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## Hanni Toosbuy Kasprzak and Dieter Kasprzak

ECCO Sko A/S

ECCO is one of the great family business entrepreneurial success stories. Started by Karl Toosbuy because he wanted the freedom to make his own shoes to fit the foot, ECCO is now a multi-million dollar business. Innovation at all levels has been at the heart of ECCO and has ensured that it has stayed top of shoemaking, one of the world's most competitive sectors. Now controlled by the second generation and run by the husband-and-wife team of Hanni and Dieter, ECCO is one of Scandinavia's greatest family businesses.

"It's crucial for me that the next generation understands what it is to be a good owner."

**Hanni Toosbuy Kasprzak,**  
Chairman of the Board,  
ECCO Sko A/S

Bredbro, a Danish town of just over 1,000 inhabitants, is not the first place you would image being the global headquarters of one of the world's best-known shoe brands. But anyone familiar with Scandinavian family businesses knows that small towns figure prominently with many of them. So too it is with shoemaker ECCO, which has been based in Bredbro, just north of the German border, since it began more than 50 years ago.

### Founded in Bredbro in 1963

Small Bredbro and big ECCO go hand in hand. The shoemaker is the town's biggest employer. Type in Bredbro into Google Images and many of the pictures that come up are linked with ECCO. Ask any Dane about Bredbro and the first thing they'll mention is ECCO.

The iconic connection goes back to 1963, when Karl Toosbuy, who was managing a shoe factory in Copenhagen, decided to strike out on his own, take over an empty factory in Bredbro and make shoes. So started the odyssey of one of the world's great shoemaking entrepreneurs.

As his daughter, and chairman of the business, Hanni Toosbuy Kasprzak recalls: "My father wasn't good at having a boss. He wanted to do things his own way. He also didn't want to base the business in or close to Copenhagen, partly because he felt the workforce would be more stable outside of the city. So he chose Bredbro."

### More than 15,000 sale points

ECCO may be based in the proverbial middle of nowhere in which great Scandinavian companies appear to flourish – Lego and IKEA also share small town roots – but it's by no means provincial. Its shoes are sold in 87 countries at 1,177 ECCO stores, 1,812 shop-in-shops and a total of 15,000 sales points across the world; it has shoe factories and leather tanneries in Asia and Europe; and it employs 18,500 people. Today, it is one of Scandinavia's most recognized business brands. This is no mean achievement in a region that has created more than its fair share of famous companies.

Karl Toosbuy's dream back when he started ECCO was to make a shoe that fit the foot, says Hanni. This philosophy still defines



Karl Toosbuy founded the business in 1963



Dieter: "Making shoes is a craft and for this you need people."



the company today and it is something the shoe industry certainly respects. Last year, for the second time, ECCO won the global shoemaker of the year award in Germany.

Toosbuy also pioneered ECCO's vertical production process, whereby it owns and manages every step of production – from cow to consumer. And its tanneries don't just turn out leather for its shoes. ECCO is also among the leading suppliers of leather to the fashion, sports and car industries. It has succeeded in doing this in one of the most competitive parts of the retail sector.

### Hanni started at an age of 21

"ECCO does not aim to be the biggest, but the best," says Dieter Kasprzak, CEO, and Hanni's husband.

"This requires us to stay ahead of the game on technology, products and people."

It helps to stay competitive by being a family business, says Hanni. "It means that we have the time and liberty to plan long term, but we can also quickly turn words into action if needed."

Hanni, the only child of Karl and her mother Birte, recalls her first memories of the business. "I had my daily visits to the

factory in Bredbro and often had my lunch in the canteen," she says. "Then, along with my mother (Birte was in charge of administration), started processing the checks from the orders."

Hanni, already immersed in the culture of the business, entered ECCO formally when her father asked her to work in quality control in the company's factory in India. She was only 21. "I spent more than a year there," she says. "Learning at the factory level is possibly the best way to understand a business."

### Dieter became an apprentice shoemaker in Germany

But it wasn't easy in those early years, recalls Hanni. "There was no knowledge of shoemaking in the area and it took years before things became easier and we worried less about the business failing."

In fact, it took more than 15 years before ECCO had its first real success when it launched the now-famous "Joke" shoe in the late 1970s. The shoe's success followed other shoe brand innovations, including "Free" and "Time." ECCO was among the first shoe companies to stamp the name and logo of the company on the soles – literally making ECCO able to leave footprints around the world. This has become an important design feature of the business and is now regular practice among many shoe brands.

Hanni continued to work in the business at various levels, eventually becoming Chairman of the Supervisory Board in 1996. She also met her husband at ECCO.

At a young age, Dieter Kasprzak became an apprentice shoemaker in Germany. In the following years, he went from shoemaker to shoe designer, working with several different shoe brands in Europe, before he became a freelance designer for ECCO.

While working for ECCO in India, Hanni met Dieter during her holiday in Denmark.

#### Hanni and Dieter have lived in Germany

In the late 1980s, Hanni and Dieter moved to Greven in Germany before the couple returned to Denmark to focus on ECCO. The two make a pretty powerful team in the world of shoemaking. But in Denmark, they shun the limelight. Those in Denmark's business community who know Hanni say that she has

succeeded not by being a tough businesswoman, but by being a soft businesswoman. As a prominent Danish businessman has said: "For her, it's about attitudes and values – and that is reflected back into the business."

Dieter has also been influential in the success of ECCO. Among a number of innovations he has inspired is the golf shoe with no spikes. The shoe gained worldwide popularity after being worn by golfing legend Fred Couples at the 2010 US Masters golf tournament.

#### Both children are professional athletes

The couple's two children, in their mid-20s, are both professional athletes. Daughter Anna represented Denmark in dressage at the London Olympics in 2012 and son André is a professional golfer. "They are both developing as people through their sport and have to find their own path," says Hanni. Nevertheless, she admits that she'd like at least one of them to work in the business.

Hanni and Dieter always acknowledge the importance of having good people around them at all levels. "Making shoes is a craft, and for this, you need people," says Dieter. "People are the most important resource at ECCO." But, as many families in business know well, it also means having top non-family managers. "Sometimes my position is very lonely, and you need someone other than family to bounce ideas off," says Hanni. That person, she says, is ECCO's Vice Chairman Karsten Borch, who has years of experience working for a number of Danish companies.

It is clear that ECCO has a strong set of principles to take it into the future, not least the importance the current generation of owners places on stewardship.

"It's crucial for me that the next generation understands what it is to be a good owner," says Hanni. "That's the overall task for us – to be good owners."



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ECCO is also among the leading suppliers of leather to the fashion, sports and car industries



The shoemaker employs 18,500 people worldwide

### Hanni Toosbuy Kasprzak / Dieter Kasprzak

Chairman of the Board / CEO

Company name:	<b>ECCO Sko A/S</b>
Generation(s):	<b>2nd</b>
Founded:	<b>1963</b>
Industries:	<b>Clothing, trade</b>
Employees (2013):	<b>18,500</b>
Revenue (2013):	<b>€1,130m</b>