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A Model Approach

With a history stretching back more than a century, Dr Daniel Model reinvented the family business when he took over as CEO.

Images courtesy of Model Group

Dr Daniel Model isn't your typical CEO. He's the fourth generation of his family to run Model Group, a packaging company based in Switzerland. Daniel respects the history of the company while invigorating and growing it like no generation has done previously, and enjoys input from every employee who has an idea. And to top it off, he was also a top sportsman before he came into the family business, representing Switzerland at the World Curling Championships in the early 90s. "I was a top curler. If you don't know, curling is that strange game played on the ice, and my team was twice the Swiss champions," Daniel says, and you can hear the passion for the sport in his voice. "We

participated in the World Championships, but lost the semi-final. I only won one medal in the European Championships. It was 1991 when we won a bronze medal, and two months later I started working at Model Group. So I have this craziness of a sportsperson who is quite devoted to what he does. I would say passion is definitely an ingredient that you might find in Model Group, not only in myself as the CEO, but in the entire key management team."

The company, Daniel says, as well as the Model family, has a long and proud history in Switzerland, and when he became CEO, he took the opportunities arising in Europe to expand the business and grow it exponentially. "Model Group was founded in 1882 by

my great-grandfather. If you look back over the 133 years, it did not have a constant growth, but if you look at the political landscape in the twentieth century in Europe, you can see why."

Each generation has contributed to the company's development, but Daniel's main contribution was to use the opportunity of an unbelievable political event—the fall of the Berlin Wall—to expand the business east. "I'm happy to say that Model Group was probably the first company in our industry to set up a huge operation in the Czech Republic. That was the start of industry expansion within that country, that then led into the neighbouring countries of Poland, Croatia, and to the creation of one production facility in Germany." >



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Today, Model Group is in five countries and as Eastern Europe is still a growing market, this has brought about growth. “When I took over, we had around 1,300 people and now we have 3,300, so it is nice steady development without big interruption. What makes it difficult is the Swiss currency or the Euro currency issue. This has brought a new challenge for Model Group; we are really struggling in Switzerland and we are happy not to be in Switzerland alone as the country risk becomes quite specific. It’s good to have an international portfolio, not just a country portfolio.”

Daniel developed his own vision for expansion when he became CEO, and says while he appreciates the work past generations did for Model Group, ultimately he had new ideas and a new direction for the company. “The next generation is never the same. Different generations look at the world differently. So I must

admit that I didn’t look too long at my father’s way of doing business. I watched for a couple of weeks to find and define my own ways of leading. I am a different person and I actually did transform the business, which was at that time quite divisive, as my father didn’t want to leave Switzerland.”

Daniel believes that while some growth is quite natural, if his company wanted to expand further, then it would need to leave the country. “I used the opportunity in front of me, which was of course due to tremendous luck as well. I came into the company in 1991 and I was 31 at that time. The Berlin Wall came down in 1989 and I had the luck to buy a larger former state-owned company in the Czech Republic with the support of my father in 1992. With this acquisition, it increased our reach, and focused the whole group into the original paper-based packaging business. This

was quite a new direction and drive for the company, which forced us to get rid of the diversification. So because of this there was quite a difference between my father and myself running the company.”

Another change Daniel has made is to focus on innovation, and to enable this, the company formed very close relationships with partners. One of Model Group’s machinery suppliers in particular has worked very closely with Daniel when developing new products. “We have two machinery suppliers. One is called Bobst; the other company is BHS,” Daniel says. “Model Group is connected to these two suppliers with an extremely unusual relationship of trust. Now, this is very tough to achieve. It’s not easy to create trust—especially with new relationships—when we start a collaboration with a partner. And how it emerges and works, this is really a kind of a miracle.



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and their people have to help out and take feedback. Then they go back to their workshop and redo a part of it and then come back into the plant and try it all again. All of this, it needs patience, tolerance, but it works! It is amazing. So we are improving this machinery on a faster track than we thought.”

In the end, Daniel believes that Model Group’s expansion will continue thanks to its strategies in Europe, partnerships with suppliers, and Daniel’s approach to leadership. Ultimately, he thinks that having a family-owned company means that the culture is more open, better for employees, and encourages innovation, more so than traditional companies.

“I think Model Group benefits from the fact that we are a family company, and today that is highly appreciated by employees because they know who they are working for. I am a very engaged leader; I am all over the company. People know me, they see me in the canteen, and they have the chance to have personal interactions with the CEO. I am fully aware that this general status as a family company brings many benefits in this world that are sometimes lost today. I am really happy that we have that family culture.”

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