Goals play a central role for the strategy and the leadership of an enterprise. The hidden champions pursue highly ambitious goals aimed above all at growth and market leadership. When and how are these goals formulated? How are they filled with content? How are they communicated? And how successful are the hidden champions of the twenty-first century at realizing these goals? In this chapter, we see that the hidden champions have grown strongly and continuously over the last ten years. In the process, they have strengthened their market position. This applies to both absolute and relative market shares. Hidden champions define market leadership not only in terms of market share, but see it as an extended claim to overall leadership in their markets. Their goals are truly long term.

The Inner Flame

A goal—or a vision—is the start of everything. This encompasses two aspects. A decision must be taken about what is to be achieved and the time frame for this achievement must be set. The second requirement is the energy it takes to achieve this goal. Successful entrepreneurs have bold goals and visions. At certain stages of development, an increasingly clear inner idea emerges of the long-term goals the entrepreneurs want to achieve with their enterprise. It is less relevant whether this idea is formulated in writing, explicitly communicated or thought through to the last detail. Initially, all of this is typically not the case. Goals and visions crystallize in the course of their realization: an entrepreneur learns, feels confirmed by his success,
or is forced by setbacks to adapt his initial intentions. With time, he gains courage as a result of success and growth.

In this way, goals and visions become a powerful motor for entrepreneurial thought and action. Visionary entrepreneurs also inspire others. In the words of Augustine of Hippo, “The fire you want to ignite in others must first burn within you.” The phrase “the boss’s vision is the engine of our success” originates from a report on Wittenstein, a leading manufacturer of mechatronic drives. Visions can be an effective means of creating successful companies, helping new technologies achieve market breakthrough, and changing society as a whole. Companies that not only formulate their visions but realize them become Schumpeter’s “creative destroyers” and the drivers of progress.

If we look back at the history of the hidden champions, two goals in particular become very clear: growth and market leadership. The chicken-and-egg question of what comes first or which has the higher priority can be left unanswered. These two goals are conditions of each other and at the same time promote each other. Growth results in market leadership or strengthens it. Market leadership contributes to growth.

Growth, Growth, Growth

First of all, we will look at growth and growth-related goals. The hidden champions have grown enormously since our first investigation about ten years ago. With an average annual growth rate of 8.8%, they have increased their revenues by a factor of 2.3 on average. Today, they are on average more than twice their size of ten years ago. In the light of this annual growth rate, they double their size every 8.2 years. An enterprise with annual revenues of $1 billion in the 1990s has today become a giant, reporting annual revenues of $2.3 billion. In the past ten years, growth was significantly stronger than in the preceding five-year period. Between 1989 and 1995, the hidden champions achieved annual revenue growth of 6.5%. We thus perceive acceleration in the growth of the hidden champions of the twenty-first century.

This high growth rate is evident in all size classes. There is no significant correlation between the size of the companies and their growth rate. This finding is surprising, because it could be assumed that the growth rates level off with increasing company size. Our random sample investigation
refuted this hypothesis. The hidden champions’ power to grow does not significantly depend on their size.

As always, the average figures are only of limited value. If we look at the top growth rates, we find companies that are now ten to twenty times the size they were ten years ago. This gave rise to about 200 new $-billionaires (i.e., companies with revenues exceeding $1 billion). Today, one tenth of all companies are at least five times the size and one quarter are at least three times the size they were a decade ago. However, there are also some firms that have not grown significantly, or have even shrunk. Interestingly, some of these deliberately choose not to grow. We will see below that this may well be a sensible strategy.

The growth in the number of employees is 4.7% annually, which is considerably lower than the growth in revenues of 8.8% annually. However, the cumulative growth of head counts over ten years is still enormous: on average, the number of employees has risen by 58%. The hidden champions created new jobs on a significant scale. However, only a small proportion of the increase in employment takes place in the home markets of the hidden champions. The majority of new jobs were created in foreign countries. We will analyze these aspects in more detail in Chapter 9. In view of the differences in the growth rates, revenues per employee rose to $219,253 today from $151,629 ten years ago.

There are several causes for the difference between revenues and employee growth. These include increases in productivity, shifts in the value chain and inflation effects. The annual increase in productivity was probably around a solid 4%. This is an impressive figure if we recall that the initial productivity level of the hidden champions was already high. The hidden champions obviously improve their productivity continuously and significantly. The depth of the value chain has been reduced by approximately 10%. As the majority of the hidden champions are active in the business-to-business sector, we can assume a relatively low rate of inflation. In spite of their market power, even the hidden champions are unable to completely escape the price pressure that dominates many supply markets (e.g., the prices for car parts suppliers have dropped regularly over the last few years by 3%–5% annually). In our sample, 24.2% of respondents said that their prices had dropped noticeably, whereas only 12.9% said that their prices had risen noticeably. However, a considerable majority of 62.9% reported that the price levels had essentially remained the same. Thus, we can assume an inflation rate close to zero or even slight deflation.
From Hidden Champion to Big Champion

Have you ever asked yourself how big companies come into being? The answer is simple: they originate from midsize companies that continually grow over a long period. In the course of the last decade, some of our hidden champions have soared well above the $4 billion revenue threshold and are therefore no longer “hidden” champions covered by the definition we use today. We thus call them big champions. Surprisingly, even the growth rates of the big champions are not significantly below average. Over the last ten years, the big champions have grown at a rate of 8.1% annually, which is similar to the hidden champions’ growth rate of 8.8%. The big champions have also more than doubled their revenues.

Three case studies illustrate the rise to the large corporations’ league. Ten years ago, Fresenius Medical Care, SAP and Würth were classic hidden champions with revenues of about $1—$3 billion. Today, their revenues are well above $10 billion.

Each of these three big champions is the world market leader in its respective market and has achieved the following revenues and growth rates:

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<tr>
<td>SAP</td>
<td>Standard software</td>
<td>14.03</td>
<td>18.2%</td>
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<tr>
<td>Fresenius Medical Care</td>
<td>Dialysis services</td>
<td>14.76</td>
<td>23.4%</td>
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<td>Würth</td>
<td>Assembly products</td>
<td>11.63</td>
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In the course of this development, SAP and Fresenius Medical Care have attained listing in the top stock market index and are included in the premier league of major German corporations. In spite of its size, Würth has remained a family-run enterprise.

