



“WE WANT TO BECOME A LEADING LIGHT ONCE AGAIN”

Rainer Hundsdörfer has been the new **CEO** of Heidelberger Druckmaschinen AG since last November. Since taking up his post, he’s been unrelenting in his efforts – driving forward digitization, seeking out new approaches to boosting competitiveness and personally sounding out the workforce. He is driven by his belief in the performance of an idol – and fast cars such as the Porsche GT3 RS.



HOME SWEET HOME

Mr. Hundsdörfer knows all about embracing change. In his career, the 59-year-old has initiated and supported a great many changes. One example was at mechanical and plant engineering company Trumpf, where he was dispatched to the United States, as sales there were not going so well. "I first had to quickly learn English and learn to understand Americans before finding the appropriate solutions," he says. And his plan was successful. Returning to Germany, his next important mission was to quickly develop a new division in Germany's Black Forest region into a global player. Shortly after taking up his role as Chairman of the Industry Division at automotive supplier Schäffler, he was faced with the mammoth task of integrating Continental. And as Chairman of the Board of Directors at ebm-papst, he sought to bring about changes to the corporate strategy, which involved overcoming resistance from some in the Group. How come Hundsdörfer has retained close ties with his home state of Baden-Württemberg in Germany throughout almost all this time? "It's pure coincidence," he says, smiling.

How do you intend to do that?

By being the first German mechanical engineering company to make full use of the opportunities opened up by digital technology – to the benefit of both us and our customers. For example, by creating new services and business models that are mutually beneficial. In short, we don't just make the best presses to meet our customers' requirements – they also provide us with information we can use to optimize their business.

What form does this take exactly?

In essence, it involves us cutting complexity in printing operations. Customers should no longer have to worry about certain

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Mr. Hundsdörfer, you enjoy motorcycling, and in your free time you occasionally go to the Nürburgring race track. You recently also became CEO of Heidelberg. Do you like risks?

(Laughing) I've worked in mechanical engineering all my life, so I don't regard the new challenge I've taken on at Heidelberg as a risk. Heidelberg was for many years a leading light in this industry, drawing everyone's attention. So I consider it my personal responsibility to set Heidelberg on a path to growth once again. This is a fantastic opportunity, and I believe I can do it. Not only that, but the printing industry fascinates me – I've been to almost every drupa since starting my career in 1984.

In your previous roles, you gained a reputation for driving forward innovations and new business models. How are you looking to do this at Heidelberg?

The Heidelberg brand still has enormous prestige and our customers value us as a strong partner in offset and digital printing. We want to harness this position and use new business models to play a more active role in our customers' lifecycle business. It's just as important to further enhance the structures at Heidelberg, become more agile and once again achieve operational excellence across the board.

tasks at all. We're therefore expanding our traditional functions and services with a digital component, for example machine-to-machine communication and interfaces to the Internet of Things. This forms the basis for applications that support autonomous printing and predictive maintenance, for instance. In the future, the press will perform even more tasks independently, such as ordering consumables. The advantage for customers is that they can then concentrate fully on their business and their customers.

What added value does digitization offer customers?

We can provide them with even more effective support. Take the example of consumables. Our presses in the field supply a constant flow of information on criteria such as capacity utilization, waste and production speed. By evaluating this data, we can enhance our products and thus make the printing process more reliable and cost-effective for our customers. Our consumables then meet our customers' needs perfectly. In the future, it's entirely conceivable that our customers will no longer be paying for individual items but will instead be invoiced according to the number of printed sheets.

And how do you help your customers win orders?

To generate more business, I need transparency. I need to know the market and my customers to ensure I can offer the right product at the right price. Prinect, which we have expanded into the business intelligence platform, supplies this information. We also help our customers with our products and services to achieve a consistently high quality standard. This is of particular interest for global companies that attach extremely high importance to a consistent brand identity. We're thus

› evaluating options to see how we can give our customers easier access to this business. One possibility would be a platform for defining jobs. Using our data, we can say immediately which suppliers are able to meet these needs.

What about customers who don't have state-of-the-art technology or are family businesses?

In any industry, I can only play a leading role if I use the latest equipment. Digitization is resulting in a number of innovations in the offset sector in terms of press automation, control and productivity, and that's why family businesses in particular are making investments. They're looking to make the leap from small company to industrial-scale enterprise, as this is the only way they can remain competitive and survive. A typical family business can cut the costs per printed sheet and boost output by replacing its two old presses with one new press. The drawback here is that it is then dependent on one single press. Few people are willing to take this risk. Our customers thus need the security that presses from Heidelberg are not going to fail. Digitization with big data and predictive monitoring plays an important role in this. We know the typical behavioral patterns of the wide range of installed presses and this enables us to offer predictive maintenance and arrange planning before anomalies occur. The technical availability is already 96 percent, and we'll continue to push this upwards till we eliminate unscheduled press downtimes completely.



UP TO SPEED

It takes Rainer Hundsdörfer just 3.3 seconds to get from 0 to 60 miles an hour with his Porsche 911 GT3 RS. He crowned his passion for the brand two years ago by buying a 500-horse-power model. But his passion for vehicles isn't restricted to four wheels – his garage also houses motorcycles, which the father of four uses for group outings. So when the weather's nice, don't be surprised to see Hundsdörfer in his leather gear on the company premises – on the way to the parking lot.

What impact is the digital business having on sales?

In our core business, we already have a market share of more than 40 percent. To expect an enormous increase in this area would be unrealistic. We're looking to play a pioneering role in digitization with our "Push to Stop" concept and also in industrial digital printing for the packaging market with the Labelfire and Primefire product lines. Our goal here is to double our market share in digital printing from the current level of less than five percent to as high as ten percent. The new business models for press operation also promise growth. We may even go as far as taking over this area completely, with us providing the equipment, and customers being able to get printing operations from us as a service. However, to do this we need to change our own processes, become more agile increase our efficiency to offer more, without becoming more expensive. This also means painful changes in some areas.

Does this mean some kind of systemic change?

Definitely. Although our core business remains mechanical engineering, the lifecycle business is becoming more important. Heidelberg is becoming a digital company. We also have a strong presence in the smart factory area. The software products we've developed for in-house production are also in demand at companies outside the printing industry. One of our further aims is to establish Heidelberg as a software service provider for the entire manufacturing industry.

At the groundbreaking ceremony for the new research center in Wiesloch, you spoke about wanting to develop a German Silicon Valley here. What do you mean by that?

I'd like to create the conditions to promote agile development, production and assembly. To do this, we need a startup mentality. This means we must be willing to question everything and pursue new approaches. This fresh thinking should cover all areas and initiate an upward spiral that inspires and motivates each individual employee. We need to become faster, more flexible and more efficient. Our ambition is to be the best in terms of quality, throughput times and service. If we work together, we'll succeed in once again making Heidelberg a leading light in mechanical engineering. Among other things, this involves me having regular conversations with employees, visiting customers and having intensive discussions with our partners. No one can answer the question "What can we do better?" by themselves – we can only find an answer by working together. ■