



# Successful in the third generation

**Uwe Grothe and Ralf Borrmann talk about the philosophy, strategy and future of the family-run company Grothe Rohstoffe GmbH & Co. KG.**

A new team stands in the impressively large hall between hundreds of tonnes of produced and packaged ceramic colours. In the interview, Managing Directors Uwe Grothe and Ralf Borrmann paint a precise picture of Grothe as a third-generation family business, guided by the values of proximity to employees and customers, quick decision-making ability and innovative strength in the rather conservative ceramics industry. They identify concrete progress and challenges in relation to climate neutrality and product safety, explain the market and location context and outline a future-oriented and realistic perspective, supported by teamwork, research and established customer and supplier relationships.



**"Employees are the most important asset in the company"**

**The essence of the family business: Culture and leadership**

Grothe sees itself – based on its family foundation – as a unit in which family values are directly translated into entrepreneurial management: "The company is run like a family," is Uwe Grothe's simple summary. Having grown into a third-generation business (founded by the grandfather, continued by the father, taken over by Uwe Grothe), the culture stands for direct contact, flat hierarchies, short paths and quick decisions. This proximity is tangible for employees: The presence of the management with daily rounds, regular direct discussions and an open ear for private matters also foster trust and identification.

The corporate culture is based on leadership on an even footing: Problems are addressed openly, errors are analysed and dealt with in a solution-oriented manner. Flexibility is lived and breathed: One example is the reorganisation of working hours and break times. Such solutions are implemented transparently within the framework of operational possibilities and compromises. The effect is reflected in the high level of satisfaction and commitment of the workforce as well as constant presence with customers thanks to a dedicated sales force. The basic attitude: Authenticity, customer proximity and employee-orientation are a clear market advantage. The management maxim is to lead the family business into the future successfully and enjoy the process. "Customers reward such reliability and consistency with an exceptional relationship of trust," says Uwe Grothe.

**"Customers reward reliability and consistency."**

**Integration and synergy in the new management team**

As a new addition, Ralf Borrman brings with him over 30 years of industry experience, predominantly in family businesses. He was particularly impressed by the clear structure, the short lines of communication and the respectful behaviour in the company. His start at Grothe is favoured by a long-standing, trusting relationship with the family and detailed previous knowledge as a former customer. "Grothe is not a black box for me, as I was also a customer for many years. I know the company and have always had respect for the organisation and structured way of working here," says Ralf Borrman.

The common ground with Uwe Grothe – shared goals and mindset – is the reliable engine for smooth cooperation.

Borrman's contribution is characterised by practical leadership principles: He sets priorities, shows presence, approaches every employee proactively and lives respectful communication in direct exchange. He mentions a specific challenge from his onboarding: the extensive set of figures with codes for around 350 different raw materials and numerous offsets (recipes) - a complex but manageable system. Strategically, the team constellation promises fresh ideas in surface finishing, supported by rapid implementation, structured organisation and management experience.

**Positioning in an industry rich in tradition**

Architectural ceramics have grown historically, are durable and therefore conservative - but at the same time innovative in terms of surface development and customer-defined product requirements. Grothe has positioned itself as a company keen to experiment and quick to implement, whereby the innovation dynamic is naturally determined by the raw material clay, but always in need of reassessment due to its natural fluctuations.

Grothe primarily supplies customised finishes. The company's own innovative impetus comes primarily from new surfaces and colours; product leadership lies with the customers whose wishes are implemented quickly and precisely. "We can't develop innovations completely on our own, instead we refine our customers' products according to their ideas," says Ralf Borrman.

On the market side, the company sees itself as one of the leading providers of ceramic surface finishing in the building ceramics sector. Following the reduction in capacity utilisation to around two thirds of potential annual output during the coronavirus crisis, the gradual recovery of demand has been successful. "We are able to produce up to 10,000 tonnes of ceramic colours per year." →



**Grothe is not a black box for me."**

# Grothe Management Board

## Strategic challenges: Sustainability and product safety

Climate neutrality is a key transformation task for the industry. The material conversion in ceramics requires considerable energy, traditionally from natural gas. Political targets in Germany are 2045, in Europe 2050 (with a tendency towards 2045). The brick and tile industry has drawn up a roadmap for climate-neutral production, a process in which Ralf Borrmann was likewise involved.

Grothe addresses the topic in its own company in a technology-neutral manner: Photovoltaics on the roof meet a large part of the company's own electricity requirements, which means that production is already "almost climate-neutral"; a life cycle assessment is to prove this in the coming weeks and months. The company also relies on secondary raw materials, which are incorporated into the recipes with a lower carbon footprint. Grothe is involved in the research community of the brick and tile industry in order to develop basic principles and innovations for further improvements.

The challenge remains to produce ceramic building materials by climate-neutral means in line with EU regulations, and to cover the high energy requirements for material conversion in the future with alternative forms of energy such as green electricity or hydrogen, instead of the traditional natural gas. How and whether this succeeds remains to be seen.

**"Product safety is the top priority at Grothe."**

The requirements placed on customers' products are very high due to official verification obligations and environmental protection requirements. Grothe reduces critical substances below relevant thresholds or eliminates them entirely.

## Future and location perspectives

Overall, Uwe Grothe and Ralf Borrmann are optimistic about the future. Strategically, the company operates in realistic five-year cycles due to economic volatility. One thing is certain in the medium to long term: Ceramics remain relevant as a building material; brick and roof tile factories will continue to exist. In terms of quantity, surface coatings are a small proportion of the base material, but they are essential in terms of function and design. Baked-on coatings are so durable and time-proven that there are hardly any alternatives.

The two managing directors came to a positive conclusion jointly:



**It is important that the durability of ceramic building materials takes centre stage."**



**As long as tiles are used on a roof and clinker bricks are used in facades, Grothe will also appear on the surface."**