SAP created the market for standard business software in its present form, and has systematically developed this market and its own market position over decades. During this period, all growth routes were consistently pursued, such as extension of software functionality, enlargement of the sector, internationalization, and the involvement of software suppliers. Growth was predominantly organic. Acquisitions did not play an important role as they did with competitors such as Oracle. SAP’s impressive growth was accompanied by a high degree of continuity at the helm of this big champion. In its 36-year-history SAP has only had three CEOs.
Fresenius Medical Care took advantage of increase in civilization-related illnesses and the progress in medical technology. The company decisively and courageously seized the chances for growth that resulted from these conditions. Internationalization in particular was pursued with great energy. Acquisitions such as the recent purchase of the American company Renal Care made decisive contributions to growth. Problems presented by integration were solved with great skill. The management became international at an early stage: today, FMC’s seven executive board members are of four different nationalities.

While SAP and Fresenius Medical Care grew with their new markets, Würth predominantly operates its main business with assembly products in established markets. Würth is first and foremost a sales and logistics system trimmed to maximum efficiency. More than half of its employees work in sales. Motivation, incentives, sales targets, multiplication of the segments, and so forth, are the engines for growth in this context.

A closer look at the growth history of Würth Group, now a big champion, is illuminating. If we think about long-term goals and visions as instruments of leadership and drivers of growth, the path automatically leads to Reinhold Würth. Growth was always the core of his vision. For the nearly three decades that I have known him, Reinhold Würth has never stopped preaching about the benefits of growth. He often compares his company to a tree: as long as a tree grows, it is healthy. If it stops growing, it dies. Only growth keeps a company young, dynamic and agile. And Würth
was not content with general appeals for growth. Instead he repeatedly set precise quantitative targets, which at the time seemed virtually unattainable, thus rendering his vision specific and measurable. Fig. 2.2 shows what has become of Würth’s visions: the company has achieved more than 50 years of continuous growth.

Fig. 2.2: Würth Group 1954-2007—from hidden to big champion

In the first two decades following 1954, revenues were at a level that is invisible on the scale necessary today. The size achieved—is as spectacular as the fact that the company grew every single year—year after year—for more than 50 years. It is not surprising that growth was stronger in some periods and weaker in others. A period of extremely high growth rates in the 1990s was followed by a respite at the start of the twenty-first century. As we can see from the most recent revenue figures, the old growth spirit seems to have revived recently.

It is well documented how Reinhold Würth kept raising the benchmark. In 1979, the company generated revenues of approximately $300 million, and then Reinhold Würth challenged his team to break the $700 million revenue barrier in 1986, followed by the target of $1.4 billion revenues for 1990. At the time, Würth commented, “It is astonishing how fast such targets develop a life of their own and become part of the corporate culture. Employees identify themselves with these goals and do everything to realize them.” The $1.4 billion target was reached a year early in 1989 and Reinhold Würth did not hesitate for a second to set a new target.
exceeding the $7 billion threshold—for the year 2000. At the start of the 1990s, Würth made the following statement about this extremely ambitious target, “This new vision was accepted very quickly by the employees. Nobody thinks any longer about this enormous number today and no one has difficulty adapting his activities to this new target. I do not exaggerate when I say that this new vision created an almost magnetic attraction.” Klaus Hendrikson, who was at the time managing director of Würth do Brazil, commented, “This is no longer a vision. It is a clear, achievable goal. The optimism that we can achieve these revenues is based on sober analyses.” This last aspect is critical, because it determines the employees’ acceptance of the target. Reinhold Würth admitted that a vision like this “cannot simply be presented out of thin air. The vision must be substantiated. All limitations must be investigated, the means tested—market, financing, employees, management capacity, etc. Such ambitious visions and goals can only be announced after the homework has been thoroughly done. When the foundations are solid, the vision will take care of itself.”

Fig. 2.2 demonstrates precision success. The $7 billion revenue mark was achieved in 1999, just as had been envisaged ten years earlier. This exemplary realization of a vision is now a global enterprise with revenues of $12 billion in 2007 and more than 60,000 employees. The company reports above-average profitability when compared with the rest of the sector. Reinhold Würth has always stressed, “Growth without profit is lethal.” And despite his age of 73 years, Würth’s energy is not fading. In November 2007, he announced a revenue target of $30 billion for the year 2017. The flame continues to burn.

The Exploding Middle

The positive development of the big champions is diametrically opposed to the predominant mood of the last decade. We could argue that these companies are the famous exceptions to the rule, and that companies in general are suffering from competitive pressures, cutting jobs and displaying weaknesses in international competition. However, we will see that many midsize hidden champions have grown even faster than the big champions discussed above.

Why do these successes go unnoticed and fail to have an effect on the public mood? Presumably, the press and public attention are only focused on large corporations and even confine their attention to a few
“well-known” big companies. A great number of these large corporations throughout such sectors as industry, banking, insurance, trade, and telecommunications have repeatedly announced massive job cuts. The 30 companies composing the DAX index, for example, reduced their workforces in Germany by 3.5% in the period from 2002 to 2006.\(^3\)

The midsize hidden champions we will now discuss have grown enormously in the last ten years. This growth has produced almost 200 new companies with revenues of more than $1 billion in the German-speaking countries. Regardless of the yardstick applied, revenues exceeding $1 billion suggest a company size that can be classified as “large.” With so many new large corporations evolving over the last ten years, it is fair to say that this type of company is characterized by unusually dynamic growth.

These new companies with revenues of more than $1 billion have grown at an average annual rate of 11.6% in the decade under review. This rate means that revenues have doubled in size in 6.3 years. Such a development is based on fantastic entrepreneurial performance. On average, the companies are now 3.7 times the size they were ten years ago. At that time, mean revenues were $811 million; today, they have reached $2.21 billion.\(^4\) The sum of revenues of the new $-billionaires was $83.6 billion ten years ago and is now $227 billion, representing an increase of $143.4 billion. Judging by revenues of $151,629 per employee ten years ago and $219,253 today, these growth champions have created about 484,000 new jobs—naturally not only in their home countries, but throughout the world. Of the new jobs created by the hidden champions 30% are in their domestic markets. The contrast between the development of these midsize enterprises and that of the large corporations could not be more marked.

