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Count Anton-Wolfgang von Faber-Castell

Faber-Castell AG

When Count Anton-Wolfgang von Faber-Castell took up his inheritance of the world's largest pencil empire in 1978, he became the eighth generation of a highly successful entrepreneurial dynasty. Initially, the former investment banker felt little desire to take on the task. But then he got down to the job with growing interest, using his entrepreneurial acumen to create a premium global brand that is now represented in more than 100 countries – with a range comprising more than 2,000 writing, drawing and creative design products for children, artists, professionals and lovers of high-quality writing implements. Throughout, he has been guided by the values of his ancestors.



“Well-run family companies are distinguished by sustainable values and human virtues such as diligence, modesty and sincerity.”

Count Anton-Wolfgang von Faber-Castell,
CEO, Faber-Castell AG



When Lothar von Faber handed his business interests over to his son Wilhelm in 1877, he also gave him important advice for his life and work. His aim should be: “to make himself ever more useful, to develop himself ever more effectively and to shape his life ever more aesthetically.” He should do everything that is “right, good and beautiful,” while safeguarding as the highest good the “individual liberty” of each and every worker, employee and representative of the company.

This fatherly guidance was essentially a set of instructions for managing his stationery business. In addition to constantly striving to improve products in accordance with the principle of “many small steps add up to one giant step,” Lothar von Faber aimed at pursuing “decent” entrepreneurship, encompassing virtues such as loyalty and social responsibility.

Following his ancestors’ values

Appreciating long-term employees and endeavoring to keep them on, even when times are tough: these are approaches characteristic of current company head Count Anton-Wolfgang von Faber-Castell. This approach helps to preserve valuable knowledge for the world’s largest manufacturer of wood-cased pencils and it secures the company’s long-term stability and continuity. “No matter how brilliant entrepreneurs are, they

cannot succeed on their own,” says the Count. “What is needed is a dedicated team that identifies wholeheartedly with the company, each of whose members sets aside their own desire to stand out in favor of shared objectives.”

For the Count, following his ancestors’ values also means not looking primarily for short-term successes, but rather fixing his sights on the long-term outlook. “We family entrepreneurs naturally find it easier to think in terms of generations and to see through projects whose fruits will not be reaped for perhaps decades, and only after setbacks. In a listed company, this attitude would have got me fired at least three times by now, especially in the days when shareholder value was the be-all and end-all, and the goal of short-term profit eclipsed any long-term considerations.” These days, the farsighted CEO is reaping considerable recognition for this stance. Fourteen production locations worldwide manufacture a range of more than 2,000 articles for drawing, writing and creative design. But the company continues to produce high-quality writing and drawing implements at its headquarters, near Nuremberg, in order to retain the necessary expertise in Germany. It is thanks to the head of the company that the brand is today synonymous with premium products worldwide. He has developed new market segments such as luxury writing products – the company’s successful Graf von Faber-

Castell Collection – and the firm’s cosmetics business, which produces wood- and plastic-cased cosmetic pencils for the global brands of the beauty industry. He often receives visits from journalists and representatives of foreign medium-sized businesses who want to know what it is about German family-run businesses like Faber-Castell that makes them so resilient in times of crisis.

Withstanding crisis and threats for over 250 years

Over a history spanning more than 250 years, Faber-Castell has seen its fair share of crises, including wars, hyperinflation and the expropriation of foreign locations. And in the time since the present head took sole charge of the company, there have been three major threats: the collapse of the slide rule business in the late 1970s, which had accounted for just under a third of revenue; the sudden drop in sales of manual technical

drawing instruments due to computer-aided design (CAD) in the late 1980s; and the burst of the dot-com bubble in the 1990s, which economically ruined many investors, including the company’s most important US customers. What saved Faber-Castell from going under in these crises was not a belief in revolutionary innovations, but rather a focus on core values and core competencies – in line with the philosophy of sticking to what you do best. “That sounds dull, but it’s a surprisingly simply recipe for success,” explains the Count. He also sees this confirmed by Warren Buffett, who recognized that the best investment activity is greeted by yawns rather than applause.

In the pencil sector, with its rich tradition, innovation is rarely a matter of paradigm shifts, but tends rather to be the result of a continual quest for enhancements. German medium-sized businesses, such as Faber-Castell, are characterized by their attention to detail and their perfectionist focus on improvement.



Anton-Wolfgang and his father Count Roland in 1968



The Count took up his inheritance of the pencil empire in 1978



The Count with his daughter Victoria in 1977



More than 10,000 hectares of former fallow land in Brazil have been recultivated with pine trees by Faber-Castell



The Count with his wife Countess Mary and their four children



Product packaging with family tree for the company's 150th anniversary in 1911

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Count Anton-Wolfgang von Faber-Castell

With their high standards of craftsmanship and their outstanding levels of technical achievement, they embody the “Made in Germany” seal of quality.

However, the Count is convinced that, if a brand is to survive, functionality and quality alone are no longer enough: each brand must create a world that customers will want to identify with. An increasingly important element of successful brands is their emotional link with customers. In this, if they choose to use it, family entrepreneurs have a crucial advantage: they can develop and communicate – both internally and externally – an authentic brand personality over many years.

Maintaining and updating traditional values

As the bearer of the company name, Count von Faber-Castell admittedly has it comparatively easy: “Since 1978, I have repeatedly had my photo taken in front of our family castle to convey our brand positioning visually. The impressive building represents both the historic and aristocratic aspects of the family tradition and, as a unique, recognizable feature, it symbolizes our brand. At the same time, this symbol is associated with the brand personality behind the company. But a brand ambassador also has to systematically implement the principles of brand management with determination, passion and missionary vigor – both within the company and externally. Otherwise, this kind of striking image runs the risk of becoming merely an empty shell.”

The Count, who has one son and three daughters, is not concerned with whether the next head of the company comes from within the family, so long as the family continues to exercise control and ensures that the strategic direction and, above all, the brand management remain unaffected. The important thing is that the company head continues, metaphorically speaking, to hold up and polish the brass plate of the brand by maintaining and updating traditional values.

The Count firmly believes that it is people that give brands their vitality and, ideally, their immortality. To create the world of this

brand and to not only meet the wishes of his customers, but to exceed them, is the aim of this indefatigable family entrepreneur. The head of the company is not considering retiring any time soon: “But when I reach 90, I will only work part-time,” he says with a smile. Until then, the successful entrepreneur intends to continue following his philosophy of making “ordinary” things, such as pencils, extraordinarily well.

Count Anton-Wolfgang von Faber-Castell

CEO

Company name:	Faber-Castell AG
Generation(s):	8th
Founded:	1761 in Stein, Germany
Industries:	Writing and drawing implements
Employees (2013):	7,500 worldwide
Turnover (2012/13):	€590.4m