadership style?

Axel: I studied business administration and informatics in

Germany. My first employer was Mercedes-Benz. Working for such a huge global company like Mercedes-Benz really shaped my management and leadership style. There was a philosophy at Mercedes at that time which was 'the best or nothing'. This is something that really impressed me and that I really think is worth striving for, to try to always go for the top. This is something that influences the way of thinking today and is something that shaped my leadership style. Working for a company like Mercedes really triggers your passion because to be selling cars like Mercedes you need to have a lot of passion and a lot of professionalism. My style of leadership is based on trust. One of the most important principles for me is to interact with people based on trust, and to provide enough clearance for them to make their own decisions.

Throughout your time as CEO, what challenges have you faced?

I would say first of all, globalisation. We were very quick in recognising the opportunities in Eastern Europe. We are very strong in Europe as of today but we need to utilise opportunities outside of Europe as well. So globalisation for Greiner is one of the biggest challenges that we are facing. Finding people who are willing to go abroad, leave Austria, and head somewhere far away from home is something that is not so easy. The second challenge is that you have to take a company that is growing rapidly and update the structure. But updating the structure while keeping the culture and the spirit of the company is not so easy, because when you grow you have new people to whom you have to explain the culture and the ideas, how we work together, how we cooperate, and so this can be >

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difficult in a growing environment. Another challenge is new businesses. Greiner always has to have open eyes for new ideas and new business opportunities. For me personally, one of the most challenging experiences was entering the solar business in 2011, and for myself, recognising and realising that this was a mistake is something which was not so easy to accept. But I had to accept that it was a mistake and it was my full responsibility. So we withdrew from the solar business two years later. In 2013, we decided to shut these operations down, which of course was one of the most difficult decisions that I had to make in my career, but it was the one I learned most from.

You are the first non-family board member at Greiner. What effect do you think this has had?

It's had a huge effect. You can imagine a company that was run by family members for more than 140 years—it's a very difficult situation



to hand over the responsibility to an outside manager. In the beginning, I was something like a stranger, but it was a very good situation for me in that there was a lot of trust from the very beginning. There was a lot of trust from the owners. From the very beginning, I had to be very, very open with my shareholders. This is something that I had to do. I had to make sure that everything that was going on in the company I was

very open about with them because this gave them the feeling of having made the right choice, having someone they still can rely on, handing over the responsibility to someone from the outside. But of course for an outsider it is easier to develop a company, to give the company new directions, and to change. The most important thing, or the success factor, was the trust with the shareholders and the good relationship that we have

developed over the years with them. There is a statistic in Europe if a manager coming from a large-scale company takes over as a CEO of a former family-owned company: more than 60 per cent fail during the first two years. It's a very high failure rate and so I am very glad that I had the opportunity to join a company where the situation was so perfect for me to join. I am very lucky that I can work with this amazing company.

Why does Greiner focus so heavily on sustainability?

It's because processing plastics is something where you wouldn't expect that the people are dealing with sustainability. Plastics is a material which is not per se good or bad; it is what you make of it. One couldn't imagine a life without plastics anymore but dealing with plastics always leaves you with the responsibility to think what will happen to the material once it isn't used anymore. You know, paper or other materials are degradable in a short time, but plastics may last for centuries. As a plastics producer, we have to be aware that we have a responsibility for the environment and it's a necessity to think of this responsibility and how to fulfil this responsibility. As an example, we are producing blood collection tubes made of plastics. We invented this, because before, Greiner blood collection tubes were made of glass, which means they can easily break and you can cut yourself and you can get infected by different kinds of diseases. We think that in this case using plastics as a material really makes sense. For example, we produce yoghurt cups which are easier—thinner than glass, for example—and so we can create a longer life for yoghurt and other products. This is something which adds value to life because in the emerging markets up to 40 per cent of food that is produced never reaches its customers because it spoils during transportation because there is no packaging. We talk so much about sustainability because I think today and even more in the future people want to



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work for a company that really considers their people and the living environment of the people.

How do you collaborate with your key suppliers to ensure success?

As a family company, we are interested in long-term relationships. I think this is part of the DNA of any family company. Once you have chosen a partner then you really want to develop a long-term relationship. This is also, of course, important dealing with customers but also with our suppliers. If we are not satisfied we just help them; we give them the opportunity to improve and to change their behaviour, and we expect that if they were not satisfied with us they would tell us as well and we would try to change our behaviour. From a long-term perspective, you know what you can expect from each other and this is something that really helps us to get through hard times. Like in any business, there are good times, there are hard times, but if your house is built on long-term partnerships it's much more stable compared to a model

where you change your suppliers every couple of months, or if you do not even have an open relationship. If you do so, then you really have a very stable foundation for long-term partnership, and that's what we try to create because in the end that's what will make a company more successful than others.

What does the future hold for Greiner?

I hope that we will make life a little better for everyone. This is what our self-set goal is: to make life a little bit better than it was yesterday or the day before yesterday. I think that Greiner will continue to grow and I think that we will remain or become an even more desired employer everywhere we operate. We can make more out of material plastics and we will contribute to new businesses and new solutions for people to make life better by using plastics. I think this is what the future will hold for us and it will hold some more countries to operate in and some more industries to work in, because I think plastics have infinite possibilities. •



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