Numerous new companies with revenues in excess of a $1 billion will emerge from the ranks of the hidden champions in the future.\(^5\) In 2007, an estimated further 20 companies have generated revenues exceeding $1 billion. A similar number achieved this in 2008. Revenue growth will feed the pipeline of future large corporations. Several selected announcements of targets for the forthcoming years underline this hypothesis and the ambitions behind it:

- Frank Asbeck, CEO of Solarworld AG, announced that he “wants to break through the billion barrier in 2010.”
- Grohe, world market leader in high-quality sanitary fittings, reported breaking through the billion revenue barrier in 2007.
Eckes-Granini, Europe’s leading fruit juice producer, is close to revenues of a billion. CEO Thomas Hinderer plans to reach this level by 2010 at the latest.

IDS Scheer, a leading software company, announced “IDS Scheer plans to become a company with revenues approaching one billion.” In 2007, IDS Scheer’s revenues were about $485 million. Growth is expected to come mainly in the US and Asia.

Dorma, the world market leader in door technology, plans to achieve billion in revenues in three years’ time.

Karl-Heinz Streibich, CEO of Software AG, with revenues of $850 million in 2007 announced a revenue target of $1.5 billion for 2011.6

Phoenix Contact, a leading manufacturer of electronic interfaces that are predominantly used in automation technology, broke the billion barrier in 2007 and is currently heading for its second billion.

The flame also burns at EBM-Papst, the world market leader in industrial fans. CEO Hans Jochen Beilke promises to double the 2007 revenues of almost $1.5 billion, and thus to break the $3 billion threshold before 2015. Incidentally, Beilke is a direct neighbor of Reinhold Würth. Ambition is contagious.

In the spring of 2008, Kion, currently the global number two and European market leader in fork lift trucks, announced its “Vision 2015.” The core message: Kion aspires to become the global leader by 2015 and to push the mighty Toyota from the throne.

We will reexamine the midsize hidden champions, looking more closely at several extraordinary growth stories. Fig. 2.3 shows the revenue growth of three companies: Leoni, Enercon, and Cronimet. Leoni is the global leader in cable systems for cars and numerous other applications. Enercon is the global technology leader in wind power generation, and is also number three in terms of market share. Cronimet is a global leader in the recycling of raw materials for the steel industry. These three hidden champions have leading positions in what can be characterized as “new markets.” Although metal recycling and cables have existed for a long time, technical developments and innovations led to a new growth phase during the last decade.

The three companies have shown excellent growth performances and are at least six times larger today than they were in the mid-1990s. Their common feature is their activity in rapidly growing markets. While expanding with their markets, they have given their growth additional impetus by consistent innovation, and internationalization.
With the slogan “Energy for the World,” Enercon aims to benefit from the global growth opportunities in wind power generation. Since 1995 (see Fig. 2.3), Enercon has increased its revenues to more than $4 billion in 2007 from less than $200 million. Enercon has more than 10,000 employees, an impressive achievement for a company that is only 24 years old. Enercon’s wind turbines are installed in 31 countries. Sales subsidiaries are active in 16 countries, and the company’s own servicing and spare parts service is available in all markets served. Growth is set to continue. To date, Enercon has supplied wind energy facilities with a total capacity of 13,700 megawatts. According to CEO Hans-Dieter Kettwig, this accumulated capacity will be doubled in the next 50 months. One megawatt corresponds to revenues of approximately $1.4 million, which means that Enercon’s growth is set to continue and even to accelerate.

Leoni was founded 90 years ago. With its competencies in cable technology it has entered its latest growth phase since the mid-1990s. Cable systems today have little in common with cables 20 years ago. A look at Leoni’s business units shows the range of its technological challenges and opportunities. Automotive, aerospace, machinery, medical, robotics, and wind & solar are industries and applications with different requirements for a cable specialist, and all are growing markets. Leoni is currently present in 34 countries and growth limits are not in sight.

Would you have expected metal recycling to be an explosively growing high-tech business? Cronimet is a persuasive witness to this allegation. In a market not exactly known for its obsession with quality “Cronimet stands
for reliable quality of the highest standards.” This value system seems to work. Founded only in 1980, Cronimet’s revenue has grown to well over $4 billion in 2007 from $500 million a decade ago. The steep growth has been driven by incessant innovation and expansion into new markets. Today, the company is present on four continents.

It could be argued that growth in new markets is not surprising. However, midsize hidden champions even grow in markets that are considered mature and unlikely to produce growth. The three companies in Fig 2.4 impressively illustrate the growth in such mature markets.

![Fig. 2.4: Growth even in mature markets](image)

Hidden champion Andritz’s main business is mechanical engineering for the paper industry, not considered a growth market. Cargobull produces semitrailers and has advanced to become market leader despite only modest growth in the overall market and stiff competition in recent years. Claas, a classic manufacturer of agricultural machinery, also operates in a market with very tough competition and mostly stagnating or cyclical demand. In spite of such relatively unfavorable conditions, these three hidden champions have achieved fast growth and have improved their profitability.

Claas chose the external growth route and acquired the tractor business from French car maker Renault. Cargobull focused radically on very few products, which led to a huge increase in productivity and competitiveness in all spheres. In spite of a significant and long-term price decline, the company succeeded in increasing its revenues to $2.9 billion from $500 million in the mid-1990s.
Andritz strategically repositioned itself at the end of the 1980s and has since then primarily grown through acquisitions. These included many complementary takeovers, such as refiner disks (Durametal Corporation, USA); equipment for wood processing (Kone Wood, Finland); animal fodder production facilities (Jesma-Matador A/S, Denmark); and cold rolling lines and treatment facilities (Sundwiger, Germany).

**Growing Dwarves**

If we proceed further down the size categories, we find innumerable “dwarves” that have grown enormously in recent years. Fig. 2.5 offers three cases.

Fig. 2.5: Growth of selected small hidden champions

Bartec is the European market leader for explosion protection equipment. The enterprise was founded in 1975. Bartec has more than quintupled its revenues since 1995. Ten years ago Bartec had 450 employees; today this figure exceeds 1,300—a shining example of job creation. Bartec’s future growth markets are in Asia, and particularly in China, with the company’s explicit aim to advance “from number one in Europe to number one in the world.”

Brainlab develops and markets computer-controlled medical technology. The company was founded in 1989. In the sphere of computer-controlled surgery systems, Brainlab is one of the market leaders, having installed 3,000 systems in more than 65 countries. Worldwide sales are
conducted through 15 offices in Europe, Asia, North and South America, as well as through distributors in 70 countries. Brainlab has more than 950 employees worldwide. Today, Brainlab is the global world market leader for image-supported navigation systems in operating theaters. According to CEO Stefan Vilsmeier, “no competitor can compete with us across the entire range.”

**Growth Is Not a Wonder Drug**

As shown by our numerous case studies and the growth rates achieved, the typical hidden champions follow the mantra: grow or die. Reinhold Würth’s statement about a tree that starts to die when growth stops illustrates this dictate of continually increasing in size. However, there are companies among the hidden champions that deliberately do not grow, refusing to submit to the growth imperative and preferring instead to remain small. Typically, such enterprises are characterized by craftsmanship and/or operate in small, limited niche markets that display low growth or high market volatility. The pattern is similar to that of a classic master craftsman, who works throughout his life with a more or less constant number of journeymen and apprentices and is successful. Considerations of risk contribute to this self restriction. In particular, we have found companies that choose not to grow in markets that have strong cyclical demand.

An example of this kind of company is Klais, the organ builders described in Chapter 1. In response to my question about the number of employees over the last ten years, I received the answer, “We have the same number of employees as we did 100 years ago.” The enterprise was founded in 1882 and—apart from negligible fluctuations—has always had 65 employees. An important reason for this is that the value chain comprises ten individual workshops that must each have a minimum size. In addition, approximately a quarter of the workforce is always busy somewhere in the world, installing or servicing organs in teams that have a minimum number of employees. These circumstances define the minimum size of the workforce. Conversely, the strongly cyclical nature of the demand for world-class organs prevents the management from increasing the workforce in order to seize short-term opportunities. Continued employment could not be guaranteed at the onset of the next slump in demand, which would threaten the company’s existence. In addition, because highly specialized employees are required (and are not readily available on the labor
market, at least not at short notice), Klais has to train these specialists itself. The training process requires continuous, stable employment. Increased outsourcing is considered as a modern alternative, but implementation proves difficult. The firm has survived on this strategy for over 125 years. Growth is not automatic and is not always the best way. Klais’ decision not to grow has not prevented the firm’s globalization, as noted in Chapter 1.

Employee Growth Versus Revenue Growth

If we take the number of employees as the yardstick for growth, we will find a series of companies without any increase in employment figures over recent years, although the revenues have increased. This development is not only the result of increases in productivity but also of fundamental restructuring. In particular, this pattern is evident in industrial engineering and in the construction of plants. The hidden champion Achenbach Buschhütten was founded in 1452. Three quarters of all aluminum rolling mills in the world come from this company. This achievement is possible with just 300 employees, a number that has declined over the last 13 years. In spite of this, revenues rose to $140 million from $70 million. CEO Axel E. Barten explains the reasons, “We have transformed ourselves from an industrial enterprise into an engineering service business. We have handed the physical manufacturing of parts over to others. Now, only the pre-assembly takes place in our plant. Most of our employees are engineers and no longer production workers. For this reason, our employee numbers have fallen significantly over the long term when compared with the peak figure of more than 1,000 employees around 1960. At the time, we were an industrial enterprise, whereas we are now a provider of engineering services.” Like most plant engineering companies, Achenbach Buschhütten operates in a cyclical market, so that the described self-restriction and the shifting of risk to suppliers constitute an intelligent strategy.

Drivers of Growth

The case studies of large, midsize, and small champions show that there is not one single or dominant driver of growth. However, globalization and innovation are the outstanding engines of growth, presumably in that
order. As discussed previously, many of the fast-growing hidden champions operate in traditional markets and continue to grow, primarily by expanding regionally, through internationalization. We will investigate these growth strategies in more detail in Chapters 4, 5, and 7.

For other hidden champions, innovation is the primary engine of growth. Many of them have created their own markets and established themselves as the sustained market leader from the outset. Examples of this innovation are Brita for household water filters, Kärcher for high-pressure cleaners, SOS International for global rescue services, and Omicron for tunnel-grid microscopes. Innovation encompasses not only technical but also process innovations (e.g., sales). Numerous hidden champions have based their growth on such process innovations. Würth, world market leader in direct trade with assembly and fastening products; Bofrost, Europe’s market leader in direct selling of frozen food; and WIV Wein International, the world’s largest direct marketer of wine, all fit this pattern. Marketing innovations are also important in this context. Hipp’s consistent organic image successfully contributes to helping it achieve supremacy in the baby and children’s food market. This is not a superficial marketing gag but a true reflection of the deep and religious convictions of Claus Hipp, who has managed the company since 1968.

In contrast to the situation in the mid-1990s, diversification plays a considerable and increasingly important role as a driver of growth. It is the most dramatic change in the hidden champions’ strategy at the start of the twenty-first century. For example, the broadening of the product range (takeover of Renault tractors) made a noticeable contribution to growth at Claas. However, genuine diversifications (new products—new customers) remain rare exceptions. Despite market share that is often already high, further development of the respective market position and the desire to increase market share retain their importance as engines of growth. Therefore, it is astonishing that most hidden champions have further increased their market share and improved their market leadership position. In the next section, we will discuss this aspect, which is important not only for the growth but also for the hidden champions’ self-image.

What are the central messages from our analysis of the hidden champions’ growth? Clearly, most of these little-known market leaders are growing fast. It is also surprising that the growth rates are similar across all size categories. We do not see any “growth boundaries” in the twenty-first century, even for larger midsize enterprises. This should encourage other midsize firms to set ambitious—or more ambitious—growth targets for themselves, even if they are not (yet) a hidden champion. Employees are
strongly inspired by ambitious growth-oriented goals and visions. They prefer that their company grows rather than shrinks. Growth requires leaders with the courage to embrace visionary goals. It also requires the energy to achieve these goals. The growth successes discussed were only possible due to enormous commitment of all participants over many years, managers and employees alike. Lack of commitment and stamina, not of market opportunities, are the real factors limiting growth in affluent societies and in many companies.

We have also seen that growth is not a panacea in every case. Some hidden champions who deliberately limit their growth have a strong capacity for survival. Astonishingly, this does not have a negative effect on their globalization. Such exceptions show that each enterprise must choose its strategy with care. A uniform growth formula applicable to each and every one does not exist.

### Market Leadership

For many hidden champions, market leadership is not just one goal among many, but an identifying characteristic. One hidden champion CEO told me, “The identity of our enterprise is defined by our leading position on the world market.” RUD, the world market leader for industrial chains, claims “the clear leading position in the market segments we cover.” Gelita, world market leader in gelatines, self-confidently states, “We are the leading edge in the gelatine market.” 3B Scientific, the world market leader for anatomical teaching aids, says, “We want to become and remain the worldwide number one.” The simple governing principle of Wacker, world market leader in silicone, is “We want to be first.” A statement by Dräger, world market leader in anesthetic and respiratory protection equipment, documents a similar expectation, “Pole position: we want to remain at the top! We have always aimed for and occupied top positions. This applies to both technology and marketing leadership.” Trumpf, the world market leader in industrial lasers, aims to “lead by world standards in each of our work areas, both technically and organizationally.” Zimmer, American world market leader in orthopedic products, formulates its ambitions as follows: “Passion to be the best. To be the global leader in enhanced quality of life for orthopedic patients.” Phoenix Contact, the world market leader in electronic interface technology, stakes a similarly ambitious claim, “Phoenix Contact achieves worldwide technological leadership in
each of its business spheres.” Chemetall says, “Our goal is the worldwide technological and marketing leadership in profitable niches of the specialty chemicals market.” Chemetall is the global number one for cesium, lithium, and other special chemicals and metals. Even a young company like Brainlab stakes its claim to market leadership, “Brainlab intends to become the leading provider of software for minimally invasive therapies as well as for cancer.”

Some companies use their world market leadership as an advertising message. For example, Wanzl, the worldwide leader for shopping carts, says, “The size of a world market leader creates security.” Being the biggest, the first or the best has always been an effective advertising message. Many hidden champions leave no doubt at all about their goal of maintaining or defending their leading market position. The head of a world market leader in the textiles machinery sphere states, “We want to keep our world market share at 70% or above. One of our rules was always that our profit should be higher than the revenue of our closest competitor.” Ernst Tanner, group CEO of the Swiss chocolate manufacturer Lindt & Sprüngli, announced, “We have strengthened our position as a chocolate manufacturer of the highest quality across the world in all markets.”

True ambitions start early. Even young, small companies do not shy away from announcing their claim to world market leadership. Niels Stolberg, founder and CEO of the heavy-duty shipping company Beluga Shipping, has guided his company to the number three spot on the world market since founding the company ten years ago. However, this does not satisfy his ambition. “We will reach for the top,” he announced recently. He plans to increase his current fleet of 40 heavy lift vessels by an additional 26 ships. This means that Beluga Shipping would expand to become the clear number one on the world market for heavy duty transporters. Bard, one of the pioneers in off-shore wind parks, was founded in 2003 and has only 400 employees. The company is currently building a park with 80 wind towers 100 miles off the North Sea coast. Despite its young age and small size, Bard is determined to become one of the global market leaders in the new field of off-shore wind power generation.

Anton Milner is also not shy of challenging global Goliaths for the top positions. Milner is CEO of the hidden champion Q-Cells, a photovoltaic company. The company, which went public in the fall of 2005, was at the time market leader in Europe, but only number five worldwide. Milner had set his sights on Q-Cells fast becoming one of the top three companies worldwide. It is worth noting who were the previous top three. Milner said, “The industry leader is Sharp. Kyocera is number two and BP/Solar
is number three. We want to catch up with them.”9 Strengthened by the new capital in October 2005, Q-Cells has achieved this goal: in 2006, it became the world’s second largest manufacturer of solar cells, thereby shortening Sharp’s lead. In 2005, Q-Cells achieved revenues of $410 million and increased this to $740 million one year later in 2006. It even managed to generate $1.2 billion in 2007. Today, the company says it is the world’s largest manufacturer of solar cells. Revenues are expected to increase 35% in each of the coming years.

We find similar statements expressing the goal of, or the claim to, market leadership with many other hidden champions. The overwhelming majority of today’s hidden champions were already driven by such market leadership goals at an early stage. Naturally, such courageous visions are sometimes coined from hindsight. It is also certain that not all market leadership goals and visions propagated by ambitious entrepreneurs are fulfilled. The future will show which of the specified number one goals will actually be achieved. Many have failed in spite of their ambitions and many will fail in the future. Conversely, we can see that the early formulation and the examples of ambitious market leadership targets are effective driving forces towards their realization.

Peter Drucker impressively described the ultimate purpose of such targets, “Every enterprise requires simple, clear, and unifying objectives. Its mission has to be clear enough and big enough to provide a common vision. The goals that embody it have to be clear, public and often reaffirmed. We hear a great deal of talk these days about the ‘culture’ of an organization. But what we really mean by this is the commitment throughout an enterprise to some common objectives and common values. Management’s job is to think through, set, and exemplify those objectives, values and goals.”10 This statement clarifies that the goals and visions can never be seen in isolation from the enterprise and the entrepreneur. They must fit with the history, culture, and identity of the respective entrepreneur and the company.

In addition to creating a common purpose shared by everyone, the most important effect of goals and visions is the activation of motivation and energy. Visions that employees can identify with and be energized by are required. They impart a sense of purpose to the work. The entire enterprise is carried along on a wave. The French writer Antoine de Saint-Exupéry described this, “If you want to build a ship, then do not gather men to find wood, award commissions and distribute work, but teach them to yearn for the wide, endless sea.” Employees want a vision. A good vision grows out of a delicate balance between a sense of reality and utopia. It must not be
so utopian that the employees do not believe in it, but should be utopian enough to pose a real challenge and mobilize energy. Vision involves what is only just possible!

The market leadership goals and visions discussed above are highly effective with regard to motivation and the mobilization of energy—perhaps even more effective than growth targets. Employees are happy to identify with visions that aim at being the best, the first, the friendliest or the fastest. Nobody wants to be average. Targets like catching up with or overtaking a competitor are very effective leadership tools. Nothing motivates more than a fight against a powerful opponent. For years, Pepsi-Cola was obsessed by the idea of defeating Coca-Cola. AVIS made the goal of beating market leader Hertz its corporate slogan “We try harder.” The challenge of catching up with archrival Mercedes-Benz inspired BMW and Audi for decades. Cargobull and its strongest competitor, Krone, are located in close proximity and drive each other to maximum performance. Although Krone is only half the size of Cargobull, it has succeeded in growing at similar rates and—like Cargobull—has increased its market share at the expense of other competitors. The intense competition between competitors who are geographically close to each other is an extremely effective driving force.

Should visions like market leadership be formulated in qualitative or quantitative terms? Principally, goals and visions should not be too general or vague. Where systems of values, superior performance, quality, technological supremacy, and so forth, are concerned, qualitative statements are preferable. Goals involving growth, market share or return on investment, however, require quantitative precision to prevent a lack of commitment. The statement “We want to grow profitably” is not only less precise, but also less likely to result in binding commitment than the following statement: “We want to double our revenue every five years and achieve a return on equity of at least 25%.” Reinhold Würth always formulated his goals for the next five or ten years in concrete numbers. The hidden champions tend to include both qualitative and quantitative elements in their goals. As we will see, their understanding of market leadership is not restricted to having the largest market share or the largest volume.

To conclude this part, we want to discuss the question of how early and how explicitly such market leadership goals should be formulated. In my discussions, many leaders of hidden champions said they started out with ambitious ideas from the very beginning. This may or may not be true. Doubts appear justified. It is difficult to find the truth in such cases, and I restrict myself to relating a story I personally experienced and influenced.
As with all autobiographical writing, the reader should be warned that the described incidents might be portrayed in too positive a light. In this case, occurrences from more than 20 years ago are viewed from the perspective of 2008. Simon-Kucher & Partners is today assessed by neutral third parties to be the world market leader in price consulting. With revenues of close to $150 million and almost 500 employees in 2008, we are a small hidden champion. Did we aim for market leadership (or world market leadership) in price consulting when we were founded in 1985? The answer is no. Even ten years later this had not changed. Until 1996, our only office was in Bonn. Eleven years after the firm was founded we started expanding beyond Germany’s borders and took the risky step of opening our second office in the USA. At this stage, the ambition to succeed in the largest and toughest consulting market in the world clearly played a key role. Otherwise, we would have opened our second office in Zurich or Vienna (i.e., in German-speaking, “easy” markets). From today’s point of view, it is evident that certain roots and foundations for globalization and the current market leadership were laid early, although we only became aware of this later. All my former assistants, who are today partners at Simon-Kucher & Partners, and I had worked at top American universities. We knew the capabilities of the Americans as well as our own. Initial reserve about working abroad had been overcome. In 1996, we generated revenues of $12.6 million, less than one tenth of our current revenue. For the first time, we then explicitly formulated a vision and quantitative growth target for the next decade. We were determined to grow at a rate of 25% per year, which means doubling in size every three years. In 2008, we achieved revenues of close to $150 million, representing an annual growth rate of 21% over ten years. While this did not fully meet the target of 25%, it was not far from it.

In the words of Mintzberg, this represents an “emergent strategy,” which is characteristic of many hidden champions. Mintzberg talks about conduct that “crystallizes in a series of decisions.” The strategy develops through a process in which the results of many individual actions flow into each other in sequential order. My knowledge of numerous hidden champions suggests that the “emergent strategy” is the predominant development pattern for these enterprises. It is in any case an accurate description of our own development.

Mintzberg defines a further strategy variant that he calls “entrepreneurial strategy.” He describes it as follows: “An individual who personally controls an organization is in a position to transfer his vision completely to the enterprise. Such strategies are often found in newly founded or small
enterprises. The vision supplies a general direction that leaves room for adaptation. As the planner is at the same time the implementer, this person can react swiftly to the results of actions as and when they arise, or in response to new opportunities or threats from outside. The entrepreneurial strategy leaves room for flexibility—at the expense of a precise description of the goals.”

This strategy is less typical for the hidden champions than one might expect. An enterprise does not become world market leader by frequently changing directions. Some young and/or small enterprises in our investigation are exceptions to this. They create new markets, endeavor to better understand the needs of their customers and the opportunities offered, and have to be very flexible until they have found their long-term goal and their direction. The firm Weckerle is an example. It was founded in the 1970s and specialized in lipstick machines. Weckerle is currently number one in the world in this field. However, this market only offers limited potential. For this reason, founder Peter Weckerle sought out further growth opportunities at an early stage and started producing lipsticks for large corporations. Yet this too is a limited business, because the large cosmetic companies outsource only part of their production. Weckerle next established his own brands and distributed them through special channels. Today, revenues from the sale of machines and from the manufacture and sale of lipsticks are roughly equal. However, there is greater future growth potential in the production and sale of lipsticks. Different roads may lead to Rome and as shown, different routes to market leadership.

**What Is Market Leadership?**

Market leadership is normally defined by market share: the provider with the largest market share is the market leader. Yet even this simple definition is ambiguous, because it does not clarify whether we mean market share in terms of volume or value. There are valid arguments for both variants. In practice, there is often no precise distinction as to what is meant by market share or market leadership. Confusion abounds.

The hidden champions have a differentiated and comprehensive understanding of the concept of market leadership. They are clearly concerned with what “leading” a market means and how they define their leadership position. In response to the question “Why do you see yourself as market leader?” 75.8% answered that they were the provider with the largest
revenues, and 42.5% answered that they sold the largest volume (the sum may be greater than 100 because an enterprise can be a leader under both criteria). The difference in the percentages is an indication that the value-related and not the volume-related domination of the market is more relevant.

A closer look at the implications of market leadership reveals interesting differentiations. Fig. 2.6 shows the attributes in which the hidden champions view themselves as market leaders.

**Fig. 2.6: What constitutes market leadership?**

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology leadership</td>
<td>85%</td>
</tr>
<tr>
<td>Quality leadership</td>
<td>79%</td>
</tr>
<tr>
<td>Market awareness</td>
<td>74%</td>
</tr>
<tr>
<td>Breadth of product range</td>
<td>71%</td>
</tr>
<tr>
<td>Reputation</td>
<td>70%</td>
</tr>
<tr>
<td>Revenue</td>
<td>69%</td>
</tr>
<tr>
<td>Tradition</td>
<td>67%</td>
</tr>
<tr>
<td>Presence in numerous countries</td>
<td>65%</td>
</tr>
<tr>
<td>Sales volume</td>
<td>55%</td>
</tr>
<tr>
<td>Specialization in segments</td>
<td>45%</td>
</tr>
</tbody>
</table>

This list reveals that the hidden champions do not confine their view of market leadership to market share but take into consideration the content and causes behind it. They see themselves primarily as technology and quality leaders. In a study by one of the leading technology institutes, the same characteristics, i.e., “Innovation/Technology” and “Quality”, top the list.\(^\text{13}\) The highly rated attributes of market awareness, reputation, and tradition indicate that market leadership is based on long-term supremacy. In comparison, revenues and volume are only of average importance.

In this context it is revealing that the hidden champions have been market leaders in their respective fields for an average of 21.6 years—a very long time. The average CEO tenure in these companies amounts to 20 years—an interesting parallel.

In summary, market leadership is more than just the largest market share. Market leadership has to do with leadership in its true meaning. One of the CEOs I interviewed used the phrase “psychological market leadership.” Siltronic, world market leader for wafers made of pure...
silicone, says, “We lead by anticipating our customers’ expectations.” Sick, one of the world market leaders in sensor technology, states, “Leadership means becoming the yardstick for others. This applies both to leaders who can inspire teams and to companies that set standards on the world market.” Many hidden champions report that they define the standards in their sector. RUD, the world market leader in industrial chains, clearly says, “We set the new technological standards.” Oerlikon, a leading high-tech industrial group in vacuum and engine technology, makes the following comments: “We set the standard for innovation and technologies.” Standard-setters also include Otto Bock in orthopedic technology, Semikron in diodes/thyristors, Eppendorf in systems for biotechnology, Hauni in tobacco processing, and many more. Stabilus, the world market leader for gas-pressured springs, changed an important symbol. Within a year, the competitors throughout the world had also switched to the new symbol. I often heard that competitors liked to use the following sales argument “We are as good as . . .”, possibly with the addition “. . . but somewhat cheaper.” If competitors refer to another company in this way, it is a sure sign that this company has taken over the leadership in a market. Many hidden champions lead their markets in this comprehensive sense—worldwide.

**Market Shares**

Until now, we have discussed market leadership without revealing the specific market shares of the hidden champions. Fig. 2.7 unveils the secret for the global and the European market.

**Fig. 2.7: Market shares of the hidden champions**

<table>
<thead>
<tr>
<th>Market Leaders</th>
<th>Absolute market share</th>
<th>Relative market share</th>
</tr>
</thead>
<tbody>
<tr>
<td>World</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ten years ago</td>
<td>today</td>
</tr>
<tr>
<td>World</td>
<td>65.9%</td>
<td>30.2%</td>
</tr>
<tr>
<td>Europe</td>
<td>78.3%</td>
<td>36.7%</td>
</tr>
</tbody>
</table>

The column “Market Leaders” shows that around two thirds are market leaders on the world market and more than three quarters are market leaders in Europe. Fig. 2.7 contains “absolute” and “relative” market shares.
The absolute market share corresponds to the percentage of the entire market. The relative market share is the firm’s own market share divided by the market share of its strongest competitor. Thus, if you have a market share of 32% and your strongest competitor has a market share of 20%, your relative market share is $\frac{32}{20} = 1.60$. Only the market leader has a relative market share higher than 1. For all other competitors, this number is below 1. In the example, the relative market share of your strongest competitors would be $\frac{20}{32} = 0.625$.

The hidden champions’ average absolute market share is 33.0% for the world market and 38.4% for Europe. It is astonishing that both figures have increased over the last ten years. Given the rapid progress of globalization and the associated expansion of markets, this was not expected. The picture is even more surprising when it comes to relative market shares, which reflect how the hidden champions have developed in relation to their strongest competitor. The strong supremacy of ten years ago has increased further. Even on the world market, the average relative market share is now about 2.34, up from 1.56 ten years ago. The hidden champions today are more than twice as large as their strongest competitors. This is simply unbelievable! In Europe, the market position in relation to the strongest competitor is even better, with a relative market share of 2.84.

The hidden champions have not only been successful in an expanding world market, but have actually left their competitors far behind. They have increased both their absolute market shares and their lead over their strongest competitors. Their superior competitive strength has improved significantly over the last ten years. The hidden champions have proven that they need not fear their competitors throughout the world. The reverse is true. The competitors should fear the hidden champions.

**Market Share and Profitability**

The hypothesis that a large market share leads to higher profitability has dominated the discussion in management theory and practice since the start of the 1970s. This is presumably one of the biggest management misunderstandings of our time. For decades, managers have been told by their superiors, colleagues, professors, consultants and other experts that the achievement and maintenance of the largest achievable market share is the answer to everything. In 2006, two younger partners in our firm and I took a decided stand against this misconception in a book entitled *Manage*.
Is this title a contradiction? How can the position “not for market share” be brought into line with my praise of market leadership in the current book?

There is no contradiction. In the first edition of *Hidden Champions*, I found no correlation between market share and return on equity. This finding has now been confirmed. As regards the hidden champions of the twenty-first century the correlation between margin and market share is again not significant. This applies both to the absolute and the relative market share. Naturally, the objection can be raised that our sample involved only firms with high market shares and that the variance of the variables is small. At least for the relative market shares this is not true. They vary considerably.

I will refer very briefly here to the origins of the hypothesis “high market share leads to high profits” and the arguments against it. In *Manage for Profit, Not for Market Share* we explain in great detail why this theory tends to be misleading. I refer to this book for further information. The best-known origin of the market share thinking is the PIMS Study, which revealed a strong correlation between market share and profit margin. A second source is the experience curve. According to this concept the cost position depends on the relative market share: The larger the relative market share, the lower the unit costs when compared to the competition, and consequently the higher the margin. The famous matrix of the Boston Consulting Group with the two dimensions “market growth” and “relative market share” also propagates driving up the relative market share. The last and particularly influential propagator is Jack Welch, who after becoming CEO of General Electric announced in 1982 that his company would withdraw from markets where it could not become number one or number two in the world.

Recently, belief in the magic of market share has increasingly been questioned and in part refuted. Interestingly, even older sources with a similar argumentation can be found. The core question is whether the connection is pure correlation or a genuine causal relationship. I deliberately express my thoughts on this in a simplified way in order to get to the heart of the problem and the hidden champions. Market share and market leadership are not decisive as such. The relevant issue is whether the market share and market leadership are “good” or “bad.” “Good” market shares are “earned” by innovation, superior performance, excellent service, and so forth. Under these circumstances market leadership is not attained by price reductions that ruin margins, but in a way that is supportive of prices and margins, or even increases margins, by providing added value to
the customer. “Bad” market shares are achieved through price reductions and aggressive promotions to drive up volume without correspondingly lower costs—this condition is decisive. “Bad” market shares are not earned in the long term, but obtained quickly in the short term by unsustainable price concessions. They lead to low profits and frequently losses because the costs are too high when compared with the prices offered (or conversely: the prices are too low in relation to the costs). In many modern markets, we find “bad” market shares. A striking example is the American automotive market, where the domestic car manufacturers have reached the brink of bankruptcy in spite of high market shares and market leadership in numerous segments. We see similarly catastrophic consequences of market share obsession among airlines, in retail, consumer electronics, tourism, and many other sectors. It should be clear that the price level as such does not define a “bad” market share. If, despite very low prices, sufficient margins can be realized, these are “good” market shares. Southwest Airlines, Wal-Mart, IKEA, and other discounters have high market shares and low prices and still earn excellent profits because the costs are extremely low and the margins are right. Yet General Motors, Ford, Sony and similar companies fail to earn money in spite of high market shares, because they engage in aggressive price wars that do not yield sufficient margins due to the high costs involved.

How do the hidden champions fit into this picture? With few exceptions, the hidden champions do not gain their market shares with low or aggressive prices, but with superior performance. They “earn” their market leadership by being the best in technology, innovation, quality, reputation, and so forth. In most cases, their superior performance permits them to charge significantly higher prices. In my experience and as a result of many conversations, I estimate that the typical price premium of a hidden champion versus the market average is 10%–15%, sometimes even higher. Even in cases with high price pressure (e.g., large-scale projects, large customers), hidden champions can maintain price premiums between 5% and 10%. Almost always, the market shares of the hidden champions are “good” market shares with healthy margins. The hidden champions are not only market leaders, but also charge the highest prices. As described above, the result is a satisfactory profit. The key to this success is not the size of the market shares as such, but whether the market shares are “good” or “bad.”

The hidden champions “earn” their market leadership and market share positions through performance and not through price aggression. For this reason—and not because of a magical correlation—they have “good” market shares with high values. The market share mania observed in many
other markets, in which “bad” market shares are acquired or defended regardless of profit, is atypical for the hidden champions. Their claim to market leadership is based on performance and a solid foundation and, thus, consistent with the aim of generating profit.

If we consider growth and market position together, the picture in Fig. 2.8 emerges. It illustrates the extremely positive development of the hidden champions in the past ten years vis-à-vis market leadership and growth. They have considerably increased their revenues, have grown faster than in the preceding period, and have significantly improved their dominant market position in relation to their strongest competitors.

Fig. 2.8: Ten-year comparison of growth and market position at a glance

Long-Term Goals

One of the most controversial discussions in management theory relates to the time horizon of goals. One extreme is the fixation of many public companies on quarterly results. The hidden champions are at the other end of the scale. Alfred T. Ritter, head of Ritter Sport chocolate manufacturers, expresses this in a way representative of many others, “We do not think in years, but rather in generations.” Dr. Karsten Ottenberg, CEO of Giesecke & Devrient, a global leader in security papers, made a similar statement, “We don’t think about producing good figures in the next quarter. We are more concerned with sustainability over generations.” O.C. Tanner, world leader in employee recognition programs, eschews short-term thinking and the “making the numbers” mentality that public companies face. Before his
death, the former CEO, Obert C. Tanner, placed the company in a trust. As the president of O.C. Tanner, Dave Petersen, explains, this left senior management with two options, “We either operate the company well and profitably for the benefit of our associates, our clients, and our community, or we fail and go out of business. There is no other option. We can’t think short term.” Hermut Kormann, CEO of Voith, world market leader for water turbines, asks himself how the company will survive the next 100 years. This is the horizon in which Voith operates. It is clear that long-term thinking is easier to find in family enterprises than among investors seeking quick profits.

The long-term nature of the goals must be viewed in context. Building up a global market presence is a process that normally requires several generations. It takes years to ascend to market leadership, unless a completely new market is created. In addition, there is a close relationship between the long-term nature of the goals and continuity at the top of the company. Michael Schwarzkopf, CEO of Plansee, a global leader in high-performance materials, talks of “goal continuity.” Naturally, the long-term nature of goals does not mean that short-term necessities can be neglected. However, enormous strengths derive from a long-term perspective. Someone who knows what he wants and pursues his goals with incessant stamina has a big advantage over someone who is always forced to focus on short-term results.

**Summary**

In this chapter, it has become clear that goals and their consistent implementation play a central role in the strategy and development of the hidden champions. The following aspects should be kept in mind:

- Growth and market leadership are the dominant goals of the hidden champions.
- These goals are often extremely ambitious and are formulated early.
- Entrepreneurial flexibility is not sacrificed in the pursuance of these goals.
- In the last ten years, the revenues generated by the hidden champions have more than doubled, with growth rates surprisingly similar across companies of different sizes.
• In this way, numerous midsize firms have become “revenue-billionaires,” (i.e., their revenues exceed $1 billion).
• The claim to market leadership is not confined to market share but includes performance attributes such as technology, innovation, quality, and reputation. Market leadership is more than just market share.
• Absolute market shares have increased in comparison over the last ten years, which is astonishing in view of fast-growing world markets. In addition, even the relative market shares increased strongly, and the hidden champions have become significantly more competitive in their respective markets.
• The hidden champions earn their market shares by superior performance and not through aggressive pricing. These “good” market shares are fully consistent with the profit target.
• Communication of the goals is generally clear and unequivocal. Strategy implementation is characterized by persistence. The will to be or become number one never ends.
• The goals are long-term and extend over generations rather than quarters. Long-term goals give a company great strength. However, short-term necessities must not be neglected.

The messages of this chapter are simple. Great successes always start with ambitious goals. The hidden champions of the twenty-first century pursue above all growth and market leadership goals. These goals provide a joint sense of direction and motivate employees. It is essential that the goals are effectively communicated and lived. The hidden champions have realized their visions in the last ten years with long-term orientation, persistence, and never-ending energy and in doing so have grown into new dimensions. They have improved their market positions relative to their strongest competitors. They teach us what is possible in the age of globalization. In this way, they can be shining examples for many other companies.

Notes

2 The correlation coefficients are extremely low (with revenues 1995: -0.133; with revenues 2005: -0.041) and at the 10% level insignificant.
3 The 500 largest family-run enterprises have increased their employee numbers by 10% in Germany over the same period. See the study of the Bonn Institut für Mittelstandsforschung 2007, *Frankfurter Allgemeine Zeitung*, May 8, 2007, p. 12.

4 It is important to note that the statement in this sentence and the preceding sentence is not a contradiction, because “on average 4.3 times the size” contains no weighting.

5 This is the EUR1 billion threshold, the equivalent of $1.37 million.


Hidden Champions of the Twenty-First Century
The Success Strategies of Unknown World Market Leaders
Simon, H.
2009, XVI, 402 p. 91 illus., Softcover